

money Bills. There is no need to raise that issue on the present occasion, because the amendment to which the message refers is one of absolutely no importance. It was moved by Mr. Nicholson and provided that inter-departmental receipts should not be taxable. The Leader of the House informed us that it was not the departmental practice to tax such receipts. The amendment would apply to a receipt given by one department of a firm like Boans, to another department for goods which are to be sent out in one consignment to a customer. In such instances the department does not require a stamped receipt. Mr. Nicholson merely proposed to make that practice legal. In order to conserve the rights and privileges of this House regarding the pressing of amendments to money Bills in future, I propose to move an amendment.

Hon. A. Sanderson: Do you say we pressed such an amendment?

Hon. A. LOVEKIN: Yes, but the amendment I propose to move now will not further press it. I move—

That a message be transmitted to the Assembly in reply to its Message No. 56 that, having now been advised that the amendment suggested in Message No. 36 and pressed in Message No. 40, would merely legalise an already existing departmental practice, it sees no reason to further press its amendment.

Hon. A. SANDERSON: I am amazed that we should have ever sent along such an amendment, and I should like to know who was responsible for pressing it. If that is the kind of thing we are rushed into at the close of the session, it is all the more reason for insisting upon going slowly. It is a ridiculous position in which we find ourselves.

Hon. H. Stewart: It was Mr. Nicholson's amendment.

Hon. A. SANDERSON: In the absence of the hon. member, one does not wish to say too much. Possibly the best way out of this ridiculous position is to be found in the plain statement we have just heard. What nonsense to have pressed such a request on another place! Truly, we have been making ourselves ridiculous! At all events, I have the consolation of knowing I was not here at the time. Mr. Lovekin has given us a clear explanation of the position, but I protest against the raising of these important constitutional issues and so finding ourselves in an untenable position.

Amendment put and passed; and a Message accordingly returned to the Assembly.

House adjourned 11.25 p.m.

Legislative Assembly,

Tuesday, 10th January, 1922.

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The SPEAKER took the Chair at 4.30 p.m., and read prayers.

QUESTION—RAILWAY COAL.

Equitable Prices, Collic and Newcastle.

Mr. WILSON asked the Minister for Railways: 1, What is the equitable price of Collic coal in relation to Newcastle coal (at present prices operating to the Railway Department) on the basis laid down by the late Chief Mechanical Engineer (Mr. Hume) and the Woolnough Royal Commission's report (both separately) on all railways other than the Geraldton and Northern portion? 2, If the Railway Department have now a different basis of comparison from the Hume and Woolnough basis, what are the figures of that basis?

The MINISTER FOR RAILWAYS replied: 1 and 2, It is not practicable to fix an equitable price of Collic coal in relation to Newcastle coal on the basis laid down by the late Chief Mechanical Engineer and Woolnough Royal Commission report, because that basis was fixed at the time when Newcastle coal was extensively used, and thus contracts at satisfactory rates could be arranged. Now, however, the present Commissioner in accordance with the policy of the Government, uses almost exclusively Collic coal so long as it is obtainable, except in certain portions of the agricultural area, for a very short period of the year. The quantities used for twelve months ended 27th November last were—Newcastle, 9,066 tons, Collic, 234,733 tons. Any Newcastle coal obtained under these conditions, being in small quantities and at special periods of the year, must be at a relatively higher price. The department, therefore, has no occasion to use a basis of comparison. The equitable price of Collic coal being a national asset used for a national purpose, should be the cost of production, based on fair rates and conditions to those employed in the industry, and a fair margin of profit on the capital invested therein, irrespective of the price of Newcastle, Welsh, American, or any other coal.

BILL—INSPECTION OF MACHINERY.

Council's Message.

Message from the Council notifying that it insisted upon amendment No. 1 and that it proposed a new amendment as an alternative to No. 4 to which the Assembly had disagreed, now considered.

In Committee.

Mr. Stubbs in the Chair; the Minister for Mines in charge of the Bill.

No. 1. Clause 1.—Add the words "provided that such proclamation shall not issue before the first day of July, 1922":

The MINISTER FOR MINES: The short title provides that the Bill shall come into operation on a date to be fixed by proclamation. The amendment by the Legislative Council proposes that the date of such proclamation shall not be before the 1st July, 1922. I do not quite follow the purpose of the Legislative Council.

Mr. Munsie: The amendment prevents you from getting the inspectors out and collecting revenue this year.

The MINISTER FOR MINES: That may be the intention. If so, it does not matter much, because by the time the Act is assented to and the regulations and so on are fixed, there will be little time to collect revenue this year. In the circumstances, I move—

That the amendment be agreed to.

Question put and passed, the Council's amendment agreed to.

No. 2. Clause 4.—Add a paragraph to stand as (7):—Of any machinery driven by oil or petrol of which the power is less than eight horse-power. Alternative amendment of the Council to its original amendment No. 4:—of any machinery driven by an oil or petrol engine not exceeding six horse-power, and which is used exclusively by an agriculturist, pastoralist, or pearler in pursuit of his calling as such:

The MINISTER FOR MINES: The alternative amendment now proposed by the Council is much different from that suggested at the outset by the Upper House. It is only proposed to exempt a plant driven by an oil or petrol engine not exceeding six horse power and used only by the owner, not by labour engaged by the owner, in connection with his calling only. As the amendment is not serious enough to risk the loss of the measure, I move—

That the amendment be agreed to.

Question put and passed, the Council's amendment agreed to.

Resolutions reported, the report adopted, and a Message accordingly returned to the Council.

BILL—LAND AGENTS.

Council's Amendments.

Schedule of 15 amendments made by the Council, further considered from the 6th January.

In Committee.

Mr. Stubbs in the Chair; the Premier in charge of the Bill.

No. 4. Clause 5, Subclause (3).—Strike out "as on the fifteenth day of January then last passed." (Partly considered):

The PREMIER: If the words are omitted, the register can be printed whenever desired. The amendment is a good one; the public should know when any great changes are made. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 5. Clause 5, Subclause (4).—Strike out "on the said fifteenth day of January."

No. 6. Clause 5, Subclause (5).—Strike out "was not registered on the date aforesaid," and insert "is not registered."

No. 7. Clause 6, Subclause (2).—Strike out "subsections one and two of section four," and insert "section four (except as regards the payment of the license fee)."

On motions by the Premier, the foregoing amendments were agreed to.

No. 8. Clause 8.—After the word "land," in line two, insert "or in respect of rents collected by him."

The PREMIER: This proposal goes a little further than was contemplated originally, but I have no objection to it. I move—

That the amendment be agreed to.

The CHAIRMAN: Is it a valid amendment in a Lands Agents Bill?

The PREMIER: Yes.

Mr. Munsie: It relates to the application of trust moneys.

Question put and passed; the Council's amendment agreed to.

No. 9. Clause 8, Subclause (2).—Strike out the subclause, and insert "For every breach of this section: Penalty, fifty pounds."

The PREMIER: The clause already provides for a penalty not exceeding £50, and I do not think the Council's amendment will make any difference.

The Minister for Mines: It is governed by the Interpretation Act.

The PREMIER: I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 10. Clause 9, Subclause (2).—Strike out this subclause, and insert "For every breach of this section: Penalty, ten pounds."

On motion by the Premier the foregoing amendment was agreed to.

No. 11. Clause 12.—Strike out "on or after the first day of January," and insert "after the thirty-first day of March."

The PREMIER: This amendment is necessary because the Bill was not passed before the end of the year. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 12. Clause 13.—Strike out "on or after the first day of January," and insert "after the thirty-first day of March."

No. 13. Clause 13 in line four.—Strike out "is liable to a fine not exceeding fifty pounds," and insert "shall be guilty of an offence. Penalty, fifty pounds."

No. 14. Second Schedule, in line four.—Strike out "Five," and insert "Two."

No. 15. Third Schedule, in line three.—Strike out the words "any part of."

On motions by the Premier, the foregoing amendments were agreed to.

Resolutions reported, the report adopted, and a Message accordingly returned to the Council.

MOTION—PUBLIC SERVICE HOUSING.

Debate resumed from the 16th November on the following motion by Mr. MacCallum Smith:—

That a select committee be appointed to consider the housing of the Civil Service Departments in one central building.

The PREMIER (Hon. Sir James Mitchell—Northam) [4.57]: We all know that it would be desirable to have civil servants housed in one convenient building, as it would make for economy in the administration of the affairs of the country. There are many Government departments scattered over the city. We have the Works Department quite near to Parliament House and away down at the other end of Murray-street we have the Colonial Secretary's office. Again, we have one or two offices in Wellington-street. It would be very much more economical to run our departments if they were in one central place. This question has occupied the attention of every Government during the last 15 years, but to carry out this scheme would mean a very considerable sum of money. In the years to come, I have no doubt that the building now occupied in Barrack-street will become very valuable, and probably we will be able to get enough rent from it, if Parliament so desires, to pay for the erection of more suitable buildings. The Barrack-street block is splendidly constructed and is centrally situated, and although it is quite inconvenient for Government offices, it might be very useful for other purposes. It would be quite wrong to pull down such a building, because the land would not be sufficient in area to house the Government departments. I do not think members realise how much land would be required to house

our Government departments and to provide the storage and other things required. The member for North Perth is anxious that we should have an inquiry into the matter. It is a simple thing for the House to determine whether it is desirable that this accommodation should be provided, but it is important also that we should remember the financial position, and what money costs at the present time. The hon. member might well be satisfied if I tell him that during recess this matter can be gone into by departmental officers, and the House informed of the result later. Nothing can be gained by doing more than that now.

Hon. P. Collier: Has it not already been gone into?

The PREMIER: Yes, from time to time, but under totally different conditions.

Hon. T. Walker: Do you think we shall be a State long enough to require up to date public offices?

Mr. Lambert: Don't say that.

The PREMIER: The hon. member has asked a simple question. I assure him that we will be a State long after we have passed away and are forgotten. At least, I hope so and it is what the hon. member hopes as well.

Hon. T. Walker: I hope so too, but I dread the trend of things.

The PREMIER: Already the Government have put up offices which meet with requirements, and when the old post office and the adjacent buildings are handed back to the State on the completion of the new post office, we shall be fairly well provided with buildings, although those buildings may not be conveniently situated. The question to be decided is whether it is advisable to have this inquiry made except in the manner I have indicated. I do not think it is. It will be sufficient if we do as I suggest, and if the hon. member who moved the motion were here, I would ask him to withdraw it. I do not know that anything is to be gained by discussing the matter at any length at this stage. Any inquiry would have to be made by expert men, but the question of site, of course, would be determined by the House. I think, too, there should be some measure of decentralisation. Although we are federated, and although the Federal people have taken over some of the departments, we still have a great deal to do, though there are not so many departments as there were formerly. I cannot say when the old post office will be vacated, but I hope it will be within the next 12 months. The great question to be considered is the difficulty of supervision when the departments are so scattered, and when the officers of the service are housed in so many rooms, as is the case in the Lands Department where there are 50 or 60 rooms.

Mr. Lambert: Rabbit warrens.

The PREMIER: In these conditions, it is impossible for anyone at the head to watch things closely. However, these are details that can receive attention at a later stage.

Mr. LAMBERT (Coolgardie) [5.5]: I regret that other members have not spoken on this subject. Of course we know that the state of the finances will not allow us to embark upon any big building scheme. At the same time economies could be effected in every department, from the administrative and working costs point of view, if the Government formulated and carried out a scheme for centrally housing the Service. In the Lands Department there are a lot of small rooms, while at the old barracks, where the Minister for Works presides, the staff work in rabbit warrens. Every separate under-study is in one of these warrens, and he appears to require his own particular typist.

The Minister for Mines: Would not you?

Mr. LAMBERT: I am not referring to my own desires or inclinations in the least. I am dealing with a matter that should seriously exercise the mind of Parliament, whether we are going to allow separate departments to be dotted all over the city with a pool bah here and a pool bah there, with his own set of typists and a separate set of departmental machinery. The Premier would be well advised, irrespective of the present condition of the finances, to make £250,000 available for the purpose of commencing the undertaking in this direction. The member for Kanowna (Hon. T. Walker) apparently thinks that the Federal Government are going to absorb us. Possibly, if we show we are so lacking in our knowledge of the requirements of the administration of important departments, they may absorb us.

Hon. W. C. Angwin: I do not think that will make any difference.

Mr. LAMBERT: The one thing to be considered is that we have land available at the present time. Take the site of the present Observatory. There is no doubt that the Observatory is a function of the Federal Government, and we should no longer continue it as a State department. For the moment it certainly can be classed as a luxury, and while it may be fitting for us to have a national Observatory, it is not within the scope of the State finances to permit us to do so. The site on which the Observatory is built is an admirable one on which to make a commencement with a block of buildings.

Hon. T. Walker: It is too high up, too big a climb for the ordinary citizen.

Hon. W. C. Angwin: The officers would be on the verandahs all the time admiring the view.

Mr. LAMBERT: Take the position of the Federal Parliament House in Melbourne. That and the Government offices are situated at the top of Collins-street. No business man in the city could conduct his office in the manner in which the civil service is carried on. The existing state of affairs is not fair to Ministers or to the State. I regret that the Premier should have dealt with the matter in such a light and airy fashion, "The finances will not stand it; let things drift, and let civil servants remain in the

rabbit warrens with their own separate typists." That in effect is what the Premier says, but it is not the way to tackle a question of this description. If we had men like the present Under Treasurer, and probably one or two others, to advise us, men whom we could instruct to ascertain as far as possible what economies would be effected by a centrally situated block of buildings in which to house the whole of the administrative staff, something tangible might result. The Premier could then approach Parliament and ask for a first instalment of a quarter of a million.

Mr. Harrison: Are many offices being rented at the present time?

Mr. LAMBERT: I am not concerned about that.

The Minister for Works: We are not renting any offices.

Hon. W. C. Angwin: What about the Wheat Scheme in the A.M.P. buildings?

Mr. LAMBERT: The point is not whether we are or we are not renting offices.

Mr. SPEAKER: The point is whether a select committee shall be appointed.

Mr. LAMBERT: The question is whether we can save interest and sinking fund on the money necessary to be expended to give us housing accommodation for the whole service. I hope consideration will be given to the question on the lines I have indicated.

Hon. W. C. ANGWIN (North-East Fremantle) [5.15]: I am in accord with the Premier as regards our present public offices. Whether it is my misfortune or not I do not know, but I am unable, as the last speaker is able, to see that the Government can put their hands into any hole or corner and find half-a-million of money there. This question is one of finance. Moreover, except as regards one or two departments, the position is not so bad as it has been painted. The Labour Government prepared plans for, and actually started out to do, what is now proposed; but Parliament objected and the work had to be stopped. We could bring all our permanent departments under one roof, uniting them with the Auditor General's Department and with our banking institutions. Then practically all the work of the Public Service could be done in one set of offices.

The Minister for Works: That was proposed 25 years ago.

Hon. W. C. ANGWIN: When I was Minister for Works I had the necessary plans prepared, and cleared up the offices in Barrack-street, and actually started to dig a cellar at the rear with a view to the establishment of a strong room. However, opposition was raised, and the Government of the day could not secure the necessary funds. Still, the public offices are not so bad as the member for Coolgardie (Mr. Lambert) says they are. Every little office has not a typist of its own. In the Public Works Department, for instance, all the typists are together in one room, and if an officer wants to send a letter he obtains a typist from that

room. The State Sawmills have an arrangement of their own, and similarly in the case of other branches. Until we get hold of the present General Post Office site for the erection of new offices, it would be a hare-brained policy to embark on such a project. A new building would have to be erected; the old offices probably would not stand much alteration. However, the General Post Office building might perhaps be converted into large rooms. If we had the money available, I would say to start on the project right away; but we have to exercise care with regard to our finances. At the time the Labour Government embarked on their project, money was obtainable at four per cent.; and even then the matter was considered too expensive. At that time only the Agricultural Bank was occupying rented offices. The Minister for Works has reviewed the project; and, I suppose, as soon as another Ministry gets into power there will be another proposal for the erection of palatial offices. We grumble about the buildings in which the public servants are housed in Perth; but throughout the country public servants are to be found in iron shanties, and there is no complaint. The only real objection to the public offices in Perth is that the rooms are too small. Our principal consideration to-day is whether there is not additional cost involved through having the public offices split up into too many rooms. We should as soon as possible house in the General Post Office building as many of our departments as we can.

The Minister for Works: I think there is room for the whole lot of them there.

Hon. W. C. ANGWIN: The Public Health Department have splendid offices in Murray-street now, and there is no occasion whatever to shift that department. Throughout the country there is a strong feeling in favour of subdividing this State into small areas for public service purposes. Personally I am opposed to the division of the State into more parts than two.

Mr. SPEAKER: That matter hardly comes within the scope of the motion.

Mr. Harrison: A good deal of money has been spent recently in placing our public offices in a state of repair.

Hon. W. C. ANGWIN: As matters stand to-day, we should do wrong if we embarked upon the erection of palatial public offices. The Premier has got hold of the old cry about decentralisation. But, in the matter of public offices, there must be centralisation. Decentralisation is a principle which, unfortunately, finds no application among British communities. Every British community, throughout the world, has centralisation; and no remedy has yet been found for such centralisation.

Mr. O'Loughlen: Centralisation means too much wealth and power in the capitals.

Hon. W. C. ANGWIN: Even a man who has lived all his life in the country is glad to come and reside in the capital eventually. I trust the motion will be defeated. To ap-

point a select committee at this stage of the session would be ridiculous.

Mr. PICKERING (Sussex) [5.26]: No doubt a very considerable saving would result from consolidating our State offices and building them on an up-to-date system, much as the Minister for Works has done in connection with the Education and Mines Departments. Important improvements could be effected in the General Post Office building now occupied by the Commonwealth; and it is by no means improbable that, when the building is vacated by the Commonwealth, we could provide in it adequate accommodation for all our public departments. Presumably the Federal Government will leave that building for the new General Post Office at an early date, and I think the State Government should see that provision is made for the retention of a post office in St. George's terrace—a matter of importance for the business community of Perth. I hope the Minister for Works will inquire what can be done with the present General Post Office building.

Mr. SPEAKER: The Minister for Works will not have an opportunity of replying. The hon. member must confine himself to the question of the appointment of a select committee.

Hon. P. Collier: If we appointed a select committee now, they could deal with the matter to-morrow.

Mr. PICKERING: I do not think so.

Hon. P. Collier: All the information is available.

Mr. PICKERING: I regret that discussion of the motion has been so long delayed. Had the question been dealt with during an early stage of the session, good work might have been accomplished. The point I specially wish to make is the absolute necessity for seeing that adequate postal facilities are provided in St. George's terrace when the General Post Office is removed from its present site.

Mr. SAMPSON (Swan) [5.29]: The motion appears to have been somewhat lost sight of during the course of this debate. The suggestion is not that the work in question should be taken in hand immediately, but merely that a select committee should ascertain whether it is advisable and practicable and economical to proceed with the plan which the mover advocates. We know that at present the State public offices are littered all over the City. Indeed, it requires a good knowledge of the topography of Perth, and an alert attention, to keep in touch with the ever-changing locations of the various Government offices.

Hon. W. C. Angwin: There is only one thing we are short of.

Mr. SAMPSON: Yes; and I suppose there always will be throughout the world a shortage of money. It is not suggested that this work should be carried out now, but a committee could at least lay down a method by which the Government offices could be housed. I am not going to say that the American

system of one large room with glass partitions is the best. The most able men require certain privacy in which to carry out their work.

Mr. SPEAKER: That is a matter for the committee to go into. The question now is whether a committee be appointed.

Mr. SAMPSON: I hope the motion will be agreed to. The committee could be conducted without expense.

The Minister for Mines: Do you know it is costing 14s. a page for what you are saying now?

Mr. SAMPSON: I hope the motion will be agreed to.

On motion by the Minister for Mines, debate adjourned.

DISCHARGE OF ORDERS.

The PREMIER: I move—

That Orders of the Day Nos. 3, 6, and 7, Commonwealth Powers (Air Navigation) Bill, Permanent Reserve Bill (No. 3) and the Dredging License Bill, be discharged from the Notice Paper.

Mr. LAMBERT: I should like to know whether the Dredging License Bill is being discharged at the request of those people seeking the license.

The PREMIER: No, it is only because I do not propose to go any further with it this session.

Motion put and passed.

BILL—RAILWAY SIDING (NORTH FREMANTLE).

Returned from the Council without amendment.

MOTION—RAILWAYS, LEASE OF SECTION.

Responsibility of Commissioner.

Hon. P. COLLIER (Boulder) [5.36]: I move—

That this House is of opinion that the Commissioner of Railways, by his action in agreeing to lease a portion of the Government railways to the Kurrawang Firewood Company for a rental inadequate for the service to be rendered, has proved himself incompetent in his office and should be removed forthwith.

The leasing of the section of the Government railways between Coolgardie and Kurrawang was very fully discussed on the consideration of the Railway Estimates. At that time the file relating to the proposal was not on the Table, and consequently its contents were not known to members. Since that discussion the Premier has tabled the file, and upon examination of the file it appeared to me the Commissioner of Railways had acted in such a careless, casual manner that it was necessary for us to take some notice of it.

In submitting the motion, I am not actuated by any personal feelings against the Commissioner. I have known that gentleman for many years, since the time when I happened to be at the Railway Department, and I am simply moving the motion because I consider the Commissioner, by the manner in which he handled this question, and having regard for the responsible office he holds, was negligent of the public interest. So far as is disclosed by the file, the matter arose on the 14th October, 1921, in a minute from the Commissioner to the Chief Engineer of Way and Works as follows:—

Mr. W. N. Hedges came to see me this morning. His company proposes to run out a timber line south-west from Coolgardie somewhat parallel to the Coolgardie-Widgemooltha line but to westward thereof. He wants to run his firewood from Coolgardie to Kurrawang and thence to Kamballie with his own engine. To enable him to do this he wants to know whether this department can arrange to lease him the running rights over the southern of the two tracks which will be part of the line which will be disused and available for removal as already arranged. Mr. Hedges was not very clear as to the details of the scheme, nor, of course, could I give him any direct answer, but I said I would arrange for the district engineer, Kalgoorlie, to see Mr. Cleland or Mr. Leslie and go into the matter with them and see what the department could do, if anything, to facilitate the company's supply of firewood to the mines. A feature of the situation is that the continuance of mining operations depends to some extent upon the price of fuel, and for this reason it is incumbent upon the department to do anything within its power to keep that price as low as possible. I should be glad if you would instruct the district engineer, Kalgoorlie, to get in touch with either of the gentlemen named and to report on the proposition. Mr. Hedges is notifying them of our arrangement. The matter would be dealt with under Section 54 of the Government Railways Act.

That is how the matter opened. There is something peculiar about the minute. First of all the Commissioner says Mr. Hedges waited upon him and made a request to lease the railway from Coolgardie to Kurrawang, but was not very clear as to details. Anybody who knows Mr. Hedges will be much surprised to learn of that gentleman going to the Commissioner with a definite proposition and yet not being clear as to details. Actually there were no details to discuss. It was a question of leasing or refusing to lease a section of the line. There could be no details except, perhaps, the question of the rent, or of the charge to be made for the lease. Yet we are told Mr. Hedges was not very clear as to details. Another point: The Commissioner's minute is addressed to the Chief Engineer of Way and Works, and it asks that officer to instruct the district en-

gineer to report. The only thing the engineers could report upon would be the engineering aspect of the case. It seems extraordinary that the district engineer should be asked to report upon such a matter, because even a layman knows that if the Commissioner decided that it would be a good thing to lease the section of the line, there would be no engineering question about it.

The Minister for Works: The engineer would have to give his opinion as to the cost of maintenance.

Hon. P. COLLIER: There are no instructions as to what he is to report upon.

The Minister for Works: He would understand.

Hon. P. COLLIER: Yes, of course, but how would he understand? He had no knowledge of the conversation between Mr. Hedges and the Commissioner, no knowledge of what was in the mind of the Commissioner when he asked for a report. In the absence of definite instructions, the engineer would report exclusively on engineering matters.

Mr. Mann: Is it not considered dangerous on account of falling logs to have a wood line adjacent to passenger traffic?

Hon. P. COLLIER: There is a possibility of accidents, but I have never heard of any. The next page is really a précis from the Forestry Department's file, as follows—

Mr. Hedges writes Hon. Mr. Scaddan referring to conversation re wood line from Coolgardie into bush to south and south-west. No formal application could be made for permit until arrangements made re carriage of wood between Coolgardie and Kurrawang. An agreement could be arrived at which would benefit both Coolgardie and Kurrawang. A large number of the company's men are comfortably located there with good gardens and water laid on to their homes. Company's workshops could be used as at present. The new line would give Coolgardie a much needed lift towards prosperity.

21/9/21.—Mr. Hedges forwards a litho. to the Conservator of Forests showing the general direction of a proposed timber tramway south-west of Coolgardie, and makes application for a transfer of permits to the south and south-west Coolgardie where firewood is available.

22/9/21.—Hon. Mr. Scaddan asks Conservator of Forests if permit can be granted to cut in the area suggested as it is useless to discuss the leasing of one of the Government lines between Coolgardie and Kurrawang until it is decided to grant the bush in which to cut firewood.

3/10/21.—Conservator of Forests advises Hon. Mr. Scaddan that there is no objection from a forestry or legal standpoint to the granting of a permit to the company to operate over the country applied for. Mr. Hedges has already made a tentative application for the tramway permit which he proposes to confirm when

he has negotiated the leasing of the second line of the Government railways between Coolgardie and Kurrawang.

On the 17th November, 1921, the Minister for Railways minuted to the Commissioner and said—

In connection with the application I understand that Mr. Hedges is making on behalf of W.A. Goldfields Firewood Supply, in which I understand your department is interested, I submit these papers for your consideration. The Chief Engineer for Way and Works on 20th October, 1921, forwarded a copy of a report from the district engineer, and writes to the Commissioner as follows:—

Yours of 14th inst.—I forward herewith copy of report from the district engineer at Kalgoorlie on above proposal. Should this be agreed to the proposed alterations at Coolgardie and Kurrawang stations will require to be amended. It will also be necessary for us to maintain the "up" road, for which I presume Mr. Hedges would pay.

He presumed wrongly.

In any agreement arrived at provision should be made for the loss on the value of the rails, fastenings, and sleepers that would otherwise be removed for use elsewhere. This would approximate as follows: Coolgardie to Kurrawang, about 15 miles, 15 miles rails and fastenings, at market price, £27,420, sleepers 15 miles at 2112 p.m.—31,680 at 5s., £7,820, total £35,340.

The district engineer deals purely with engineering questions which would be involved in making the necessary alterations at the Coolgardie and at the Kurrawang junction. On page 2 of this report the Commissioner makes a memorandum. He works out the tonnage in which he shows that for 1918-19 the tonnage carried, that is firewood ex Kurrawang, was 177,581 tons, for 1919-20 119,566 tons, and 1920-21 145,614. He works out the average at 147,587 tons per annum. At this early stage in the proceedings the Commissioner, after working out the average, assumes an average of 100,000 tons per annum over the Coolgardie-Kurrawang section. I cannot read Mr. Pope's handwriting, but it appears that he points out that they will get a certain return for nothing at all. He has shown by his own figures that the average for the three years was 147,000 tons, but he assumes, for the purpose of calculating the charge, a tonnage of 100,000 tons.

The Minister for Works: He would still have to get some firewood from the old line.

Hon. P. COLLIER: How did the Commissioner know anything about that? The intention of the company may have been to get nothing from the old line but to draw the whole of the supplies from the new area.

The Minister for Mines: They could not do that all at once.

Hon. P. COLLIER: Pulling up the length of line and putting it down elsewhere a dis-

tance of 25 miles would not take long at the rate of half a mile a day, and a distance of 25 miles would take them to the new forest.

The Minister for Mines: They would have to get spur lines.

Hon. P. COLLIER: Not at the beginning. If they got into the new bush they could operate the new line without having many spurs.

The Minister for Works: They would have 2,500 tons of rails to pull up as well as all the sleepers.

Hon. P. COLLIER: The Minister is not the only one who knows all about railways or railway construction. On the 21st of October 1921 the Commissioner writes the following memorandum—

1. The connection at Coolgardie can be made—certain works are necessary for which the company should pay. 2. The lease would be for running rights over about 15 miles 30 chains of track. The lease must give the company exclusive rights. 3. The present value of the rails, fastenings and sleepers, material only—would be about £36,000. At £1,500 per mile the track would cost £22,500. The present market price of 45lb. rails and fastenings is £1,400 per mile at port. Of course, the company might be going to simply transfer track of their own from their bush lines which they could do probably for say £750 per mile—say £12,000 for the 15 miles. Fifteen per cent. on £12,000 equals £1,800 per annum and company still owns the track. 4. The department is getting nothing out of this section of track at present, and not likely to. 5. I think we should ask a lump sum by way of rent to include maintenance and working costs at Coolgardie, to start the proposition we might ask 10 per cent. on £36,000, equal to £3,600 per annum, equal to 6 per cent. interest, 4 per cent. depreciation and throw in cost of maintenance. Whatever is asked, the company is certain to demur at it and seek reduction. If ultimately we can get £2,000 per annum from the section, I think (in view of paragraph 4), we shall be doing very well.

Is that a worthy minute for a man holding a responsible position as the Commissioner of Railways to write? He begins by saying he would start the proposition by asking £3,600 a year, before he could have any knowledge, according to the file, as to what the company would be willing to pay. Further, he had already decided to accept £2,000. He came down more than 75 per cent. Is that the proper method of doing business to start off in a huxtering style and ask £3,600 and at the same time say one is willing to accept £2,000? The Commissioner could have no knowledge whatever as to what attitude the company would adopt towards the former proposition. It seems to me a pettifoggish and huxtering way of doing business on the part of the Commissioner. On the 22nd October, following the minute I have just read,

the Commissioner writes as follows to Mr. Hedges:—

1. With reference to your call at this office on the 14th instant relative to your proposal to run a timber line south-west from Coolgardie, I have to inform you that a connection could be given to the Government system off what is known as the chaff siding at Coolgardie. This would entail certain work within the railway reserve at Coolgardie and Kurrawang, which could be carried out by the department, but at your expense. The work outside the railway boundary would be a matter for you to arrange yourself. 2. In regard to the running rights over the southern line between Coolgardie and Kurrawang, a distance of 15 miles 30 chains, a lease of this line, giving your company the exclusive rights, could be granted at a rental of £3,600 per annum, which would include maintenance of the line and working costs at Coolgardie. The term of the lease would be three years, as this is the maximum time allowed under the Government Railways Act for a lease of this nature. 3. If you will be good enough to let me know that these terms are acceptable, instructions will be given for estimates to be prepared in connection with the work required within the railway boundaries at Coolgardie and Kurrawang.

There is a minute from the Commissioner to his engineer on the 14th October. The matter is then dealt with by the different officers. On the 22nd October, eight days after, the Commissioner writes to Mr. Hedges making certain proposals and setting out what he is prepared to lease the line for. Up to this stage, for 18 days, there is no application in writing on the file for the lease of the line. Is that the way the Commissioner does business? He receives a man in his office and starts making a verbal proposal to lease the line. He then commences a correspondence asking for reports from the engineers concerned. He sets out the terms and conditions of the lease, but up to this time there is no written application on the file for a lease of the line. The first communication we have from Mr. Hedges on the subject is dated the 25th October, and that is in reply to the Commissioner's letter.

The Minister for Works: He discussed it in his office.

Hon. P. COLLIER: Is that the way one does business? Would not the Commissioner be expected to tell him to put his proposal in writing, when the whole matter would be gone into? The Commissioner himself says that Mr. Hedges was not clear as to the details. The Commissioner could not well know what Mr. Hedges' desires were. He carries on the correspondence to the point of making an offer to Mr. Hedges at a certain rate, although there was not a scrap of paper on the file showing an application for the lease. There is not even a letter from Mr. Hedges saying he wants the lease. The

only letters from him on the file are by way of replies from the Commissioner. He should have been asked to put his proposals in writing, stating what he required and told that the matter would then be proceeded with.

Mr. Underwood: He might put up your proposals.

Hon. P. COLLIER: The man who is making the proposal should put it in writing. Up to this stage the Commissioner shows a lamentable lack of business method in dealing with questions. If he does business in this way I am not surprised that we have a loss.

The Minister for Works: Is there anything about £1,500 a year for maintenance?

Hon. P. COLLIER: The Commissioner put up a definite proposal showing he was willing to lease the section for £3,600 a year, but at that time there was no application in writing on the file from Mr. Hedges. Mr. Hedges wrote to the Commissioner on the 25th October as follows:—

I am in receipt of yours of the 22nd instant re connection with Government system at Coolgardie, and have to thank you for your prompt reply to my inquiry. Re No. 1, I am under the impression that when the details of the actual work to be done are gone into, it will be found that the work required to be done by the department will be very little, and could be very easily defined with your engineer on the spot. Regarding No. 2, in regard to running rights over the line between Kurrawang and Coolgardie, there is only one thing standing in the way, and that is the rental proposal, £3,600 per annum. The requirements of mines are now declining as the output decreases, while our overhead charges have increased in every way, although economy has been practised to the utmost, so far as efficiency will allow. Valuing the 15 miles at, say, £1,000 per mile as it lays ready to be pulled up—

He does not place any extravagant value on the railway—

I would be prepared to pay 10 per cent. on that amount (£1,500) per annum, payments monthly, and to maintain the line in good running order (ordinary wear and tear excepted). The gain to the department will be considerable as soon as work starts, as new life will be put into Coolgardie, business generally must increase without the slightest expense to the Government, and your department would be receiving interest on what is now a non-paying length of railway. The mines will have an assured supply of timber for many years to come at a reasonable rate, which will allow further developmental work to be proceeded with, which will also be in the interests of the State generally.

The letter is signed by W. N. Hedges and is dated the 25th October, 1921.

Mr. Teesdale: He knew about the details then.

Hon. P. COLLIER: That is quite correct. Mr. Hedges knew the details, for he said the whole offer was satisfactory, except as regards price. The offer he made in this letter was actually better than that which the Commissioner ultimately accepted. He offered to pay a rental of £1,500 per year and to maintain the line. The Commissioner declined that offer and, on the following day, the 26th October, he wrote to Mr. Hedges as follows:—

In reply to your letter of the 25th inst., relative to your proposed timber line from Coolgardie, I have to inform you that I regret I cannot recommend a rental of £1,500 a year for the running rights between Coolgardie and Kurrawang as this is not sufficient compensation for the physical value of the property proposed to be leased. The valuation of £1,000 per mile is altogether too low, as at market rates, the value of the rails and fastenings would be £27,420, and of the sleepers, £7,920, making a total exceeding £35,000, and it was at 10 per cent. on that amount, on which my offer of £3,600 per annum was based. I am quite prepared to admit that material of this value may not be required for your purposes, but I cannot think that in any case, you could put down a track sufficient to bridge the gap between Coolgardie and Kurrawang at any sum which would represent a rental charge of less than £2,000, and in order to come to an absolute bedrock, with a view to facilitating your business, and taking into consideration the facts you mention as to the revival of Coolgardie, and the assurance of a timber supply to the mines, I would be prepared to deal with you on a basis of £2,000 per annum, your company to carry out the maintenance of the track within the railway boundaries to the satisfaction of the Chief Engineer for Ways and Works.

He spoke about £2,000 as rent and the company were to carry out the maintenance of the line. The Commissioner must be an unsophisticated individual! Fancy paying any attention to the statements about the revival of Coolgardie! There would be two trains every day, coming from 25 miles out in the bush and simply running through Coolgardie on the way to Kalgoorlie. Yet the Commissioner was impressed by the suggestion that the running of the trains through Coolgardie might lead to a great revival at that centre! It would not result in another bob being spent in Coolgardie. It might lead to some revival in Coolgardie if the woodcutters were permitted to draw their stores from the business people in that township. We know, however, that they are not allowed to do so but that they have to get their stores from the company. The Commissioner must have been very unsophisticated if he could swallow the yarn about the wonderful revival ahead of Coolgardie because two trains were to run through the town.

Mr. Davies: They might stop on the return journey.

Hon. P. COLLIER: Yes, for a drink.

Mr. O'Loughlin: No, the company have a gallon license and supply the men.

Hon. P. COLLIER: Yes, they do that too.

The Minister for Mines: You know that the men would not work unless they were provided with those conveniences.

Hon. P. COLLIER: I am not complaining about that; but I am wondering where the wonderful revival in connection with Coolgardie is to come in.

The Minister for Mines: Unfortunately there would be a revival at Coolgardie if only ten more goats were taken there.

Hon. P. COLLIER: Mr. Hedges offered to take the line over at a rental of £2,000 per year, the company to maintain the line. Mr. Hedges knew all about the details, because in reply on the 26th October he wrote as follows:—

I am in receipt of your letter of even date—He did not lose any time in replying to the Commissioner's letter—

and note that you consider my previous offer of £1,500 per annum too low, and that you are prepared to deal on a basis of £2,000 per annum, my company to carry out maintenance. I would be glad if you would reconsider the maintenance item, as your men have to work along your track and could quite easily attend to the little maintenance required by our limited running. I would be prepared to pay the £2,000 per annum, if you will take on the maintenance.

Mr. Teesdale: The men, so to speak, could put in their spare time at it.

Hon. P. COLLIER: Evidently that paragraph impressed the Commissioner of Railways.

The Minister for Mines: It must be remembered that that particular line is maintained in a condition to run an express train over it, and no wood line is maintained in anything like such a condition.

Hon. P. COLLIER: That may be so, but the wood lines require constant attention.

The Minister for Mines: No.

Hon. P. COLLIER: The Minister surely will not say that he could leave any section of the line for weeks or months without attention!

The Minister for Mines: They could be left with a very limited amount of attention.

Mr. Davies: They would only get very limited attention for an expenditure of £500 per annum.

Hon. P. COLLIER: The cost of keeping two men to look after the repair work would run into £500 per annum, and surely no one could argue that any 15-mile section of our railways could be kept in much repair through the efforts of two maintenance men.

Mr. O'Loughlin: What would happen if a thunderstorm was experienced and some culverts were washed away?

Hon. P. COLLIER: Mr. Hedges said he would pay £2,000 per year as rental, the Commissioner to do the maintenance work. On the next day, the 27th October, the Commissioner wrote—

... After further consideration, I agree to a rental of £2,000 per annum for the running rights over the southern line of railway be-

tween Coolgardie and Kurrawang, the maintenance of same to be undertaken by and at the expense of this department.

That was the final decision of the Commissioner. While apparently maintaining the pretence in his correspondence that he was endeavouring to get the larger amount for rental, in view of the minute appearing earlier in the file in which he had decided to accept £2,000, the position must be clear to everyone that his attitude was that of mere pretence.

Mr. O'Loughlin: Do you think Hedges was acquainted with the contents of the first minute?

Hon. P. COLLIER: It is quite possible. We know how information leaks out and if the Commissioner had made up his mind to accept £2,000, he was very injudicious in placing that fact on record. At the very commencement of the negotiations, however, that appears on the file. Eventually Mr. Hedges got his whole way in the matter and the Commissioner yielded right along the line. I consider that the rental agreed upon by the Commissioner was outrageous. He talks piffing nonsense on the file about the facilities offering for cheap wood supplies to keep the mines going. The Commissioner did not know that that was the position. There is no information on the file to show whether the company was in the position to pay £2,000 or £10,000. There is no information disclosed except, so far as Mr. Hedges may have conveyed certain information to the Commissioner when that memorable interview took place between them. We do know, however, that by this concession the company are relieved of the haulage of wood over 46 miles. They were hauling wood for a distance of 86 miles on the old wood line, and by transferring 25 miles South to Coolgardie, and travelling over the 15 miles of the section under discussion, the company could proceed over a distance of 40 miles, as against the 86 miles, representing a total haulage of 46 miles saved to the company. Assuming that it costs the company 1d. per ton per mile—we do not know what it would cost, because there is no information on that point disclosed on the file—

The Minister for Mines: It could not possibly cost the company that.

Hon. P. COLLIER: I do not know about that.

The Minister for Mines: In the first place, the company's capital cost is nothing in comparison with that borne by the Government.

Hon. P. COLLIER: I know that the department charge 2d. per ton per mile, but it was suggested the other day that the department made no profit out of the haulage of firewood at that rate. Surely it does not cost the department more than double that which it would cost the company. They have to pay the same wages and less running costs. There are good reasons why it costs the department more than the company to run their railways, but allowing for all that, it is surely a fair thing to assume that it would cost the company 1d. per ton per mile. The file shows that the officers had no information as to what the cost would be to the company, but assuming that it cost 1d. per ton per mile, the company would be relieved of an annual charge in respect of the haulage over the extra 46 miles of £28,000 in round figures. The advantage, if the company were to be

charged the usual haulage rate—this is where the Commissioner failed in that he did not put up the proposal to the company that they should haul the firewood over the Government railways in the ordinary way and pay the usual rates—would have been clear. If the company could have subsequently shown that they were not able to supply firewood to the mines at the contract price by the adoption of such a proposal, the matter could have been reviewed, but it was for the company to demonstrate first that they could not afford to pay those rates. The Commissioner swallowed the proposal straight away. Mr. Hedges, apparently, told him a lot of balderdash about what the company could or could not pay and the Commissioner seems to have swallowed it all. The Commissioner has a responsibility to see that the public interests are protected and it should have been for him to put up a proposal that the company should pay the usual haulage rate on the wood taken over the Government line. If the company showed that those rates could not be paid, then the Commissioner and the Government might have been justified in making a concession to the company enabling the supply of firewood to the mines to be kept up. The company should have paid the ordinary rate of 2s. 8d. per ton, less 5d. because the company used their own trucks, making a net charge of 2s. 3d. per ton. If they had paid those rates, they would still have saved the extra haulage over 46 miles of line in the bush. The fact that they would have been relieved of haulage over that distance would have more than compensated the company for the amount paid on such a basis. The Commissioner, however, took no steps to inform himself on that point. I have worked out the figures on the basis of 147,000 tons of firewood hauled per year, and on that basis the saving to the company would be something in the vicinity of £10,000 annually. Where a company obtain a concession of that nature, we find that the Commissioner does not ask for such a charge as will cover the cost of interest and depreciation.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. P. COLLIER: I desire to show what this concession means to the woodline company. Had the Commissioner taken the course which I contend he should have taken in the circumstances, even if other concessions were made later on, he should have submitted to the company that he would haul the wood over the 15 miles of Government line at the ordinary rates. Had that been done and assuming that the tonnage annually were equal to the average of the last three years, namely, 147,000 tons, and allowing the rate of 2s. 8d. a ton less 5d., because of the wood being hauled in the company's own trucks, this would have meant 2s. 3d., or a total to the company of £16,500 a year. Instead of doing that the company will pay £2,000 a year rental, plus of course the cost of hauling to the company. If we assume that the cost is 1d. per ton per mile over the 15 miles, that would be £9,000, so that the company would make a saving of the difference between £9,000 and £16,500. It has been said that the cost of 1d. per ton to the company is excessive.

If we assume that the cost to the company be only 1d. a ton, then it means that the concession is all the more valuable to the company. If now in addition to the £2,000 a year rental which the company will pay their hauling cost is 1d. per ton per mile over the 15 miles, it would amount to £4,500 plus the £2,000, a total of £6,500. Therefore, the concession that the company have obtained means the difference between the £6,500 and £16,500; in other words a concession of £10,000 per annum. It may be said that the company could not afford to pay the usual rates and that the price of wood to the mines would be increased. It was the bounden duty of the Commissioner to satisfy himself on these points first of all. Charged as he is with the control of the railways, and with the responsibility of doing his best in the interests of the railways, it was his duty, before making this extraordinary concession, to satisfy himself as to whether the company could pay the ordinary rates. On the figures, I say that the company could pay the ordinary rates and still not be at any greater expenditure than in the past. This would be so, because the company would save a haulage of 46 miles on every ton of wood. Assuming that the cost was 1d. per ton per mile this would mean an annual saving of £28,000, or at 1d. per ton per mile, a saving of £14,000. Whichever way one examines the figures, he finds that the company by this concession will make a profit as against their operations of the past year of anything from £8,000 to £10,000. Having regard to the financial position of the railway system, is any Government officer justified in granting such a concession involving to the department a loss which at the same time means a profit of £8,000 to £10,000 to the company? It is idle for the Commissioner to talk about assisting the industry and to talk about the price of firewood to the mines and all the rest of it. Quite a lot of quibbling explanations have been put up, but the hard cold fact remains, that the Commissioner has made a deal which involves the State in a loss of anything up to £1,500 a year and means a net gain to the company, over and above their operations of last year, of £8,000 to £10,000. On the figures, this is demonstrated quite clearly. There is a précis on the file, which amounts to a defence, put forward by the Commissioner. He said:—

The proposal was a good one from the railway point of view, because it would give revenue from this section which was earning absolutely nothing and had no prospect of producing revenue.

He thought it better to get £2,000 from this section, even if it did not cover all costs, than to be earning nothing at all. That is a very plausible explanation, but there was no need to allow the railway to remain idle and earn nothing. It was contemplated by the Government that the line should be pulled up and utilised elsewhere, where it would be earning something. If there was no alternative to allowing the rails to remain there idle, there might have been something in this contention, but there were several different parts of the State waiting for rails for lines which it is contended would be payable, so that the road could have been lifted

and made profitable elsewhere. Another paragraph states:—

If the department declined, it would be open for the company to transfer 15 miles of its own track to connect Kurrawang with Coolgardie, the expense of which transfer would have to be borne by the mines, through costs for firewood. It is the policy of the department to give any legitimate assistance to the mining industry, such as facility for economical firewood supply, as the Railway Department gets indirect returns from other mining traffic and traffic of those engaged in the industry.

The Commissioner does not understand the situation. It would not have been open to the company to make a connection without the consent of the Government. If the Government decided that the company should pay the ordinary rates over this 15-mile section, naturally they would decline any request by the company for permission to construct a line from Kurrawang to Coolgardie, so that argument falls to the ground. With regard to the Commissioner's statement that the expense of the transfer would have to be borne by the mines, how does the Commissioner know this? Does he know anything about the terms and conditions under which the company supply firewood? There is nothing in the file to show that he does. There is nothing in the file to show that the mines would have to bear the increased cost by saving a haulage of 46 miles, a saving representing practically £28,000 a year. The company would have been in a position to incur increased expenditure without being under the necessity of passing it on to the mines. The Commissioner, for the purpose of his own argument, assumes without any evidence at all that the wood company were working at absolute bedrock, and that any increase in the burden would have to be passed on to the mines. While that might have been so in the past, having regard to the saving of mileage, the company could well have incurred the additional expenditure of £3,000 to £10,000 without being under the necessity of passing it on to the mines.

Mr. Lutey: I suppose he would give the mining companies the benefit of the saving?

Hon. P. COLLIER: It ought to cut both ways. If he was anxious to assist the mines, he should have stipulated that any concession to the company should have gone to benefit the mines by a reduction in the price of firewood. There was no such stipulation. The gain goes to the firewood company. Again the Commissioner says:—

Such a lease as that proposed was contemplated by Section 64 of the Government Railways Act, 1904. There was every reason for granting it and no reason for refusing it. It would have been absurd for the department to be pulling up this section of track and for the company to be simultaneously laying down a track of its own alongside it, the expense of which would fall on the mining industry. It remained to consider the terms.

The Commissioner of Railways above all persons should know that this track could have been pulled up, and it would not have been necessary to lay down any other track. Under this agreement we have lying idle 15 miles of railway with rails, fastenings, and sleepers estimated to be

worth £36,000, which are entirely unnecessary, because one line is more than sufficient to carry Government traffic and any wood the company might haul over it as well. The traffic on the line during the next 12 months will not be more than seven trains per day and one line alone is capable of taking 24 trains per day, an average of one per hour. One line is sufficient for all the requirements: yet under this agreement the Commissioner has tied down a section of 15 miles, worth £36,000! He is retaining two sections of line to do work which is insufficient to employ one section for half its time. The whole of the traffic on that line, even allowing for the company's tonnage of 147,000 tons per year, equal to about two trains each way per day plus an equal number for the Government, could easily have been carried over the one section. Ask any railway man whether it is not quite an easy matter to run 24 trains in 24 hours on one such single section.

Mr. Stubbs: Has the agreement been ratified?

Hon. P. COLLIER: I do not know. It would have been very much better for the Government to have made a suitable reduction in the ordinary rates. Instead of charging 2s. 3d. per ton, if it was found that the company could not pay that without increasing the cost of the wood to the mines, it would have been better and more satisfactory to have said to the company, "Work out what is the capital cost to the department of hauling over the 15-mile section," and then fix a rate at the actual cost. By so doing it would have been competent for the Government to handle all their own traffic and the wood line traffic, and then remove the 15 miles of rails to somewhere else, where they might have been required. The Commissioner goes on to say this—

A toll on a tonnage basis might have been made the basis of the lease. This would have necessitated delays and expense for weighing, etc., and the revenue would have declined if the quantity of firewood had declined. It was considered better to make a fixed rent. All the firewood would be hauled by the company's engines on the company's trucks. No expense for way-billing or accounting of any sort would come on the department under this system. It was calculated that probably in the vicinity of 100,000 tons per annum would be hauled over the section. On this basis £2,000 would give 4s. 8d. per ton toll—equal to 32d. (one-third of a penny) per ton per mile by way of toll. This was considered a reasonable charge for the simple use of a piece of track which it was proposed to pull up.

Let us examine that argument. He assumes there were only 100,000 tons per annum to be hauled, although earlier in the file the calculation is on a basis of 147,000 tons, which was the correct basis. The Commissioner had no justification for assuming that there would be a lesser quantity of wood required in the next 12 months than was supplied in the preceding year. As a matter of fact there was good warrant for assuming that the quantity would be greater than the previous year's tonnage by a considerable extent. But to make it appear that the concession is not so great as it actually is, he says this—

It is calculated that probably in the vicinity of 100,000 tons per annum would be hauled over this section.

No such thing was calculated. It was calculated that there would be 147,000 tons, and it is idle for the Commissioner to work in the lesser quantity. Then he says that one-third of a penny per ton per mile by way of toll he considers a reasonable charge. And he goes on to say—

It may be said that freight should have been charged over the section instead of a lease being granted. Apart from this being opposed to the spirit of the Government Railways Act, which specifically provides for lease of running rights in such a case as this, . . .

Does the Minister understand what the Commissioner means there? He says—

Apart from this being opposed to the spirit of the Railways Act, it specifically provides— It does not specifically provide, and I fail to see that it is opposed to the spirit of the Government Railways Act to charge freight in the ordinary way. The Commissioner says—

The operations of the company at Coolgardie will give a filip to that town which is badly needed.

The Minister for Mines: You would not attempt to controvert that.

Hon. P. COLLIER: Mr. Hedges must have been most eloquent and convincing when he was pleading that point in the famous interview he had with the Commissioner. Fancy pleading the wonderful prosperity that would accrue to Coolgardie from Mr. Hedges' trains running through it twice a day! And listen to this too! And this from a £2,000 a year man! How hard-pressed he must have been for an argument when he wrote this—

It will be to the advantage of the gold-fields and State for visitors passing to and from the Eastern States to witness some activity going on at Coolgardie and on the railway between there and Kalgoorlie.

Imagine the delight of Interstate visitors travelling east or travelling west, on arriving at that 15-mile section between Coolgardie and Kurrawang, putting their heads out of the carriage windows and seeing a train load of firewood passing through, and then only two train loads a day! The Commissioner would have to compel Mr. Hedges to see that those train loads of wood were moving along that section when the express was passing through.

Mr. Lambert: Don't be too hard.

Hon. P. COLLIER: Did you ever hear a sensible man putting up such a ridiculous argument?

Mr. MacCallum Smith: And fancy the Tourist Bureau not mentioning anything about this!

Hon. P. COLLIER: The Tourist Bureau have been very negligent in this respect. We should get a few photographs of these wood trains, have them enlarged and place them in the Interstate express. At any rate these photographs would be much more impressive than looking out of the window at a firewood train on a hot summer evening.

Mr. Lutey: And the passengers getting a few firewood sparks in their eyes.

Hon. P. COLLIER: The Minister could not have thought of this point when he agreed to grant the company the right to construct a line from Kurrawang to the mines. I want to call attention to the extraordinary way in which the Commissioner of Railways conducted this business. He accepts the verbal application made in his office. He did not ask the applicant to put anything into writing. There is no request on the file of what Mr. Hedges wanted. There is no application for a lease of the section or anything about the conditions he offers. He commences the proceedings in a verbal way and carries on the business in a lackadaisical and slipshod fashion. It is worthy of note, too, that the Commissioner did not ask any of his traffic officers to report upon this matter. One would have thought that he would have asked the Chief Traffic Manager to report on it. It was not an engineering matter; that would be well known to everybody. It was purely a traffic matter. But no traffic officials were asked to investigate it, to supply details as to the tonnage likely to be carried over the section, as to the price charged, or as to the profit or loss that would be incurred by the department. There are 101 different points that the Commissioner should have been informed upon and on which he should have obtained the advice of his officers. But nowhere is it shown that he consulted anybody. Then, when the Minister was asked questions in this House, I take it that the answers which were given were supplied by the Commissioner. It was asked what was the estimated tonnage that would be hauled over this section, and the Commissioner absolutely evaded the question. I say that he deliberately flouted the House. The answer given was that it would depend upon the consumption of firewood upon the mines. That would lead one to believe that the Commissioner had not made any estimate of the tonnage to be hauled over the section, whereas the file shows that the estimate is in his own handwriting, and that he had averaged the matter over a period of three years. Yet he gave the House no answer to that question, and merely replied that it would depend upon the consumption by the mines. Had he not taken the trouble to make an estimate, he would have been shown to be utterly incompetent for his position. Because how could he consider the matter? How could he deal with it at all unless he had some idea of the tonnage to be hauled over the section? In all these respects, no matter which way it was handled, the Commissioner failed to protect the interests of the State. He failed to deal with the matter in a businesslike way, in a way that one would expect from any officer holding the high and responsible position of Commissioner of Railways. He handled it in the manner that one would expect a twopenny-half-penny subject to be dealt with, and right throughout he failed to safeguard the interests of the State. He made an agreement with a well-to-do company that could afford to pay an additional £8,000 or £10,000 a year and he actually put that sum into the pockets of that concern, which was already making good profits; an agreement which involved the Railway Department in a loss. That is a condition of things for which this officer deserves censure.

Therefore I submit the motion standing in my name.

The MINISTER FOR MINES AND RAILWAYS (Hon. J. Scaddan—Albany) [8-0]: In the ordinary course of events, the debate on a motion of such a drastic nature as this would, after the remarks of the member moving the motion, be adjourned for consideration. In this instance, however, I propose to deal with the matter straight away, as I consider such a course essential, not only in the interests of the Commissioner himself, but in the interests of a proper understanding of the question by the general public. Since I have been a member of this Chamber I recollect no case of such a drastic motion being submitted for consideration, a motion the carrying of which means that a highly placed official, a man holding one of the most important positions under the Crown, should be subjected to dismissal by a vote of the Legislative Assembly. In the circumstances, I consider it essential that the matter should receive consideration from every aspect, and that the fullest attention should be given to the effect of the carrying of the motion. I know that the Leader of the Opposition would not be a party to having such a question as this dealt with lightly. I am satisfied that the hon. gentleman is convinced in his own mind that there has been something lacking on the part of the Commissioner in dealing with this question; but I think the hon. gentleman has been led to that conclusion by lack of a proper understanding, not only of the powers conferred on the Commissioner, but also of conditions prevailing in Kalgoorlie and on the Eastern Goldfields generally. His remarks this evening may lead hon. members to think that something has occurred which calls for censure from this House. Let me first of all point out that no agreement whatever has been made for the handing over to the firewood company of any Government property, either railway or otherwise. All that has been attempted by the Commissioner, in accordance with the powers conferred upon him by the Railways Act, is to give to a person, in this instance a person representing a company, already having the right under the Railways Act to construct a siding to connect with our railways, the further right to run over a portion of the Government railway system, and thus connect with another portion of the company's own line. Unquestionably the Railways Act intended to confer such a power upon the Commissioner. I leave out of consideration, for the moment, the amount to be paid for that further right, and also the surrounding conditions. I deal now only with the question whether the Commissioner has the right under the Railways Act to adopt a method of this kind. First of all, the firewood company in question are to-day operating from Boorabbin, a point north of Kurrawang, on our Eastern Goldfields line. The distance from Kurrawang to the head of the Railway line is about 96 miles. The average haul per train upon the Kurrawang line would be anything from 80 to 85 miles. The head of the line, which is 90 miles from Kurrawang, is only six miles from Boorabbin, on our Eastern Goldfields railway. Now, are we entitled to say, as suggested by the Leader of the Opposition, that the company shall carry their wood to the

nearest point on the Government railway, that they shall bring their wood into Boorabbin, and that we shall haul it from Boorabbin to Coolgardie, and that the company shall thereupon resume hauling and convey the wood into Kalgoorlie? The Leader of the Opposition will at once admit that that would be an absolutely impossible position.

Mr. Munsie: Do you say it is only six miles from Boorabbin to Kurrawang?

The MINISTER FOR MINES: Yes.

Mr. Munsie: It is nearer 60 miles.

The MINISTER FOR MINES: I have here the plan which has been given to me.

Mr. Munsie: I do not care about your plan. I have just been out on the line.

The MINISTER FOR MINES: The nearest point on the Kurrawang line to the Government railway as given to me is about six miles from Boorabbin.

Mr. Munsie: It was, about three years ago.

The MINISTER FOR MINES: How does that affect my argument? When the company are so near, they should bring their wood into Boorabbin and carry it into Kalgoorlie.

Mr. Munsie: No, they should not.

The MINISTER FOR MINES: At Kurrawang, where the company connect with the goldfields line, they have established workshops. The Kurrawang Firewood Company are not like the Lakeside Firewood Company, inasmuch as the former have their own rolling-stock for conveying their firewood. It would be absurd for the Railway Department to say that a company with rolling-stock of their own should unload their wood from that rolling-stock into our rolling-stock for the purpose of its being carried over our line, and subsequently again over their line. When we had the firewood trouble in 1919, all possible means were employed to arrive at a settlement. Unfortunately there were three parties affected: the companies providing the mines with firewood, the men engaged in cutting the firewood in the bush, and the mines to which the firewood is being supplied. From the point of view of the Railway Department and of the Government, there was only one important party to be considered; and that was the mining industry itself. I took the view then, and I still take the view, that the firewood industry, being only a subsidiary industry, was really of no importance as compared with the mining industry. For the sake of the mining industry, so long as no person is making an exorbitant profit at the expense of that industry, we as a Government, and this Parliament, and the Western Australian people, are prepared to make such conditions as will result in firewood being supplied to the mines at such a price as will enable the lowest possible grade of ore to be treated. Another point arising is, whether the Commissioner had the right to take that consideration into account? I venture to assert that the Commissioner and myself, during the last few years, have received more criticism on the ground that we have allegedly fixed freights without regard to the interests of the various industries affected, than on any other score. I venture to assert, further, that our railways ought to be operated on a basis of consideration for the existence of this State's principal industries.

Mr. Willcock: Industries requiring State assistance should receive it by direct vote.

The MINISTER FOR MINES: If such a system were adopted, this House would be called upon during the next few years to deal with such Budgets as would drive the hon. member interjecting and myself into a lunatic asylum before they were disposed of.

Mr. Willcock: Oh, that is all very well!

The MINISTER FOR MINES: It is the practice all over the world to make freights and conditions on a railway system such as will promote industries. Surely the hon. member realises that if we attempted to make a rate book on one flat rate, subsidising by means of votes from the Treasury any industry requiring assistance—

Mr. Willcock: I do not suggest that. But the firewood should not be carried at a loss.

The MINISTER FOR MINES: At no time since I have been in charge of the Railway Department—as Minister merely, and having responsibility only for general policy, and no responsibility for the details of operation; I refuse to carry that responsibility, not being Commissioner of Railways—at no time have I allowed the department's finances to be affected by any concession granted to either the firewood companies or the mining industry. What the Railway Department have done has been to make such arrangements as would enable the firewood companies to get their firewood carried to the mines at a cheaper rate per ton than we could carry it. Having been an engine-driver on our railway system, the member for Geraldton (Mr. Willcock) knows perfectly well that the staff of the Railway Department would not permit the Government to carry traffic under the same conditions as obtain on wood lines. He knows that the Railway Department have to haul their coal 400 miles to Kalgoorlie, where it costs from 32s. to 33s. per ton. As against this cost, the firewood companies obtain their fuel, in the shape of wood, at a few shillings per ton, cut in the bush and put on their locomotives. It would be absolutely suicidal to insist that Collie coal should be hauled hundreds of miles to be burnt in the conveyance of firewood, with the cost of that coal charged up against the firewood delivered at the mines.

Mr. Willcock: You could not run an up-to-date railway service with firewood.

The MINISTER FOR MINES: If we were to compel that wood to be carried over the Government line, using Collie coal at the price I have mentioned, the cost of the firewood to the mines would be such as to cripple the mining industry. The Railway Department took the responsibility, and I am prepared now to stand by it, of permitting the Kurrawang Firewood Company to take their line across ours to Lakeside, in order that they might still haul for a considerable distance over their own line with firewood as fuel instead of coal, thus enabling the mines to obtain cheap fuel. The Kurrawang Firewood Company have their engine sheds and repair shops at Kurrawang. They have also the whole of their administration established there. They are now cutting out their principal areas of firewood up to the point where they can get the fuel at reasonable cost.

They are coming to the end of their tether, and they have applied for an area 25 miles south of Coolgardie, the nearest point where the line would touch the particular forest in which they now propose to cut. Of course, eventually they will have to extend their tramway into the forest. If we were to adopt the course which the Leader of the Opposition suggests, it means that the firewood company would haul 25 miles with their engine, and then stop their engine, whereupon we would hook on with our engine and haul the firewood as far as Kurrawang, where we would take off our engine, to let the company pick up again with their own locomotive and haul the wood to the mines. I know the Leader of the Opposition would not suggest that that is a practicable method. Either we must take the wood right from Coolgardie to the mines, or we must give the firewood company an opportunity of carrying their line across ours, so as to connect up with their other line. Taking that consideration into account, I declare that the intention of Section 64 of the Railways Act is to meet a case of that sort, where a company are operating a siding connected with the Government railway system, and have a similar siding operating at some other point on the Government railway system. So long as such permission is not detrimental to the interests of the Railway Department, the Commissioner is authorised by the Railways Act to make an agreement enabling the company to have running rights over the Government lines in order that they may connect up again with their own line. I venture to say there has been no case in the history of the Western Australian Government Railways where the granting of a demand of this kind has been more justifiable than it is in this particular instance. Whatever may be said regarding the terms of the agreement, no one can fairly complain of the Commissioner's making an arrangement by which running rights such as asked for by the firewood company in this particular instance are granted. This case is not on all fours with any other. Unquestionably, the section referred to empowers the Commissioner, if he thinks fit, to give any person the right to connect at any point with the Government railway system, and so give that person running rights over the entire railway system. The Commissioner can do that if he so desires. But he does not desire it, and he does not do it. He would not be so foolish as to do it. He only gives running rights to connect when the circumstances warrant it. Let me point out, too, that it is quite true the Government had under consideration the taking up of the 15 miles of duplicate line between Coolgardie and Kalgoorlie. It was in contemplation; but I believe there was a good deal of hostility in Kalgoorlie to the proposal. No less a person than the mayor of Kalgoorlie raised a protest, which he based on the ground of the moral effect which the taking up of that mileage of line between Coolgardie and Kalgoorlie would have on the mining industry of the Eastern Goldfields. The mayor of Kalgoorlie suggested that the Government should rather carry the burden of maintaining that duplicate line than allow such a detrimental influence to operate on the mining industry, more particularly the industry in Kalgoorlie. There was a good deal of complaint.

Hon. P. Collier: There was only the complaint from the mayor.

The MINISTER FOR MINES: There were complaints from other quarters as well. After all, however, the mayor was the mouthpiece of the people of Kalgoorlie. I have heard of no meeting being called in Kalgoorlie for the purpose of calling the mayor to account for having put forward such statements.

Mr. Munsie: Public meetings carried resolutions that if the line were pulled up the rails should be taken to Esperance.

The MINISTER FOR MINES: That is further evidence of the methods sometimes employed at public meetings. Imagine taking up 25 miles of rails, railing them to Fremantle and shipping them thence to Esperance, when probably we would have 25 miles of rails available here.

Mr. Lutey: Are they here?

The MINISTER FOR MINES: If we cannot find rails closer to Esperance than the rails at Coolgardie I think Esperance will have to wait a little time for its line. It was merely public prejudice. The Government having decided to take up that duplicate line, it was to all intents and purposes of no further value to the Commissioner. But while the Commissioner is entitled to look after his own business, he is not entitled to fix against any firm or company, charges on the basis of the profits derived by that company.

Mr. Lutey: That is the argument they put up, namely that they wanted to supply cheaper firewood.

The MINISTER FOR MINES: That is sound enough. The Commissioner, subject to his not taking any action which would mean a loss to his department, has no right to impose conditions that would seriously affect the mining industry.

Mr. Lambert: Now the Lakeside company want similar concessions.

The MINISTER FOR MINES: Of course. Who are not wanting additional concessions? The Government having decided to take up the rails, it had to be remembered that the Commissioner had on his capital charges the original cost of constructing that line, and that when he should take it up, all he could levy against the department to whom he transferred the rails would be the depreciated value of the rails to-day, and the depreciated value of the sleepers. Also, there was to be counted the cost of taking them up and loading them on trucks. And, as the Minister for Works now interjects, the sleepers would be no good. Consequently the Commissioner took the view that it would be preferable to lease the running rights over that line which he did not want and which would cost money to remove. The lease represented at any rate a profit without any cost other than the cost of maintaining the line in a condition fit to run wood traffic. I agree with the Commissioner that in view of the fact that the line was running side by side with and on the same bed as, the goldfields express, the cost of maintenance would be practically negligible, and that whatever charge he made to the company would represent a net return to the department. He did not give the company a lease for 25 or 30 years, he granted them a lease for only three years, and he provided that if we should require

the rails they could be taken up at three months notice. Was it not a fair business deal to earn £2,000 per annum with the line until such time as the Government should want the rails? The Leader of the Opposition tried to make the House believe that the lease would mean the loss of £1,500 per annum to the Commissioner, that the value of the line to the Commissioner was £3,500 per annum.

Hon. P. Collier: He said that himself.

The MINISTER FOR MINES: The Commissioner takes into account that he has to spend money in removing the road, that he will get only the depreciated value of the material, and that in addition he will still have to pay interest on the original capital cost. The rails have been in the road for 21 years.

Mr. Pickering: Was not the line relaid in 1918?

The MINISTER FOR MINES: No, it might have been re-sleepered. Because it was re-sleepered in 1918, hon. members might think the sleepers have not depreciated in value. But their depreciation would be practically 50 per cent. the moment they were taken out of the road, because once the dog spikes have been drawn and fresh holes bored, the sleepers are practically gone.

Mr. Underwood: As soon as you pull out the dogs, they are done.

The MINISTER FOR MINES: That road taken up and relaid elsewhere would not be of very great value. If the weight of the rails be 58lbs., it would not be desirable to utilise them in any new line where 60lbs. rails were necessary. They could be utilised as 45lb. rails, but the Minister for Works would only allow to the Railway Department their value as 45-lb. rails which, based on a 25 per cent. reduction on present day prices, would be £21,698. The sleepers have been in the road since 1915 and 1918. Taking their average life at 15 years, the depreciation would be 33½ per cent., thus reducing the value of the sleepers to 3s. 4d. each, or a total of £5,280. The total present value of material in the road therefore is £26,978, which at 6 per cent. represents £1,618 13s. 7d. per annum.

Mr. Munsie: Will the Government accept that price for the road?

The MINISTER FOR MINES: The Government do not wish to sell anything when they themselves want the material. We want those rails for other purposes. The Commissioner is not permitted to sell material which we require. I am giving the fair values of that material if taken out of the road and used for other purposes. Another fact to be considered is the cost of pulling up the road and loading the material into trucks. This represents £3,700, which has to be deducted from the value of the material. And, as I have said, the withdrawing of the dogspikes from the sleepers would reduce the life of the sleepers by 20 per cent.: so, instead of their having a life of 15 years, as at present, if they were taken up their total life would be only 12 years. The value of the material on a basis of 25 per cent. if taken up and stacked would be, rails and fastenings £21,698, sleepers £5,280, or a total of £26,978: less cost of pulling up rails and fastenings and sleepers £3,700, extra depreciation of sleepers on account of pulling up £1,056, or a

total of £4,756, leaving a net value of material £22,222, or an annual value at 6 per cent. of £1,333. The Commissioner made an arrangement by which he is to get £2,000 per annum for the line until we want the material. Of course, on the basis of what we could earn by hauling the wood over our own line, it appears that the Commissioner has made a loss. But if we take into account the average cost of hauling, it will be found that to haul 145,000 tons per annum at 2s. 3d. per ton—

Mr. O'Loughlin: Is that 145,000 tons the Commissioner's estimate?

The MINISTER FOR MINES: The hon. member, from his knowledge of timber districts, knows that they do not immediately stop operations in one place and go miles away to another. The hon. member will see that he has spread his increase over three years, which will probably happen. They would continue to take a certain amount of wood from Kurrawang and as they increased the amount taken from the permit areas they would gradually decrease the wood drawn from the old source. The actual amount which it is estimated would be carried over the line is 145,000 tons. At 2s. 3d. per ton the actual earnings to the Railway Department would be £16,312. Eighty-nine per cent. of that would represent the average cost of operating the railway system, and this would leave only £1,794, representing the net earnings to the Railway Department, that is, if we do what the Leader of the Opposition suggests.

Hon. P. Collier: Does that apply to the whole system?

The MINISTER FOR MINES: We will say it applies to this section.

Hon. P. Collier: You are taking the figures as applying to the whole State?

The MINISTER FOR MINES: Yes. What would the hon. member have?

Hon. P. Collier: The operating costs are lower, just as the maintenance charges are.

The MINISTER FOR MINES: Assume that to be correct.

Hon. P. Collier: With full train loads and a straight road the operating costs are much lower than under the whole system.

The MINISTER FOR MINES: The hon. member is merely taking the steam power into account and nothing else. On that principle he is correct, but the hon. member would not suggest that we should pick out parts of our railway system from here and there and choose the lowest average as being the cost of the system.

Hon. P. Collier: Why pick out this little section?

The MINISTER FOR MINES: The Leader of the Opposition, unwittingly, is misrepresenting the Commissioner.

Hon. P. Collier: No, the figures are there.

The MINISTER FOR MINES: We can only arrive at the figures on the basis of the average cost of the railway system. We have not added to that the fact that we are hauling coal 400 miles at a cost of 30s. as against 16s. in Perth. We do not take into account that the goldfields rates are so much higher, and that the allowances are greater than they are elsewhere. It is all lumped together. We are taking the railway system as a whole, and saying that on

that basis it will leave us a profit of £1,745. The Leader of the Opposition says that the average cost of maintenance is £144 per mile.

Hon. P. Collier: That is so.

The MINISTER FOR MINES: That amount is the average cost of maintenance not of our permanent way, but the whole of our railway system, including our railway stations and everything else such as goods sheds, stock yards, etc. The hon. member knows that not another right was given except to run over the permanent way, the maintenance of which did not include a single shed.

Hon. P. Collier: The sheds are standing on the section and will require to be maintained.

The MINISTER FOR MINES: They are, of course, standing to-day.

Hon. P. Collier: They are just as much for Mr. Hedges's use as for the use of the Government.

The MINISTER FOR MINES: Not at all.

Mr. Angelo: They are for the railway system.

Hon. P. Collier: They are as much for him as for the railways.

The MINISTER FOR MINES: The permanent way maintenance is not so great in comparison with the cost of maintaining all the other facilities we provide for our customers. Under the agreement we say the company has the right to haul their own trucks with their own locomotives over this section. The only basis of arriving at the net amount that will be earned is to take the actual amount that will have to be charged for maintaining the permanent way over which the wood is hauled. Over and above that the Leader of the Opposition says the interest charge is £213 per mile on the same basis, not £213 on the basis of the set of rails, but of the whole railway system.

Hon. P. Collier: Exactly.

The MINISTER FOR MINES: The hon. member would not suggest that we ought to charge the company on the basis of interest over the 15 miles of rails over which the company will use its own engines and trucks, on the basis of the Perth Railway Station, and also charge the capital cost. The average operating expenses of our railway system work out at 89 per cent.

Hon. P. Collier: For the whole system. You are taking the same line of argument as I have taken.

The MINISTER FOR MINES: The hon. member knows that the interest and sinking fund charges if levied against the Railway Department would make the total over 100 per cent.

Hon. P. Collier: They are not taken into account.

The MINISTER FOR MINES: The Leader of the Opposition knows that whether the company runs over the line or not we must have our staff at the Coolgardie station and at Kurrawang for our own operations. No additional staff is required to enable the company to run over the line.

Mr. Lutey: Will there not be less staff at Kalgoorlie?

The MINISTER FOR MINES: Does the hon. member suggest that we are over-staffed at Kalgoorlie, because if so I will soon look into the matter?

Mr. Munsie: Immediately you gave the other concession you dismissed a lot of the staff at Kalgoorlie.

The MINISTER FOR MINES: What does the hon. member suggest I should have done?

Mr. Munsie: But you say it makes no difference.

The MINISTER FOR MINES: If we do not require a staff there we must not use it. Directly we do something to assist the mining industry—

Mr. Munsie: To assist Mr. Hedges.

The MINISTER FOR MINES: That is merely prejudice against the individual. What has it to do with Mr. Hedges?

Mr. Munsie: What has it to do with Mr. Hedges?

The MINISTER FOR MINES: Surely the Commissioner is sometimes entitled to view a matter from the aspect of his own department. Sometimes he must be permitted to stand up against the pressure of members.

Mr. O'Loughlen: Does he get the pressure? Who are the members?

The MINISTER FOR MINES: I do not suggest any member of this House does it, but hon. members have gone along with deputations to him.

Hon. P. Collier: He knows how to yield to pressure when it comes from the right quarter.

The MINISTER FOR MINES: The hon. member is not right in taking that view.

Hon. P. Collier: I could show you where he has done so.

The MINISTER FOR MINES: The hon. member would be the last to suggest that Colonel Pope can be influenced by such a thing.

Hon. P. Collier: He refused to rebate a demurrage of £4,000 until pressure was brought to bear upon him by the Country Party.

The MINISTER FOR MINES: I do not know about that.

Mr. Corboy: That was put up at the beginning of the session.

The MINISTER FOR MINES: It has no bearing on the point at issue.

Mr. Munsie: The Minister had joined that just prior to that occurrence.

The MINISTER FOR MINES: That is an inference that I had something to do with the matter.

Mr. SPEAKER: Order!

Hon. P. Collier: He has pulled the dining car off the Bunbury line which was showing a loss, but not off the York line which is showing a greater loss.

The MINISTER FOR MINES: The conditions of traffic have to be taken into account. I have not influenced him in the matter of dining cars.

Mr. SPEAKER: Dining cars have nothing to do with this question.

The MINISTER FOR MINES: I ask members to consider the Commissioner's standpoint sometimes. I know the Leader of the Opposition has the idea that the Commissioner was influenced because Mr. Hedges happened to be one of the largest shareholders and the most important person connected with the Kurrawang Company.

Hon. P. Collier: It would have been all the same if it had been Brown or Jones and if I thought there was anything wrong with the merits of

the position. It was not because of Mr. Hedges I am a personal friend of his.

The MINISTER FOR MINES: The Leader of the Opposition imagines that the Commissioner was influenced because he was approached by Mr. Hedges. I have been approached by Mr. Hedges and it has not made any difference to me. Sometimes it has influenced me and sometimes it has not. There are many people standing on the footpath who know more about railway operations than do the officials connected with them. The Leader of the Opposition suggests that because the Commissioner concluded an agreement with the Kurrawang company on the basis of £2,000 per annum he has shown a lack of business acumen, that he should have negotiated on the basis of £18,000 per annum and then split the difference.

Mr. Teesdale: There was not much fight about it.

The MINISTER FOR MINES: The member for Roebourne—

Mr. Teesdale: Wants a bit of fight over it.

Mr. SPEAKER: The hon. member must not fight in here.

The MINISTER FOR MINES: He could not get up a fight over this. It is not a question of showing fight, but a question of arriving at an arrangement satisfactory to both parties. Taking into account the conditions prevailing at the moment, as affecting the Commissioner, for a dead set of rails costs something to maintain, the railways will earn a net £1,600 or £1,700 a year.

Mr. O'Loughlen: What would be the cost of maintaining the section while it remained idle?

The MINISTER FOR MINES: That does not matter.

Mr. O'Loughlen: He ought to have put it up.

The MINISTER FOR MINES: The cost of maintaining it to-day is on the basis of its being used. We are actually using it although we may not operate on the same set of rails.

Mr. Willcock: The traffic cannot be handled as well on a single line.

The MINISTER FOR MINES: While the traffic can be handled on the one line, it is to the advantage of the department to use the line while it is there. It is infinitely better to earn £1,600 a year from it than nothing at all.

Mr. Willcock: If you have only work for one line it is not a business proposition to keep two there.

The MINISTER FOR MINES: From the Commissioner's point of view, it is not a business proposition to take it up.

Mr. O'Loughlen: That is extraordinary in view of the price of material.

The MINISTER FOR MINES: The Commissioner could sell these rails as 45-lb. rails, but would have to spend a lot of money in order to take them and the sleepers up. He would not get any cash, but would get a credit against his capital cost, representing the amount the Public Works Department would pay him.

Mr. O'Loughlen: It is not much good the Minister for Works telling us how much it would cost to put down new railways.

The MINISTER FOR MINES: The amount he could fairly estimate would be credited to him and go towards reducing the capital cost

after deducting the cost of taking up, would be £22,200, and 6 per cent. interest on that would only bring in £1,133. As it is, he earns over £1,600 net and still possesses these rails and that material, and can take them up when required on giving three months' notice.

Mr. Angelo: If the goldfields boomed again and the line were taken up it would have to be replaced.

The MINISTER FOR MINES: The member for Gascoyne's statement is quite correct, that if the goldfields revived we would require the second line.

Mr. O'Loughlen: How much would the Lake Clifton district require to be boomed to justify the difference between £25,000 for this line and £70,000 for the Lake Clifton line.

The MINISTER FOR MINES: I want the member for Forrest to remember that this is not a discussion as to whether too much or too little is to be given for the Lake Clifton line. This is a question affecting not only the position held by the Commissioner for Railways, but also his integrity as a public officer. I do not want red herrings to be drawn across the trail, as to whether the Lake Clifton line cost two or three times as much as it should. That does not affect the position, nor does a discussion as to whether the Commissioner should have got £2,000 or £3,000 out of the present company.

Mr. Munsie: That is not what the engineers said.

The MINISTER FOR MINES: Yes. I am not quoting my own figures, but those supplied by the engineers. I discussed with them the depreciation of the material and the cost of taking it up. I wanted to know if this material was taken out and sold to the Minister for Works for use in connection with railways elsewhere, what amount we could claim from him. This would mean a reduction of interest charges amounting to £1,333 as against which the department will earn on this line £1,600 net. It is not a question of selling material, but only leasing a right. The Commissioner has made an agreement with the company so that that company may run engines and trucks over a portion of the State railway system.

Mr. Harrison: That is done constantly in the Old Country.

The MINISTER FOR MINES: That is done in many places elsewhere.

Hon. W. C. Angwin: They do not run trains over the lines there.

The MINISTER FOR MINES: The hon. member knows very well that in England the companies use the lines themselves under these conditions.

Hon. W. C. Angwin: They only run the trucks. The company owning the line runs the engines.

The Minister for Works: They can take trains over the other companies' lines in England.

Hon. W. C. Angwin: I have been there since you were there and the position is different altogether.

The MINISTER FOR MINES: English companies will allow another company to run over their lines.

Hon. P. Collier: That is not the position at all here. There is no comparison.

The MINISTER FOR MINES: That is correct. There is no real comparison between

the two positions. But here we have power to give three months' notice to terminate the arrangements and then we can get out of the position. There may be a difference of opinion as to whether the Commissioner of Railways might or might not have got more out of the Kurrawang company if he had adopted a different attitude. That, however, is merely a matter of opinion. Personally I am not called upon to express an opinion upon the point. As I have already told the House, I am not the Commissioner and if I were, I would demand his salary. As he holds the position of Commissioner, he must accept the responsibility attaching to his office and he must carry that responsibility. When a man is placed in that position, however, are we to dismiss him because of what at most can be regarded as a dereliction of duty? Are we to regard his action in this matter as such a dereliction of duty as to warrant his dismissal? The Commissioner was empowered under the Railways Act to do certain things and he acted in accordance with those powers. While there is ample room for diversity of opinion as to whether or not the Commissioner should have extracted a greater rental from the company, I think the Leader of the Opposition will agree that some serious dereliction of duty must be disclosed before the House would be warranted in retiring summarily the Commissioner from the important position he now holds. In my opinion, there has been a storm in a tea cup regarding this matter.

The Minister for Works: In an egg cup, rather.

The MINISTER FOR MINES: I do not suggest that the Leader of the Opposition is not warranted in entering a protest and drawing attention to this matter, but some criticism, not from the Leader of the Opposition but from other sources, gives evidence of personal spleen against the Commissioner of Railways. When we have regard to the position of other railways systems in Australia, we have to admit that we are not so badly off.

Hon. W. C. Angwin: Why should there be personal spleen against the Commissioner?

The MINISTER FOR MINES: Well, there is.

Hon. W. C. Angwin: I have not heard of any.

The MINISTER FOR MINES: The hon. member knows quite well that there is no Commissioner in Australia who is not running his railway system at a serious loss. There is no Commissioner in Australia who has not encountered tremendous industrial difficulties, and in many cases these difficulties have been so great that they have had to face serious strikes and the business of their departments has been held up for varying periods. It will be readily admitted that one cannot easily hold the scales of justice evenly as between all sections of the community and those employed by the head of a department such as the Railway Department. This cannot be done without some sections being bitter against the authorities. In Western Australia we went through a very serious industrial crisis and the Commissioner had to carry a very heavy burden throughout the strike last year. I have no hesitation in saying that many men connected with that affair have not

yet forgiven the Commissioner for the stand he took up, and some never will forgive him.

Mr. Corboy: You do not say that there is spleen behind this motion?

The MINISTER FOR MINES: I distinctly said I did not think so. I said that the criticism against the Commissioner from other quarters gave evidence of spleen.

Mr. Corboy: But not here?

The MINISTER FOR MINES: No. The Leader of the Opposition is, I think, the last person who would be actuated by spleen, but I do consider that the Leader of the Opposition should know that when he submits a motion like the one before the Chamber seeking the dismissal of the Commissioner of Railways or any other high public official controlling a large body of the State employees, he should at least come forward with a serious charge disclosing gross dereliction of duty. Nothing short of dishonesty, bribery, or corruption should warrant the House taking action against such an official. The mere question of whether £2,000 or £3,000 should have been obtained by the Commissioner from the company for the right leased to it under the agreement is not, in my opinion, a strong enough accusation against the Commissioner to warrant the House agreeing to his dismissal.

Hon. W. C. ANGWIN (North-East Fremantle) [8:52]: The greatest objection to the leasing of this line is because that leasing is contrary to an Act of Parliament.

The Minister for Mines: No, it is not.

Hon. W. C. ANGWIN: An Act of Parliament has been stretched to such an extent that it must consist of india-rubber, to cover the proceedings.

The Minister for Mines: You are absolutely wrong.

Hon. W. C. ANGWIN: The Minister cannot stretch his imagination so far as to say that the section in the Act under which this line has been leased, is one that Parliament contemplated would be used for such a purpose. The section in question was intended absolutely to deal with sidings.

The Minister for Mines: This is a siding.

Mr. Munsie: Fifteen miles long.

The Minister for Works: No, it is a siding.

Mr. Munsie: The company have to construct a siding.

Hon. W. C. ANGWIN: And that siding will be connected with the Government line and the provision is placed in the Railways Act for the purpose of allowing a company to work a siding so that engines may be changed from one place to another. It was never contemplated that a length of railway should be considered a siding. The section affected by the agreement is 15 miles long. I suppose it has been leased, although I do not know whether the lease has gone through.

The Minister for Mines: There has been nothing leased. Merely an agreement was submitted to cover the running rights over the length of line. There has been no lease of Government property whatever.

Hon. W. C. ANGWIN: There is the right to run over this line.

Hon. P. Collier: That is the term used by the Commissioner all through the correspondence, namely the "leasing of the line."

The Minister for Mines: I know, and it is wrong.

Mr. Angelo: This is not the main railway.

Hon. P. Collier: It is. The hon. member should wake up.

Hon. W. C. ANGWIN: I do not know whether the member for Gascoyne has ever been at Kalgoorlie.

Mr. Angelo: But the Leader of the Opposition says that this refers to a duplication of the line.

Hon. W. C. ANGWIN: This line was constructed when the traffic between Coolgardie and Kalgoorlie was so great that the duplication was necessary.

Mr. Angelo: And it is not wanted now.

Mr. Munsie: Trains run over it every day.

Hon. W. C. ANGWIN: If the traffic increased, the necessity would arise for the duplication of the line and this would apply if the firewood traffic increased to that extent.

Mr. Angelo: The Leader of the Opposition said that one line could do the lot.

Hon. P. Collier: Yes, I did.

Hon. W. C. ANGWIN: One line can deal with the traffic as it is now, but if that traffic increased to any extent one line could not cope with it.

Mr. Harrison: The Leader of the Opposition said that there were only seven trains a day and the line could accommodate 20 a day.

Hon. P. Collier: That is so and it has not been denied.

Hon. W. C. ANGWIN: It is stated that if the company desired, they could put down a private line and not use the Government line at all. We know that if the Lands Department were so foolish as to grant the company the right to run the line through the country—

The Minister for Mines: Would you prevent that?

Hon. W. C. ANGWIN: Yes.

The Minister for Mines: You are not interested in the gold mining industry, then!

Hon. W. C. ANGWIN: Yes I am, quite as much as the Minister is.

The Minister for Mines: You are wrong.

Hon. W. C. ANGWIN: The company cannot lay down a railway without the permission of the Lands Department. By having use of the Government line, the firewood company are saved 40 miles of haulage.

The Minister for Mines: Only for a short period.

Hon. W. C. ANGWIN: By saving that distance the company would be more than repaid if they had to use the Government line at the usual rate.

The Minister for Mines: What benefit would that be to the State?

Hon. P. Collier: About £10,000 a year to the railway revenue.

The Minister for Mines: Nothing of the sort.

Hon. P. Collier: The Minister did not show that it would not. He gave us no figures.

The Minister for Mines: I gave the figures.

Hon. W. C. ANGWIN: I was pointing out that the firewood company would be saved 40 miles of haulage. The benefit of that will

go to the firewood company and not to the mining companies unless the managers of those concerns happen to be shareholders in the firewood company as well.

The Minister for Mines: You lose sight of the fact that the company had to move their lines to take advantage of the timber supplies.

Hon. W. C. ANGWIN: If the company had not moved in order to get the timber, someone else would have gone there.

The Minister for Mines: Would they?

Hon. W. C. ANGWIN: Yes, they would.

For years various people have been trying to get that forest.

The Minister for Mines: No, they have not.

Hon. W. C. ANGWIN: Let us get away from the idea that anything in the way of labour troubles has had anything to do with this question. I mix up with as many men as does the Minister for Mines, and I have not heard anything said against the Commissioner. Of course one might feel a little sore at times, but that passes away; I have not heard any stigma cast on the Commissioner. Therefore that can be put aside. It would be far better if the Government realised that our railways were laid down for the development of the country and are not intended to be primarily a paying concern. Development is the first portion of the policy. Even if this line was considered useless, there are other districts which for years have been waiting for the construction of railways for developmental purposes and where these rails could have been used. The money would not have been lost, and the book entry would represent a saving of over £1,000 a year on the present price of rails. Therefore, the greater benefit to the State would result from using these rails in those parts of the country where further development is possible.

Mr. Angelo: And have to duplicate this line later on.

Hon. W. C. ANGWIN: I only hope that such will be necessary. I would even like to see the traffic on the goldfields necessitate three lines, but we cannot feel so optimistic at present. I am strongly opposed to allowing any officer to try to evade the desires and wishes of Parliament.

Mr. Munsic: Who says he has done so?

Hon. W. C. ANGWIN: I say so.

The Minister for Mines: You are wrong.

Hon. W. C. ANGWIN: That will not alter my opinion. The only honest way to lease this railway was to come to Parliament and get approval.

The Minister for Mines: I think it is very unfair of you to say it was a dishonest act.

Hon. W. C. ANGWIN: I said the only honest thing to do was to come to Parliament and get approval.

The Minister for Mines: I say the honest way is in accordance with the Act and this is strictly in accordance with it.

Hon. W. C. ANGWIN: Under Part V. the Commissioner may with the approval of the Governor—

The Minister for Mines: That deals with the leasing of railway property and has nothing to do with it.

Hon. W. C. ANGWIN: If a portion of the permanent way is not railway property, what the devil is railway property?

The Minister for Mines: No part of the permanent way has been leased.

Hon. W. C. ANGWIN: The Commissioner's file uses the word "leased."

The Minister for Mines: It is running rights only.

The Minister for Works: The Commissioner can run his train on that line if he wishes.

Hon. W. C. ANGWIN: Then it is not leased. The Minister for Works: No.

Hon. W. C. ANGWIN: But the file says "leased."

Hon. P. Collier: And there is an exclusive right given to the company for three years.

The Minister for Works interjected.

Hon. P. Collier: You are not the only man who knows anything about railways although you were a Commissioner. We do not want any advice or assistance from you. One Minister is enough to handle at a time.

Hon. W. C. ANGWIN: The position is peculiar. It is not a lease, and then it is a lease.

The Minister for Mines: That is only your view.

Hon. W. C. ANGWIN: It is not.

The Minister for Mines: I have told you there is no agreement to lease anything, except to give the company the right to run over the line.

Hon. W. C. ANGWIN: The Minister knows there is no agreement. The arrangement is all contained in the letters. The proposal refers to the leasing of the line and says the company shall have exclusive rights for three years.

The Minister for Mines: Running rights.

Hon. P. Collier: The lease must give the company exclusive rights.

Mr. SPEAKER: Order!

Hon. W. C. ANGWIN: The Minister's interjections are responsible for the disorder.

The Minister for Mines: I do not want you to make a wrong statement.

Hon. W. C. ANGWIN: I have no desire to do so. I am giving the effect of the arrangement. Paragraph (2) states—

The lease would be for running rights over about 15 miles 20 chains of track. The lease must give the company exclusive rights.

The Minister for Mines: Running rights.

Hon. P. Collier: If that means exclusive rights, the Commissioner could not run his trains over that section. What is the meaning of exclusive?

The Minister for Mines: You are reading "lease" instead of running rights.

Hon. W. C. ANGWIN: But the words "the lease must give the company exclusive rights" are underlined.

The Minister for Mines: Exclusive rights against the Commissioner.

Hon. W. C. ANGWIN: It does not say that.

The Minister for Mines: There is power to give running rights.

Hon. W. C. ANGWIN: Under Section 64 there is no power to give exclusive rights. Section 57 gives power to lease a railway.

The Minister for Mines: Read Sections 63 and 64.

Hon. W. C. ANGWIN: Section 64 gives the right over sidings only.

The Minister for Mines: No, it does not.

Mr. SPEAKER: Order! I cannot allow this conversation to continue.

The Minister for Mines: It is very unfair of the hon. member to talk about dishonest acts.

Hon. W. C. ANGWIN: What is a siding? A siding means a small portion of railway connected with a Government line.

The Minister for Mines: Is that what is set out in the interpretation?

Mr. Harrison: We all have a pretty good idea of what it means.

Hon. W. C. ANGWIN: It is not mentioned in the interpretation. If a man applies for a siding he does not apply for a portion of the railways but for a small connection with the Government railways. Part VI. deals with sidings. Then it goes on to say in Section 64, under which this lease is granted—

After the completion of any such siding connected with the Government railway, the Commissioner may agree with the person constructing or owning the siding that any trains or rolling stock the property of His Majesty may be run upon the siding, and that any trains or rolling-stock the property of such person may be run upon any Government railway, upon such terms and conditions as are specified in the agreement.

When a person brings in material such as firewood, it is often found necessary to use the Government line in order to change the engines and for shunting purposes.

The Minister for Works: It says "any trains."

Hon. W. C. ANGWIN: Of course portions of the Government lines have to be used for shunting purposes and so on.

The Minister for Mines: You are only putting your own interpretation on it.

Hon. W. C. ANGWIN: I think that is what Parliament intended.

The Minister for Mines: I say that what we have done is in strict conformity with the Act.

Hon. W. C. ANGWIN: If Parliament's intention was not as I have stated, why was Section 57, empowering the Commissioner to lease railways, inserted in the Act? Why are these two things set out under entirely different headings? Any reasonable man must be convinced that 15 miles of main line, comprising portion of the railway system, is railway property and part of the Government railways. Section 57 deals with the leasing of railways.

The Minister for Mines: The Commissioner has not leased any of them. This means that the company are to have running rights.

Hon. W. C. ANGWIN: That is the provision under which the railway could have been leased. I am entitled to my opinion.

The Minister for Mines: Well, do not charge the Commissioner with dishonesty.

Hon. W. C. ANGWIN: Section 64, in my opinion, was never intended by Parliament to be applied in this way, because provision was made previously in the Act to meet such cases. The hon. member says that the Minister for Works would only put down 45-lb. rails. I do not know what size these rails are.

The Minister for Works: They are 58-lb.

Hon. W. C. ANGWIN: The hon. member must bear in mind that by using these rails for three or four years longer for heavy wood traffic, the

rails will not be as valuable as they are to-day and the same applies to the sleepers.

The Minister for Mines: It will not affect the line as regards the sleepers.

Mr. Willecock: They will not be worth as much.

The Minister for Mines: Just as much.

Hon. W. C. ANGWIN: The Minister for Works would not be prepared to pay as much for the rails three or four years hence as he would be to-day.

The Minister for Mines: No, because the value will fall in the meantime.

Hon. W. C. ANGWIN: I am not dealing with the price of rails now. I am quite certain the price will come down; it has already come down considerably. The rails would also depreciate in value. If the rails were taken over at present prices the Minister would save in interest, etc., equal to what he is getting from the company to-day. The Minister for Works knows that he needs rails badly.

The Minister for Works: I can get them from a nearer point.

Hon. W. C. ANGWIN: Does the Minister intend to tear up more lines?

The Minister for Mines: If we do not tear some of them up soon, they will be tearing themselves up.

Hon. W. C. ANGWIN: I am not in a position to say where such railways are which the Minister could take up. I do not know of any lines which are much nearer except the Hopetoun line.

The Minister for Mines: It is not a question of traffic but whether they can be used much longer.

Hon. W. C. ANGWIN: The position is this: Would the Government be doing better for this State if the whole of the traffic of this wood company were carried in the same manner as the whole of the traffic for other companies? We have been told that we must look after the mining industry, and to see that they have sufficient firewood, that we must keep the mines going. We realise that, but we do not want to carry out this undertaking in such a way as to put into the pockets of the company money which should go to the Treasury.

The Minister for Mines: That is not correct.

Hon. W. C. ANGWIN: The Commissioner of Railways is placed in a position to protect the State in every possible manner.

The Minister for Works: He wants all the support he can get.

Hon. W. C. ANGWIN: No hon. member can read the file and go away with the idea that the matter has been a business one. I am confident that the Minister for Works would never have entertained such a proposal had he been Commissioner of Railways.

The Minister for Works: I got a lot of abuse while I was Commissioner.

Hon. W. C. ANGWIN: We all expect that. I realise that no man can give satisfaction as Commissioner of Railways when he is obliged to put up fares and freights. Every person then is against him. In nine cases out of ten the man who has to do this is not responsible for the existing position, but we do expect the Commissioner to use due judgment in dealing with the affairs of the State, and above all, we should be very careful in regard to the violation of a principle which I think is well founded throughout

Australia and which is, that the railways of Australia must be national, so as to bring about the development of the country. Therefore, we should be very jealous of any departure from that principle in regard to the leasing of railways. If at any future time it is found necessary to lease any section of the railways it should only be done with the consent of the representatives of the people. It is not a matter for an official or even for the Minister. In my opinion the Commissioner has made a great error of judgment in taking the action he has done in regard to this matter.

The MINISTER FOR WORKS (Hon. W. J. George—Murray-Wellington) [9-20]: I have listened with great attention to the Leader of the Opposition and I have not much to grumble at in the arguments he put forward. His arguments are usually clear, and I believe he is honest in his intentions. I, however, do wish to put to the House the part which I think I am entitled to submit in regard to my reading of the Government Railways Act, and then to ask hon. members whether they feel that the motion which has been submitted is one which should be agreed to. The Government Railways Act is very clear. The member for North-East Fremantle (Hon. W. C. Angwin) stated that the action taken was contrary to the Act of Parliament.

Hon. W. C. Angwin: I said contrary to what I believed to be the intention of Parliament.

The MINISTER FOR WORKS: The hon. member was quite fair. He objected to any officer trying to evade the intention of Parliament. So do I. If the Act of Parliament under which the Commissioner is appointed lays down a certain line of action, and it can be proved that the Commissioner has tried to evade that, then I say members of this House would be justified in reflecting upon any action of the Commissioner. But I maintain that the action which the Commissioner has taken in connection with this transaction is quite in accord with the Act of Parliament of 1904. I am not going into the details which my colleague the Minister for Railways touched upon. But I wish to point out that there are two parts in this Statute. One is Part V., and the other is Part VI. In Part V., Section 57 is very explicit. It states in the margin "Commissioner may lease railways" and the Section reads—

The Commissioner may, with the approval of the Governor, from time to time let on lease any portion of a railway with the rolling-stock and other appurtenances thereto belonging to any person willing to take and work the same, subject to the following conditions. The meaning would be this: Take for instance the Port Hedland and the Ravensthorpe railways, which are isolated, and difficult of management. These are always costly because of the staff that has to be maintained, and the difficulty of supervision at such wide distances. If the railways were run by private enterprise the staff would not be so large. The Commissioner in the case of such non-paying railways could apply to his Minister to advise him on the question of leasing those railways, contending that it might be a good thing for the State if that were done under the Section I have quoted.

Hon. W. C. ANGWIN: You know there were no such railways in existence when this Act was passed.

The MINISTER FOR WORKS: This and other sections of the Act, were taken en bloc from the New Zealand Railways Act, and during the course of the debate when the measure was being discussed in this State, it was mentioned that this section would give the Commissioner considerable latitude. The Minister of the day repeated that that was the case, and both Houses passed the Act. If it had to deal with the Port Hedland or Ravensthorpe lines the Minister could recommend the leasing of them and the Government could approve of it. The conditions of the leasing of railways are set out as part of Section 57, and they read—

1. The letting shall be by public tender.
2. The terms and conditions of the lease shall be laid before Parliament, not less than 30 days before tenders are called for.
3. The lease shall contain covenants for maintaining the railway, and everything demised or leased therewith, in good and sufficient repair and so leaving and delivering up at the expiry or prior determination of the lease. . . .

Thus imposing the principle the member for North-East Fremantle advocates, and which I think every member will support. That deals with the leasing of a railway with its rolling stock and other appurtenances, but when we come to deal with sidings which are put in by private individuals, we have to turn to Part VI. Section 63 does not contain one single word that the Commissioner for his acts under this Part must seek the approval of the Government. It is placed in his power to deal direct. What does the section say? It says—

The Commissioner may agree with any person desiring to construct a siding, in connection with any Government railway, for the construction and maintenance of such siding as may be within the limits of the railway and for the working of such siding in connection with the railway subject to the following conditions—

The siding to be of any use in connection with the Government railway must be within the limits of the railway—

. . . and for the working of such siding in connection with the railway subject to the following conditions:

The conditions are then set out. Then we come to Section 64, and this is a section which to my mind justified the Commissioner in the action he took. The fact is that he has power to authorise a person to construct a siding, or can construct a siding for that person, and after constructing it this section would apply—

After the completion of any such siding connected with a Government railway, the Commissioner may agree with the person constructing or owning the siding that any trains or rolling stock the property of His Majesty may be run upon the siding, and that any trains or rolling stock the property of such person may be run upon any Government railway, upon such terms and conditions as are specified in the agreement.

What has he done in connection with this particular matter? At Kurrawang the siding has been there for over 30 years. In addition there have been siding arrangements made by

which it is possible to cross over from the company's line, on the north side, to this particular railway, and to go to the south side of the railway from which the railway runs to Kamballie, connecting up with the line that already exists and which belongs to private individuals. Then there comes the question of the siding to be connected at Coolgardie itself, so that access may be had to the line. I understand that what was known in my time as the racecourse siding is utilised or will be utilised if this arrangement goes through. So that we have, under Section 63, two sidings constructed, which can be worked. Then the only question is as to the piece of line between the two sidings, and under Section 64 we find—

The Commissioner may agree with any person desiring to construct a siding in connection with any Government railways . . . This is 15 miles of Government railways, and I maintain, as I read the agreement, that the Commissioner of Railways without let or hindrance, without having to get the approval of his Minister is justified, under Sections 63 and 64 in making arrangements that the rolling stock owned by Mr. Hedges may be run upon that Government railway. An hon. member interjected that the rails for the Lake Clifton line cost £5,000 a mile.

Hon P. Collier: No member interjected such a thing.

Mr. SPEAKER: The Lake Clifton line is not under discussion.

The MINISTER FOR WORKS: I am glad there is no necessity to reply to that. Section 64 goes further. It says—

After the completion of any such siding connected with a Government railway the Commissioner may agree with the person constructing or owning the siding that any trains or rolling stock, the property of His Majesty may be run upon the siding.

In the whole of that Part VI. there is no reference whatever to what appears in many other parts of the Railways Act the approval of the Governor must be obtained, and in some cases must be published in the "Government Gazette." I maintain with regard to the permission that the trains may run upon Government railways, that the Commissioner has acted within the powers conferred upon him by this Act. Another point relating to this section is that at the period when the Act was passed a considerable number of railways were being constructed in this State under contract; and a railway contractor who had a contract for a line in one part of the State and was fortunate enough to secure a contract for another line in another part, would, when requiring to shift his plant from the one district to the other, in many cases load up a train with his plant and obtain from the Commissioner of Railways the right to run that train over the Government railway system to the part where the other contract was to be carried out. The same right has frequently been availed of, and is to-day being availed of, by the timber companies of this State, when they wish to remove, say, a locomotive or trucks from one timber station to another. I do not suppose the Commissioner would allow them to shift loads of timber under such conditions. I do not think hon. members will take the view that the firewood company should run their train of firewood to Coolgardie, unhitch their engine

and put on a Government engine there, and let the train run to Kurrawang, and there unhitch the Government locomotive and hitch on their own locomotive to run to Kamballie. If that were done, it would involve a big and quite unnecessary cost both to the Government and to the company. Possibly it might be urged that a Government department should not consider a loss falling on private people, but let me remind hon. members that the only reason why a Government exists is for the purpose of trying to make the means of livelihood in the State a successful proposition and not a losing proposition for the people. It matters not that the person here concerned, or the members of the Kurrawang Firewood Company, is or are very rich. We have just as much right to show consideration to Mr. Hedges and the other members of the Kurrawang Company as to any other persons engaged in industry here. The member for Geraldton (Mr. Willcock) can speak with weight on one aspect of the matter, and I would ask him to deal with it. Assuming that a locomotive had to be kept at Coolgardie to deal with the Kurrawang firewood trade, it would have to run light from Kurrawang either to Kalgoorlie to stable, or else run back light to Coolgardie, or else wait at Kurrawang until the train of loaded firewood had been conveyed to Kamballie and the empty trucks brought back again. I maintain that the loss of time involved in those four changes of locomotives would be considerably more than the time required to run the train from Coolgardie to Kurrawang. I believe that to-day the basis on which goods trains are scheduled to run is 15 miles per hour. The making of those four shunts in connection with the locomotives would certainly consume more than that time. I feel, and I am sure the House generally and also the Leader of the Opposition will feel, that the person holding the position of Commissioner of Railways to-day, has a position which is not a bed of roses. So long as he is honest and honourable, he is entitled to the support of every member of the House. I do not say that if the Commissioner makes mistakes, they should not be pointed out; but to ask him practically to relinquish his position over a matter of this kind is going altogether too far. His action may be wrong, but I do not believe it is wrong; I believe he has kept within the four corners of the Railway Act, and has also acted in accordance with the spirit of that measure. Further, I ask the House to consider what would be the effect on the confidence which succeeding Commissioners of Railways will feel if the present Commissioner is to be made practically the object of impeachment over a matter of this kind? Again, shall such severe criticism be meted out for one slip—if there be a slip in this instance—and no notice taken of or credit given for so much work done without mistakes? I say that no man can handle a big concern like the Western Australian Government Railways without making mistakes. The only wonder is that not more mistakes are made, and bigger mistakes at that. Hon. members who have held portfolios are aware that a Minister is frequently called upon to decide questions of vital moment at a few minutes' notice. Members who have been Ministers are aware that a Minister can

hardly sit down in his office to deal with correspondence and files for five minutes, without being interrupted by callers or by telephone messages. While the Leader of the Opposition has shown by what I freely acknowledge to be his temperate and fair speech that he has been actuated by public spirit, I think he will feel, and the House will feel, that this matter, though it ought to have been ventilated, does not call for such strong and drastic action as the motion proposes. Having added my mite to the discussion, I leave the question to the House. I may just touch on the question of the sleepers. It may be knowledge to hon. members who are not practical in these matters that once a dog-spike has been put into a sleeper a great proportion of the life of the sleeper has been taken away. If one tries to lift rails with dog-spiques through the sleepers, probably half of them would break away. Therefore it is necessary to take the dog-spiques out of the sleeper and re-bore it, and two borings are about as far as the life of a sleeper will extend.

Mr. TEESDALE (Roebourne) [9.37]: The two Ministers who have spoken have devoted a good deal of time to explaining the authority which the Commissioner of Railways has for leasing this section of the Government railways. But they have said very little about the principal feature of the motion, and that is whether the Commissioner has obtained a rental adequate to the service being rendered. I think the Leader of the Opposition considered that to be the most important phase of the motion.

Hon. P. Collier: It is the principal point.

Mr. TEESDALE: The two Ministers have said very little on that point. I am sorry to have to express the opinion that this has been a bad deal for the State. I consider that a greater measure of attention should have been paid to the figure. That was a very decided cut—from £3,600 to £2,000. The Commissioner might have prolonged the negotiations with a view to securing a better figure. Further, if the matter had been submitted to public tender, another company might have played a very important part in bidding for the concession; that is, if given the opportunity.

Mr. Lambert: The other company would have given another £2,000 a year.

Mr. TEESDALE: It seems to me that the deal was rushed somewhat. More time should have been spent in adjusting the figure. I am of opinion that had £5,000 been fixed as a basis for starting negotiations, they might have finished up in the region of £3,000 or £3,500. But when the Commissioner showed what may be called unseemly haste in dropping from £3,600 to £2,000, it must have looked to Mr. Hedges as though the Commissioner was very anxious to bring about a deal. I do not know that there was any particular occasion for haste. Therefore I am sorry to say I cannot support the Commissioner in this matter. At the same time I must agree with the Minister for Works that the question is hardly of sufficient import-

ance to justify such a drastic step as the removal of the Commissioner from his position, especially as up to the present that officer has discharged a very difficult task under stressful conditions with a fair measure of satisfaction. This is the only mistake he has made, and it might be overlooked. The best of business men are apt to make a bad deal at times. If one had a manager who, anticipating a rise in the market, bought ahead somewhat extensively, and if then the market turned against him, it would be very hard for that man, who was only acting in the interests of his employer, to lose his position. I hope the Leader of the Opposition will not press the latter part of his motion, because I think it is a little too severe for the offence committed. I do consider, however, that the Commissioner has shown want of business ability in connection with this particular deal, and that he might have made a better bargain for the Government.

Mr. WILLCOCK (Geraldton) [9.42]: I realise that this question was practically thrashed out on the Railway Estimates. I realise too, that there has been a surprising want of candour on the part of the Government in respect to the whole business. Anyone reading the file and going into the matter from whatever standpoint, could have come to no other conclusion than that a lease of this particular section of railway was under negotiation. Possibly, had the Minister for Railways been here at the time, he might have put a different aspect on the affair. But the Premier, who in the absence of the Minister for Railways was in charge of the Railway Estimates, agreed at that time with the contention that a lease was being negotiated for this particular section of line. If anyone is to blame for withholding information on this matter from the House, it is the Premier himself. Had it not been for the storm of protest raised at the time, the negotiations which were undoubtedly being carried on in respect of this particular section of the Government railways would have been continued, and would have resulted in the granting of a lease. From my reading of the file, I can come to no other conclusion. Throughout the file there is no mention of the granting of running rights.

The Minister for Mines: Do you seriously say that?

Mr. WILLCOCK: I do.

The Minister for Mines: Then you are absolutely hopeless, because your own Leader just read the clause mentioning a lease for running rights.

Mr. WILLCOCK: I have searched the file, and I can find in it nothing about running rights.

The Minister for Mines: "Running rights" are the words used.

Hon. P. Collier: "Exclusive rights."

The Minister for Mines: No; "running rights."

Mr. WILLCOCK: Something turns up now that has never before been spoken of in this Chamber.

Hon. P. Collier: The words used are "exclusive lease."

The Minister for Mines: "Exclusive lease of running rights."

Mr. WILLCOCK: The words "exclusive rights" run through the whole of the papers. I do not know who advised the Premier with regard to the matter; presumably the Premier had some advice from some quarter. He knew nothing about the whole business when he was dealing with it on the Railway Estimates.

The Minister for Railways: If he knew nothing, nobody could have advised him.

Mr. WILLCOCK: He was particularly clear in dealing with the lease. No other conclusion could have been come to than that a lease was to be granted.

Hon. P. Collier: What else is it but a lease?

Mr. WILLCOCK: Nobody had any idea other than that of a lease. The Minister for Railways had inside knowledge and, I suppose, was one of the prime movers in the negotiations. No officer of the department would complete an important agreement like this without consulting the Minister.

The Minister for Railways: You did not know that I was out of the State, did you?

Mr. WILLCOCK: The negotiations were in hand before the Minister left the State. If the Commissioner did deal with a matter like that without consulting the Minister, it is time we passed such a motion.

The Minister for Railways: Power is conferred on the Commissioner by the Act.

Mr. WILLCOCK: Yes, but before the Commissioner takes an extreme step in so important a matter, he always consults the Minister. The Minister must have known all about it before he went away. This is one of the secret agreements of which we have heard so much. Since Parliament is supposed to accept the responsibility of finance, Parliament should have some information in regard to such a matter. This is a most important arrangement, touching the whole of the financial system of the railways. One of the most important items of traffic in connection with the mining industry is to be taken out of the hands of the department. I suppose the next step will be to lease to the company the sidings running into the mines. In the face of the granting of all these concessions, how can the railways be expected to pay? We have deliberately given away our firewood traffic, until now we have nothing whatever to do with it. The 15 miles of railway to deal with this particular traffic would have cost the company £50,000. We know that, because the Lake Clifton line cost £70,000.

The Minister for Railways: Are you serious in comparing the two lines?

Mr. Mann: Mr. Hedges had only to shift rails from his own line.

Mr. WILLCOCK: The Minister has told us something to-night of the cost of shifting rails and putting them into a new line. This line would have cost anything up to £40,000.

Mr. Pickering: What, 15 miles of busi-
ness railway!

Mr. WILLCOCK: If the company had the rails, it would not have cost so much. However, under this agreement they are making use of Government rails required for other purposes. On a very conservative estimate the line would have cost them £30,000 which at 6 per cent. would have represented practically the £2,000 per annum, without the cost of maintenance. They are saving that much. My objection to the whole business is that the House has been misled in the matter and that, but for the protest made, the lease would have been entered into. We are losing a considerable sum of money on this deal, whereas the company has gained a great concession. The railway finances will be seriously affected by the agreement entered into.

The Minister for Mines: No agreement has been entered into.

Mr. WILLCOCK: We asked the Premier whether any negotiations or agreement had been entered into and he said, "Yes."

The Minister for Mines: I do not deny that negotiations were entered into, and that the agreement was submitted to Mr. Hedges. However, it was not accepted by him.

Hon. P. Collier: That was after the question was raised in the House.

Mr. WILLCOCK: The Leader of the Opposition is justified in bringing forward his motion, because the Commissioner has not displayed much business acumen in these negotiations. Probably if we went right into the question we should find that the Commissioner has made very many important slips. The Commissioner should be as anxious to protect the interests of the State as he would be to protect his own.

Mr. ANGELO (Gaseoyne) [9.56]: A good deal has been said against the Commissioner for having leased a portion of the State railways. Years ago a main trunk line was built from Coolgardie to Kalgoorlie. Later, owing to the business between those two centres increasing, a duplication was provided. Since then, unfortunately, business has decreased and the necessity for the duplicate line passed. As soon as that stage was reached, the duplication was no longer part of the main trunk railways of the State; it had become unnecessary. It was considered whether the duplication should not be taken up and removed to another district. The Commissioner was doubtful about the wisdom of that policy. The fortunes of goldfields fluctuate, and a new discovery might easily result in a fresh demand for the duplicate line. The Commissioner, probably, was very pleased on finding an opportunity for temporarily leasing that line, and he agreed to lease it for three years.

The Minister for Mines: There was no lease about it.

Mr. Willecock: Everyone thought it was a lease.

Hon. P. Collier: There is intuition there.

Mr. SPEAKER: Order!

Mr. ANGELO: I mean he has been given the running rights.

Hon. P. Collier: You have forgotten part of your lesson.

The Minister for Mines: With the right to terminate it in three months.

Mr. ANGELO: Three years is the limit according to the Act. The Commissioner has made a good deal. Evidently he does not want the duplication for the time being, but does not wish the line to be taken up, in case it is wanted. According to the Minister, the value of the material if taken up would be £22,000, that is, after deducting the cost of taking it up. It is also doubtful whether it would be worth that amount. The Commissioner is getting £2,000 a year for the running rights over this section, which is about 9 per cent. of the value of the material. He has, therefore, done well, especially when we know he can terminate these running rights on giving three months' notice. If necessary the department can use the line. The member for Roebourne (Mr. Teesdale) says the commissioner should have started at £5,000.

Mr. Teesdale: And worked downwards.

Mr. ANGELO: If I thought the Commissioner could have secured £5,000, I would be prepared to vote with the Leader of the Opposition. I do not think he could have got anything like that. There was not a great rush on the part of Mr. Hedges to sign the agreement. Considering all the circumstances I think £2,000 represented a good deal for a temporary lease of the running rights of a line that is not required.

Hon. P. COLLIER (Boulder—in reply) [10.3]: The member for Gaseoyne, like a child or a baby, tells us a remarkable tale, which had not even the merit of plausibility.

Mr. Munsie: A glaxo baby at that.

Hon. P. COLLIER: He says the Commissioner saw a chance of getting £2,000 a year for this railway and that he had made a good deal. If he could have got £5,000 and refused it, the hon. member would have censured him. Nothing less than the Commissioner having actually said to Mr. Hedges, "I will not take your £5,000, but only £2,000," would have called forth censure from the hon. member. How does the hon. member know that the Commissioner could not have got £5,000? There is no evidence that he attempted seriously to get £3,600. Although the Minister for railways overwhelmed us with figures, and poured them out so that some members were absolutely bamboozled, and did not in the end know where Kurrawang or Coolgardie were, he did not touch one of the points in my case, but talked all round the subject. I admit the motion is a drastic one. Although the action of the Commis-

sioner may be censurable, and certainly is, it may not warrant the extreme step of carrying the motion as it is worded. I had no other course than to bring up the matter in this way. If a Minister made a mistake or a bad deal, which did not altogether warrant dismissal, one could move a motion of censure against him in the House, but it would not be the proper procedure for Parliament to adopt to censure a Government official. The only body which has power to dismiss a Government official is the executive, subject to the approval of Parliament. The only course open to me was to word my motion in a drastic way in order to call the attention of members to it.

The Minister for Mines: You know the effect of your previous censure of a public official. You brought him here.

Hon. P. COLLIER: He is more useful to the State than he was in his other capacity. I am not reflecting upon him in his other capacity, but merely wish to say he will be extremely useful here. The Minister is always whittling down the value of the line.

The Minister for Mines: Not at all.

Hon. P. COLLIER: He quoted figures which will not bear investigation. First of all he cuts down from £36,000 as the value of the rails, fastenings and sleepers to £26,000, and then makes certain other deductions which cut the figures down to £22,000.

The Minister for Mines: Less the cost of getting them.

Hon. P. COLLIER: The case put up by the Minister is an afterthought. His whole case has been reconstructed in the light of the debate on the Railway Estimates.

The Minister for Mines: That is not so.

Mr. MacCallum Smith: If he had gone much further he would have been paying Mr. Hedges.

Hon. P. Collier: He would have shown that we were actually indebted to him for an enormous amount, but he stopped short of reaching that point. The engineer for Ways and Works put up an estimate at a time when he did not anticipate having to defend this case in the House. He said—

In any agreement arrived at provision should be made for the loss on the value of the rails, fastenings, and sleepers that would otherwise be removed for use elsewhere. This would approximate as follows: Coolgardie to Kurrawang, about 15 miles, 15 miles rails and fastenings at market prices £27,420; sleepers, 15 miles at 2112 per mile—£31,680 at 5s., £7,920, total, £35,340. The Minister for Mines: That is for 60lb. rails.

Hon. P. COLLIER: That is another whittling down. The Minister has actually been able to reduce the weight of the rails from 60lbs. to 45lbs. To his own satisfaction he has been able to reduce the value of the rails, which the engineer for Ways and Works says are worth £35,000, to £22,000, and to reduce the weight on paper from 60lbs. to 45 lbs.

The Minister for Mines: They have had 25 years' use.

Hon. P. COLLIER: The Minister said the cost of maintenance would be nothing at all, because this was a first class railway which had carried the express up to now. It was a heavy road of 60lb. rails and in good order and repair. He now says the rails are over 20 years old. Where does the argument of the Minister come in that it would not cost anything to maintain the road? Many of the rails must have become useless and have had to be replaced.

The Minister for Mines: The rails are old but the sleepers have only been in for five years.

Hon. P. COLLIER: What becomes of his statement that the cost of maintenance will be nothing? He suggested that the men on the Government section would merely glance at this line as they went along.

The Minister for Mines: I said the weight had been reduced from 60lbs. to 58lbs.

Hon. P. COLLIER: Can it be expected that an old road like that will cost nothing for maintenance?

The Minister for Mines: The cost of maintenance does not mean replacing rails. It means the condition of the road generally.

Hon. P. COLLIER: Does he suggest that an old and shaky road will not have to be maintained? I will leave it to the judgment of members.

The Minister for Mines: I did not refer to it as an old shaky road. I said the rails were old.

Hon. P. COLLIER: The permanent way is the road. The Minister cannot have it both ways. We are told we have a first class railway here, and that the sleepers have been in only three years.

The Minister for Mines: Five years.

Hon. P. COLLIER: It is so good that it has carried the Kalgoorlie express. Notwithstanding this, the Minister says that the 15 miles is not worth more than £22,000. The other day a track 14 miles long, built of second-hand rails purchased from a woodline which had been in use for 20 years, cost £70,000.

Mr. Latham: That included clearing the track and constructing earthworks.

Hon. P. COLLIER: It does not cost £4,000 a mile to construct earthworks.

The Minister for Mines: It is the value of the material after paying the cost of taking it up.

Hon. P. COLLIER: We have 15 miles of first class railway that is said to be only worth £22,000, and yet this other 14 miles of railway, constructed of 45lb. second-hand rails, cost £70,000.

The Minister for Mines: You forget this aspect—

Mr. SPEAKER: Order! The Minister has had his opportunity to speak.

The Minister for Mines: That is so, but the Leader of the Opposition is making a statement which I did not make. If we have regard to all these considerations, will the

Leader of the Opposition say what it would cost to construct the railway elsewhere?

Mr. Lambert: That is where Hedges makes his money.

Hon. P. COLLIER: I will give a rough estimate of £1,000 a mile. Suppose we double it, however, for this 15 miles of railway, that will give us £30,000. We know that in pre-war days railways were constructed for £1,000 a mile, including everything.

The Minister for Mines: Where? Not here.

Hon. P. COLLIER: Yes, in Western Australia. I admit that the lines constructed at that figure were the light agricultural railways. I admit that the cost was low.

The Minister for Mines: That is not a fair comparison.

Hon. P. COLLIER: It is absolutely fair, and it serves to prove that the Minister has brought forward a set of figures that will not stand investigation. Those figures were evidently prepared as an afterthought, in order to support the case brought forward by the Minister. The Engineer for Way and Works sets out definitely in the file the estimate of £35,000; to-night the Minister reduces that figure to £22,000, in order to assist him to make out his case.

The Minister for Mines: No, that is not a fair comparison.

Hon. P. COLLIER: It is fair. The Minister said in reply to my contention that the company would be making large profits arising out of this deal, that the Commissioner was not entitled to take into consideration the business of the company and fix the rate according to the profit or loss the company made. That is the very thing that the Commissioner alleges he has done, and justifies himself in accepting such a low figure on the ground that the business of the company does not justify a higher rate.

The Minister for Mines: He does not do so.

Hon. P. COLLIER: Yes, he does. In order to get away from the fact that this means a profit of £10,000 a year to Mr. Hedges, the Minister says the Commissioner is not entitled to take into consideration the position of the company in fixing the price; in his minute the Commissioner says that is the very thing he has done, and justifies his action on the ground that the mining industry cannot afford to pay more.

The Minister for Mines: That is the point.

Hon. P. COLLIER: The Commissioner says it has been the policy of the department to facilitate the supply of firewood to the mines at the lowest possible cost. Therein is evidence that the Commissioner has done the very thing which the Minister says he is not entitled to do.

The Minister for Mines: That is an entirely different point.

Hon. P. COLLIER: That is not so. I say the Commissioner was entitled to—

The Minister for Mines: Consider the effect it would have on the industry.

Hon. P. COLLIER: That is so, and also the effect it would have on the profits of the company he was dealing with.

The Minister for Mines: No.

Hon. P. COLLIER: My motion sets out that the Commissioner did not make a contract which would give the State an adequate return for the services proposed to be rendered. The Minister has not attempted to answer that contention. The file shows that the Commissioner was prepared to take £2,000 a year and he discussed the matter with officers of his department and so on. While all this goes on, there is not even an application lodged by the company to the department. If any hon. member had an office boy who handled a matter in such a slipshod way, he would dismiss the lad at once.

The Minister for Mines: You want to stick to the old red tape methods.

Hon. P. COLLIER: On the contrary, when dealing with an unsophisticated individual who is not "clear regarding details," who has not given any consideration to the business and who, when he walks into the Commissioner's office, is not clear as to what he really wants—

The Minister for Mines: And then gets it—

Hon. P. COLLIER: Although he is not "clear regarding details." I prefer to do business with a man like that in writing and give him time to ponder over the details and arrive at his decision as to what he wants. I do not want a Commissioner of Railways to take any unfair advantage of a man who in such an unsophisticated manner, walks into that official's office and, not being clear as to details, secures that which he requires. I would prefer to do business in writing for the protection of Mr. Hedges himself. However, my contention remains unanswered. All the side tracking and talk of the Minister regarding engines hooking-on here, and unhooking there, does not affect the position. Let me remind the Minister for Works that that policy has been in operation for the last 25 years where this company is concerned, and the company were required to do these things to which the Minister for Mines has referred.

The Minister for Mines: No.

Hon. P. COLLIER: The company were compelled to do it for many years until a variation was agreed to in 1919. At one time, the policy was for the Kurrawang company to bring in their wood supplies to Kurrawang and then not only to unhook engines, but the wood had to be taken out of the company's trucks and reloaded into the Government trucks for transport to the mines. The company's trucks were not permitted to run over the Government lines, and this extra cost of handling ran into between 4d. and 6d. per ton. Year after year the company put up requests to run along the Government line. They were put up to the Minister for Works from time to time when he was Commissioner of Railways, but

were always refused until in turn he left, and the matter was dealt with by another Commissioner.

The Minister for Works: How do you know that?

Hon. P. COLLIER: It is on the file. The Minister for Works, when Commissioner of Railways, compelled the company to unload their trucks every time.

The Minister for Mines: In those days, the companies were paying good dividends; they are struggling now.

Hon. P. COLLIER: I read with a good deal of pleasure a minute in the handwriting of the Minister for Works regarding the endeavour of Mr. Hedges to make use of political pull and influence to secure his way. The Minister said it was an unfair proposition.

The Minister for Works: Did I dare to say that?

Hon. P. COLLIER: Yes, and I read that minute with a considerable amount of admiration. Had the Minister for Works been Commissioner when this deal was under consideration, we would never be discussing the position now. Under the contract proposed to be made, there is a clear profit of \$10,000 to this company and it is idle piffle for the member for Gascoyne (Mr. Angelo) to say this was a good deal. The only request made by Mr. Hedges to the Commissioner for reconsideration was sufficient to induce the Commissioner to act accordingly. The Commissioner was not entitled to take that action and he should have safeguarded the financial interests of the State, particularly in view of the position as it stands to-day. It should have been clearly evident to a blind man, that £3,600 was a low price, and even had a rental of £5,000 been required, it would have paid Mr. Hedges to agree rather than incur the expense of putting down another line. I have ventilated the subject and I recognise it would be a very drastic action to dismiss the Commissioner for what has been described as a slip. Having ventilated the matter, I trust this will serve to be a warning to the Commissioner and others handling important business on behalf of the State to be more careful in future. In the circumstances, I will not press the motion to a division.

Question put and negatived.

MOTION—METROPOLITAN TRAMWAY EXTENSIONS.

To Inquire by Select Committee.

Mr. CLYDESDALE (Canning) [10.28]: I move—

That a select committee be appointed to inquire into and report upon necessary tramway extensions in the metropolitan area.

After reading the speech of the Minister for Railways regarding tramway extensions

in the metropolitan area, I feel there is only one course for me to take in the interests of the people affected by this question, namely, to move that a select committee be appointed to make the inquiries indicated in the motion. I was somewhat surprised to hear the Minister state that no tramway extension had been promised to the Como district. I have looked up the correspondence and I find that that tramway extension was discussed and agreed to by Cabinet. On the 12th July last, this announcement appeared in the "Daily News" after Cabinet had dealt with the question:—

Following on his representations—
This refers to the representations by the Minister for Mines—

Cabinet has now decided that the work of connecting South Perth shall be put in operation almost immediately. Mr. Seaddan made this announcement at the conclusion of the meeting this morning, saying: "Cabinet has approved of the commencement of an extension of the tramways. The decision to extend, of course, was made some time ago, but no definite route had been decided upon."

Later on he said:—

"I asked for a decision on the recommendation of the Tramways Department, and it has been determined to first proceed with the extension to South Perth."

The "West Australian" stated—

"It will be remembered," said the Minister for Railways and Tramways (Mr. J. Seaddan), "that provision was made on the Estimates last session for the commencement of tramway extensions . . . Cabinet this morning approved of the recommendation of the responsible officers to make a commencement with that extension through portion of South Perth to Como."

Then he proceeded to describe the route to be taken. Yet, in face of this, the Minister for Railways says no promise was ever made to construct tramways to Como. As further evidence of the promise, let me quote a letter written by the town clerk of South Perth to the Minister, dated 26th July, 1921. It states—

The council desires to express its appreciation and thanks for your recent definite announcement that the next tramway extension is to be the South Perth and Como line, and that the work will be started almost immediately. I need hardly remind you that South Perth is the oldest suburb but the last to be served with tramway facilities. It is 20 years since the service was first promised us, and many times since then we have almost secured the extension, but influences on the north of the river have always diverted the work to that side. It is, however, regarded as quite definite that the long looked-for facilities are within measurable distance of accomplishment, and the council and the residents of South Perth extend to you their sincere gratitude for recognising the

claim of this district in preference to those which have already either railway or tramway services.

The Minister for Mines: The moment that letter was published, my troubles began.

Mr. CLYDESDALE: I do not think the Minister ever had, or ever will have, any troubles. Replying to the town clerk's letter on the 28th July the Minister wrote—

I have to acknowledge the receipt of your letter of the 26th inst. setting forth your council's appreciation at the announcement in connection with the tramway extensions. I note the contents thereof and desire to return thanks for the appreciation expressed. It is quite an oasis in the desert.

In face of that we have the announcement of the Government that no promise was made! I am not so much concerned about the extension of the trams to South Perth as I am about the question of extension generally in the metropolitan area. My motion covers extensions required throughout the whole of that area. I am quite prepared to admit that the present is not an opportune time to extend tramways owing to the financial stringency. If the Government are not prepared to undertake the extensions, they should permit someone else to do so.

Hon. W. C. Angwin: You only require a Bill.

Mr. CLYDESDALE: I wish to impress upon members that the people concerned, for the first time in the history of the State, are prepared to pay for the extensions. In my electorate no fewer than five bodies desire tramway extensions and every one is prepared to guarantee the interest and sinking fund, and one of them is prepared to find portion of the working expenses also. What has surprised me is that the Government have not jumped at the chance and grasped it with both hands. If the people are so satisfied that the extensions will pay that they are prepared to guarantee interest and sinking fund under the betterment system, it is the bounden duty of the Government to provide the facilities.

The Minister for Mines: But the South Perth municipal council cannot pledge the future road board.

Mr. CLYDESDALE: The road board is in existence and can pledge itself. The people of Belmont are prepared to strike a rate which would result in a contribution of £5,000 towards the cost of £15,000 required to extend the trams to that district. As a result of the lack of facilities in the outer areas, people are drifting into the city and landlords are raising their rents. At present it is necessary to pay a premium in order to get a house. If an unfortunate creature falls a few weeks in arrears with his rent, he gets notice to quit. The train service to Maylands is an absolute disgrace. I do not say that the railway authorities are to blame for this; probably the distance of Maylands from Perth does not warrant the running of

a better service. Under existing conditions, however, the people of Maylands might as well be right out in the bush. The people of Queen's Park are prepared to pay interest and sinking fund on the cost of tramway extensions, and the same applies to the people at Como. The extensions required in my electorate are two to Maylands, one to Queen's Park, one to Belmont, and one to Como, and in every case the people are prepared to make themselves responsible for interest and sinking fund.

The Minister for Mines: Would Claremont do that?

Mr. CLYDESDALE: I know nothing about Claremont.

Hon. W. C. Angwin: They should get special Bills passed and let the Government run the trams for them.

The Minister for Mines: If the South Perth proposal were submitted to a referendum, it would be turned down.

Mr. CLYDESDALE: I would advise the Minister not to go to South Perth or he would be turned down.

The Minister for Mines: I have been there during the whole of the holidays and have been treated well.

Mr. CLYDESDALE: The Minister, then, is pretty game. I hope the motion will be agreed to in order to give the local bodies an opportunity to tell the Government exactly what they are prepared to do. So far they have not had an opportunity to do so. Year after year, for 15 years, deputations have waited on the Government without result, and the Minister is now trying to draw a red herring across the track by suggesting the formation of a tramways trust. We have had many promises which have not been fulfilled, and it is time the local bodies were given an opportunity to formulate a definite scheme to which the Government could give a straight out answer of yes or no. Give the local bodies an opportunity to place their proposals before a select committee, and I am satisfied that the trams will be extended to these districts within a very short period of Parliament resuming next session. I hope that members of the Country Party particularly will support the motion. The inquiry will not cost much. The select committee, after the close of the session, could be converted into a Royal Commission without pay, so that there would be ample opportunity to obtain all the evidence and settle for all time whether these tramway extensions should be undertaken or not. People have been waiting for these facilities for 10, 15, and 20 years, and to-day they are no further advanced. If they are prepared to guarantee the interest and sinking fund, they should receive some definite assurance that the work will be put in hand. If interest and sinking fund are guaranteed, there can be no question of loss to the Government. If the betterment principle had been adopted in the early days, those people who benefited from the provision of such facilities would have paid the tax and contributed their

quota towards extensions to other districts. No sooner was it announced that the trams would be extended to Como than land values rose to the extent, in some instances, of 200 per cent. If the latest pronouncement of the Government stands, these values will very soon fall again. Those people who hold land and derive the benefit of the unearned increment should contribute something towards tramway extensions. This is the system I propose to recommend to the local bodies, and I am satisfied they will be prepared to adopt it.

The Minister for Mines: Claremont will not adopt it.

Mr. CLYDESDALE: If that is so, the people at Claremont are not entitled to tramway facilities. The Minister will probably contend that it is unfair to impose the betterment principle in respect to these extensions, because other people enjoying tramway facilities have not been asked to shoulder similar obligations. This argument does not apply. It would apply if the finances of the State were in a healthy condition, but the present financial position is such that the Government could not undertake the construction of these trams unless interest and sinking fund were guaranteed. I quite agree with members of the Country Party that any money available for developmental purposes should be expended in the country, but where people are prepared to pay for these tramway extensions, they are entitled to the facilities.

Mr. Angelo: How long will they guarantee interest and sinking fund?

Mr. CLYDESDALE: We shall go to the Government with a concrete proposal from each body. The Minister a little while ago interjected that the people of South Perth would not be prepared to adopt the betterment principle. If this is so, let them go without trams. If other portions of the electorate are prepared to pay for these facilities, they should be served. We are desirous of submitting to the Government what we are prepared to do; so far we have not been able to elicit from the Government what they are prepared to do.

Mr. J. THOMSON (Claremont) [10.41]: While the member for Canning (Mr. Clydesdale) was speaking, the Minister for Railways interjected that the people of Claremont would not be prepared to pay for a tramway extension to that district. I remember being on a deputation which waited on the Minister a few months ago, at which it was stated on behalf of the people of Claremont that they were prepared to pay the interest and sinking fund if the tramways were extended to that district. The Minister then said that after Como—I do not know why he was so keen on Como—the deputation could rest assured that Claremont would be the next district to receive tramway facilities.

Mr. Clydesdale: Then God help Claremont after the latest announcement of the Government!

Mr. J. THOMSON: I support the motion, and I hope the Government will agree to convert the select committees into a Royal Commission without pay in order that, when the House meets next session, we shall have definite proposals to consider. I do not think the present Government will do very much. Every Minister, with the exception of the Premier—

Mr. SPEAKER: The hon. member cannot discuss members of the Government under this motion.

Mr. J. THOMSON: I am going to discuss the Minister for Works, the Minister for Railways and everyone else.

Mr. SPEAKER: The hon. member must confine himself to this motion.

Mr. J. THOMSON: I support the motion.

Hon. W. C. ANGWIN (North-East Fremantle) [10.43]: I intend to vote for the motion, but I wish to point out to the local authorities that if they desire trams, there is no reason whatever why they should not get them. The mover of the motion has stated that the people are prepared to guarantee interest and sinking fund.

Mr. Underwood: They say they are.

Hon. W. C. ANGWIN: They will have to give guarantees.

Mr. Underwood: Verbal guarantees.

Hon. W. C. ANGWIN: They can do as the North Fremantle council and the Melville Road Board did, namely, get a Bill passed, construct the tramways and arrange for the Government to run them.

Mr. Clydesdale: There is an extension of only one mile required to Maylands.

Hon. W. C. ANGWIN: It could be done for one mile. I doubt whether the North Fremantle extension was a mile. I think the hon. member should extend the scope of the motion somewhat. My opinion is that tramways are going out and that the future means of travelling will be by improved motor service. Motor cars and motor buses would not cost so much as tramcars.

Mr. Clydesdale: It would cost more to maintain the tracks.

Hon. W. C. ANGWIN: I doubt that. Anyhow, it would be a good idea to inquire into the best means of communication as well as into the question of extensions actually required. With the member for Canning (Mr. Clydesdale) I agree that the people on the south side of the river have been badly treated in connection with tramway facilities.

Mr. UNDERWOOD (Pilbara) [10.45]: I intend to support the motion, but I am convinced that all the facilities which are peculiar to the metropolitan area should be governed by the authorities in the metropolitan area. As representative of Pilbara it seems to me that the people of Pilbara have no interest whatever in this matter; the subject is one which concerns the Government and the metropolitan municipalities.

Hon. J. Thomson: Why did you not do something when you were a member of the Government?

Mr. UNDERWOOD: I did. It is not right that the member for Kalgoorlie and the members for the North-West and the South-West should be dealing with questions which only affect the interests of the people of the metropolitan area. We should hand over to the people in the metropolitan area those utilities which affect them alone. I am prepared to support the motion.

The MINISTER FOR MINES (Hon. J. Scaddan—Albany) [10.47]: I sympathise with the member for Canning (Mr. Clydesdale) and he may accept my sympathy with an assurance that I am doubtful whether he feels more disappointed about this matter than I do. I am disappointed because I recognise that Como as well as other parts such as Queen's Park, Belmont, Maylands, Nedlands extension to Claremont, and other sections of the metropolitan area have been waiting for years for tramway extensions, and as we have a monopoly of the tramways, the people in those places are entitled to ask us for a definite announcement of our intentions. I have already stated that I have gone into the question thoroughly, and I have in my office a plan of the proposed extension, showing the complete scheme. This is available for inspection by anyone who cares to see it. The object of these extensions is that the land in the outer districts may be made available to the industrial section of the community at a reasonable figure. When the opportunity presents itself I shall submit a recommendation in the direction of making a start with those extensions. I had to make a recommendation to start somewhere, and I suggested South Perth and Como, but the recommendation did not provide that facilities should be granted to those who live close to the edge of the river and who are already served. Immediately the announcement was made, Leaderville and Claremont rose and caused the metropolitan Press and those who had been supporting the commencement of extensions to become hostile. Then we had a battle of routes, a matter on which there should be no battle at all. I have been placed in a position of waiting for funds. I do not control the funds. If the Treasurer will find the money I will go on with the extensions. If he says he cannot find any money I have no right to press the matter further.

Mr. Clydesdale: You have not yet asked the people whether they will pay for those extensions.

The MINISTER FOR MINES: The people cannot afford to pay for them.

Mr. Clydesdale: Yes, we can find the interest and sinking fund.

The MINISTER FOR MINES: It is a question of whether the money can be raised at the present juncture.

Mr. Clydesdale: But you must start on some extensions.

The MINISTER FOR MINES: We shall start when funds are available. At the present time the Treasurer says he cannot find any money and I can do no more. What I suggest is that there is no advantage in appointing a select committee at this stage. The select committee can do no more than I have done; I have all the data that it is possible to get and have convinced the House that the extensions are desirable—

Mr. Clydesdale: You have no data as to what the local bodies are prepared to do.

The MINISTER FOR MINES: The only point remaining is as to what attitude the local authorities will adopt to enable us to make an early start with the extensions. There is nothing to prevent the hon. member and others calling the local bodies together to discuss the matter as fully as they like. This can be done without expense to the country, and it can then be shown that the local bodies are in earnest.

Mr. J. Thomson: What would a select committee cost?

The MINISTER FOR MINES: A few pounds perhaps, but a select committee could not do more than a conference of the local authorities. The local authorities could meet without any delay, while the select committee could not sit to take evidence during recess.

Mr. Clydesdale: You could make it an honorary Royal Commission.

The MINISTER FOR MINES: The honorary Royal Commission stunt is just about played out. Boiled down the question is one of finance. If the local authorities are prepared to impose a betterment tax and get the ratepayers to agree to the proposal by way of referendum, we shall know where we are, but I am extremely doubtful whether the people would agree to that proposal.

Mr. Clydesdale: At any rate, let us start somewhere.

The MINISTER FOR MINES: Let the local authorities take the necessary course in the direction of getting an expression of opinion of the people who are to be served and then I can come down to the House with a Bill to provide for the betterment system or some other method that may be satisfactory, and if Parliament will adopt the Bill it will be tantamount to an expression of opinion and we shall be able to proceed.

On motion by Mr. Mann, debate adjourned.

House adjourned at 10.56 p.m.

Legislative Council,

Wednesday, 11th January, 1922.

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The PRESIDENT took the Chair at 3.0 p.m., and read prayers.

SELECT COMMITTEE, TRAFFIC ACT AMENDMENT BILL.

Report presented.

Hon. A. Sanderson brought up the report of the select committee appointed to inquire into the Bill.

Report received and read.

Hon. A. SANDERSON (Metropolitan-Suburban) [3.6]: The ordinary next step, I believe, is to move that the select committee's report be printed; but, speaking for myself, and I think in this I am also voicing the opinions of my two colleagues on the select committee, I wish to give the Minister an assurance that if he does not desire that the report should be printed, or if the House does not desire it, since this course might involve delay in the consideration of the measure for some little time, it would be quite easy for myself or either of my colleagues, when members have the Bill before them in Committee, to explain quite clearly, as well as briefly, what the position of affairs is in connection with the report. Everyone must recognise that when such a report as this is read, without a printed copy being before hon. members, there is always a little difficulty in following the recommendations of the select committee. I only mention this in order to meet the wishes of the Leader of the House in every respect. If he, speaking for the House, does not consider it necessary that the report should be printed, I will refrain from moving the motion.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East [3.7]: Personally I should be prepared to accept the written report of the select committee, with the hon. member's explanation; but printed copies of the report can easily be available here by 3 o'clock to-morrow afternoon, when the Bill will be taken into consideration in Committee.