

LEGISLATIVE COUNCIL,

Friday, 7th December, 1888.

Revision of Inland Telegraph Rates—Messages from His Excellency the Governor—Land Grant Railway to Eucla: Report of Select Committee (Dr. Boyd's offer)—The Secretary of State and Messrs. Millar's Cable proposals—Prorogation.

THE SPEAKER took the Chair at noon.

PRAYERS.

REVISION OF INLAND TELEGRAPH RATES, ETC.: REPORT OF SELECT COMMITTEE, (MESSAGE No. 14.)

THE COLONIAL SECRETARY (Hon. Sir M. Fraser): I rise, sir, to move that the report of the select committee appointed to consider certain proposals made by the Postmaster General for revising the inland telegraph rates, duplicating the Perth-Geraldton telegraph wire, and increasing the staff of the Telegraph Department, be agreed to. The committee, I may say, very carefully considered the question submitted to them, and examined the Postmaster General on various points as to the details of his scheme which required elucidation. The House has already, in a sense, adopted his suggestion as to duplicating the line between Perth and Geraldton, and placed a sum on the Loan Estimates for carrying out that work. The only questions now left to be dealt with are the proposed revision of the rates, and the proposed increase of the departmental staff in view of the landing of the cable at Roebuck Bay. With regard to the revision of the rates, it has been brought forward by the head of the department solely in the interests of revenue, and it is solely in the interests of revenue that it is now before the House. If the Treasury chest were overflowing, we should be only too glad to allow the public to have the use of these long-distance wires, which will soon come into operation, at the same uniform rates as have been demanded up to the present; but, considering the present state of the finances, and the large loss sustained in working the telegraph service, it was considered that as we are on the eve of opening the Roebourne-Derby line, and have

in contemplation the opening of the two Kimberley lines, this would be a favorable opportunity for considering the whole question of our telegraph rates. There is also the question of increasing the staff, in view of the new cable which the Eastern Extension Co. are about to land on our north-west coast. This will necessarily increase the work of our own staff, and, on the other hand, we hope there will be an additional revenue—how much we cannot say. Dealing first with the revision of the rates, the Postmaster General in his memorandum, it will be seen, calls attention to the rates charged by the South Australian Government on the line between Port Darwin and Adelaide, and he compares these rates with our own rates. He says: "The distance of the Adelaide-Port Darwin line is 1,975 miles, the charge from Adelaide to Port Darwin being 6s. per 10 words, and 6d. each additional word, with reduced rates for the intermediate stations; and I submit that the telegraph system of this colony might be divided into five sections, viz.:—

Between Eucla and Albany	752 miles
" Albany and Hamlin Pool	739 "
" Hamlin Pool and Roebourne	548 "
" Roebourne and Derby	580 "
" Derby and Wyndham	600 "

the tariff between each of these divisions to be 1s. for the first ten words, and 1d. a word additional, but limited to a maximum rate of 3s. for the first ten words, and 3d. a word additional." The select committee very carefully considered these proposals, and they recommend that the rates should be raised, as suggested by Mr. Gahan; but they also go further, and have suggested that there should be no maximum charge of 3s. as proposed by the Postmaster General, but, that the through rates from Wyndham to Eucla, or *vice versa*, should be 5s. for the first ten words, and 5d. for each additional word—and so on, in proportion, on the different sections southward. It is absolutely necessary, as I am sure the House will admit, that an effort should be made to increase the revenue of this department, so as to bring it somewhat nearer the expenditure. The committee were informed by the Postmaster General that it would be impossible to effect any saving in the present working expenses, that the officers were now underpaid, and we were told that unless their salaries were raised we should lose the services of some

of these officers. The colony at present is losing £5,000 annually in working its telegraph service, besides the interest on the capital expended in constructing the lines, and which makes a further charge of £10,000 a year; so that we are actually working our telegraph service at a cost to the colony of about £15,000 per annum. As it is impossible to reduce the salaries of the present staff, and as it is necessary to increase that staff, the conclusion forced upon the committee was that it would be necessary to raise the rates. Nor do I think this can be regarded as at all unreasonable, when we come to consider the enormous distances which these messages traverse, extending as they will from Eucla on the one hand to Wyndham and the Kimberley gold-fields on the other. As a rule, I think it may be said that the telegraph wire is used by those who could well afford to use it. The rate does not affect the impecunious, or the poorer classes of the community. Impecunious men have no business to indulge in the luxury of telegrams; and this increased rate will chiefly affect what I may call the propertied classes, or the classes who can afford to pay. Nor does the committee anticipate that there will be any considerable reduction in the number of messages, because it is thought that few, if any, messages are at present sent simply for the sake of sending them; and it is only reasonable to suppose that the same necessity for using the telegraph will exist when the rates are raised. With these few words of explanation, I think I may leave this portion of the report. The second paragraph of the report deals with the duplication of the wire to Geraldton, which has already been disposed of. In the third paragraph the committee have dealt with that part of the Postmaster General's memorandum, in which that officer has called attention to the necessity which must arise for increasing the present staff of the department in view of the new cable service. On this subject the Postmaster General says: "The extra expenditure rendered necessary on the laying of the ocean cable now has to be taken into consideration, and on the lowest estimate the capital outlay of £2,000, with the sum of £1,340 per annum for additional staff will be required. In this calculation I have assumed that

there will not be a continuous day and night service, but that the principal object of the new cable is to give increased security to communication, and that we shall only be called upon to take traffic for the Eastern Colonies upon the interruption of the Port Darwin cables." The select committee, after examining the Postmaster General, were forced to the belief that the increased traffic will necessitate this additional staff, and I think the House will be in accord with the select committee in that. I am not aware that at this stage it is necessary for me to detain the House any longer. I therefore move—in reply to His Excellency's Message (No. 14)—"That in the opinion of this House the recommendations contained in the report of the select committee appointed to consider such message, and certain proposals made by the Postmaster General, should be agreed to."

MR. SHOLL: This is another instance of a very important matter being brought before the Council and rushed through the House with most indecent haste at the tail end of the session. I must say I cannot congratulate the Government on the way they conduct the business. This is a most important matter, seriously affecting Northern interests, and they try to rush it through by a side-wind, as they often do other matters. [THE COLONIAL SECRETARY: No, no.] It is all very well to say "No, no." The House has been in session for several weeks, but the Government never mentioned this matter; and it is only within a few hours of the session closing that the House is called upon to deal with it. We are now asked to agree to the report of a select committee, who really could not have given the matter a great deal of consideration after all, seeing that they were only appointed yesterday. Their report I must say is in keeping with many other reports—it is very difficult to understand it; and, had it not been for what I have heard in explanation outside, I would have been at a loss to know what the committee really proposed. Nor do I yet quite understand what is proposed, with regard to the scale of charges. I believe the intention is to have different rates between different parts of the colony. But it is very clear that the greatest sufferers will be the Northern people; and I must protest against this matter being hurried through. It

will be noticed that not one representative of a Northern constituency was on this select committee. I was asked to be on it, but I found Southern members objecting, and I declined for that reason; and I believe the intention of the Government was to rush it through without giving the Northern portions of the colony any opportunity of being consulted in the matter. [The COLONIAL SECRETARY: No, no.] Then why did the Government keep it back until the last minute? The Colonial Secretary has informed us that the committee were told by the Postmaster General that we should lose the services of some of these officers unless their salaries were increased. Why was not the evidence of the Postmaster General laid before the House with this report, as other committees have done, with the evidence taken? If the Government are acting in this matter on the principle that a public department ought to pay its expenses, they should adopt the same principle with regard to every other department—the Post Office, for instance, and the Railway Department. They ought to come forward with a proposal to raise the railway fares, and the rates of postage. Why should the Government pick upon the Telegraph Department, and ask to have these rates increased?

THE COLONIAL SECRETARY (Hon. Sir M. Fraser): It is not the Government who have done so. This is not a Government report; it is the report of a select committee of this House; and I have moved its adoption simply as its chairman—not as the representative of the Government. It is not a Government measure.

MR. SHOLL: It was brought before this House by the Government, and it was the Government who had it referred to a select committee. It is all nonsense to say it is not a Government proposal. Who proposed it? Did any member of this House propose it? Was it proposed by anybody outside? I say if this is the principle upon which the Government wish to conduct this public department, let them apply the same principle to the railways, and to every other department, and have them all worked at a profit. This increased tariff will cause no end of ill-feeling in the Northern districts. When we come to consider that

this telegraph is the only ready means of communication given to these Northern districts, and when we consider all the other conveniences and facilities enjoyed by those who live near the centres of population—railways, steamers, telegraphs, mail services, telephones, and everything—I think it is very hard upon these Northern people to tax them in this way by increasing these telegraph rates. This will affect the Northern districts more than any other, and yet they have not a chance of having a voice in the matter. I should like to see some question seriously affecting the interests of the Southern people referred to a committee consisting of nobody but Northern members,—the question of railway fares, for instance—and the committee had to recommend some means to prevent any loss accruing to the colony from working our railways. If the Government are sincere—or if the Government and this select committee are sincere—we shall next have a committee of Northern members appointed to deal with the railway rates, so as to make both ends meet. I also object to this scheme because it proposes an extra expenditure in conjunction with the Eastern Extension Co.'s cable. For my own part, I am opposed to vote any increase to assist that cable in any way. I do not think it is in the interest of the colony that this cable should be laid. It has been the means of preventing another scheme being carried out that would have been of much more value to this colony. I am opposed to this report *in toto*. I must protest against the indecent haste with which the Government are pressing this important matter forward, at the fag end of the session, when it might easily have been brought forward at an earlier stage, and dealt with on its merits. I move, as an amendment: "That, in the opinion of this House, it is undesirable to increase the present rates for telegrams; but, otherwise the House agrees with the recommendations of the select committee."

SIR T. COCKBURN - CAMPBELL: I second the amendment. I must say I do not agree with the hon. member that the Government are to be blamed for trying to rush this matter through; I do not think they want to rush it through. It is unfortunate, no doubt, that the

matter was not brought forward at an earlier date, and that the report of the committee did not give the House that information it ought to have before it, in order to arrive at a correct idea how it should act in this matter. I have tried year after year, to point out that the object of appointing select committees is not in order that these committees themselves should arrive at conclusions, but that they should obtain information to enable the House to arrive at a conclusion—information which the House itself could not conveniently obtain. It seems to me that the question of whether we ought to agree with the report of the select committee, or with the amendment, depends very much upon two other questions,—firstly, whether the computation of the Postmaster General as to the increased income likely to be derived from the proposed tariff is correct; and, in the second place, whether, even if it be correct, it is worth while, for the sake of so small a gain as the Postmaster General estimates, to go into this scheme, which certainly will cause a great deal of dissatisfaction, and which certainly is a retrograde movement. The Colonial Secretary has told us that the committee consider—notwithstanding the higher scale of charges—there will be no diminution in the number of messages sent, because people, he said, do not send messages now merely for the sake of sending them, they are only sent as a matter of necessity, and that they will do the same if they have to pay more for them. I did not agree with him in that. I think it is simply a question of common sense that plenty of people who would readily send messages when they only cost a shilling, will think twice before sending them if they have to pay two shillings; and I doubt whether there will even be so large an increase of revenue as the small increase which the Postmaster General anticipates. But, even if there should be, it is a question whether it is worth while to adopt this retrograde course of action. In the other colonies the tendency always is to lower rather than to increase these telegraph rates. I do not say that we may not have made a mistake in originally fixing our rates for long distances so low, when the population was so small and the telegraph not likely to be largely used. But popu-

lation is now increasing, trade is expanding, settlement is extending; and I believe we shall find that low rates will pay better in the long run than high rates. I think the hon. member who moved the amendment was right in saying that these increased rates will chiefly affect the Northern districts. These districts, owing to their extreme distance from head-quarters, and the infrequency of postal and other means of communication, are placed at a great disadvantage in many ways compared with people down here; and I think it is a mistaken policy to increase the charges for the only means of ready communication with this part of the colony available to the residents of our Northern territory. Our main object in building these lines was to give the settlers a cheap and facile means of communication with these Southern parts of the colony; and I am afraid—even if the anticipations of the Postmaster General as to an increase of revenue are realised—it will not counter-balance the irritation and ill-feeling which this higher tariff is sure to give rise to. For these reasons I second the amendment, and I sincerely hope it will meet with some support.

MR. MARMION: Had it not been that time is short, I should have spoken at some considerable length on this subject. As it is, my remarks will be limited to as few words as possible. I object to its being stated that it is proposed to raise the rates all through the colony; it is not so, for, as regards about 1,200 miles of telegraph not yet opened, it is simply a question of arranging the rates, for, up to the present, no rates at all have been fixed. The hon. member for Gascoyne says he does not understand the report of the select committee, nor the scale of charges proposed. I am sorry for that. As one of the members of that committee I endeavored to make the whole thing clear to the hon. member, outside this House, and I thought I had succeeded in making him comprehend it. It appears not. At present there are about 1800 miles of telegraph in operation; over those 1800 miles there is a uniform charge of 1s. for ten words. The distance of the Port Darwin line from Adelaide is 1975 miles, and the charge over that distance is 6s. for ten words. I hope the hon. member is able to grasp

the wide difference in those two charges. I am not saying whether our policy was a good one or an unwise one to have a uniform shilling rate over all this distance, when we extended our lines northward. No doubt the intention was to prevent any feeling of dissatisfaction at the North, and also to popularise the telegraph as a means of inter-communication, in the hope that the result would be satisfactory. But what has the result been, from a profit and loss point? We have spent about £200,000 in telegraph construction; the interest amounts to about £10,000 a year, and the cost of working now amounts to another £13,000 a year, making a total charge of £23,000 a year, while the gross revenue is only £8,000, leaving a deficit of about £15,000 a year. In other words, our telegraphs cost £5,000 a year more to work them than we receive from them at the present rates. In these circumstances, the responsible head of the department has suggested that a new scale of charges should be adopted, and, unfortunately, it is an increased rate. The hon. member for the Gascoyne says we ought to adopt the same principle with regard to the railway and the post office, and other branches of the public service. That seems to me a very strange argument—biting off our nose to spite our face. I say, let us try one experiment at a time, and let us try it in a branch of the service where it is likely to work with some degree of fairness. I ask the House to consider the present state of the colony's finances, and the straits which the Government have been put to, during the last year or two, in trying to make both ends meet. I ask members to bear in mind that we have just been adding £60,000, from extraneous sources, for that very purpose of adjusting the revenue and expenditure. [Sir T. COCKBURN-CAMPBELL: That was advanced from revenue.] The fact remains that we require this large sum out of loan funds to balance our expenditure, for this one year, and that even then we shall not have much balance left, if anything, at the end of the year. The hon. member says this is a question—the question of increasing the telegraph rates—which affects the Northern people more especially. I say he is altogether mistaken in that. It cuts both ways. There are telegrams

backward as well as forward, and if a Northern correspondent has to spend 10s. in sending a message down here, his Southern correspondent has to spend probably as much, if not more, in sending a reply. Therefore they are both on the same footing. There is no special hardship in the case of our Northern friends. I am sorry to see these reckless statements made about the unfairness of our treatment of the North. They do a great deal of harm. They give rise to a great deal of unnecessary ill-feeling and heart-burnings, and it is neither judicious nor politic to make them, especially when there is no ground for them. It cannot be said that the proposed rates are excessive compared with the South Australian rates. On the Port Darwin line the charge for the whole distance, 1975 miles, is 6s. for ten words; we propose to allow telegrams to be sent a distance of over 3,000 miles (from Eucla to Wyndham) at a maximum rate of 5s. for ten words, so that comparing the distances and comparing the circumstances of the two colonies it cannot be said that our rates would be at all excessive in comparison. The rates for shorter distances will remain as at present, increasing as the distance increases. The hon. baronet, the member for Plantagenet, says our object in extending our telegraph lines was to provide a cheap means of communication with the Northern districts; but it was never intended that we should keep on extending these lines to the northernmost parts of the colony at the low charge of 1s. I do not think the question of rates was ever taken into consideration when it was resolved to extend the wire to Derby. With regard to the cable, the hon. member for the Gascoyne says he does not think it will be of any advantage to this colony. I do not agree with him. I shall have to speak on this subject presently, at some length, therefore I need not say anything further now. I think it would be a disgrace to the colony to have a cable landed on our shores, and we should make no provision for the increase of traffic it is likely to create. Even supposing this cable may only be used when the other lines are interrupted, surely we ought to be equal to the position when the necessity does arise, unless we want to become the laughing-stock of the other colonies. The time

has arrived when this colony must not lag behind in the race of progress. We must keep up in the race, or be left hopelessly in the rear; and I, for one, am not prepared to be content with that position. No one regrets more than I do myself the necessity for this proposed increase in our telegraph rates. As an individual member of the community it will affect me to perhaps as great an extent as it will any member of this House. At the same time, the House must be aware that a deficiency in the revenue must be made up from some source, and, if not made up from this source—if it is not made up from the contributions of those who make use of the telegraph—it must be made up from the contributions of the taxpayers generally, whether they use it or not. That is the way I look at it.

THE COMMISSIONER OF CROWN LANDS (Hon. J. Forrest): I am inclined to think that the committee, in their desire to increase the revenue, have gone somewhat further than will meet the approval of the people of the colony. They propose rates which are even higher than those suggested by the Postmaster General. I think, if anything is to be done in this direction, something on the lines of the Postmaster General's proposal would be preferable to the scheme of the select committee. The Postmaster General suggested a maximum charge of 3s. for ten words; the committee propose to charge 5s. for a through message. In one sense there is not much difference between the proposal of the Postmaster General and the proposals of the select committee, for I observe that the Postmaster General suggests that, for the purposes of telegraph rates, the colony should be divided into five sections, extending from Eucla on the South to Wyndham on the North, and that the traffic between each of these five divisions be 1s. for ten words. But the Postmaster General proposes a maximum of 8s. for a through message, which appears somewhat inconsistent. My own idea is to divide the colony into three sections, charging 1s. for messages between each of these sections, which would give us a maximum of 3s., as the Postmaster General suggests. There is a great deal to be said in favor of the remark made by the hon. member for the Gascoyne—that if we adopt this principle

of differential rates for telegrams we ought to adopt the same principle for postage. We have a uniform rate for postage from one end of the colony to the other, and it is difficult to get away from the argument that if the principle is a good one as regards the post office it is also a good one as regards the telegraph. If we handicap the outlying portions of the colony in the matter of telegraphic rates there is bound to be great dissatisfaction. I think these distant parts of the colony ought to be encouraged in every possible way rather than handicapped. We must not look too closely into the revenue received in a colony like this from such departments as the post office, the telegraph department, or the railway department. These are conveniences which we provide for the public, and which the public in my opinion are quite willing to pay for; and we must not strive too much to make both ends meet, as regards the revenue and expenditure from these departments. The post and the telegraph may be said to be necessities of existence in these days, more especially to those whose lot is cast in outlying portions of the colony, without any other means of communication with the centres of civilisation. Looking at this matter in that light, I am very sorry to see this move made in favor of increasing the present telegraph rates, which have been maintained for so many years. It is a retrogressive step, say what you will, and contrary to the general spirit of the age; and I very much question whether it will increase the revenue. Past experience has shown that high rates do not increase the revenue. We have the experience of the post office to show that. We must keep up a staff whether the number of messages is small or great, and, if we do not have messages sent, the staff is simply kept idle. People will think twice before they will send a message if they have to pay 2s. for it,—still more so if they have to pay 5s., and I doubt very much whether the revenue will gain anything in the end. A shilling is the common coin, the common standard, in these colonies; something like the dollar in America. After all, we are but one people in this colony, and something may be urged in favor of all parts of the colony being treated alike. It may be hard that

because a man happens to live beyond a certain boundary he should have to pay three or four times as much for his messages as another man living in another part of the colony. It certainly is inconsistent, when we charge a uniform rate for letters. Members have referred to the Port Darwin rates. The Port Darwin telegraph line runs through the centre of the Australian continent, and it was built for the benefit of all the colonies, and not for South Australia alone. It was an unparalleled undertaking at the time, and an undertaking involving enormous expense, and enormous difficulties, to the colony that carried it through; and it was in some measure to recoup this enormous expenditure and the great cost of maintenance that the South Australian Government adopted a high scale of charges. But, as I said, this is not a line that is of service to South Australia alone; it serves the whole of these colonies. Our lines were built for our own convenience, and for the development of our own resources. I cannot say at the present moment how I shall vote on this question; but I am very much opposed personally to the placing of restrictions upon any cheap and easy means of inter-communication between the various parts of this enormous territory of ours.

MR. SHENTON: I think we ought to look at this question from a practical point of view, a business point of view. That is the way I want to look at it. We have staring us in the face this fact: that owing to the large amount we have spent in extending our telegraph system, and the enormous distances which our lines traverse, the upkeep of them is becoming a most serious item of expenditure. Therefore we must look round and see how we can to some extent recoup this great expenditure. We have to face the fact, too, that after providing £60,000 out of loan funds to recoup the general revenue, we only expect to have a credit balance of about £2,000 at the end of next year; and I am very much afraid, unless the revenue returns show a greater elasticity, that instead of a credit balance, we may have a debit balance of £3,000 or £4,000. I object to the statement that has been made that this revised tariff will prove a special hardship upon the people of the North. If it will press

with any hardship upon the few scattered settlers of those districts, how much more so will it press upon those living in the centres of population and commerce. I venture to say that for every telegram sent from the outlying districts of the North there are thirty sent from these parts; and if we in this part of the colony are willing to submit to this extra taxation in order to recoup the revenue, I think our friends at the far North will have no great cause of complaint. The Commissioner of Crown Lands has referred to the difficulties encountered by the South Australian Government in constructing their overland telegraph to Port Darwin. I think our own difficulties in connection with our Kimberley lines are equally great. Yet we find that South Australia charges 6s. for ten words over a distance of a little over 1,900 miles, while we only propose to charge 5s. for the same number of words over a distance exceeding 3,000 miles. I think, comparing the circumstances of the two colonies, and the traffic, there is not much to complain about in the proposed rates.

The House divided upon Mr. Sholl's amendment "That it is undesirable to increase the present rates for telegrams, but otherwise the House agrees with the recommendations of the select committee"—and the numbers were:

Ayes	...	...	7
Noes	...	...	11

Majority against ... 4

AYES.	NOES.
Mr. Congdon	Mr. Burt
Mr. Keane	Sir T. C. Campbell, Bart.
Mr. Marmion	Hon. J. Forrest
Mr. Morrison	Mr. Horgan
Mr. Shenton	Mr. Parker
Mr. Venn	Mr. Pearse
Hon. Sir M. Fraser, B.C.M.S.	Mr. Randell
(Teller.)	Mr. Scott
	Hon. C. N. Warton
	Hon. J. A. Wright
	Mr. Sholl (Teller.)

The amendment was therefore negatived.

MR. RANDELL: Sir, I must say I cannot agree with the report of the committee. I think there is a great deal in what was said by the hon. member for Carnarvon, that this matter has been brought forward at a very late hour of the session, and that it has not received that careful consideration it ought to receive. We are about to incur, at a moment's notice I may say, a capital

outlay of at least £2,000, and to immediately increase the expenditure of our permanent staff to the extent of £1,340 per annum,—we do not know how much that may be further increased; in fact, it follows in the natural order of things that it will be increased. It is possible that the Postmaster General has very carefully considered all the details of the scheme placed before us, but it cannot be said that this House has carefully considered them. It is possible, also, that the financial results anticipated by the Postmaster General may be realised; but I very much doubt it. In fact, I am quite in accord with those hon. members who think he will be disappointed, entirely disappointed, in the revenue he will receive under this increased tariff. But the committee were not satisfied with what the Postmaster General proposes; they have increased the maximum from 3s. to 5s.—at least, I take that to be the meaning of the words “that the through rates from Wyndham to Eucla, or *vice versa*, should be 5s. for the first ten words.” I am in accord with the hon. member for Plantagenet and the Commissioner of Crown Lands that this very high rate, compared to the present tariff, will cause a great deal of public dissatisfaction. There is another thing to be considered: how will these increased rates affect our arrangements with South Australia? They only charge a shilling to Eucla, and we propose to charge 5s. from our Northern territory to Eucla, and I believe we have several settlers from the other colonies in that part of our territory, and 5s. will be a very high charge for a message before it leaves our own boundary. I think the movement is a retrograde movement. When we find all the world tending to decrease the rates and increasing the facilities for communication, we, without any deliberate consideration, propose to increase our rates and correspondingly decrease the facilities of intercommunication. I cannot think the committee have considered the question in all its aspects; and, as to some of the details of the scheme, the House is left very much in doubt and in darkness, and with very crude data to work upon. Our present low rate of 1s. throughout the whole colony is certainly very liberal, and possibly in advance of the times; but, as population increases,

so will our telegraph business increase, unless we reduce the demand for the use of the lines by making the tariff a prohibitive one. I believe the proposals of the committee would give rise to widespread discontent, without any compensating advantage accruing to the revenue; and, as an amendment, I move: “That for the purposes of the Telegraph Department, the colony be divided into three sections, viz., from Perth to Eucla, from Perth to Roebourne, and from Roebourne to Wyndham, and that a uniform rate of one shilling in each section be imposed, and that this Council agrees to the increase in the staff of the Telegraph Office as proposed in the report of the Select Committee.”

MR. SCOTT: I will second that. I think it appeals more to our common sense, and will not harass the public so much as the proposals of the select committee, while, on the other hand, I do not suppose it will make much difference to the revenue. It will certainly be more acceptable to the general public, and the Northern people will not chafe so much under it. I think myself it would be better to wait until we see how these new lines pay before fixing such a high rate as the committee propose.

The amendment was agreed to, on the voices.

MESSAGE (No. 15): SANDBAR AT CARNAMAH LAKES.

THE SPEAKER announced the receipt of the following Message from His Excellency the Governor:

“In reply to Address No. 11 of the “14th ultimo, the Governor begs to inform “Your Honorable House that he has “called for a report from the Public “Works Department upon the nature “and cost of the work required to cut a “passage through the sandbar at the “Carnamah Lakes, and that he shall be “glad if he can carry out the wish of the “Council with the means at his disposal.

“In reply to Address No. 17 of the “28th ultimo, the Governor begs to state “that the question of a new Index to the “Statutes of the Colony shall receive consideration.

“Government House, 7th December, “1888.”

MESSAGE (No. 16): ASSENTING TO BILLS.

THE SPEAKER notified the receipt of the following Message from His Excellency the Governor:

"The Governor has the honor to inform the Honorable the Legislative Council that he has this day assented, in Her Majesty's name, to the undermentioned Bills:

"15. *An Act to appropriate the sum of Three Hundred and Twenty-one Thousand Three Hundred and Fourteen Pounds Six Shillings and Three Pence out of the General Revenue of the Colony for such Services as shall come in course of payment during the year One thousand eight hundred and eighty-nine.*

"16. *An Act to regulate the management of Roads in Western Australia.*

"17. *An Act to amend the Law of Distress.*

"18. *An Act to amend 'The Newspaper Libel and Registration Act, 1884.'*

"19. *An Act to enforce the provisions for Arbitration contained in the Land Regulations of 1887.*

"20. *An Act to amend 'The General Loan and Inscribed Stock Act, 1884.'*

"21. *An Act to make provision for the Construction of certain Accommodation Works on Railways.*

"2. The authenticated copies of the Acts are returned herewith.

"Government House, 7th December, 1888."

LAND GRANT RAILWAY TO EUCLA (DR. BOYD'S PROPOSAL.)

REPORT OF SELECT COMMITTEE.

On the order of the day for the consideration of the report of the select committee appointed to consider the question of the construction of a railway to Eucla,

THE COMMISSIONER OF CROWN LANDS (Hon. J. Forrest), without comment, moved that the report of the committee be agreed to.

MR. PARKER said if it was proposed to prorogue the session at 5 o'clock (it being then 3 o'clock) he would suggest that members should be limited to five minutes in speaking to the question, especially as there were other notices on the paper.

THE COLONIAL SECRETARY (Hon. Sir M. Fraser) said he did not intend to delay the House long. He did not wish to say anything that might ruffle the plumes of the members of the committee who had prepared this report, but he must say he was rather amused at it. What was the proposal that had been referred to the committee? His original motion was this: "That an humble address be presented to His Excellency the Governor, stating that in the opinion of this Council it is desirable that a contract for the construction of a railway from the Eastern Districts to Eucla should be entered into on the terms stated in letters dated 14th, 19th, and 22nd June last, from the Colonial Secretary to Dr. Boyd." To that an amendment was moved by the hon. member for Fremantle as follows: "That the correspondence between Dr. Boyd and the Government—as to construction of a Railway between the Eastern Districts of this colony and Eucla, upon the land grant system—be referred to a select committee, with a view to such committee advising this Council as to the desirability or otherwise of entering into a contract for the construction of such railway, upon the basis proposed." That amendment was carried, and the question referred to the committee was the correspondence between Dr. Boyd and the Government. But what had they in this report? He thought that for bombast and rhodomontade nothing was ever seen in that House to compare with the first portion of it. He referred to the introductory paragraphs, which contained some venerable platitudes, culled apparently from previous reports on the subject of railway construction to Eucla, which the House had agreed to year after year. The committee apparently thought they were bound to say something, so they strung these platitudes together about the importance of this great national work, and what had been done in other parts of the world. The hon. member for Plantagenet always complained about the reports of select committees not being voluminous enough: the present report was voluminous enough, he hoped, to satisfy even the cravings of that hon. member. They were all agreed that a railway connecting us with the other colonies was

a most desirable work; they did not want the committee to tell them that. The only question they had to deal with was whether certain proposals which emanated from a Dr. Boyd were such as met with their approval. If anything could excel the bombast and rhodomontade contained in the first paragraphs of the report it was to be found in the 5th paragraph, with its sub-sections representing nearly all the letters in the alphabet from *a* to *z*, and half a dozen sub-sub-sections. When he first brought this dish before the House, and it was referred to the select committee, it was in the shape of a solid substantial joint; the committee had made a hash of it, and they had served it up with any amount of sauce—not of a very piquant flavor, but plenty of it. They said they had framed some conditions which ought to be inserted in the contract. What were these conditions? Simply what the Government had framed months since, and which were embodied in the correspondence presented to the House. The committee, however, anxious to claim credit for originality, set them forth with full circumstance and detail in their report. Perhaps he had no right to speak in this light vein of the labors of the committee, and he hoped his hon. colleague, the Commissioner of Crown Lands, who, as chairman of the committee, had signed this report, would pardon him for this bit of *periphrase*. He meant no harm. It was only by way of a little refresher before they separated. On the whole the committee appeared to have given great care and attention to the proposal, and he thanked them for their labors. He thought they deserved the gratitude of the House for the way they had elaborated the conditions which should form the basis of any contract entered into; but he did not think the House would be prepared to agree to all that was contained in the report. He thought there were two clauses in the report which the House would not be inclined to agree to, at present at any rate. One of these was that in which the committee recommended that the Government should guarantee to undertake to build a railway from Fremantle to the western terminus of the syndicate's railway on a gauge of 5ft. 3in. The other was that in which they called

upon the Government to undertake to provide a safe and commodious harbor at Fremantle for large ocean-going steamers, in the event of a contract for this railway being entered into. He thought, looking at the present position of the colony, it would not be wise nor politic to commit the country to these undertakings, as necessary adjuncts of this railway contract. For these reasons he had to move, as an amendment: "That an humble address be presented to His Excellency the Governor, stating that in the opinion of this Council it is desirable that a contract for the construction of a railway, from a point on the Eastern Railway, to the Eastern boundary of the Colony near Eucla, should be entered into on the terms expressed in paragraphs lettered *a* to *s* of Clause 5 of the Select Committee's report, dated 3rd December, 1888."

MR. SHENTON said that the deposit of £30,000 proposed by the committee, as a guarantee of the good faith of the contractor and of his ability to carry the undertaking through, was too small. He thought it should be increased to £50,000.

THE COMMISSIONER OF CROWN LANDS (Hon. J. Forrest) said the Government in their negotiations with Dr. Boyd agreed to £30,000.

MR. SHENTON said he was informed that there was a strong feeling on the part of the select committee to increase the amount of the deposit to £50,000, and that it was only lost by the casting vote of the chairman. He was informed that the chairman recorded two votes. He thought the same rule applied in select committees as in a committee of the whole House, and that the chairman only had a casting vote.

THE SPEAKER said that was so. The 75th standing order provided that the chairman of a select committee shall only have a casting vote.

MR. KEANE said that as one of the members of the select committee he wished to take exception to the remarks of the Colonial Secretary. They were told distinctly by that hon. gentleman when he brought the matter before the House that they were not to consider Dr. Boyd in the matter at all; and the committee dealt with the whole

subject without reference to Dr. Boyd or anybody else, which they were told by the Colonial Secretary was what the Government wished them to do. Now they were blamed because they dealt with the matter generally, and that they ought to have stuck to Dr. Boyd and his proposals. He thought the attack of the Colonial Secretary was altogether undeserved.

MR. MARMION must say that as a member of this select committee he had been completely taken aback when he found the leader of the Government treating the report of the committee as mere "bombast and rhodomontade." [The COLONIAL SECRETARY: Only the first four clauses.] He thought the hon. gentleman's own speech had a good deal of humbug and bombast about it. He did not think it was a speech that did the hon. gentleman much credit. He thought it was treating an important subject of this kind in a very flippant and unworthy manner, and treating those who sat on this committee with very scant courtesy. The hon. gentleman afterwards tried to take the sting out of his remarks, by saying that the labors of the committee were worthy of the gratitude of the House; but he thought the speech of the hon. gentleman was unworthy of him, as the leader of the Government, in dealing with a question of this national importance. Did the hon. gentleman mean to say it was not a question of national importance? Did he mean to say it was not a question that ought to be approached in a statesmanlike spirit, and dealt with in a statesmanlike manner? Did he think it was going to be disposed of by characterising the report of the select committee as "bombast and rhodomontade?" Such remarks were unworthy of the hon. gentleman and of his reputation. It seemed to him as if the hon. gentleman was piqued, and filled with a little bit of jealousy at the elaborate character of this report, which certainly was one of the most comprehensive reports that had ever been laid before that House, a credit to the author of it—a report which would be handed down among the records of the House, and pointed at as a statesmanlike document, while the words of rhodomontade with which the hon. gentleman had dealt with it would be pointed at with the finger of

ridicule. The hon. gentleman wished to strike out this clause: "Your committee are of opinion that in connection with this proposed railway, the Government should be authorised to guarantee to the contractor to build a railway from Fremantle to the western terminus of the railway, on a gauge of 5 feet 3 inches." In his opinion that was one of the grandest ideas ever put before the Western Australian public,—a line that would connect the port of Fremantle direct with the intercolonial line already running between Adelaide and Melbourne. This suggestion, he might inform the hon. gentleman, came from a member of the Executive, the Engineer-in-Chief of this colony; and he was sure that gentleman, were he not hampered by his official position, would be able to give very good and conclusive reasons for this recommendation, which the hon. gentleman opposite called "bombast." The other clause which the hon. gentleman wished to strike out was this: "Your Committee desire also to place on record their opinion that, in the event of this railway being undertaken, the Government should provide safe and commodious harbor accommodation at Fremantle for large ocean-going steamers, in order that Fremantle shall be the terminus for all Australian mails, and a port worthy of the Western terminus of the railway systems of Australia." The hon. gentleman called that "bombast" too. For his own part he considered it one of the most statesmanlike proposals that were ever submitted for the approval of the Legislature of this colony. The hon. gentleman did not call it "bombast" when it appeared in the report of the select committee on Sir Julius Vogel's railway scheme, five years ago, this proposal to pledge the Government to the construction of safe and commodious harbor accommodation at Fremantle, for large ocean-going steamers, in conjunction with that scheme. The House agreed to it then, and did not consider it "bombastic." Surely if the colony was in a position to pledge itself to this part of the scheme then, it was in a position to do so now. Did the hon. gentleman mean to say that the circumstances of the colony were not so favorable now as they were five years ago, when Sir Julius Vogel's proposal for con-

structing this railway to Eucla was under consideration? Neither the hon. gentleman nor anybody else then objected to harbor works at Fremantle being made part and parcel of the scheme, although, at that time, such an undertaking could hardly be looked upon as coming within the range of practical politics. This very paragraph, or one very like it, appeared in the report of the select committee on Sir Julius Vogel's scheme, and the House pledged itself to support it. He thought everything should be done by the Government to further the carrying out of this grand project, in all its fullness.

THE COMMISSIONER OF CROWN LANDS (Hon. J. Forrest) said he did not object to the deposit money being increased to £50,000 so far as the actual contract was concerned, but they must bear in mind that the Government had gone a certain distance with these negotiations, and the sum mentioned by the Government to Dr. Boyd was £30,000. The question was—was it worth while varying it at this stage, and give the promoter of the scheme an opportunity of gracefully retiring from his present position?

MR. PARKER said he had no objection, generally, to any of the conditions framed by the committee as embodied in the sub-sections of the 5th clause; he thought they were very admirably and succinctly drawn up. But he thought the amount of the guarantee ought not to be limited to £30,000. As to any negotiations entered into with Dr. Boyd, they were entered into on the understanding that every condition of the provisional agreement should be subject to the approval of the Legislature, and the doctor was seized of that fact, and, if he was in earnest, he would not draw back for the sake of £20,000, in a project of this magnitude involving the expenditure of several millions. If he did, all they could say was, his intentions could hardly be regarded as *bonâ fide*, and the probability was he was only trying to get hold of a provisional agreement, with the view of endeavoring to sell it, and make a few thousand pounds out of the transaction. The colony should do all it could to prevent that being done. They had had quite enough hawking about of other contracts, to the detriment of the colony. He had a very strong objection to the 6th

paragraph of the report, which proposed that the Government should pledge itself to the construction of a 5ft. 3in. line from Fremantle to the western terminus of this land grant railway. He thought it would be very objectionable to have two Government lines running to Fremantle, one in opposition to the other; and that it was very desirable that this trans-continental line should be under one management and control right through from Eucla to Fremantle. The contractor might not desire to come anywhere near any part of our Eastern Railway; he might want to bring us a line by way of Bindoon, and in that direction. He would be anxious to avoid all heavy grades, as much as possible, for the sake of speed. He moved that the words "or from Fremantle" be inserted after the word "Railway," in the sixth line of the Colonial Secretary's amendment.

MR. BURT was afraid he would have very little sympathy, in the present humor of the House, with the few remarks he was about to make. It appeared to him this was rather too much of a leap in the dark. He should be sorry to attempt to hold back this colony in any way, or to be a drag upon the aspirations of the country. He did not think it could be said that he had at all shown himself that way inclined during the fourteen years he had been connected with that House. But his firm opinion was that such a proposition as this was decidedly premature, and that it simply meant the hawking about the world of this contract, to the detriment, and the very serious detriment, of the colony. What was the position of affairs now? We had in this country a population of 40,000, all told, including women and children; and, seeing the taxation per head already, and that we had another line of railway just about to be opened, over 250 miles in length, from Beverley to Albany, and another line commenced between Guildford and Geraldton which had been hanging fire for the last three or four years,—looking at what the colony had already done, and what it was now doing, he did not think it could be said that we were such a very humdrum lot as the Commissioner of Crown Lands sought to make out. He certainly did not think we required any further schemes

of this sort at present, to start us on any fictitious path of progress. The hon. member for Fremantle, they knew, always advocated what he called "bold policies." Unfortunately, these bold policies, to a great extent, seemed to result only in emptying our pockets. This colony had been pursuing a pretty bold policy in the matter of public works for the last ten years, and what had it brought us to? Had the result, as yet, been so very encouraging that we should hasten to enter into further projects of this kind? What was said to be the ultimate object of this scheme? The great idea was that we should have Fremantle become what had been called the "Brindisi" of Australia,—the port of call and the port of departure of all the ocean-going mail steamers. But was that going to be so? Was there any probability of it? What route were the mails for these colonies in the future likely to take? Were hon. members not aware that the Panama canal was on its way towards completion? [Mr. MARMION: On its last legs.] How about the Nicaragua canal? These mails, they might depend upon it, would come by the shortest available route. They wouldn't come to Fremantle, simply for the sake of making a Brindisi of that port, if we had fifty railways running from it to Eucla. It struck him that in a few years we should find "Brindisi" on the other side of this continent, and not at Fremantle. This contract, he was convinced, was only wanted for the purpose of hawking it about, and, if it should be attempted to carry it out it would only result in disaster, as hon. members knew, as well as he did. [The COMMISSIONER OF CROWN LANDS: No, no.] The hon. gentleman knew it as well as he did. As he had already said, we had now a line of railway approaching completion, over 250 miles in length, connecting us with Albany, the present port of call of the mail steamers; and it was now proposed that, with a population of 40,000 all told, we should enter upon another railway scheme, 1,500 miles in length, in order to make another port the port of call of the mail steamers. Having built a line to bring Albany into direct communication with this part of the colony, it was now suggested that we should take immediate steps to efface Albany as a port of call for the mail

steamers, and make another port of call for them at Fremantle. That might be a bold policy, but he doubted whether it was a wise policy. This report went further than that. It recommended that in addition to this railway, which was estimated to cost some millions of money, the Government should undertake to provide safe and commodious harbor accommodation at Fremantle, suitable for large ocean-going steamers, which would cost some millions more. It was idle to talk about putting a project of this magnitude before the world, in the present circumstances of the colony. As he had said, it would simply be hawked about. It had been stated it would do us no harm, if it did us no good. He submitted it would do us harm, and a great deal of harm, to invite people to enter upon a scheme of this kind. People would naturally fancy we thought there was something in it. But we knew very well it was an impracticable scheme. There was another difficulty—the Hampton Plains question. He might perhaps be twitted with bringing that forward, as the representative of those who were interested; but he wanted to impress upon the House and upon the Government that this was not a matter to be trifled with. We had let this Hampton Plains country upon terms that no other lands in the colony had been let—let with the right of purchase. He was not there to say that the Government could not take these lands away from the present lessees and give them to this railway syndicate or to somebody else. But we might have to fight for it, and it behoved us to be very cautious how we involved ourselves in this matter. He hoped the House would pause before it ratified this scheme now put before it. He submitted we were not within measurable distance of having it carried out. Long before we had a hundred miles of this railway constructed—if we ever found anybody insane enough to undertake it—we should find the mails going the other side of Australia, and not coming on this western side at all. Long before we had a safe and commodious harbor for ocean-going mail steamers at Fremantle, we should find the Brindisi of Australia on the other side of the continent,—possibly a couple of years hence. When the time did come when this railway scheme might be looked upon as a

really practical scheme, when the population and the circumstances of the colony justified it—and, of course, it was only a matter of time—if this country between here and Eucla would be worth anything in the hands of a syndicate it was worth exactly the same to the Government of the colony, who could then far more easily raise the necessary funds for carrying it out than any syndicate could at present.

THE COMMISSIONER OF RAILWAYS (Hon. J. A. Wright) said the hon. and learned member for the North talked about this colony having a large population some day; he should like to ask the hon. member how he expected we were going to get this large population, or how we were going to settle them upon the land, if we did not have railways and other means of developing the country? He was very much opposed himself, as he had more than once stated in that House, to the colony entering upon any more land grant railway schemes, except this particular line; but, as to this, he did not believe that for many years to come a work of this magnitude—a work which must be regarded as one of the utmost possible importance not only to this colony, but to the whole of Australia—could be undertaken on any other principle than the land grant principle. The hon. and learned member also said that before another two years were over we should have the mails coming another way; he could not agree with the hon. member in that. His own impression was that the Panama canal, which the hon. member referred to, would never be finished; and as to the Nicaragua canal, that was yet in embryo; and how it could possibly be completed in anything like two years, and the mail routes altered within that time, was altogether beyond his comprehension. Another hon. and learned member had taken some objection to a portion of the committee's report—the hon. member for Sussex, who appeared to have taken a very rapid survey of the proposed route of this railway, via Bindoon and that part of the country, and who objected to the Government undertaking to build an opposition line. In the first place, it was not proposed to pledge the Government to undertake anything of the kind; all the committee suggested was that the Gov-

ernment should be authorised to build a line to connect Fremantle with the western terminus of the company's line. That line (subsection a) was to start from a point on our Eastern Railway "to be fixed by the Government"; therefore it was absurd for the hon. member to talk about its not coming anywhere near our Eastern Railway, but by some other route altogether. If so, our Eastern Railway would be perfectly useless, and the money spent upon it wasted. The object of getting the Government to construct a line from Fremantle to connect with the company's line was obvious. If the company brought their line to Fremantle we should have a line entering into direct competition with our own Eastern Districts line, which, being of a different gauge, would be comparatively useless, and they might as well shut it up. Moreover, he thought it was very desirable that the terminus of the syndicate's line should be outside the boundary of our agricultural areas in the Eastern Districts, which would exclude them from selecting their lands within those areas. He thought this paragraph of the report a most important one, and should be insisted on as part and parcel of any proposed railway scheme. If it was the intention to allow the company to bring their line to Fremantle, he should recommend that the port of Fremantle be handed over to the company as part of their agreement, for it would be virtually nothing else. He should be very sorry indeed to see this paragraph expunged from the report, as he looked upon it as one of the most important features of the whole scheme. The project itself was one which he hoped the colony would not abandon, as suggested by the hon. and learned member for the North. It was a big scheme no doubt, but there was nothing chimerical about it, as the hon. member would have them believe. It was a most important scheme for this colony, and of imperative necessity for enabling the colony to realise the advantages of its geographical position. It would not only be advantageous to this colony, but to all the Australian colonies, and he hoped the day was not far distant when it would become an accomplished fact.

MR. SHOLL said no doubt the scheme was one of national importance, and not

of importance to this colony alone; but he thought it was a great pity it should have been brought before them at this late stage of the last session of a dying Council. He was going to vote for the Colonial Secretary's motion; he did not think they ought to commit the country at this time to the expenditure of constructing a 5ft. 3in. line of railway from Fremantle to—no one knew where, and to the construction of expensive harbor works at Fremantle. He did not think that House would be justified in doing such a thing, and in leaving such a legacy of liabilities to any future Government. He was sorry to see such a question as this rushed through the House at the last minute. [The COMMISSIONER OF RAILWAYS: It has been before the House for a month.] It was not brought forward for discussion until now. Everyone, probably, sympathised with the idea of a railway to connect this colony with the other colonies, but he did not think there was anything to warrant the present Council, on the last day of its existence, to commit a future Government to the details of a scheme of this magnitude, without giving it due consideration.

MR. RANDELL said he should like to ask the Commissioner of Railways whether he really thought anything practical was likely to result from the negotiations that had been already opened with the gentleman whose name had been mentioned? If he did, he (Mr. Randell) didn't. His own idea was that we had been fooled, and that we were likely to be fooled. He believed with the hon. member for Wellington, who had added a rider to the report, that we should lose nothing, but probably gain very much by deferring the consideration of this question. He thought it was too late in the session now to expect it to receive that careful consideration which its importance and the magnitude of the issues involved justified it in receiving. He believed it would do infinite harm to the colony if it should go forth that we were too ready to listen to such proposals, without due deliberation, and too ready to jump at the offer of anyone who came forward with any plausible scheme. His own opinion of the projector of the scheme which had given rise to this report—and he had formed that opinion after a care-

ful perusal of the correspondence—was that he was very little better than a humbug.

SIR T. COCKBURN-CAMPBELL thought there was a great deal in what the hon. and learned member for the North, and the hon. member, Mr. Randell, had said; still, there could be no doubt that the advantages would be enormous, and that, if we could only find capitalists to construct this railway, we should be very foolish indeed to let the opportunity pass, so long as we were satisfied of their *bona fides*. For that reason he would support the proposal to increase the deposit or guarantee to £50,000—he wished the hon. member had made it considerably more. He thought, whatever they did, they should try and get rid of this adventurer, Dr. Boyd, as well as they could, and that the Government should not enter into any contract or negotiations at all except with capitalists, who could show their *bona fides*, and their ability to carry out the scheme themselves. There was no doubt, now, that the smallness of the guarantee insisted upon in the case of the Midland Railway, was mainly the cause of that work not having been carried through. He thought that in some respects this report went too far, and that they would be pledging themselves to a great deal too much if they adopted it as it stood; therefore it was that he supported the amendment of the Colonial Secretary and that of the hon. member for Toodyay. There were some of the subsections, too, which he did not agree with. It was regrettable that they should be discussing a scheme of such importance within a few minutes of the close of the session, when there was no chance of its being discussed upon its merits.

MR. PEARSE said the report of the committee had his entire support, and he only hoped they should have the pleasure of seeing this railway an accomplished fact. He thought the committee had prepared an excellent report, and, instead of being blamed, they deserved the thanks of the House and of the country.

The verbal amendment submitted by Mr. PARKER was agreed to.

MR. SHENTON moved that the following words be added to the Colonial Secretary's amendment: "but that the

"sum deposited by the contractor be £50,000, and not £30,000 as recommended by the select committee."

The House divided on the question "that these words be added"—

Ayes 10

Noes 8

Majority for ... 2

Ayes.	Noes.
Mr. Burt	Mr. Congdon
Sir T. C. Campbell, Bart.	Hon. Sir M. Fraser, <i>s.c.m.s.</i>
Mr. Horgan	Mr. Marmion
Mr. Keane	Mr. Pearce
Mr. Morrison	Mr. Sholl
Mr. Parker	Hon. C. N. Warton
Mr. Randall	Hon. J. A. Wright
Mr. Scott	Hon. J. Forrest (<i>Teller.</i>)
Mr. Venn	
Mr. Shenton (<i>Teller.</i>)	

The words proposed to be inserted were therefore agreed to.

MR. VENN said he was sorry that a scheme of this importance should have been brought forward at this very late period of the session, and that it should have been suggested that members should be limited to five minutes in discussing it. For himself, he had on former occasions expressed his views pretty fully as to the general question, but the present committee had discussed the subject with some advantage over previous committees, having the light of other railway contracts, now in operation, to guide them. But he was not at all clear what was really now before the House, so many amendments having been moved; and he was afraid, if they did not mind what they were about, they would get considerably mixed. His views on the subject were pretty concisely put in the rider which he had attached to the committee's report. In that rider he said, although he thought the views of the committee would probably have some weight, he considered it would be wiser to defer coming to any conclusions on so important a question at the present juncture of affairs. As he said in his rider: "In view of the fact that a Constitution Bill has already been before the Legislature, and may be submitted to the colony within a month, and will probably become law within nine months, when the present system of Government will change into that of Responsible Government under somewhat different franchise, and the present system cease for ever, I consider it unwise, impolitic, and injudicious to empower the present

Government to conclude any great international scheme whatever, which carries with it liabilities and responsibilities of such magnitude, for the new Constitution (or Legislature) to deal with and undertake, without that Legislature having an opportunity of expressing an opinion on a work that may have such an important influence on the destinies of this colony." He felt sure that the colony would lose nothing whatever by this delay, but, on the contrary, would benefit largely by inviting the attention of the whole world to the project. He was sure no one could do justice to a subject of this magnitude in a speech of five minutes. It was absurd to think that a project involving the expenditure of five millions could be satisfactorily disposed of in five minutes; and the best thing they could do, under the circumstances, was to defer the consideration of the subject.

THE COMMISSIONER OF CROWN LANDS (Hon. J. Forrest): The Government have promised to enter into a contract, subject to the approval of the House.

MR. VENN: I submit it is not the desire of this House that the Government should enter into any contract at the present moment. Sir, I move that the following words be added to the amendment of the Colonial Secretary: "Provided that no contract be concluded by the Government for the construction of this work without being first submitted to the Legislature."

MR. SHENTON moved that the House do now divide.

Question for a division put:

The House divided upon it, with the following result:

Ayes 11

Noes 6

Majority for ... 5

Ayes.	Noes.
Sir T. C. Campbell, Bart.	Mr. Burt
Hon. J. Forrest	Mr. Keane
Hon. Sir M. Fraser, <i>s.c.m.s.</i>	Mr. Marmion
Mr. Horgan	Mr. Sholl
Mr. Morrison	Mr. Venn
Mr. Pearce	Mr. Parker (<i>Teller.</i>)
Mr. Randall	
Mr. Scott	
Hon. C. N. Warton	
Hon. J. A. Wright	
Mr. Shenton (<i>Teller.</i>)	

The words proposed to be added by Mr. VENN were then put, and, another

division being called for, the numbers were—

Ayes ...	...	...	6
Noes ...	...	...	12

Majority against ... 6

AYES.	NOES.
Mr. Burt	Mr. Congdon
Sir T. C. Campbell, Bart.	Hon. Sir M. Fraser, B.C.M.S.
Mr. Keane	Mr. Horgan
Mr. Morrison	Mr. Marmion
Mr. Randell	Mr. Parker
Mr. Venn (Teller.)	Mr. Pearce
	Mr. Scott
	Mr. Shenton
	Mr. Sholl
	Hon. C. N. Warton
	Hon. J. A. Wright
	Hon. J. Forrest (Teller.)

The resolution as already amended was then put—"That an humble address be presented to His Excellency the Governor, stating that in the opinion of this Council it is desirable that a contract for the construction of a railway, from a point on the Eastern Railway, or from Fremantle, to the Eastern boundary of the colony near Eucla, should be entered into on the terms expressed in paragraphs lettered a. to s. of Clause 5 of the Select Committee's report, dated 3rd December, 1888; but that the sum to be deposited by the contractor be £50,000, and not £30,000 as recommended by the Select Committee."

MR. BURT: The question, I understand, is that the House virtually agrees to the report of the select committee?

THE SPEAKER: Not at all. The question really is that the House agrees to the amendment submitted by the Colonial Secretary, as amended by the amendments of Mr. Parker and Mr. Shenton.

MR. BURT: I think I am perfectly right in saying that many members do not agree to this—that the Government should be empowered to conclude a contract upon these lines at once. Does the House desire that?

MR. MARMION: Yes.

MR. BURT: I think not. This resolution puts it in the power of the Government to conclude a contract with Dr. Boyd, or anybody else, for the construction of this transcontinental railway, without further reference to this House in any way. Does the House desire that?

MR. SHENTON: We have already decided it.

MR. KEANE: I would like to have the assurance of the Colonial Secretary

that the Government will get a definite answer from Dr. Boyd as to whether he is prepared to go on with this contract within some specified time? In the correspondence between him and the Government the time originally fixed was the 31st December. As it is now the 7th December, it is perfectly certain he cannot conclude his agreement by the 31st. Although I have no faith in this Dr. Boyd at all—I don't believe he will ever find £50,000 to deposit—still I think we should give him some reasonable time for giving a definite answer, and that time should be fixed by this House, and not allow the Government to let the matter be put off from time to time, and keep it hung up. I would suggest that Dr. Boyd be required to give a definite decision to the Government on or before the 1st March next, otherwise the negotiations with him to be considered null and void.

THE COLONIAL SECRETARY (Hon. Sir M. Fraser): I think there is no occasion for making any provision to that effect. Dr. Boyd has been told that a decision must be come to by the 31st December, and we have been receiving telegraph communications from him almost every day, recently, asking whether his conditions have been accepted by the Legislature, and stating that if not he wishes his £5,000 returned. The Legislature having now decided to insist upon other conditions, Dr. Boyd will be informed of this fact, and I presume he will at once withdraw his deposit.

The amended resolution was then adopted.

THE SECRETARY OF STATE AND MESSRS. C. & E. MILLAR'S CABLE PROPOSALS.

MR. MARMION, in moving that the correspondence between the Secretary of State for the Colonies and His Excellency the Governor, *re* the Eastern Extension Telegraph Co's. cable, be taken into consideration, said: Sir, I am rather laboring under a disadvantage at this late hour in having to deal with this subject, but the resolution of which I have given notice puts the matter so clearly before hon. members that it may save the necessity of any lengthy oration on my part. The first part of my resolution reads thus: "That, in the opinion of this

"Council, the hasty action of the Secretary of State for the Colonies in granting to the Eastern Extension Telegraph Company the right to land a cable upon the coast of this colony has practically resulted in continuing and extending the monopoly hitherto held by the above Company, not only to the detriment of this colony financially and otherwise, but also to the damage of all the colonies of Australia, the whole of which would have benefited by the competition that would have been created by the laying of the independent cable proposed by Messrs. Millar, Bros., which must necessarily have caused not only a reduction of rates, but would, as it avoided certain foreign territory, have been preferable in an Imperial sense, especially in the case of war, which is at any moment possible, viewing the present state of European politics." With regard to that portion of the resolution, I cannot do better than read the words in which the Messrs. Millar themselves so clearly put the case, in one of their letters to the Governor. Having been asked whether their proposal would hold good in the event of the Eastern Extension Company being permitted to lay a cable to Roebuck Bay, they go on to say that it was specially to secure themselves against the threatened opposition of that company that they asked for the amended terms, and that no independent company would think of engaging upon such an undertaking without such protection being afforded. "The Eastern and the Eastern Extended Telegraph Company," they say, "are practically united; their interests are identical; they have a common purse. They possess a great monopoly at present, and are masters of the situation. They are heavily subsidised by the Australian Colonies, and so long as they possess the monopoly they can continue to enforce their own terms. Their rates are excessive and their profits very large. Is this sort of thing to continue, by granting them the right to lay an alternative cable from Western Australia?—a concession which would nip any opposition in the bud. Of course, it is quite evident that the only object for making such a proposal is to bluff us off, for from any other point of view the project is simply absurd." I think no one will gainsay that. Then

again the Eastern Extension Co.'s cable offers none of the special advantages claimed for Messrs. C. & E. Millar's scheme. It does not comply with any of the objects for which another cable is required. It leads to the same places as the existing lines, and it is exposed to the same dangers and drawbacks. In the event of war it would be as easily cut as the other two, and it follows a line that goes through foreign territory, and which is not under British control. Messrs. Millar, Bros., also point out that, as regards the interests of this colony, they will not be served by the Eastern Company's proposal, for all that company mean doing is to lay an alternative line that may be used, or not, as occasion needs; and, having warded off all opposition, the company might let the cable lie unused. On the other hand, the conditions of Messrs. C. & E. Millar's proposals were altogether different. As they say in the letter from which I am quoting: "Here you would have an essentially West Australian enterprise, depending for its support on the amount of business that it could do over your lines. Its interests would be your own. Moreover it would establish a healthy competition, bring about a reduction in the charges, and open new means of communication." These words that I have quoted, so clearly and so pointedly represent my own feelings—and, I believe, the feelings of the majority of hon. members—that I need offer no apology for referring to them. With regard to the latter portion of my resolution, which is as follows: "Further, this Council is of opinion that the proposals of Messrs. Millar, Bros., were worthy of more consideration at the hands of the Secretary of State for the Colonies, and that the method of action adopted by Lord Knutsford in connection with the proposals of Messrs. Millar, Bros., contrasts very unfavorably with that pursued by Lord Derby in 1883, when, as Secretary of State for the Colonies, and considering the proposals of Sir Julius Vogel with reference to the exclusive right of landing and working a cable upon the shores of this colony, he refused to deal with the subject until it had been fully discussed in the colonial Legislature, and practically left the whole question to be settled by the votes of the

Legislative Council of this colony:"—with regard to that portion of my resolution I think the House will agree with me that this proposal of the Messrs. Millar did deserve more consideration than the Secretary of State could have given to it. I think the action of the Secretary of State in the matter contrasts most unfavorably with the action of Lord Derby, when a similar proposal was under consideration, some five years ago. It was rather a curious coincidence that Sir Julius Vogel also should have asked for this exclusive right of landing a cable on our coast, but the then Secretary of State distinctly refused to have anything to do with the proposal until it had been first discussed by the Legislative Council of the colony. But the present Secretary of State suddenly realises the importance of not granting any exclusive right to any company, yet by a simple stroke of the pen he has handed over to this Eastern Extension Co. what virtually amounts to a monopoly, regardless of the disadvantages which must accrue, not only to this colony, but to all the other colonies, from this monopoly. Contrast Lord Derby's action with the action of Lord Knutsford. The former, in his despatch to the Governor dated 20th March, 1883, says: "I do not feel that in the present stage of the question I should be justified in coming to any immediate decision upon the important matter which you have submitted to me. The subject is one which should be fully discussed in the Legislative Council, before Her Majesty's Government can take it into consideration." In another despatch, dated the 4th June, Lord Derby said he would leave the question, so far as it concerned this colony, to be decided by the Legislative Council of the colony. That appears to me to have been a fair and statesmanlike decision. But contrast this action with the action of the present Secretary of State. There can be no question that Lord Knutsford, in this matter, has dealt with the colony in a very discourteous manner, and not only the colony but also the Governor. As to the action of the Governor in the matter, I have the greatest possible pleasure in asserting my opinion that, both in his despatches and in his telegrams to the Secretary of State, His Excellency seems to have been animated throughout by a

desire to protect the interests of the colony, and the interests of Australia generally; and he seems to have acted all through in a most independent manner, and laid our case with the greatest possible force before the Colonial Office. But what was the result? The Secretary of State, upon Sir John Pender's application, put aside all these despatches and all these telegrams, and paid no attention whatever to the proposals of Messrs. C. and E. Millar. He simply acknowledges the receipt of the correspondence, in the most curt manner he could. This is his letter:

Downing Street, 5th September, 1888.

Sir,—I have the honor to acknowledge the receipt of your Despatch No. 203, of the 30th of July, transmitting correspondence with Messrs. C. & E. Millar, respecting their proposal to connect Western Australia with India by a direct Cable.—I have, &c.,

KNUTSFORD.

Governor Sir F. Napier Broome, K.C.M.G.

I ask hon. members to contrast that letter with the despatches of Lord Derby, and tell me whether I am not right in asserting that both the Governor and the colony have been treated with very scant courtesy by the Secretary of State in this matter.

THE ATTORNEY GENERAL (Hon. C. N. Warton) called attention to the state of the House, there being no quorum.

MR. MARMION (continuing): I am aware that the members of the Government are placed in an awkward position as regards this resolution, and I notice that they do not occupy their usual seats. I also notice that other hon. members, whom I thought would have supported me, have left the chamber. That being so, it is simply left to me to move the motion standing in my name. I do not care whether it is carried or not; my object will have been attained. That object was to express my regret, and I may say pain, at the curt way in which we have been treated by the Secretary of State in this matter. I venture to say that if the colony had been under a different form of Government, the Secretary of State would scarcely have dared—I say it advisedly—would scarcely have dared to have treated us in such a curt and discourteous manner. I beg to move the resolution standing in my name.

THE SPEAKER: I cannot put it; there is no quorum. I will wait five minutes, and then adjourn the House.

MR. SHOLL moved that the debate be adjourned until next day.

THE SPEAKER: There is no House; I cannot put the motion. I will now leave the Chair until five minutes to 5.

PROROGATION.

At 5 o'clock, p.m., HIS EXCELLENCY entered the Council Chamber, and delivered the following speech:

"MR. SPEAKER AND GENTLEMEN OF
"THE LEGISLATIVE COUNCIL,

"You have again been occupied with important matters, and, in closing the Session, I desire to say how highly I appreciate the industry and earnestness with which you have discharged your public duties, and the valuable assistance which I have received from you.

"You have considered the Bill approved by Her Majesty's Government for the change of the Constitution of this Colony, and it has been read a second time. You have also passed several measures of public usefulness, which are now law, and I especially congratulate you upon the Act which will regulate the roads of the Colony in, as I believe, a complete and satisfactory manner.

"It has already been intimated to you that a general election will shortly take place, in order that the Constitution Bill may be finally dealt with, after ascertaining the opinion of the constituencies.

"The most difficult and anxious question remaining in connection with this Bill is that of the present financial position of the Government. Allowing the wisdom of the political change itself—and on this point I support the views you have expressed—it seems a grave consideration how the additional outlay which would be entailed by the new Constitution can be provided for before the revenue considerably improves.

"The present year is expected to close with a deficit of £40,500, and the expenditure for 1889 is estimated at £17,959 in excess of the revenue of that year. The finances have been adjusted by an equitable repayment—which, however, cannot recur—of £60,512 from Loan funds; but, even with this, little or no balance remains to meet any supplementary expenditure which

"may arise next year. Of course, the revenue of 1889 may turn out to be better than the estimate, but, assuming that a fair forecast has been made, it is clear that, even leaving out of account new charges incident to a change of Constitution, it will only be possible to arrange for the finances of 1890, either by considerable additional taxation, or by the severest reduction of the Civil Establishments, and the most rigid economy.

"The question which the constituencies have to ask, and to answer, is, whether the Colony can, at this present moment, afford the additional £10,000 a year which, I think, may be set down as the cost, one way and another, under the Act and generally, of the change of Constitution.

"A further development of the revenue would of course at once do away with the difficulty to which I draw attention. But, however confidently this may be looked for in the future, it is not as yet expected during 1889, and it seems to me worth considering whether Clause 65 of the Constitution Bill might not with advantage be so altered that the Act, instead of coming into force within three months after the Royal Assent reaches the Colony, should be proclaimed only when the Legislative Council shall have requested the Governor, by Address, to proclaim it. Such an arrangement would permit the financial situation to be weighed as might be necessary, up to the last moment.

"I certainly think that the new Constitution, when passed into law, should be brought into force immediately it can be clearly seen that the Colony can afford it. The question is, should it be brought into force before this can be clearly seen.

"To make the change without carefully considering its cost, and the provision for that cost, and, especially, to make it with the idea of covering up a financial deficiency by raising a further loan before the revenue has increased, as we all hope it must increase before long, would be very dangerous in this Colony, and might conceivably lead to deplorable results,—to results which might entail years of suffering and reverses upon every class of the community.

"I feel it my duty, at this stage of the

"question, to express and place on record the views which I have formed. The responsibility in the matter will now rest with the electoral body.

"I have every confidence in the future of Western Australia. It is a question of time; that is all.

"There can be no doubt that our northern pastoral industries are in a healthy and excellent condition, and are rapidly expanding, with room to expand for years to come.

"The approaching completion of the railway which will open to immediate settlement a double frontage through two hundred and forty-three miles of country, much of it good land, between Beverley and the magnificent harbour of King George's Sound, and which will afford easy access from the outside world to the heart of the Colony and its capital city, should, as I have frequently stated, be the beginning of important changes, and of a more advanced order of things.

"Then, again, our Goldfields, though at present an expense to the Government, are of very considerable promise, and are not progressing more slowly than some of the richest reefing districts of Australia in their earlier days.

"But hopes and prospects, however reasonable and likely, are one thing, and actual and existing facts are another. The fact still is that we find it most difficult to meet the expenses of administering a vast and undeveloped territory, and, however bright may be the future, there is great need for caution in the present, for being prepared for any mischance which may befall, and for remembering that to make both ends meet year by year is the first duty of every Government, and the first principle of all sound finance. It is for this reason that I desire to place clearly before the Colony, for careful consideration, the cost of this change of the Constitution, and the difficulty which seems, as yet, to stand in the way of providing for it.

"MR. SPEAKER AND GENTLEMEN,—

"I thank you for the supplies which you have voted for the Public Service, and which it shall be my endeavour to

"administer with the utmost economy. I take leave of you, in your legislative capacity, with a feeling of personal regret, and also of satisfaction at the work we have together accomplished, since I summoned the present Council to my aid in the early part of my administration of this Government. From one end to another of this immense territory, we have undertaken and completed Public Works, which, compared with our means and resources, have been of great cost and magnitude. On those works considerably more than a million of money has been expended. We have made a strong effort to advance Western Australia; to make it a State of greater name and standing than the primitive, if pleasant, community which had peacefully existed for more than half a century. Our efforts have been of late checked by a wave of depression which has reached us from elsewhere, by the decline of revenue which set in last year, just when expenses were increasing on every side, and by the tardy development of the goldfields. But no one who looks on the buildings and business of this city; who observes our forests cut through and traversed for hundreds of miles by railways; our harbours, along a coastline of 3,000 miles, provided, the most of them, with tramways and buildings, wharves and jetties; who considers the Colony as it is and as it was, can say that much has not been achieved.

"We have, finally, been engaged in constructing a new political Constitution, the operation of which cannot, I would hope, be very long delayed. Under it this people will have full power to pursue their fortunes in their own way, and to make of themselves and of their country all that in them lies. Whether in the old or in the new career, may God bless Western Australia!

"I now prorogue this Council to Wednesday, the twenty-third day of January next."

HIS EXCELLENCY having handed a copy of the Speech to Mr. Speaker, withdrew from the Chamber, and the Session closed.