

"the payment of such duty, contrary to this or any other Customs Act, shall be forfeited: any such goods so water-borne, or found being removed or conveyed as aforesaid, shall be deemed to be water-borne, removed, or conveyed for the purpose of exportation unless the contrary be proved":

THE HON. E. T. HOOLEY: I think there is a very important omission in this clause. I think this clause will press very hard upon some persons in the interior who may charter a vessel to take sandalwood, but cannot tell how much the ship will take. He is unable to pay duty before the cargo is shipped and he knows how much is on board, and yet this clause would render him liable to the forfeiture of his consignment. I think it would be sufficient if he gave due notice to the collector that he intends to ship a certain cargo, but that he does not know the exact amount. I propose to add, after the word "forfeited" in the 14th line, the following words:—"Provided that when the amount of duty cannot be ascertained until after the shipment of such goods, notice to that effect, served upon the Collector, shall protect the shipper until the loading of the vessel is completed."

THE COLONIAL SECRETARY (Hon. G. Shenton) moved, That progress be reported.

Question—put and passed.

ELECTRIC LIGHTING BILL.

This bill was considered in committee and agreed to without amendment.

ADJOURNMENT.

The Council at twenty minutes to 10 o'clock, p.m., adjourned until Tuesday, 8th March, at 3 o'clock, p.m.

Legislative Assembly,

Monday, 7th March 1892.

Alleged Breach of Privilege by the *Daily News*—Railways Act, 1878, Further Amendment Bill: first reading—Papers connected with the Midland Railway Company—Correspondence relating to the floating of the Midland Railway Company—Further assistance to the Midland Railway Company—Returns showing number of Government employes and their salaries and emoluments—Returns re Chinese immigration—King George's Sound Garrison Discipline Bill: second reading—Adjournment.

THE SPEAKER took the chair at 7:30 p.m.

PRAYERS.

ALLEGED BREACH OF PRIVILEGE.

MR. CANNING: Sir, I believe questions of privilege take precedence of all other motions in this House. It is with regret and with reluctance that I find myself compelled to address the House on the present occasion on a question of privilege, in which I am myself personally concerned. I thought that whatever may be the opinions I have held and the views I have expressed in the House on the various questions that from time to time have come before it, I might at least claim credit for something like sincerity. My own inward consciousness gives me the assurance that I am quite justified in so thinking. Well, sir, I find that whatever my own consciousness or my own opinion may have been, I have not been exempted from a most unwarrantable attack in a newspaper published in this city. In the *Daily News* of last Saturday there is a most unwarrantable and unjustifiable and unfounded attack made upon me; and I consider, sir, that my duty to the community at large, my duty to my constituents, and my duty to myself, calls upon me to repel this attack and to answer it. I think I ought, before proceeding further, to read to this House the article in question, in order that it may fairly judge the issue which I have to set before it. The article is headed "Illegitimate Assistance," and the very heading of the article is an insult to this House. These are its words:—

A very strong feeling of opposition is manifesting itself to the introduction by the Government of a bill for the remission of the rents in certain parts of the drought-stricken districts. Of course, it is quite understood

that the Government are not thus giving away a large slice of the year's revenue of their own free will and accord, but, indeed, that they are only doing it under the compulsion of a Legislature that is largely composed of squatters, or those who have a large interest in squatting. When we say that the manner in which the Government have been forced into doing this manifestly irregular, not to say improper, thing is open to the strongest deprecation, we are only voicing the opinion of a very large section of the community; and we may add that there are many engaged in sheep farming at the North, who recognise the extreme impropriety of thus giving away a large portion of the revenue to the squatters, and who would decline to receive the proffered assistance. Severe as has been the drought, and dire as have been its results, in some cases, they have certainly not justified the course which has been decided upon. The flood at the Greenough affected more individuals than has the drought at the North, and many had their homesteads, crops, and stock completely swept away; but what attempt was made by the State to assist these poor and unfortunate agriculturists, many of whom had been struggling with poverty and adversity for years, and knew none of the comforts and luxuries of the Northern squatters?

I ask hon. members who have had practical experience of what life is in the Northern districts of the colony to notice those words, "the comforts and luxuries of squatters in the North." The article proceeds:—

It was the generosity of the public that saved these men from absolute want and distress; and when once before they had their crops swept away by the red-rust, and the then Government came to their assistance, and presented them with seed wheat, they repaid the State with their labor, and set to work and bushed the Geraldton sand-hills. Will the Northern squatters attempt to similarly repay the assistance rendered them? We think not. Here we have a number of men who have most of them—apart from the inevitable roughing of a squatter's life, which is, perhaps, one of its greatest charms to those following it—been living lives of considerable comfort and self-indulgence, especially if we are to judge by their somewhat lavish expenditure, when they happen to come into town.

I think there are many squatters in this House who may notice here, what they may have not discovered before, that they have been living lives of luxury and indulgence.

If these men have failed to put by for the rainy, or, in this case, the dry day, what right have they to expect the country to make up for their improvidence? Who have hitherto had the reputation—a reputation due, not only to their habits in town, but also to the

style in which many of them live upon their stations—of being the most opulent men in the colony? The squatters.

In living thus upon their stations, I hope they do not put their servants in livery.

MR. A. FORREST: They do it down here.

MR. CANNING: They have done so since the hon. gentleman has set the example. The article also says that some of them have the instincts of gentlemen—which cannot be said of some persons—and that they are the most opulent class in the colony.

How often do we see or hear of an impoverished sheep-farmer from the North? He comes into town with his pockets full of money, which he spends with a lavishness and freedom which no one else in the colony can hope to imitate. He has been until lately having a succession of good or fairly good seasons, and been getting good prices for his wool.

I am afraid the writer would be a very dangerous teacher indeed on matters connected with commerce.

And now when some months of drought come, and he loses a few or many sheep, we are perforce induced to believe that all this display of opulence was merely display of a vulgar kind, and that the squatters are a ruined community, who are so sorely put to it that they are not above accepting a present of a ten pound note or so each from the Government—for that is what the contemplated assistance amounts to. It is simply monstrous that these strong, able-bodied men at the North should come to the South after a bad season or two in *forma pauperis*. It is a disgrace to them and a disgrace to the colony, and we would fain believe that they are not united in the appeal that has been made for their assistance, but that it is either the outcome of the complaints of a thriftless few, or of the desire of one or two squatting and mercantile companies to recoup themselves the losses that they have endured as a result of the recent spell of dry weather. We honestly believe that if the settlers at the North were canvassed on the matter, a majority would decline to thus render themselves a burden to the State. One of the last things a self-respecting man will do, no matter what his straits, is to go to the Government or the Parish authorities for assistance. Rather than do this, one would think that the squatters would throw up their holdings altogether, and seek some other means of subsistence?

MR. A. FORREST: I rise, sir, to ask whether, so far, any question of privilege has been stated by the hon. member?

THE SPEAKER: I do not think any question of privilege affecting the hon. member has been stated to the House. I think the hon. member had better con-

fine himself to that portion of the article which does reflect upon himself.

MR. CANNING: It is with a view of making the full purport of the article plain to the House that I am reading the whole article. In reading a portion of a document you may mislead your hearers, and it is always considered desirable that the whole of it should be read. If any legal gentleman were asked to give his opinion on a particular question contained in a document, he would prefer to see the whole of it. However, there are very few more lines to be read before I come to the matter immediately affecting myself:—

If a man living in town cannot pay his rent, he will, as a rule, give up the house in which he is living, and similarly, if the squatters cannot pay their rents (£50 for every hundred thousand acres), the best, and in fact the only, thing they can do is to throw up their holdings. Of course we shall be told that the squatters are a community on whom the prosperity of the colony largely depends. Even so, we must remember that it is not proposed to help the squatters as a body. All that is to be done is to remit the rents in two portions of the colony, although it must be remembered that there are other places that have suffered as much as, or more than, those set down for assistance. This may cause dissatisfaction among the squatters themselves, and we may find them quarrelling together, in consequence, which will certainly not be edifying. The worst feature of the whole business, and one that is impressing itself more and more on the public mind in these parts, is that the Legislature which has done this is almost entirely a "Squatter Parliament," and that they are virtually helping themselves out of the public purse. The hon. Sept. Burt saw how the members would lay themselves open to uncomfortable comment in this respect, and warned them in connection with it, but in vain. The electors of the city will certainly not fail to note that the *soi-disant* Radical reformer, Mr. Canning, was a prime mover in the matter referred to.

"The *soi-disant* Radical reformer," meaning the self-styled Radical reformer. Further, I ask the attention of hon. members to these words which follow:—

This gentleman, whose pratings as to popular rights and privileges will be fresh in the minds of most, is one of the foremost in legislating for the particular benefit of a class, without regard to the general welfare. The member for East Perth will, in future, be best known by the name of "the Squatter's Friend," for he has certainly not proved himself to be "the Working Man's Friend," as he is prepared to squander the public revenue on the large landholders and sheep-farmers of the community.

If the usages of this House will permit me to say so, it is simply a lie.

It is really quite time that this gentleman had done with masquerading, as the disguise is altogether too transparent. We have met his type of Radical before.

I should like to know who "we" is.

The Radical in kid gloves, with an orchid in his buttonhole, à la Joe Chamberlain, and no doubt others have, ere this, recognised the type also.

I should like to know where that gentleman was ever likely to meet Mr. Joe Chamberlain on equal terms. I don't think Mr. Joe Chamberlain would allow such meeting, unless he met him in the hall; he would never penetrate beyond that.

However, we do not desire to discuss Mr. Canning, or to analyse the reasons which have induced him to support this proposed present of £25,000 to the squatters, or rather to a few of them, and the financial agencies.

I hope all squatters will notice those words.

All we wish to do is to impress on Parliament the necessity of re-considering the position, before permitting this iniquitous diversion of a big slice of the revenue. Meanwhile the citizens of Perth and Fremantle should assemble in public meeting, and protest against a course as mischievous as it is unnecessary and unwarrantable.

That article concludes with a threat to this House—an attempt to coerce it into taking a particular line.

MR. A. FORREST made an interjection which was inaudible to the reporters.

MR. CANNING: The hon. member for West Kimberley is extraordinarily sensitive about this. I can perfectly well understand, and shall presently explain, the reasons of his sensitiveness.

MR. A. FORREST: I have not the slightest objection.

MR. CANNING: Having read that article to the House, I have no doubt that hon. members have listened to it with some attention. It will be noticed that I am called a *soi-disant*—that means one who pretends to be what he is not; and the statement is made that I was a prime mover in the matter of the remission of rents. The article goes on to say, in the most offensive terms, that I am one of the foremost in legislating for the benefit of a particular class, without regard to the general welfare. I am to be known for the future as "the squatters' friend"—not an opprobrious designa-

tion—for that I have certainly not proved myself “the working man’s friend.” It says I am prepared to squander the public revenue; that it is quite time also I had done with masquerading—that is putting on a mask to make myself appear what I am not. The writer will not stop to analyse my reasons. Now, sir, presuming for a moment that, in view of the deplorable condition of things in the North, and regard being had to the fact that I knew, of my own knowledge, that squatters—those engaged in sheep farming—knowing, as I did from the very best evidence I could possibly have, that these people have been enduring as a class during the last 12 months, greater hardships and tribulations than have been endured by any other class in this community—if, knowing all this, I had given my support to a reasonable measure for ameliorating the pressure of distress upon them, yet I do not think I ought to have exposed myself to such strictures as are contained in the article I have just read to the House. If I had done so, I do not think I ought to have exposed myself to any strictures of the kind; and I think that such strictures upon me or upon any member of the House taking that view would be a breach of the privilege of Parliament. The members legislating in this House are not legislating for one particular class—they have to legislate for the colony at large; and having a knowledge of the hardships of a particular class, to support a measure for the relief of that class I say at the most would only have laid them open to the charge of having made an error in judgment—nothing more than that. So that I think I may, even assuming that the statement upon which the writer of the article I have read bases his strictures; assuming for a moment that it had been true, I think that the strictures and the inferences were wholly unwarranted, and should call down on the newspaper the censure of this House. But what is the fact—the real state of the case? The whole article is based upon a tissue of falsehoods; it is based really upon a monstrous lie. The writer of that article, in stating that I was a prime mover in this matter of the remission of rents, that I supported a measure to that end, has simply been guilty of one of almost the most disgrace-

ful acts a man can commit; that is, he has told a lie, an absolute lie; and I shall proceed to prove that by unimpeachable evidence which cannot for one moment be questioned. I will not speak from my own memory or ask hon. members to speak from their memory—but I will produce the report in *Hansard* of the only debates in this House that have taken place on any matter affecting this question. On the 14th of December, a week after this House met, Mr. Alex. Forrest made a motion as follows:—

That in view of the heavy losses of settlers in the Gascoyne, North-West, and Kimberley divisions, the annual rents payable in advance on the 1st March, 1892, be remitted.

That was the motion. A debate followed; several members spoke; some supported it, others opposed it. Among others, the hon. member for York pointed out the objections to such a proposal. Other members spoke, but I do not think it necessary to read the speeches on the occasion. I will come down to what I said myself, because that touches the question raised by this article in the newspaper. I said, as reported in *Hansard*:—

After the remarks of the hon. member for York, and also after what has fallen from the Premier, it is not necessary that I should detain the House at any length. I would like to point out, however, that if the motion of the hon. member for West Kimberley be agreed to, it will cut off a considerable portion of the revenue, which at the present time would not be a good thing; and in the next place I would point out that we are being asked to vote on a matter many members of this House are interested in. I must admit that I fully appreciate the difficulties the squatters in the North have to encounter, and no one has more sympathy than I have with them. As far as I am concerned I should not feel justified, whatever decision may be arrived at, in voting in favor of the motion at any rate; and I certainly do not think we should grant any concession to any person unless application is made for it, and then only under special circumstances. I would remind hon. members that the position of all pastoral lessees is not the same. Some reside, for instance, near the sea and consequently are in a better position than those whose stations are some 200 or 300 miles inland. I think that if anything is to be done, the Government might fairly consider the advisability of entertaining any applications that are made to them for a postponement of the payment of rents due on the 1st March next; but I quite agree that to remit the whole of the rent cannot be entertained by this House.

Well, sir, is there anything in that to justify the statements in the article?

That was the first debate. There was a subsequent debate on this matter of the rents. On the 1st February the hon. member for the DeGrey brought forward a motion as follows:—

That it is the opinion of this Assembly that, in consideration of the prolonged and disastrous drought prevailing over the Northern Districts—resulting in losses in the live stock of the settlers, which will require many years of fairly good seasons to recover from—the Government should, without delay, bring in a Bill repealing those clauses in the Land Regulations of 1887 which provide for an increase of rent at the expiration of the first seven years of lease; and, in lieu thereof, substitute clauses which shall cause such increase to be postponed till after the expiration of the second term of seven years from date of leases.

Debate ensued. I spoke on the question, and these are my words, also from official record:—

When the Land Regulations were framed, the rents for the three periods of seven years were passed [this should have been “based”] on the assumption that there would be a certain number of fairly good years. Such a calamity as has now happened was not calculated upon; but it having happened, it now becomes a question whether the Regulations should not be recast. It is said that the rents are fair, but that is a question I think we should consider. If it could be shown that the lands could be turned to any other account than for the pasturage of sheep and cattle it might be different, but we know the land is only suitable for that one purpose. Under the present circumstances, and considering the immediate future, I think the Government might consider whether they could not recast the Regulations. I am afraid the motion of the hon. member for the De Grey as it stands cannot lead to any practical result; still at the same time I think the discussion which has taken place upon it may do good.

An amendment was proposed by the hon. member for the Moore, which became the substantive motion after the hon. member for the DeGrey had withdrawn his proposal. The substantive motion (that is, the amendment of the hon. member for the Moore) was in these words:—

That this House requests the Government, after careful consideration, to introduce at an early date this session, such a measure, by remission of rents or otherwise, as will assist the pastoralists of the Gascoyne and North-West districts, and other districts affected, in the present disastrous circumstances of those districts.

Well, sir, speaking on the amendment, this is what I said, being a mere repeti-

tion of what I had said on the original motion:—

I have suggested that the Land Regulations might be recast. The present rents were calculated on a basis of a fairly large number of prosperous years. That position may have been thought sound at the time, but experience has now shown us that it is not.

Debate ensued, and the amendment was passed. Well, sir, I did not vote at all. In pursuance of what I had stated on the first motion upon the subject, I abstained from voting, as I clearly saw the position I was in. I knew perfectly well that, as a member of this House, and as one interested directly and indirectly in the question before the House, I had no right to vote and I could not vote on it. I was precluded by the rules and procedure of this House, and I stated then that I could not do so. I adhered to that.

THE PREMIER (Hon. Sir J. Forrest): There was no division, I think.

MR. CANNING: What has that to do with the question? Why didn't you call for a division?

THE PREMIER (Hon. Sir J. Forrest): It was carried unanimously.

MR. CANNING: No; it was not. I deny that distinctly. Why should I stultify myself by then voting upon it? Certainly not. It would be an insult to common sense to suppose I should do so.

THE PREMIER (Hon. Sir J. Forrest): The motion was general.

MR. CANNING: There are many such general motions.

MR. RANDELL: Did the hon. member leave the House?

MR. CANNING: I cannot say that. Certainly I did not assent to it one way or the other. If the remarks I made on the 14th of December had been made subsequently, it might be competent for the hon. member to insinuate what he has insinuated now, that I subsequently endeavored to justify myself. But I stated my opinion on the matter upon the very first occasion that it came under the consideration of the House. I do not think there has been anything in my conduct in this House to lead people to suppose I should say one thing, and ten minutes later say another thing. The hon. member for the Moore moved the remission of rents as an amendment on the motion of the hon. member for the DeGrey.

MR. RANDELL: Not "remission of rents."

MR. CANNING: Remission of rents or some other means. The greater includes the lesser. I do not shrink from anything like inquiry, but the substantive motion of Mr. Randell was:—

That this House requests the Government, after careful consideration, to introduce at an early date this session such a measure, by remission of rents or otherwise, as will assist the pastoralists of the Gascoyne and North-West districts, and other districts affected, in the present disastrous circumstances of those districts.

I have shown, I think clearly and conclusively, that the statements in the article in question, or the principal assertion that I had supported the remission of these rents, and upon which statement the strictures are based, are an absolute falsehood; that there is not a shadow of foundation for the statement. I have said the article in question put forward a monstrous lie, and I say it was done with the intention of insulting and injuring me, and damaging me in the opinion of the community at large, and of my constituents. I say that is the evident intention of the article. It bristles with malice from beginning to end. Every line reeks with venom. It distils venom in every word. It may be said, "What reason was there for this malice: this venom?" They say there are certain persons largely interested in that paper, whose interest I have thought fit, in the interest of the colony at large, to oppose, not with the intention of spiting or damaging them, but simply because I thought it my duty to follow a certain course. Then I may call attention to the fact that not very long ago there was an item on the Estimates for about £2,000 of public money to be spent in making some improvements on Mount Eliza. It was put before this House under the specious name of making a public park. It is generally reported that certain persons who are interested in land up in that locality have certain allotments which they wish to sell.

MR. A. FORREST: Name, name!

MR. CANNING: No.

MR. A. FORREST: Then don't say it.

MR. CANNING: I say they hold certain allotments of land up there, which they are very anxious to dispose of at the best possible prices; and it was con-

sidered that if they could put forward in a prospectus or an advertisement that the Government were about to spend a considerable sum of money in improving land in the locality, it would enhance the value of those allotments.

MR. A. FORREST: Name those persons.

MR. CANNING: The hon. member does not require it.

MR. A. FORREST (rising): I deny that I am interested in the land there.

THE PREMIER (Hon. Sir J. Forrest): I rise to order. Sir, I do not know whether this is relevant. It seems to me that if there are no limits to a question of privilege, and if an hon. member may read from a newspaper and comment on it for forty minutes, and then go on to speak about a park, and refer to persons holding land near the park, I think the business of the House may be continued in this way the whole evening. I do not wish to interfere with the hon. member, but I think there must be some limit to an irrelevant discussion going on all round the compass.

THE SPEAKER: No doubt the hon. member was in order in bringing up a question of privilege to take precedence. He could not do so without quoting from the newspaper in which he says this libel is contained. I think the hon. member was a little discursive in going out of his way to talk about £2,000 on the Estimates and land on the bill. I think the hon. member will do better if he will confine himself to the subject of the words that he complains of.

MR. CANNING: I should not be able to show the complete relevancy of the matter which I am bringing before this House if I were not to take this course. I shall conclude by showing that a false and malicious libel has been published of a member of this House. I have already shown that the libel is absolutely false, and now, sir, I proceed to show it is malicious; and, in order to show it is malicious, I desire to show there is some reason for malice in the matter, and it was with that view I wished to show it is well known that persons largely interested in this newspaper are also holders of land in the locality of the park; that they were very much aggrieved and got very angry at the refusal by a majority of this House, of which majority I was one, to grant that sum of £2,000 for the

purpose of improving that part of the town; and I may say that since this House thought proper, upon very good grounds, to refuse its sanction, that sum was altogether inadequate.

THE SPEAKER: After I have already stated that the hon. member ought not to wander so far from the subject, I hope he will confine himself to the question.

MR. CANNING: It is only in justification that I refer to what took place. However, these persons evidently felt very much aggrieved at the result of the division upon that question of giving £2,000 to be expended upon Mount Eliza, and since that time the attacks which have for a considerable time past been appearing in that particular newspaper upon me have become very much embittered and very venomous; and on Saturday last they culminated in the article to which I have drawn the attention of the House. I think this question goes to the very root of popular representation, for if members of this House are not to be allowed to act with perfect independence, so long as there may be no obvious reason for mistrusting their political sincerity and honesty, there cannot be freedom of representation in this House. I think that members of this House should be at perfect liberty to express their opinions and vote upon questions that come before them without any restraint being put upon them, and without menaces being held out to them by newspapers. To show that I am justified in bringing this matter under the notice of the House as a question of privilege, I will read a short passage from *May*:—

It was resolved that the publishing the names of the members of this House, and reflecting upon them and misrepresenting their proceedings in Parliament, is a breach of the privilege of this House and destructive of the freedom of Parliament.

It is perfectly competent for the House to deal with this question. In "Parliamentary Law relating to the Colonies," it is clearly laid down that a House constituted as this is may deal with such a question, and punish for a breach of the privilege of the House. I do not think it is necessary for me to read the article, but if you, sir, think it desirable to do so it can be read. If the question should be raised, it can be settled by reference to what is recognised as an authentic record of Parliamentary law and practice.

Our own Act, the Parliamentary Privileges Act, in section 8, provides, among many other things, that "the assaulting, obstructing, or insulting any member in his coming to or going from the House, or on account of his behaviour in Parliament, or endeavoring to compel any member by force, insult or menace, to declare himself in favor of or against any proposition or matter depending, or expected to be brought before either House," etc., is a contempt punishable by fine, according to the Standing Orders of either House. Section 14 is, perhaps, more applicable to the point. It declares that—

The publishing of any false or scandalous libel of any member, touching his conduct as a member, by any person other than a member, is hereby declared to be a misdemeanor.

And it shall be lawful for either House to direct the Attorney General to prosecute before the Supreme Court any such person committing any such misdemeanor.

And any such person convicted before the said court of any such misdemeanor shall be liable to imprisonment for any period not exceeding two years, or to a fine not exceeding one hundred pounds, or to both such punishments.

Well, sir, it appears to be clearly established that members of this House are to be absolutely free from insult or intimidation of any kind in connection with the performance of their duties. I grant that a well-conducted Press is a powerful means of promoting the advancement of any people and of maintaining its liberties. I have lived in places where, by a single stroke of the pen, the chief of the Government was able to suspend a newspaper for an indefinite time. I much prefer the institutions under which we live, but I maintain that these institutions should be prevented from abusing their power. I recognise fully the great advantages to any community of a free and unfettered press, and no one would be more disposed than myself to resist any encroachment on its liberties; but there is a wide difference between freedom and license. I maintain that no paper should be at liberty to insult any individual, and certainly that no member of the Legislature should be exposed to insult and contumely at the mere will and pleasure of any wretched scribbler who might be able to control the use of types and be able to write. I beg to move "That this House do direct the

Attorney General to prosecute before the Supreme Court the printer and publisher of the *Daily News* newspaper, for a false libel on myself, M. F. A. Canning, a member of this House, touching my conduct as a member; such printer and publisher not being a member, or they not being members, of this House."

MR. H. W. SHOLL: I have much pleasure in seconding this motion. I consider the article that appeared in Saturday's *Daily News* was an insult, not only to the hon. member, but also an insult to the settlers of the North. If they do make money, they can do what they like with it. I dare say the gentleman who wrote that article has made as much money out of the North-West settlers as out of the people of Perth.

THE ATTORNEY GENERAL (Hon. S. Burt): When a member of the House complains that a breach of privilege has been committed, no doubt it is somewhat deplorable to all of us. We desire to do as we like. Such a matter no doubt affects the liberty of a member, who should be able to act in this House without being criticised in the Press and having motives imputed to him. What there may be in the hon. member's complaint, I am unable to say at the present moment, for the reason that I am not used to reading these scurrilous articles. I don't know whether they indulge in picking the bones of the Attorney General occasionally; I suppose they do. Some men are constituted differently from others, and may feel these attacks acutely; but if a breach of privilege has been committed, it is undoubtedly the duty of the House to protect its members. I don't think it is a matter that we can pass over without some inquiry, and without giving the hon. member an opportunity of justifying his action. I am not prepared to say there has been no libel on the hon. member for East Perth. I have not read the paper, and it is impossible from hearing it read, not hearing every word, to carry in one's mind sufficient to say off-hand—and I am sure no one would ask me to say so—that in the judgment of the Attorney General a libel has been published. I had no idea until some time this afternoon that the hon. member intended to make this motion,—and I would ask him now, if he has no objection, to defer the debate and allow hon. mem-

bers time to look into this article, in order to deal with it on another day—say, to-morrow.

MR. PARKER: Speaking only on the question of adjourning the debate, I trust that hon. members will during the adjournment look into this and consider the matter seriously. The hon. member for West Kimberley, I observe, thinks it a sort of laughing matter, that it is a matter to be treated with levity. It seems to me that if we are to keep a proper decorum and a proper respect for members in this House, and a due respect for ourselves, the House should see that the individual members of the House are protected from false and scurrilous attacks. It appears to me, from listening to the hon. member for East Perth, that the hon. member for West Kimberley (Mr. A. Forrest) was trying to excite a sort of laughter about it, when the hon. member made the motion that the Attorney General should be instructed to prosecute. Let me remind hon. members on the other side of the House that questions of breach of privilege are never considered to be matters of party. It may be that someone is attacked on this side now, and someone on that side may be attacked to-morrow. A question of breach of privilege touches the whole House, and it matters not who the individual member may be; and any insult or attack on an individual member, whoever he may be, is resented equally as much as if it were an attack on the leader of this House. We know that only recently my hon. friend the Premier complained of an attack on himself, and he very justly resented it and said he would not sit still to be attacked with impunity. Here this paper, which keeps reporters in this House, and which ought to know what was the truth, falsely alleges what it knew to be untrue with regard to the conduct of the member for East Perth, and on this false allegation it holds him up to ridicule and contempt; and if that is not a false libel, I do not know what is. I have much pleasure in supporting the motion for adjournment. It is a question whether we are going to defend ourselves, to uphold the dignity of this House, and to hold ourselves in any respect at all; for if we do not do so, we shall not find the Press of the colony respecting us.

Question—That the debate be adjourned—put and passed.

**RAILWAYS ACT, 1878, FURTHER
AMENDMENT BILL.**

Read a first time.

**PAPERS RELATING TO THE MIDLAND
RAILWAY COMPANY.**

MR. CANNING, in accordance with notice, moved that there be laid on the table of the House—

1. A copy of the Articles of Association of the Midland Railway Company of Western Australia, Limited.
2. The latest Report and Balance Sheet of the said Company.
3. A list of the Directors of the said Company.
4. A list of the Shareholders in this Colony, and, so far as may be ascertainable, elsewhere, in the said Company.

The hon. member said he had no desire whatever to prejudge the question of any help or any facilities being given to the Midland Railway Company, to carry out their undertaking. He was simply adopting the course that would be taken up by any ordinary man of business, or any firm, or bank, if they were contemplating large transactions with any other firm or individual. He certainly thought that the furnishing of the information to be found in these returns should be preliminary to any negotiations to be entered into with this Company, and it was in order that they might not open themselves to the reproach of having entered upon a consideration of these negotiations without this necessary preliminary information that he asked for these returns. He said again he had no wish in any way to prejudge the question of granting any further assistance to this Company. With regard to that, he reserved entirely his liberty of action; but he thought, looking at it from a business point of view, the information here asked for should form the basis of any proposals or of any negotiations that might be entered into.

THE PREMIER (Hon. Sir J. Forrest) said he had that day, knowing this motion was coming on, applied to the attorney of the Company if he could supply him with this information, and he

received a letter in reply stating that his (Mr. Sayer's) only copy of the Articles of Association was handed to the Crown Solicitor some time ago. He (the Premier) did not know whether he had another copy, but he would be able to lay this document on the table, as asked for. The Company's attorney had forwarded him a list of the directors, and also full particulars as to their status and position, which he would now lay on the table. With regard to the other information sought for by the hon. member, the Company's attorney said it was not in his possession, but that he would write to the secretary of the Company and obtain it as soon as possible. Therefore it would be seen that the only information he would be able to lay on the table at present was a list of the directors. Tomorrow he would be able also to lay on the table a copy of the Articles of Association. But the other documents asked for he was not able to place before the House, simply because he had not got them.

MR. PARKER: Do I understand that the Company's attorney writes that he is not able to supply a list of the shareholders in this colony?

THE PREMIER (Hon. Sir J. Forrest): Yes.

MR. PARKER: Then I should like to know how he served notices of a call upon them, a few days ago. If he says he does not know their names—I am sorry to have to say it—he does not speak the truth, that's all.

THE ATTORNEY GENERAL (Hon. S. Burt): The motion includes the names of the shareholders in England.

MR. PARKER: Only so far as may be ascertainable. What was asked for was a list of the shareholders in this colony, and, as to my own knowledge, this gentleman called upon the shareholders here very recently to pay a call, he must have known their names; therefore when he says he is unable to give their names he is speaking what I regret to say is an untruth.

THE ATTORNEY GENERAL (Hon. S. Burt): I at any rate, have no interest in this Company or its attorney, but I think the hon. member is doing an injustice to that gentleman, because the question asked is "a list of the shareholders in this colony, and, so far as may

be ascertainable, elsewhere." It may be that his attention was not called to the fact that the list of shareholders outside the colony was only asked for so far as may be ascertainable here. If he were informed that a list of the shareholders in this colony would suffice, he might furnish it. It strikes me that must be the explanation, and we might be able to obtain that to-morrow.

MR. PARKER: I do not think it matters, myself, who these shareholders are.

THE ATTORNEY GENERAL (Hon. S. Burt): Nor I either.

THE PREMIER (Hon. Sir J. Forrest): I may say that I cut out the notice of motion from the Notice Paper, and sent it to the Company's attorney; and that was his answer.

MR. CANNING: I am sorry to hear the hon. gentleman say that he cannot supply all the information asked for. I should certainly have liked to have got a copy of the latest report and balance sheet. This is a document that is invariably forwarded to anyone interested in a company. I should also be glad to have the names of the shareholders in this colony.

Motion—put and passed.

CORRESPONDENCE RELATING TO THE PROMOTION AND FLOATING OF THE MIDLAND RAILWAY COMPANY.

MR. R. F. SHOLL, in accordance with notice, moved "That an address be presented to His Excellency the Administrator, praying that he will be pleased to furnish to members of this House all correspondence which has passed between the Secretary of State for the Colonies and the Government of this colony in relation to the Midland Railway, together with any letters, documents, and enclosures received from the Crown Agents with reference to the promotion and floating of the said Company." The hon. member said as it was probable that the House would shortly be called upon to deal with some proposal in connection with assisting this Company, he thought it advisable that the House should be placed in possession of all the information available, from the first start of the Company; and as all papers of this kind under the late form of Government would probably be found in the Gover-

nor's office, he had moved this address to His Excellency the Administrator.

THE ATTORNEY GENERAL (Hon. S. Burt) said the Government might find itself unable to agree to this motion in its entirety. What this correspondence between the Secretary of State and the Governor of the colony might be, he was sure he did not at present know, and he thought the Premier probably did not know. But it struck him it was not unlikely that we should find that some of it consisted of letters more or less of a confidential character between the Crown Agents and the Secretary of State and the late Government here; and, if so, certainly the present Government would not produce any documents of that nature. He knew himself that some four years ago a motion was made in that House for the production of some portion of this correspondence, and the Government of the day refused to produce it; and he could only assume that they did so on good grounds. The grounds stated, so far as his recollection went, was somewhat to the effect he had indicated, that the correspondence embraced documents of a more or less private nature between the Crown Agents and the Government of the colony. He had never seen these letters himself, but he had no doubt they would contain information of a private character, probably expressing the opinion of the Crown Agents as to the position and status of the persons forming the syndicate who were trying to float this company at that time. At any rate he should say that none of this correspondence of four or five years ago related in any way to the *personnel* of the present Company, and had very little to do with the present company at all. The motion, it would be seen, was very general in its terms, and he was almost sure it must embrace correspondence which, if not of a confidential nature, could certainly not be produced without detriment to other people whom we were bound to safeguard. Anything that was not of a private character could of course be produced. The Government had no desire to keep anything back,—they had nothing to keep back, in fact, with regard to this matter, except as he had said such letters as he had referred to, and which no one in any position of life would ever think of pro-

ducing, being of a confidential nature as between agent and principal, and possibly containing unguarded reflections upon other people, with whom that House had nothing whatever to do. Supposing, for instance, the Crown Agents had given their unrestricted opinion as to the men who, in those days, were trying to form this Company, as to their financial position for instance, and did not give a very flattering account of them, what good result would be gained now by the production of these letters? If they were produced, he should say the Government would at once be called to book by those who communicated this opinion upon such a delicate subject, in confidence, to the Government of the day. It had nothing whatever to do with the position of the present Company, nor would it help the House in any way in coming to an unbiassed decision upon the motion which was about to be moved by the hon. member for South Fremantle (Mr. Symon). If the House agreed with his view of the matter, he was sure he might give an undertaking on the part of the Government to produce all such correspondence as ought to be produced.

MR. DE HAMEL hoped the Government would give a very liberal interpretation to this motion, as to the letters they would produce. It might have been quite proper on the part of the late Government to refuse to produce these letters at that time, when there was no proposition in the air with reference to the Company asking the Government to help them. But the position was entirely changed when they found the Company now seeking the assistance of the Government, and when that House had to deal with certain financial proposals as between the Company and the Government of the colony. It was a most unusual thing, unique in fact, for a private company to ask the Government to come to its assistance, and he thought that neither the Government nor that House could be expected to give that assistance without having the very fullest information and all possible details before them. He believed it was in view of this application for assistance being made that this correspondence had been asked for. Therefore he would be disappointed if the Government decided to keep back any letters that would throw any light

on the subject, and he hoped they would give a very liberal interpretation to this motion, so that the House might have the fullest information it was possible for it to be furnished with.

MR. PARKER did not think the Attorney General was quite correct with regard to this motion. The motion, as he understood it, did not relate to the original Midland Company, but to the present company, which was not floated until 1890. He was sure there had never been any question put to the late Government asking them to produce any correspondence relating to the present Company. If any papers were asked for and refused they must have related to the former company, the original syndicate. All that was now asked for was the correspondence relating to the floating of the present Company. He did not hesitate to say that there was a general impression abroad that this Midland Company was founded in fraud—that it had been a fraudulent transaction from the very start.

THE PREMIER (Hon. Sir J. Forrest): Who has been defrauded?

MR. PARKER: As far as I can see, it is the colony that is going to be defrauded.

THE PREMIER (Hon. Sir J. Forrest): Who has been?

MR. PARKER: I am not prepared to go into that matter.

THE PREMIER (Hon. Sir J. Forrest): No one has ever complained to the Government of having been defrauded.

MR. PARKER: They are trying, so far as I can see, to get the Government to assist the Company in carrying on its fraud, or in getting out of it.

THE PREMIER (Hon. Sir J. Forrest): That is very strong language.

MR. PARKER: It is strong language; but the hon. gentleman has in his possession correspondence with the Crown Agents which justifies every word I have used. I have been informed, before this Constitution came into operation that shortly after the formation of this Company a despatch was received from the Crown Agents detailing the mode in which the Company was floated—detailing the fraudulent transactions in relation to the floating of the Company. If my informant was correct—and he was a gentleman in the highest authority—that

document is still in the hands of the Government, and I believe it will justify every word I say. Of course the object of the hon. member for the Gascoyne in moving for these papers is not that we want to rake up these matters, but because, in view of the motion about to be made by the hon. member for South Fremantle (Mr. Symon), it is necessary that we should have every information with regard to this Company, so that we may know whom we are going to assist. I feel sure that the members of this House are not prepared to assist in carrying on a fraud. If they find this Company was started in fraud, they do not want to assist a lot of swindlers in obtaining assistance that they ought not to have, or in obtaining money that they ought not to have. I am sure no member of this House would consent to give them any further assistance, if they find this is the case; they will say, "No; let the Company go to smash." That is the reason why we ask for all this information. It seems to me that the very letter read out this evening by the Premier from this Company's attorney shows conclusively that this gentleman is not prepared to give what information he might give, for he has kept back information that he might have furnished as to the shareholders. We know that on the 10th February the Company in London made a call upon all its shareholders, and their attorney here was instructed to make a call upon the shareholders in this colony, and he did make it. Therefore, when he writes and says that he cannot give the names of these shareholders, he is evidently writing what is not founded in fact, and he could easily give them if he thinks proper.

THE PREMIER (Hon. Sir J. Forrest): He may not know who they are now.

MR. PARKER: We do not pretend to ask him whether these shareholders have been re-registered or their shares transferred within the last few days. All we expect is reasonable information. It is a fact that on the 14th February he gave notice of a call to the shareholders in this colony, and, if he was desirous of giving this information, he might have said, "On the 14th February they were so-and-so." There is no doubt about his having sent these notices. I saw one of them myself—something to this effect:

"I am instructed by telegram that on the 10th February a call was made by the Directors in London, and to make a call upon you in respect of your shares." Therefore he must have known on the 14th of last month who the shareholders were, and, if he desired to give this information, it is perfectly plain that he was in a position to do so, so far as the shareholders in this colony are concerned. As to the other shareholders we only asked for a list, so far as may be ascertainable. It is perfectly plain what that means, and, if he did not desire to keep back the information, that information would have been forthcoming. In view of the motion proposed to be made that this House should give further assistance to this Company I think our duty to our constituents demands that, before doing so, we should have the fullest information.

MR. MOLLOY: If anything were wanted to justify this motion of the hon. member for the Gascoyne, I think this paper I hold in my hand furnishes it. I have here the return that was laid on the table the other day giving the details of the expenditure incurred by this Company, or alleged to have been incurred, since the Government guaranteed them the £60,000. What do we find from this return? I will trouble the House while I read some of these items.

THE SPEAKER: I think the hon. member is going beyond the question now before the House. This is a motion calling for certain documents. No doubt the hon. member will have another opportunity of calling attention to this return, if he wishes.

MR. MOLLOY: Then, sir, I will merely say that I support the motion before the House.

THE COMMISSIONER OF CROWN LANDS (Hon. W. E. Marmion): While the hon. member for York was speaking, it struck me as rather strange that he should put before this House an entirely different version of this motion from that put upon it by the hon. member who moved it. I myself, and I believe my colleagues also, certainly thought this motion had reference to all the correspondence that had passed with reference to this Midland Company since its earliest inception, and not merely (as the hon. member for York chose to

put it) since the year 1890, when the present Company was formed. I do not think that is what the hon. member wanted. The hon. member evidently wants this correspondence from the very start.

MR. R. F. SHOLL: Yes, I want the lot.

THE COMMISSIONER OF CROWN LANDS (Hon. W. E. Marmion): Then I am right, and the hon. member for York is wrong. It was intended to refer to the correspondence since the Company was initiated, several years ago, which was the reason why some demur was made by my hon. colleague. If it had been simply desired to produce the correspondence since the present Company was formed, the Government, probably, would have been quite prepared to have given it at once. I am not prepared to say whether they would or not, but I think it is very probable that they would.

THE PREMIER (Hon. Sir J. Forrest): I hope there is not going to be any discussion upon this motion, because what the Attorney General says the Government will do we will do: we will give all the information we possibly can. As to the papers relating to the old original Company, I do not think they would be worth looking at, as throwing any light upon the position of the present Company. So far as I recollect there was no Company originally, but simply a syndicate. There was no Company formed, so far as I know. The Midland Railway Company never had any proper existence until the present Company was floated by Mr. Bond. There is no reason that I know why we should not produce a great deal of this correspondence,—perhaps all of it. The only objection would be, perhaps, on the part of the Crown Agents, who would not like to see published what was written in a confidential communication between them and the Secretary of State or the Governor of the colony. But we will look into the matter, and I can promise the House that we will give all we think we can properly give to the House. We have no desire to keep back anything. The only reason that will actuate us, if we do not produce all, is that we feel we should not be doing our duty to other persons. There is generally a difference of opinion in all Assemblies, between the House and Ministers

about papers of this kind, as to what ought to be produced and what ought not to be produced; and the House generally trusts Ministers when they say they are unable to produce any papers without doing an injustice to somebody else. Houses, as a rule, accept the decision of Ministers in such cases. We shall try, as I have said, to give members every information we can fairly give them. Before sitting down, I should like to make one remark as to what fell from the hon. member for York. I think the hon. member used rather strong language, without full knowledge of the facts. He charged this company with fraud. Now when there is fraud, there is generally someone to complain of having been defrauded. It does not require this House or anybody else to advertise that there has been fraud committed, for the persons defrauded—if there has been fraud—generally take care to make it known. People soon complain if they find they have been defrauded. I have been a member of the Government of this colony for many years—certainly since this Midland Railway Company was first floated—and I have never heard any complaint from any single person, debenture-holder or broker, with regard to any action on the part of the Company. I have heard a great many remarks from irresponsible persons, who talked about fraud; but you may depend upon it that if there really had been fraud we should have had complaints from the persons defrauded. But that has not been the case, so far as I know; therefore I think we may take it for granted that there has been none. If there was any fraud connected with this Company, I do not think we should find on this list the names of the gentlemen I find on it among the Directors of the Company. For instance, the chairman, Mr. J. T. Smith, who is a Director of the Capital and Counties Bank; General Sir William Crossland, a name well known in this colony; Mr. Hubbard, a Director of the Great Western Railway Company; Mr. Mendel, well known in commercial circles in London; and Mr. Scott, chairman of the London Board of Goldsbrough, Mort, & Co. I cannot believe, myself, that these gentlemen are associated with any fraudulent transactions; at any rate, one would not imagine so, from the high positions they hold in the financial and

commercial world. Therefore, I think the hon. member is using too strong language altogether, even under the privilege of Parliament, to charge people with fraud and with being swindlers, when he knows nothing about it.

MR. PARKER: I know a great deal more about it than you imagine.

THE PREMIER (Hon. Sir J. Forrest): I think even the privileges of Parliament may be abused, when an hon. member in his place charges people with fraud, and—

MR. PARKER: I did not accuse them of fraud; I said it was generally rumored that this Company was founded in fraud, and I said I believed the hon. gentleman had a despatch in his office which would prove the truth of that opinion.

THE PREMIER (Hon. Sir J. Forrest): I believe, myself, it will not. I hope to be able to produce that despatch, if the Attorney General will let me. At any rate, if it is a fraudulent Company, it is a most extraordinary thing that the gentlemen whose names I have mentioned should be the directors of it. However, I can promise members that the Government will do all they can to give members all the information they possess.

MR. A. FORREST: Before this motion is put I should like to say that I see no reason why the whole of these papers should not be produced. But I rose to protest against a remark made by the hon. member for York, who said he was in a position to know that certain calls had been recently made on the shareholders of this Company in this colony. No doubt the hon. member does know, but I was sorry to find him getting up in this House to give information which he obtained from any of his clients, in his professional capacity.

MR. PARKER: Pardon me. I never said a single word about having obtained any information from my professional knowledge.

MR. A. FORREST: Of course not. It is not likely he would say so; but he must be fully aware that he got it from his professional knowledge.

MR. PARKER: I say I did not. I gained my information outside my profession.

MR. A. FORREST: I beg to differ from him altogether. I know for a fact

that he knows all about it, and I know the particular shareholder he referred to; and he must know it through his business. I am very sorry he should have thought fit to make it known. He is my own solicitor, and I am sorry he has given out to-night, for the first time, what he says he does know. He also knows that when this call was made upon the shareholders in this colony it was immediately withdrawn, and he knows there are no shareholders in this colony who will be affected by this question. The hon. member has as much as said that this Company was floated in fraud. I say he knows nothing about it. This Company has spent half a million of money in the colony. Where is the fraud about that? I am very much surprised at his action to-night, considering his position outside this House and in it, and I thought I would get up and tell him so from my place in the House.

Motion—put and passed.

MIDLAND RAILWAY COMPANY.

PROPOSALS FOR FURTHER ASSISTANCE FROM THE GOVERNMENT.

IN COMMITTEE.

MR. SYMON: I rise to move the motion standing in my name, "That in the opinion of this House it is desirable, in the interests of the colony, that the work of constructing the Midland Railway should be carried on without intermission or delay; and, That in the opinion of this House, in view of the great importance of this work, and the acknowledged difficulty at the present time of obtaining sufficient funds for its completion, any reasonable proposals made by the Company, for further assistance from the Government, are deserving of the favorable consideration of the Government and the House." I regret it should be necessary to bring forward such a motion, and I must candidly admit, after hearing the remarks of the hon. member for York just now, that this Company was founded on fraud, I should not have brought the motion forward at all, had I thought there was good ground for such a remark. But I certainly am not prepared to believe that the present Midland Railway Company is a fraud, and therefore I do not hesitate to ask the House to consider this question of coming to

the relief of the Company. In fact, I do not look upon this question as a question of helping the Midland Company or any other company, but more as a question of giving a helping hand to this old colony, which I think we are all bound to serve to the best of our ability. I do not think anyone will deny the proposition laid down in the first part of this motion,—that it is desirable in the interests of the colony that the work of constructing this railway should be carried on without delay. I think we must all admit that. If there is anyone here who thinks differently, I should like to hear his reasons. And if it is in the interests of the colony that the work should be proceeded with as quickly as possible, the converse of the proposition must hold equally good, that it would not be in the interests of the colony if there was a cessation of this work or any serious delay in carrying it on. If this railway is completed it will tap some of the finest agricultural land in the colony.

MR. R. F. SHOLL: It has already done that.

MR. SYMON: I quite agree with the hon. member: it has already tapped some magnificent land.

MR. R. F. SHOLL: The rest is sand-plain.

MR. SYMON: I am very sorry to have to differ with him there. I have travelled over that portion of the country, and I have seen some of the finest land in Western Australia along that Irwin river. There is good land between the two sand-plains. As all the land alongside this railway will not fall into the hands of the Company, but remain in possession of the Government, it stands to reason that the colony must benefit as much as the Company by the completion of this line. A line of railway running through the country is bound to enhance the value of the land very considerably. I think we have had satisfactory experience of that in connection with the Great Southern line between here and Albany. We know that the construction of that railway has increased the value of the land along that line very largely, and that it has tended very largely to what we are all anxious to see—the settlement of the country. There is every reason to believe

that what that line has done for the country between Beverley and Albany this Midland line will do for the country between here and Geraldton. It will lead to a large amount of settlement, and we know that an increase of settlement means an increased revenue from many sources; so that the country is bound to benefit in many ways from the construction of this line. Not only will it do good in that way, but it will also bring Geraldton and this part of the colony into more rapid and closer communication than at present. The trip by sea, as we know, takes a day and a night, and the passage is not always a pleasant one; and we may rest assured that this line would lead to a large increase of traffic between the two districts. The Geraldton District would undoubtedly benefit very largely from the construction of this line, and the settlers along the line would also benefit in being able to send their produce to market. In fact, I look upon this project more in the light of a national undertaking than a private venture. I think it is a question that closely concerns the whole community. I think that the merchants of the colony and the small traders would suffer seriously—in fact we would all suffer more or less—by the stoppage of these works, and I trust that the Government, if they have any proposals to put forward for assisting the Company, will do so, and, if they meet with the approval of this House, I hope they will be sanctioned, so that this important work may be proceeded with without delay or intermission. Of course I am not in a position to say whether the Government have any such proposal to put forward, but, if they have, I think the sooner we hear about it the better, for even the temporary stoppage of these works means a serious loss to the community. I have heard it stated in this House that there had only been about 100 men employed on the line for some time past. I have looked into this matter myself, and from the latest returns I find there were nearly 500 men employed, and that the wages amounted to about £4,000 every month.

MR. MOLLOY: Where did you get your returns?

MR. SYMON: At the office; the proper place to get them, I think. The position of this Company at the present time is

very much the same as the position of this colony and all the other Australian colonies, as regards the difficulty of raising money in the London market. We know the difficulty our own Government have experienced in connection with our public loan. With all the prestige of a flourishing revenue and bright prospects ahead, this colony has found the greatest difficulty, as we all know, in obtaining what money it required in the London market; and I firmly believe that had it not been for the scare that exists in the English money market at the present time, this Midland Company would not have experienced the difficulties it has in raising the money to complete this railway. I think it would be a most disastrous thing if this Company were allowed to collapse for the want of a little timely assistance. I think myself that the credit of the colony itself would suffer. The investing public in the old country would naturally fight shy of Western Australian investments, if this great undertaking were allowed to collapse; and to some extent the commercial credit of the colony would also suffer. I speak feelingly on that point, being directly interested in business. I must candidly admit that unless we have a great deal more money in circulation than there is at present it is a poor outlook for all of us. We have heard a great deal lately about the unfortunate position of the Northern squatters, and the Government are going to come forward to assist them. I hope they will also come forward and assist this undertaking, or we shall find a great many other sufferers besides the Northern squatters. I would not be in favor of the Government entertaining any proposal made by this Company, unless it was a fair and reasonable proposal, and one which would in no way act injuriously so far as the interests of the colony are concerned. We must take care of that. But if the proposals made are reasonable proposals, and the Government have sufficient security against any loss to the colony, I should be among the very first to accept a certain amount of the responsibility on my own shoulders, as the representative of one of the most important constituents in the colony. I have much pleasure in moving the resolution standing in my name.

MR. R. F. SHOLL: The hon. member said we require more money put into circulation, would he mind telling us whose money he would like to see circulating—our own money or the Midland Company's money?

MR. SYMON: I would prefer the Midland Company's money, but it appears they have none.

MR. DE HAMEL: I do not see myself that any good can be attained by prolonging this discussion at the present time. It seems to me that, before discussing this matter, we should wait for the information promised to us to-night by the Government. We are now simply talking in the dark, and doing work which it will be necessary to go over again, when we are in possession of further information on the subject. I therefore move that progress be reported, and leave given to sit again.

MR. PARKER: I am not going to say a word now with regard to this motion, but I wish to say a word in explanation, after what has been said by the hon. member for West Kimberley. The hon. member complained to the House that I was his solicitor, and that I gave forth to the world knowledge which I obtained professionally.

MR. A. FORREST: Not from me. I never said you got it from me. I never spoke to you about it.

MR. PARKER: I deny that I got it professionally in any way. I say distinctly that I did not obtain it professionally. The hon. member admits he has never spoken to me on the subject. The information I gained was in no way obtained from clients as clients; it was obtained outside my office, and it had nothing to do with my office. I may inform the hon. member that I also obtained a great deal of information when I was in England, in 1890, when the attempt to form this Company was going on. I have had many conversations about it with people, but not as clients; and none of the information I gave to the House to-night was obtained professionally.

MR. A. FORREST: One word in reply to the hon. member—

THE CHAIRMAN: I do not think the hon. member is entitled to a reply. The hon. member for York had a right to make a personal explanation, but the

hon. member has no right to reply. The question before the Committee is that progress be reported.

MR. LOTON: It seems to me that if we are to have a certain amount of the information asked for this evening, it is useless to go on with this discussion to-night. The motion to my mind is too indefinite altogether, and, when we do come to discuss it, I hope we shall have something more definite. If no other member will do so, I shall be inclined to put something forward myself of a more definite character than this. I think our proper course now is to report progress, until we have the information promised by the Government.

THE PREMIER (Hon. Sir J. Forrest): I hope to be able to get all the information by to-morrow.

MR. MOLLOY: So far as the present motion is concerned, I do not see how much better off we shall be when we get this information than we are now; the motion will be equally indefinite then, and we may as well discuss it now. It says that any "reasonable" proposals made by this Company are deserving of favorable consideration. Of course they are, if they are reasonable; but what we want to know is whether they are reasonable. That is just what we want to know, and that is why I am anxious that this motion should be proceeded with, so that we may hear from the Government what these proposals are. The hon. member who brought the motion forward seems to be in the secrets of some of the parties concerned, because when I ventured to ask him where he received certain information he referred me to the contractor's office, which he said was the proper place to get information. Other members may not be in a position to obtain their information from the same source as he did. We may not all be so privileged as the hon. member, and it is a pity that as he had access to the contractor's office he did not make his motion a little more definite. Until we get the information asked for this evening I do not see how we can do anything more, unless we obtain from the Government some statement as to the proposals of the Company.

Question put—That progress be now reported.

The Committee divided, with the following result:—

Ayes	...	...	...	12
Noes	...	...	...	16

Majority against ... 4

AYES.

Mr. Baker
Mr. Canning
Mr. Darlôt
Mr. Harper
Mr. Loton
Mr. Parker
Mr. Quinlan
Mr. R. F. Sholl
Mr. H. W. Sholl
Mr. Simpson
Mr. Trylen
Mr. De Hamel (Teller).

NOES.

Mr. Burt
Mr. Clarkson
Mr. Cookworthy
Sir John Forrest
Mr. A. Forrest
Mr. Hassell
Mr. Marmion
Mr. Molloy
Mr. Paterson
Mr. Pearce
Mr. Phillips
Mr. Piesse
Mr. Richardson
Mr. Symon
Mr. Throssell
Mr. Venn (Teller).

Question negatived.

MR. RICHARDSON: I think there may possibly be some words in the motion which do not commend themselves to some members. I believe the words having reference to "further assistance from the Government," if struck out, would probably make the motion more acceptable, and I think we should also provide that any proposals made should be with the object of completing this railway. I will move, as an amendment, that all the words after "That," in the second portion of the resolution, be struck out, and that the following words be inserted in lieu thereof: "In the opinion of this Committee, in view of the great importance of this work and the acknowledged difficulty at the present time of obtaining sufficient funds for its completion, any reasonable proposals made by the Company to the Government, with the object of completing the railway, are deserving of the most careful consideration of the Assembly."

MR. SIMPSON: I have much pleasure in seconding the amendment. The resolution as it appears on the paper is to my mind absolutely expressionless. I am only surprised myself that we have not had from the Government a statement of any proposals that may have been made to them. If we had them, I think it would save a great deal of needless discussion. I understand that some proposition has been made by the Company, and I think the sooner the House is placed in possession of it the better.

MR. R. F. SHOLL: I also hope the Government will tell us to-night whether

any proposal has been made to them by the Company. So far as this House is concerned we are absolutely in the dark so far as any information from the Government goes. What information we have obtained has been from the columns of the newspapers. I think this House ought to be the first to be furnished with such information as this from the Government, and the Press afterwards. I do not think this House should pledge itself to anything definite before we have some further information from the Government, which has been asked for this evening.

MR. LOTON: As we are promised some further information I do not think it is desirable on the present occasion to take any exception to this resolution as amended. I do not think any good would accrue from my attempting to place my views before the committee this evening. I presume the Government, if they have any proposal to communicate to this House, will do so at the earliest possible opportunity, otherwise I shall feel it my duty to take some further action in the matter. I do not think it is desirable that we should have this question left as it will be left if we only pass this bare resolution. I am sure we all have but one end in view, and that is to see this Midland Railway carried to completion. At the same time, I trust we all have another object which must not be made subservient even to that view, and that is to protect the best interests of this colony as against the interest of the contractors for this railway. We may very well leave the contractors, whoever they may be, to look after themselves. I consider it is the primary duty of this Assembly to look after the interests of the colony; the interests of individuals are a secondary consideration, so far as this House is concerned.

MR. MOLLOY: I think, as I have already said, it is very desirable that we should have some explanation from the Government as to the present position of this contract. I have here a copy of the original contract made between the Government and the original syndicate, dated the 27th February, 1886. I find from this that the actual construction of the line was to be commenced within two years from that date, and it was to be continued without unreasonable delay or

intermission so that at least 100 miles should be completed, equipped, and fit for traffic and opened within four years from the same date. According to that we should have had 100 miles completed and equipped and opened for traffic on the 27th February, 1890.

THE PREMIER (Hon. Sir J. Forrest): The period was extended afterwards.

MR. MOLLOY: I find also that not less than 50 miles was to be completed and equipped in each subsequent year. If that had been carried out, we should now have had 200 miles of this railway opened for traffic. It is well known that we have nothing of the kind; nor are we likely to have, apparently, unless the Company obtains assistance from some quarter. It seems strange to me that this syndicate which professed to have the necessary capital to construct this line, in return for the land which the colony was to give, should now come to the Government and say they have no money to go on with. I find from clause 14 of the contract that the railway was to be divided into and completed in sections of 20 miles, and they were to be paid at the rate of 12,000 acres per mile, a moiety of which was to be selected as each section was completed. They had not to wait until they completed their contract, but were allowed to select as each section was finished. That this was a foolish concession on the part of the Government of the day is proved by the fact that the Company, after being allowed to make their selections, are now in this unfortunate position: they are forced to admit that they are unable to complete the work. In clause 39, I find that the contractor, as he completed each section, was bound to open it forthwith, and to continuously work it, and that he was to run at least one train per day. Power was certainly given to the Commissioner of Railways to allow the contractor to run trains less frequently than once per day, but not less than three trains a week. I do not know whether the Commissioner has been requested by the contractor to make this concession; if not, the contractor ought to have run a daily train on this line as each section was completed and opened for traffic. We know he has done nothing of the kind. In any case, whether he had permission or not, he ought to have run not

less than three trains a week; and this permission could only extend over three months. I should like to ask the Commissioner whether this has been adhered to. We know as a fact that the trains have only been running twice a week. I find that, under another clause of the contract, the contractor was bound to introduce a number of immigrants. The clause says: "The contractor will procure the introduction into the colony from Europe, within seven years from the date of this contract, 5,000 adults of European extraction."

THE PREMIER (Hon. Sir J. Forrest): That has been waived.

MR. MOLLOY: It has never been complied with; that is very certain. I think it was a very wise provision to make, both in the interests of the Company and of the colony. The object, I take it, was to settle these people on the land along the line, so as to contribute to the traffic, and to develop the country, and to lead to settlement. But I am told it has been waived. This is not the only thing that has been waived in favor of this Company. There are other clauses in this contract which to my mind are altogether one-sided. Clause 59 fixes the security to be paid by the contractor at £10,000. This is the only guarantee that we had for the due performance of this contract for the construction of 300 miles of railway, being at the rate of a little over £30 a mile. As against that we give the contractor in the first instance the right to select 6,000 acres per mile, which, even at the low estimate of 5s. an acre, would represent £1,500 a mile (which is only one-half what he is entitled to). Yet we are now getting another railway, the Bunbury line, constructed for £1,200 a mile.

THE COMMISSIONER OF CROWN LANDS (Hon. W. E. Marmion): That is without rails and equipment.

MR. MOLLOY: I know all about it, and I don't want any information from him on this subject. Therefore we are in this happy or unhappy position: these contractors can build their 20-mile sections as it suits them, tapping the best agricultural lands along the route, and getting 6,000 acres of land for every mile, building the line as far as they please, and then, when it suits them, not

to go any farther, they can drop it, and lose what? This sum of £10,000!

THE PREMIER (Hon. Sir J. Forrest): And the other half of their land.

MR. MOLLOY: At present I am only dealing with the 6,000 acres per mile, without taking into calculation the other half. I have shown that this 6,000 acres at 5s. an acre amounts to £1,500 per mile, which they have to reimburse them in the event of their forfeiting their guarantee. If they take care to construct the line, and select their land where the good country lies, they could easily settle that part of the country, and so create a traffic for their railway, and they need not construct it any further, where the land is poor and not so valuable. We find that notwithstanding the favorable terms on which they got this contract they have been unable to carry it on, and a few months ago they had to come to the Government for assistance. First they led the colony to believe that they had the capital to construct the line if we would give them the land; and the reason of our giving the land was simply because we had not the means ourselves to build the line, but we had the land, and we thought it would enhance the value of the public lands in the vicinity of the railways. But the Company, finding they had not the money to go on with, and were unable to raise it, came to the Government, in their difficulty, and the Government, without any reference to Parliament in any way—and Parliament was a party to the contract as much as they were—advanced £60,000 to the Company. That money was advanced for certain specific purposes. It has been said by the Government that it was not an advance, but simply a guarantee. But what is their position now with regard to this £60,000? We find that notwithstanding this assistance, which the Company assured us would enable them to tide over their difficulties, they now come again to the Government and acknowledge, even before this £60,000 is all expended, that they have no means of carrying on the work. They again misrepresented the matter. I say "misrepresented" advisedly; I fully understand the meaning of the word. They misrepresented their position to the Government in order to get this £60,000

from them. That is clearly shown from the position they are in now. So far from having enabled them to tide over their difficulties, they are in greater difficulties than ever, and the colony has become liable for £60,000. The Government told us that they made this advance in the best interests of the country. I have no doubt they were actuated by such motives; they thought they were serving the interests of the country. But, I take it, they must acknowledge now that it was not very wise nor very prudent policy, and that the object in view has not been accomplished. Their £60,000, which was to enable this Company to tide over what they said was only a temporary difficulty—they said they would be sure to be in a position to raise the money before the £60,000 was all gone—has only put off the evil day a few months, and they now come before the Government and acknowledge that they have no prospect of continuing the work unless the Government again come to their assistance. This £60,000, as I have said, was to be expended on certain works which were to be valued and certified by the Commissioner of Railways. But what do we find from the return that was laid on the table of this House the other day, showing the monthly expenditure of this money. We find the most lavish expenditure, and most extravagant values put upon the work said to have been done. Anyone would think from these returns that the Government were the owners of this line, and that they had agreed to pay the contractor for it at the rate of £3,446 a mile,—for that is what it comes to. Was that the intention when this £60,000 was guaranteed? Was it the intention that we should have 17 or 18 miles of railway built with it at the rate of £3,446 a mile? I venture to say that never entered into the minds of the Government. This was never the intention of the Government when they agreed to advance this money. It was surely never contemplated that such extravagant values were to be put upon the work done as we see put upon it in this return. It appears to me that the heads of the departments principally concerned in this matter did not have any exact idea of what the agreement was with regard to this £60,000. They never studied its provisions, but simply

accepted the records and values placed before them by the Contractor as representing the work done, each month, and then guaranteed the monthly advance of £12,000. Was that the intention, that the Government should pledge £60,000 of the country's money to construct 18 miles of railway?

THE PREMIER (Hon. Sir J. Forrest): We have security.

MR. MOLLOY: He says they have security. The Government of this colony are not money-lenders. I do not think they are in the position of acting as money-lenders. What is our position now? Do we not find the utmost difficulty in raising money ourselves, for works which this House is pledged to? Is this the time for the Government to come forward as money-lenders? We find as much as we can do in borrowing, for our own wants, without lending it to other people, to prop up any private ventures that may come in our way. The Government tell us they have extreme difficulty in raising money during the present depression, and yet they pledge the colony's credit to the extent of £60,000 to bolster up a private concern, and to encourage the most lavish expenditure. I say the most lavish expenditure, and I will prove it. According to these monthly returns showing how the money has been expended, what do we find? In October the Company sent in a voucher representing an expenditure of £16,539, and some of the items that go to make up that amount are certainly unique in the way of extravagance. The very first item, "clearing the line," is put down at £172 per mile. Now anyone acquainted with the cost of clearing in this colony will know what that means,—£172 per mile for clearing a line of railway. Then we come to fencing. I find fencing is put down at £137 per mile, and earthworks at £650; viaducts, bridges, culverts, and drains, £283 per mile. These are the prices which the Government have been paying for work done out of this £60,000. At any rate, these are the values put upon these items by the contractor, and, so far as I can see, no one else seems to have done anything to check these values. Then we come to some other items, which I think are specially worthy of note. Ballasting is put down at £477 a mile,

and we are told that in the month of October 15 miles of ballasting was done. I should like to know whether the Commissioner of Railways satisfied himself that this 15 miles was actually done in that month, or was it, or any portion of it, work that had been done before the Government undertook this guarantee? Did he ascertain the actual state of the work and the progress that had been up to the date this agreement was entered into, so as to see that the Government was only paying for fresh work done? Did he ever take stock of the fresh work actually done, and for which the country was supposed to pay, and ascertain whether these monthly vouchers were correct or not? I venture to say that all the work put down on these monthly vouchers was not done, and I will give my reasons for it directly. We have another item of £5,495 for sleepers, in one month. That made 10 miles of railway. We have 15 miles of ballasting and 10 miles of sleepers in one month, October—the first month the Government guaranteed for—and what is there to show that this work was done at all after the guarantee was entered into? It may be answered that the Commissioner of Railways would surely satisfy himself, by his own officers, that the work was done, before he certified for the money being advanced. Well, we have the Commissioner's certificate at the bottom of each month's voucher, and I will just read it for the information of the House. Here it is: "Under clause 3 of the agreement, dated the 4th November, 1891, between the Government and the Midland Railway Company, and on the basis of certificate herein above written and signed by"—whom? The Government Engineer-in-Chief? No. The Company's own engineer. It goes on: "written and signed by F. Stafford, Resident Engineer, showing that the contract value of the work done by the Midland Railway Company in and upon the construction of the Midland Railway, in Western Australia, during the month of October, 1891, was £17,476, 1" (that is, the Commissioner) "do hereby approve of the payment by the National Bank of Australasia of £12,000 in respect thereof." What does that mean? It simply means this: that because the contractor likes to certify that a certain amount of

work has been done, and puts his own value upon it, therefore it must be in the opinion of the Commissioner worth the value put upon it, and that consequently he must authorise the Bank to issue £12,000 to the contractor. Is this a reasonable thing to expect from the head of this important department? Should he not be better acquainted with the meaning of the agreement before he would certify and authorise the issue of this amount of money? It was intended, I take it, that this money should be issued in £12,000 instalments, upon the authorisation of this hon. gentleman—that value in new work; not the contractor's value but his own value, in his opinion; that he should have satisfied himself what was the condition of the railway before the guarantee was entered into, and what was the condition of the next monthly period when they came for the issue of the £12,000, having done certain things as the guarantee provided. That this has not been done is proved by the returns which I hold in my hand. I might go through the other two months, but the values are made up just in the same way. There are sleepers in the next month valued at £7,000, but there is no ballast. There are sleepers in the subsequent month, £2,000, and ballast nearly £4,000. This is the way in which they have made use of the assistance we gave to the Midland Railway Company, to help them to complete the contract which they had entered into, and which they had stated they had the money to complete if we conceded to them the land; and after again imploring the Government to come to their assistance, and finding the Government were willing to do this, they impose on the Government to this extent, that every article of value including some £20,000 worth of sleepers which they had on the line at that time, has been foisted into these returns, and for which they ask the Government to pay. Is this a reasonable proposal to be made to this honorable House, in order that it may go forth to the country that the members of the Government have entered into such a bargain as this. In the first instance the Company said they had the capital to construct this line, and then, after hawking this concession about until it stank in the nostrils of the

financial world, discouraging this colony's securities and hindering its progress, they come here asking the Government to assist them. Now what do we find? That after imposing on the Government, and before the amount of the advance is actually expended, and without any proof being given to the head of the department who should have controlled this matter, they come again before this money is spent and say: "Oh, when we came to you a few months ago, and said we would be prepared to complete the line at the end of this assistance, we merely said so in order that you might grant us that assistance for the time being." And then, sir, we are reminded that we can fall back on our securities. I have endeavored to show that these securities, in some instances, are not worth the paper they are written on. We have debentures bearing interest at 6 per cent. offered us as security. Supposing we come to realise on them, what will they bring us? We have had some allusion to the value of these debentures in relation to the call made on shareholders. What really have we to fall back on? We have merely the £10,000 lodged as a guarantee for the completion of this line, which money has been diverted from its proper channel and been placed as the only tangible security for the Government guarantee of £60,000. I have endeavored to show that it was unwise on the part of the Government to have entertained proposals of this sort; that these people have not acted faithfully in the performance of their contract, even under the guarantee; and that they come forward impudently to acknowledge that disaster still continues with them. I have shown that they are not worthy of the consideration of this honorable House. I do not mean to say that, in view of the suspending of operations in respect of this railway, the House would not be inclined to entertain any reasonable proposal that may be made to it, but I do say the Government were unwise in committing the country to the expenditure of such a large amount of money, £60,000, which we have found has only staved off the disaster, and is absolutely lost to the country.

THE PREMIER (Hon. Sir J. Forrest): No.

MR. MOLLOY: It has been absolutely lost to the country, except the

£10,000 which the Company had previously lodged. It is to be hoped that these proposals to be made later on will be reasonable ones, and will receive the careful consideration of this House; and I venture to say that such a guarantee as has been entered into by the Government will not be repeated. I think the hon. gentlemen sitting opposite will have to acknowledge that in this instance, although their intentions were good enough, they failed to grasp the importance of the subject, and they did not enter into an agreement which was to the interest of the country. That this is an important subject I am sure no one will deny; and also that it is necessary to approach this matter with caution, having in view the method with which we have been treated by this Company, and with consideration on account of the issues involved. And I say that if any reasonable proposal be made to this House, by which the Company can say that half-a-million is to be expended in the prosecution of this work, no one will hail such a proposal with more delight than the members on this side of the House. But they must be assured that this expenditure will not entail ruin to the country, and that the proposals will not be of such a nature as that the Company will ask us to give a concession on the one hand and find the money with the other. If it be a reasonable proposal in the terms of the amendment now before the House, for the prosecution of this work to its completion, it will receive earnest consideration, and I hope the House will arrive at a conclusion in the interest of the country. But we will not arrive at a conclusion that will repeat the disaster which has happened in respect of this venture during the last three or four years, but it will be of such a nature as will complete the line and make it useful, and will have the effect of settling a population along the whole length, and will provide that the Company will not only complete it, but work the railway. Some provision should be made by which the Government can exercise their right to enter into the line by forfeiture for its non-completion.

MR. DE HAMEL: It appears to me that this motion is absolutely useless at present, and all that is said on it is a waste of time. I agree with the hon.

member for the Swan (Mr. Loton) that if the Government intend to produce proposals to this House, they should produce them, so that we could debate them on their merits. I cannot see the least good in discussing a vague and abstract motion such as this; and, with the object of giving the Government time to produce proposals, if they have any, or, if they have none, to tell us so, I beg to move that the Chairman report progress and ask leave to sit again.

THE ATTORNEY GENERAL (Hon. S. Burt): Perhaps the hon. member will allow me to say a few words first, as I have been waiting for an opportunity to do so.

MR. DE HAMEL: I will withdraw my amendment, as it is not yet seconded, to enable the Attorney General to speak.

THE ATTORNEY GENERAL (Hon. S. Burt): I had been waiting for an opportunity, before the hon. member spoke, to say a few words upon this question on behalf of the Government. I must say that at times when I think of the history of the Midland Railway, one is almost driven to something akin to desperation, and to wonder what the end will be. But remembering also how long we have been beating about the harbor works at Fremantle, and are only now beginning to see a little daylight through the haze, I hope we may be able also to put the Midland Railway on a proper footing, and bring the work to a speedy completion. Naturally, a question that has hung about such a length of time—it was ushered in about 1884 and hung about till 1890—will excite a good deal of warmth amongst all of us. It will be found in the records of *Hansard*, I think in the year 1889, that the hon. member who now represents the important constituency of the Swan moved a resolution dealing with the delay that had taken place on this scheme, and I had pleasure in supporting him on that occasion, the resolution being to the effect that if the work was not commenced there should be a forfeit and an end of the scheme. That resolution, which was proposed as an amendment on another motion, was carried; and His Excellency the Governor of the day informed the promoters that he would wait two months longer, till the February following, and if some satisfactory arrangement were not made to go on with the work, he

would have to terminate the concession. Apparently another arrangement was made, and out of it grew the present contract. Although the Company have not complied with the wording of the contract altogether, they have made 150 miles of line, and also a large amount of earthwork in advance of that, and are at present running engines on a track of 130 miles out of the 150. Therefore, when they did start they made a good start, and went ahead at a considerable pace. It may be that they have been going ahead too smartly, for they have come to the end of their money. I believe the whole capital required was obtained at the time in England, but a certain portion of the debenture scrip, about one-third of it, came back into the hands of the company. Owing to difficulties in the money market, a number of the people who had taken up the debentures found themselves unable to pay the instalments, and about £300,000 worth of the debenture bonds have come back to the company owing to the impecuniosity of the people who had taken them up. That is what I ascertained, when in London, to be the reason of the Company's difficulties. I do not think we can complain that since 1890 the Company have been doing badly. They have raised something like £700,000; the greater part of it they have spent here; and they were unable to spend the remainder of the capital for the reason I have stated. This state of things tends to make us all angry, and we are apt to think that everyone who speaks for or against the Midland Company has got a motive. I know that is so. For years there has been a great deal of suggestion, one way or another, with regard to the influences about the Midland Railway; but I think the hon. member for the Swan (Mr. Loton) struck the true keynote when he said we have all one end in view, and that is to protect the true interests of the colony. I said the contractor is running trains over 130 miles, but I am now informed he is running them over the whole 150 miles; therefore a great deal has been accomplished. Now that the Company are in difficulties, it is desirable to pass this motion which is before the committee. The hon. members for Geraldton, the Swan, and the DeGrey have asked if any proposal has

been made by the Company and what its terms are. This is a matter of very great importance indeed. We have a line which is completed for something like 100 miles from the Guildford end and 50 miles from the other end, with a long gap between. Now assuming that the Company tell us they are virtually unable to complete this work, what would be the result? We have to consider the terms of this contract, and we cannot go out of the four corners of it. Under clause 63, if 50 miles at least of the railway are not equipped every year from this time onward, we can rescind the contract. On the 27th of last month the Company ought to have had 150 miles equipped and open for traffic; and I have told you they have opened in that way 150 miles. In fact, up to within the last few days they had actually performed that which they undertook to do; with the exception that they had not quite placed the full equipment on the railway for its efficient working that they ought to have done under the agreement. That has not been done, but there is a large quantity of rolling stock in this colony belonging to the Company, which can be freed and made available on the payment of a very small sum of money. Assuming, however, that this rolling stock is absent—it actually is absent from the rails—I say the company have very nearly in every respect fulfilled their contract with regard to the 150 miles. They have built the line and trains are running on it; and, with the exception of some rolling stock, they have actually completed it according to contract. If the company find they cannot go on, and instead of fooling around us they come and say, “We have got no more money and cannot go on,” although I think they could make a very good show of doing 50 miles more in 12 months when we know they have the earthwork completed—then we could not touch them, unless we show that on the 27th of this month we hold that they have not completed their contract because of the absence of this little bit of rolling stock. I think to say that would be harsh. Then, if they come at the present moment and tell us they cannot carry on, and we are not in a position to rescind the contract but let them work away 12 months on this next 50 miles, we should have to

consider, in the interest of the colony, any proposals they might make to us. It was stated by the hon. member for the Gascoyne, and by other hon. members, that it was believed certain proposals had been made to the Government. Well, we all feel this is a very important matter indeed. Having assisted this company last October with £60,000, and our anticipations not being fulfilled, as we admit they are not fulfilled, by having the effect of holding the company above water until the market should become favorable to their getting more money, we find now that the London money market is absolutely worse than it was in October, when we gave the assistance. We find not only this company but other companies unable to raise money, and our own attempts to raise money in March also show that the money market is not so favorable as it was in October last. Therefore our anticipations in regard to the £60,000 have not been fulfilled. I say certain propositions have been made which are of great moment to the interests of the country, and the Government feel very great responsibility indeed, and we wish to see, on this occasion, our course perfectly clear. We wish to consider the situation most thoroughly; and if statements have got about in the Press on this subject, I can only say they never got about through the Government. There are two parties concerned in this matter, and whether the other party had particular reasons for communicating to the Press I cannot say. But I can say that a proposition has been made by the company which has been considered by the Government, and which the Government have refused to entertain, because we do not consider that this proposition was made in the true interests of the colony. We do not think we have to bolster up any firm or bodies in connection with this undertaking. All we have to look at and to satisfy ourselves upon is, whether it is a *bonâ fide* and honest suggestion that no more money can be obtained, and that the thing must come to an end. We are seeking to test that. We do not take it for granted because the company say they cannot get any more money. We say to them, “Go back and see how much you can get; don’t be in a hurry about it.” Well, we know the

difficulties of financing this concern since 1884, and it must have surprised some of us that any money was obtained at all to do any part of this work. However, money was obtained, and we have got 150 miles of railway completed, with the exception of some equipment. The proposition put forward now having been very seriously considered by the Government, we could not accept it; and we are endeavoring to satisfy our minds that the position is an acute one, and if we come to that conclusion we shall be open to the suggestion of other terms. If they do not propose other terms, then in face of this abandonment of the undertaking we shall have to consider whether it will be in the interest of the colony to complete the missing link—whether it is to the interest of the colony to join these two ends of the constructed railway. Under the 63rd clause we can obtain a forfeiture of the £10,000 deposit, and that is all. If they do not work the 150 miles now finished, we can enter into possession and use the railway. What would be the position of the Government in taking over and working the two ends of a great line like this? I need not debate that point. The whole value of the scheme was to make a connection with the Northern port of Geraldton. If we put an end to the contract, we lose these gentlemen entirely for the present, although, according to their own reports, they are not worth much. A proposition in this direction might be more acceptable than putting an end to the contract altogether and completing the work ourselves. We should then have to find the money to complete 125 miles, which might take up three, four, or five hundred thousand pounds, as we may be advised, and if we have to raise this money, it must not be forgotten that the sum will have to be repaid by the colony. If these gentlemen say, "We can obtain the four or five hundred thousand pounds required, with help from the Government, and we can pay it back if you guarantee the interest on it for a certain number of years," then I say there is a good deal more in that. Every one can see the value of one of these propositions over the other. Therefore while the negotiation is proceeding, it would be unwise to say this House will not approve of a certain course. If

we annulled the contract and the company went into liquidation, there would be infinite delay, whether we raised a loan ourselves to complete it or another syndicate were formed and came here to complete it, with perhaps as bad characters financially as these gentlemen are said to have. Whereas things might progress almost immediately if some assistance could be given for enabling them to raise more money, the Government giving a guarantee. Then the question comes, what money should they raise? The Government would like to say no more should be raised than will complete the line. If any proposition of this sort be agreed to, we would not propose to take over all the hangings-on of this contract—the contractor and everybody else connected with it. If we find we can deal with the work at £1,000 a mile, we are not going to pay £3,000 or £4,000 a mile. It could be agreed to only on the basis of a schedule of prices approved by our Engineer-in-Chief. Of course there may be other conditions which would have to be taken into consideration, for other purposes. For instance, we should take care to secure the £60,000 which we have already guaranteed. We are wise enough to do that.

MR. LORON: What security?

THE ATTORNEY GENERAL (Hon. S. Burt): I do not know that I am ready to say we have any proposition before us that we are considering. I am only showing the minds of the Government as to any proposition that may be taken. I do not think we should require any security. However, one proposal has been made to the Government, and declined. Possibly others may be made. I say we are fully alive to the importance of this matter, and the importance of not committing this country one step beyond what we are obliged to. I hope it will not be inferred that the Government are going to accept any proposition by themselves, without consulting Parliament. I have shown that if some arrangement can be made with the company in lieu of our raising a loan ourselves to complete the line, we should get far better terms. As to whether the company are in a position to raise more money, and what they can do in that way, the Government are making full inquiries. If a proposition does come

before this House, we shall be in a position to say that we have made proper inquiries. I think we shall be able to show whether there is any probability or not of this Company being able to do anything themselves. If so, we are not called upon to do anything ourselves; but if the prospect appears hopeless, and they represent it to us in this way, then we shall have to consider how to complete the work ourselves.

MR. PARKER: The hon. and learned gentleman has told us the Government have been making further inquiry. Can he tell us how many shareholders there are, the amount of capital subscribed by them, and what amount of debenture money has been raised?

THE ATTORNEY GENERAL (Hon. S. Burt): There were one million of debenture bonds put on the market, and they were all subscribed. I think £700,000 worth were paid up, and about £300,000 worth were not paid up. Those persons who subscribed for these were not able to pay when the time came, and the bonds were forfeited. The Company have been since offering these forfeited bonds for sale, but cannot sell them. I believe one part of the suggestion that came from the Company to the Government was that these £300,000 worth of debentures should be handed over to us as some security. Of course that was not entertained. It is said, by one hon. member, that they are valueless; but if the line was completed and became a paying concern hereafter, of course they would be valuable.

MR. PARKER: What is the amount of capital paid up by the shareholders? I am under the impression that the shares were 200,000 at £6 each, of which £1 per share was paid; so that with the £700,000 and £200,000 there was a total of £900,000. Has it ever occurred to the Government to inquire what has become of that money? At the price of £3,600 a mile payable to the contractor, the construction cannot have cost more than £540,000. I hope the Government may be able to show us how this £900,000 which the Company have admittedly received has been expended, and how much the individual directors got out of it.

THE PREMIER (Hon. Sir J. Forrest): £168,000 has been paid for interest.

MR. PARKER: How much have the directors received?

THE PREMIER (Hon. Sir J. Forrest): How can we find out, do you think?

MR. PARKER: If the Company have 200,000 shares of £1 each called up, out of £6 per share, it strikes one as extraordinary that there is not a call made on these shareholders, as other companies do.

THE PREMIER (Hon. Sir J. Forrest): The uncalled capital belongs to the debenture holders.

MR. PARKER: We have heard tonight that a call was made, and that the circulars were afterwards withdrawn.

THE PREMIER (Hon. Sir J. Forrest): You have told us. I know nothing about it.

MR. PARKER: If there are 200,000 shareholders and 200,000 shares, it is obvious that a call of £1 would produce £200,000. Are the greater number of these shares held by individuals who are not worth anything? Are they mere bogus shares, to enable the Company to raise debenture money? They said to the debenture holders: "We have got a million of unpaid capital." I say the Government should find out whether this million of uncalled capital is worth anything or not; whether it is held by good shareholders or by shareholders who are worth nothing, or whether it is held by persons with a view to inducing other persons to subscribe the debenture capital. If there is a liability of £5 per share, why is there not a call, why is it that they cannot raise one penny from their shareholders, and why is it that unless the Government can assist them they will come to grief?

THE ATTORNEY GENERAL (Hon. S. Burt): I did not say that. I said the Government are inquiring, and if the Company do come to grief the Government will have to raise the money themselves.

MR. PARKER: There has been a proposition made to the Government, which the Government have refused.

THE PREMIER (Hon. Sir J. Forrest): Another proposition has been made to-day, but it has not been considered yet by the Government.

MR. PARKER: When the Government have considered a proposition and bring it down to the House, then will be the time for this House to deal with it, and to arrive at a correct conclusion whether it is desirable to assist this com-

pany or not, or whether it will be desirable, in the interests of this colony, to let the company collapse, and finish the line ourselves. I shall be only too glad to consider this matter with the object of furthering the interests of the colony, but not to further the interests of individuals. We have now to consider the colony's interests, not individual interests, and it may be, as pointed out by my hon. and learned friend, that the best interests of the colony would warrant us in assisting this company to complete this line. At present I am not prepared to say whether that will be my view or not.

THE COMMISSIONER OF CROWN LANDS (Hon. W. E. Marmion): I believe that all the information which the hon. gentleman (Mr. Parker) seeks to obtain from the Government he seems to be able to give to this House himself. I think the hon. gentleman might afford us the information.

MR. PARKER: Then I am sorry to say that the Government lent £60,000 in ignorance of the true state of the case.

THE COMMISSIONER OF CROWN LANDS (Hon. W. E. Marmion): They did not consider it necessary to make these inquiries at the time, and I am only sorry that the vast fund of information the hon. gentleman seems to possess, and which he seems to take delight in twitting the Ministers for not possessing, is not laid before us, and that he does not tell us the sources from which he obtains it.

Question—That the motion, as amended, be adopted—put.

The Committee divided, with the following result:—

Ayes ...	...	...	15
Noes ...	...	...	13

Majority for 2

AYES.
Mr. Burt
Mr. A. Forrest
Mr. Harper
Mr. Hassell
Mr. Marmion
Mr. Paterson
Mr. Pearce
Mr. Phillips
Mr. Piesse
Mr. Richardson
Mr. Simpson
Mr. Symon
Mr. Throssell
Mr. Venn
Sir John Forrest (Teller).

NOES.
Mr. Canning
Mr. Clarkson
Mr. Cookworthy
Mr. Darlôt
Mr. De Hamel
Mr. Loton
Mr. Molloy
Mr. Quinlan
Mr. R. F. Sholl
Mr. H. W. Sholl
Sir J. G. Lee Steere
Mr. Traylen
Mr. Parker (Teller).

Question—put and passed.

Resolution reported to the House, and report adopted.

RETURNS SHOWING NUMBERS OF, AND PAYMENTS, TO GOVERNMENT EMPLOYEES.

MR. SIMPSON: In accordance with notice I beg to move "That a return be laid on the table of this House showing—(1.) The total number of persons employed by the Government, either as temporary or permanent employés. (2.) The total amount payable annually for the services of the said employés. (3.) The number of persons in the employ of each Ministerial Department. (4.) The number of persons in each department, distinguishing the clerical and professional branches, whose service dates from the proclamation of Responsible Government."

THE PREMIER (Hon. Sir J. Forrest): Before motions for returns are made, the hon. member should see that the returns he asks for are really necessary. Formerly, such returns used to be asked for as questions, but now they are moved for as distinct motions. My opinion is that this return is not necessary. I do not wish to oppose it, and shall be glad to give the particulars if the House desires them. All the information can be found in the Blue Book, also the salaries of officers.

MR. PARKER: But the Blue Book for 1891 is not issued yet.

THE COMMISSIONER OF CROWN LANDS (Hon. W. E. Marmion): Unless there is some object in view, it seems very unreasonable to expect that such an elaborate return, affecting every department, should be specially prepared. The Government have no desire to throw any opposition in the way, but in view of the great amount of labor which will be entailed in the Lands Department, extending all over the colony, and also in other departments, I ask the hon. member to reconsider his motion.

MR. CLARKSON: There is too much labor thrown on the departments, in preparing returns for hon. members which are not really necessary. I move that the return be not granted.

Amendment not seconded.

MR. SIMPSON: I must decline to withdraw my motion.

Question—That the return be granted—put and passed.

RETURN RE CHINESE IMMIGRATION.

MR. MOLLOY: I beg to move, in accordance with notice, "That a return be laid on the table of the House showing:—1st. The number of Chinese who have arrived in the colony (as entered by the Customs) during the last six years (if possible), and names of the ports at which they disembarked; the number for each year to be separate. 2nd. The number of Chinese who have been returned to China under the provisions of the Chinese Immigration Act. 3rd. The names of the persons who have had Chinese consigned to them under agreement (if recorded in the Government Departments) and the return for the past six years as to number."

Question—put and passed.

KING GEORGE'S SOUND GARRISON DISCIPLINE BILL.

SECOND READING.

THE ATTORNEY GENERAL (Hon. S. Burt): In moving the second reading of this bill, I may say it has been rendered necessary by the arrangement which has been made between the different Australian colonies for maintaining a garrison at King George's Sound. The garrison is to be furnished at present from the troops of South Australia, and yet they will be serving within the jurisdiction of this colony. The matter has been much talked of and written about by the heads of departments and Ministers in other colonies. It is proposed that the present garrison should remain under the military law of South Australia, by our adopting it for this colony, and that the garrison should remain so while in Albany. So the proposition in the bill is to make the military law of South Australia available in Western Australia, in order that the garrison may continue to be governed by the same law while stationed at Albany. It is hoped that before long we shall be able to organise a force ourselves. We hope that next year the Federal Council may pass an Act which will govern all the colonies on this matter.

Question—That the bill be read a second time—put and passed.

EXCESS BILL, 1891: BILL WITHDRAWN.

THE PREMIER (Hon. Sir J. Forrest): This bill was brought forward by the Government because I thought it was a duty I owed to the House to place it before hon. members. Exception was taken to it as not being in accordance with the Audit Act, and of course the Government had no desire to press it forward. I move that the Order of the Day for the further consideration of this bill in committee be discharged, and I do this with the object of bringing the bill forward next session, when the Auditor General's report, with any remarks he may have to make on the excess items, will be before hon. members.

MR. R. F. SHOLL: With respect to the Auditor General's report, I think we might very well have had it long before this. This bill has been on the table some time, and I am sure that that official is not so hard worked that he could not write a short report dealing with the excess items.

THE PREMIER (Hon. Sir J. Forrest): It is not dealing with the excess items only, but all the expenditure items of the colony.

MR. R. F. SHOLL: I do think that when there is an Excess Bill, we should have the Auditor General's report on it prior to the bill coming before the House. If the Auditor General wishes to bring before this House any unauthorised expenditure, the House should be placed in possession of those remarks, and should also pass the Excess Bill before we pass the Estimates for the ensuing year. It is a pity this could not have been done this session.

THE PREMIER (Hon. Sir J. Forrest): In explanation, I may say that our meeting just about the end of the year makes the difficulty. The Auditor General under the Audit Act has to report to this House within three months after the end of the year, and of course he could hardly give a report on these items alone. That is not what he has to do under the Audit Act, for he has to report on all the items of appropriation. He has assured me he will not be able to have his report on the accounts of the colony ready in time, and as there is no particular hurry about this Excess Bill, I think the best thing will be to have it brought forward next session.

Question—That the Order of the Day be discharged—put and passed.
Bill withdrawn.

ADJOURNMENT.

The House adjourned at thirty minutes past 11 o'clock, p.m.

Legislative Council,

Tuesday, 8th March, 1892.

Destruction of immature sandalwood—Electric Lighting Bill: third reading—Augmentation of Ministerial Salaries Bill: third reading—Governors of High School Appointment Bill: third reading—Customs Bill: in committee—South-Western Railway Act Amendment Bill: first reading—Police Bill: error in: appointment of Select Committee—Adjournment.

THE PRESIDENT (Sir T. Cockburn-Campbell, Bart.) took the chair at 3 o'clock.

PRAYERS.

DESTRUCTION OF IMMATURE SANDALWOOD.

THE HON. E. T. HOOLEY moved, "That in the opinion of this House it is desirable, during the recess, that the Government take steps to bring in a bill, at the next session of Parliament, for preventing the cutting or destruction of immature sandalwood throughout the colony." He said: In moving the resolution standing in my name I must say I am surprised that nothing has been done in this direction hitherto. Anyone passing along the Great Southern Railway line will see huge stacks of sandalwood, and one has only to look at it to see that a large quantity of it is green immature sandalwood. That wood is not only a great loss to the country, having been cut in that state, but it is also detrimental to good wood that may be mixed with it, and reduces the price in the Chinese market. For many

years past this destruction has been going on, and one of the most valuable products of the colony is being ruined. I think Western Australia may be said to be the home of sandalwood; there is very little to be found elsewhere, and, unless precautions are at once taken, this valuable industry must die out—it has almost died out already. I think, however, it is not too late to step in; better late than never, and something can yet be done to save this product from dying out. I think, if a calculation were made, it would be found that the value of the sandalwood which has been sent out of this country amounts to over a million sterling, and that means a great deal to a small place like this, and, I think, will serve to show hon. members that we have a very good property in this sandalwood, provided we stop the indiscriminate destruction of young wood which has been going on for some years past. We have a precedent in the pearl shell fishery. Some years ago steps were taken by the Government to protect the North-West pearl shell fishery, and now we are following a similar course with the Sharks Bay pearl shell fishery. Sandalwood represents a far larger capital and is the source of much greater revenue than the Sharks Bay pearl shell fishery. It may be necessary for us, at some future time, to consider the advisability of farming sandalwood. I have no doubt, if care were taken, that sandalwood could be grown at a profit. I hope, therefore, that during the recess the Government will take some steps to consider this question.

THE HON. J. A. WRIGHT seconded the motion.

Question—put and passed.

ELECTRIC LIGHTING BILL.

This Bill was read a third time and passed.

AUGMENTATION OF MINISTERIAL SALARIES BILL.

This Bill was read a third time and passed.

GOVERNORS OF HIGH SCHOOL BILL.

This Bill was read a third time and passed.