

of the action of the Government upon that resolution. The Bill proposes to prohibit the introduction of the sparrow, and any other destructive bird to which the Governor in Council may apply the Act by proclamation. Destructive animals may, in the same way, be proclaimed. The Bill is short and simple.

Question put and passed.

Bill read a second time.

ADJOURNMENT.

The House adjourned at 6:23 p.m.

Legislative Assembly,

Monday, 14th August, 1893.

Victoria Public Library: Petition *re* Lending Books out of the Library—Fremantle Gas and Coke Company's Amendment (Private) Act: Petition for leave to introduce—Application of proceeds of Sales of Crown lands towards Repayment of Loans—Stock Tax Bill: third reading—Constitution Act Amendment Bill: third reading—Adjournment.

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

PRAYERS.

VICTORIA PUBLIC LIBRARY: PETITION *RE* LENDING OF BOOKS.

MR. CANNING presented a petition from several residents of Perth and its neighbourhood, praying the House to take such steps as might be necessary to enable certain books (other than books of references) to be lent out of the Victoria Public Library.

Petition received, read, and ordered to be printed.

FREMANTLE GAS AND COKE COMPANY'S AMENDMENT (PRIVATE) BILL.

PETITION.

MR. QUINLAN presented a petition from the Fremantle Gas and Coke Company, Limited, praying for leave to intro-

duce a private Bill intituled "An Act to amend 'The Fremantle Gas and Coke Company's Act, 1886,' and to extend the powers and privileges of the Company."

Petition received and read, and ordered to lie upon the table.

APPLICATION OF PROCEEDS OF SALES OF CROWN LANDS.

MR. HARPER, in accordance with notice, moved that Mr. Speaker leave the chair, and that the House do now resolve itself into a committee of the whole, to consider the following Financial Resolutions:—

"1. That it is contrary to the principles of sound finance, and to the best interests of this country, that the proceeds of sales of Crown lands should be paid into the general revenues of the colony.

2. That all such moneys (after deducting expenses incurred in survey and sale) should be removed from the control of the Government and placed in the hands of trustees.

3. That it should be the duty of such trustees to utilise the moneys so placed under their control, in making provision for the repayment of loans by the process of a sinking fund, or by the purchase of the colony's stock whenever profitable opportunities should occur.

4. That legislation should be initiated this session, providing for the enactment of the foregoing resolutions; such legislation to come into force on the first day of July, 1894."

Question put and passed.

MR. SPEAKER left the chair.

IN COMMITTEE.

MR. HARPER: I desire, by leave of the House, to put the motion standing in my name in separate parts. It will be observed that the first paragraph embraces the whole policy of the matter, and the other resolutions deal with details; therefore I should like the committee to consider the first resolution by itself.

Ordered—That the Resolutions be considered *seriatim*.

MR. HARPER moved,—“(1) That in the opinion of this committee it is contrary to the principles of sound finance, and to the best interests of this country, that the proceeds of sales of Crown lands should be paid into the general revenues of the colony.” He said: In speaking to

this paragraph I think I may say that everyone, probably, in this House has heard this matter discussed not only in this House, but also on the hustings; and it has often been discussed in other portions of Australasia. It has lately been prominently brought before the notice of the country by the reference to it made in the English press, where it has been brought into very strong light by the present very unhappy condition of the finances of the Eastern colonies of Australia. It is generally considered that if such a measure as this were adopted it would have a very beneficial effect on the credit of any country adopting it. If the principle now adopted with regard to the revenue derived from the sales of the public estate were adopted in private life, we know very well that any individual who used his capital in order to meet his annual expenditure must in the end come to grief; and it is very certain that the same principle, having been adopted and acted upon by the Governments of the Australian colonies, has had a very serious and prejudicial effect upon the finances of those colonies. Some years ago, in the other colonies, large sales of Crown lands were made, and large sums of money were received into the Treasury for the time being; and the Ministry in power, encouraged by the hope that this source of revenue would not fail them in the future, proceeded to base their expenditure upon that basis. The result, as we know, was that in a few years time, there was a large falling off in the revenue from this source, and a serious deficit in the public finances. I do not think anyone can say that the policy laid down in this first resolution of mine is not one of sound financial principle, and I trust that every member of the committee will accept it as such, and will support me in moving its adoption. It is possible that the Government may object strongly to it. Perhaps they may think it is a sort of reflection upon the conduct of the Ministry, and I wish to take the earliest opportunity of denying that I intended it in the least in that light. I know the present system of dealing with the territorial revenue is an inheritance they have received from those who have gone before them. But it is quite time that the manner in which the funds received from this source have

been utilised in the past should be checked, and a sounder policy adopted. There is some danger that, in days to come, Ministers may come into power who will have very little consideration for the future of the country beyond providing for its immediate requirements; and they might squander the public estate to a large extent, as has been done elsewhere, and leave those that followed to bear the consequences. For these reasons I beg leave to move the first clause of the resolution standing in my name.

THE PREMIER (Hon. Sir J. Forrest): I have no doubt that a great many hon. members will agree with the mover of this resolution that to provide a means by which our loans may be gradually extinguished would be a wise and proper course to adopt; and, I suppose, most hon. members will agree, too, that no better mode of doing it than the one which the hon. member suggests could be provided,—that is to apply the proceeds of the sales of the landed estate of the colony to that purpose. But, while we all agree with him that this would be a very good thing to do, I do not think there are many members here to-night who will agree that this is the proper time to do it. If we had an overflowing Treasury, and we were looking about for the best means of investing our surplus capital, I could well understand that we might be inclined to invest some of it in the way proposed. But, I take it, we have not any superabundance of money at the present time, and every penny we can get, either from land sales, or land revenue, or any other source, is urgently required in order to develop the resources of the country. I will go a little further, and say this: although this provision suggested by the hon. member is a wise provision, and probably about the best that could be devised, still it is not necessary at the present time, because we are already doing exactly what he proposes to do. We are providing in our loans for the gradual extinction of the public debt. I believe we are singular in that respect; I do not think any other colony makes the same provision in their Loan Acts. As hon. members are aware, provision is made in all our loans for forming a sinking fund for the gradual repayment of the principal, so that the debt may be gradually extinguished. I

am not aware whether a calculation has been made as to when our loans are going to be extinguished, on the basis of the the amounts devoted to these sinking funds; but I know that it is only a question of time. At the end of 1892 we had £115,000 to the credit of our sinking funds, and that amount will be increased annually; so that I do not think anyone can say that we are not making provision for the future, as regards repaying our loans. The revenue received at the present time from land sales alone—for, I take it, that is what the hon. member refers to—is not a very large amount, it is true; but, to ask the House at the present juncture to seriously consider this proposal, which it is suggested should come into effect on the 1st July next year, is, to say the least, most inopportune. All I can say is, if any source of revenue is now taken away from us, for any such purpose, the deficiency will have to be made up from some other source, in order to meet the demands upon the public Treasury. It is the desire of the present Government, if possible, to avoid further taxation, and I know we have all we can do to make the present revenue, from all sources, equal to the demands that are made upon the Treasury, in connection with the development of the country. Of course we hope the revenue will keep up, but I do not think this is a time for taking away any portion of the public revenue, for this or any other purpose. As I have already said, there is really no necessity for making this provision towards extinguishing our loans, because we have already made provision for it, in our sinking fund. We have done more in this respect than any other colony in Australasia. I am sure there is no one in this House but will give the hon. member credit for good intention in this matter—it is an important subject; but I do not think this is an opportune time for bringing it forward. Bye and bye, perhaps, when our Treasury is overflowing, and we are looking about for the best means of expending our surplus funds profitably, in the interests of the future, I shall be one of the first to go with the hon. member. But, at present, after he has heard an expression of opinion from other members, I hope he will deem it his duty not to press the matter any further.

MR. R. F. SHOLL: I have very much pleasure in supporting the resolution. This question is one which members have heard discussed, if not in public, privately, over and over again. It cannot be argued that it is sound finance that the proceeds of our land sales should be annually placed to the credit of the Consolidated Revenue. Once we part with our lands we shall receive no further revenue from them.

THE PREMIER (Hon. Sir J. Forrest): They are open to taxation afterwards.

MR. R. F. SHOLL: That is true. But it appears to me to be wrong, from a financial and common-sense point of view, to sell the colony's lands, and look upon the proceeds as revenue. If we go on in this way, we shall find ourselves in the position of the spendthrift, who spends the whole of his estate, and, when every penny is gone, finds himself in debt, and has nothing to fall back upon. I think it would have a very good effect on the credit of the colony abroad, if it were announced that we had agreed to apply the money received from the sales of land to providing a sinking fund for the redemption of our loans. The Premier says we have already provided for a sinking fund; but I think it would assist materially in extinguishing our loans if the receipts from land sales were also applied to the same purpose, and that these funds should be used to redeem our own stock, and not be invested in the stocks of other countries. I think this would inspire confidence in those who lend money to the colony, and I think it would be a much better use and a more legitimate use for the proceeds of these sales than to allow them to revert to current revenue. The sale of our lands is a thing we cannot depend upon annually, like we can with the rents, which I consider may be legitimately regarded as revenue. We receive these rents regularly every year, and we can depend upon them; but the amount received from sales of land is not to be depended upon, and once the land is sold it is done with as a source of revenue. I think it is absurd and misleading to say that our land revenue amounts to so many thousands, when the bulk of it is received from land sales.

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

THE COMMISSIONER OF CROWN LANDS (Hon. W. E. Marmon): The smallest portion of it.

MR. R. F. SHOLL: At any rate, the argument is the same. You cannot get over the fact that it is misleading to say that the land revenue of the colony amounts to so much annually, when a considerable portion of it is derived from land that has been sold and alienated. If we sell the land one year, we cannot sell it again, and it cannot legitimately be regarded as revenue. Nor is it sound finance to spend it on public works. Everyone must acknowledge that the principle proposed to be adopted by the hon. member for Beverley is a good one; on the other hand it is a bad principle to sell the public estate one year and call the proceeds revenue. It is true, as the Premier says, that we have not an overflowing Treasury just now, but that does not alter the principle. The Premier himself has acknowledged that the principle is a good one, and that when we have an overflowing Treasury he will support its adoption. He also stated he was averse to any further taxation. I should say he is. I hardly think he would venture to come here to propose any further taxation. He would first have to consider whether he could not curtail his expenditure before proposing any extra taxation.

THE PREMIER (Hon. Sir J. Forrest): We can easily curtail our expenditure by abandoning public works.

MR. R. F. SHOLL: I do not think the hon. gentleman would get much encouragement if he came here with any proposals for increasing the taxation of people who are already the heaviest taxed community of the whole of the colonies.

THE PREMIER (Hon. Sir J. Forrest): Nothing of the sort.

MR. R. F. SHOLL: And when the cost of living is about 50 per cent. more than it is in any of the other colonies. Before the hon. gentleman talks about increasing taxation, he should first give his attention to curtailing expenditure. As regards public works, if necessary—

MR. A. FORREST: Is the hon. member in order in dealing with the question of public works, when the only question before the House is one of sound finance?

THE CHAIRMAN: I think that in dealing with the question we are now

dealing with, a considerable latitude must be allowed to members.

MR. R. F. SHOLL: I have very little further to say in the matter, except that I thoroughly support the resolution before the House. As to whether it is expedient at the present time to adopt the proposal in its entirety, of course we must be guided by the Government in that matter. But I am prepared most cordially to support the principle involved in the resolutions brought forward by the hon. member for Beverley.

MR. LOTON: I may say, in a very few words, that I also am in accord with the principle laid down in the first of these resolutions—that it is contrary to the principles of sound finance that the proceeds of sales of Crown lands should be paid into the general revenue, and expended as part of the general revenue. I have said that I am in accord with that principle; and I find that I have been in accord with it for some years past. In moving the Address-in-Reply to the Speech delivered by Governor Broome at the opening of the session of 1889, I find I then advocated the same principle. The Governor, in his Speech, had referred to the probability of the Government receiving what was, in those days, considered a very large sum from the sale of land to the Hampton Plains Syndicate; and, referring to this, I made use of the following words: "The time has not arrived—or, at any rate, the policy is not acted upon—when the revenue derived from the sale of land should be set apart for special purposes; but the time will very soon arrive—it must arrive—when the proceeds of land sales shall not be counted as a portion of the ordinary public revenue, for, legitimately speaking, the land revenue is not a part of the ordinary revenue." Those were the words I used in 1889, and I have seen no reason to change my views with regard to the principle laid down. But, in dealing with the principle, we have this fact to take into consideration: we have to bear in mind the circumstances of the colony. As yet, we are but a very small population, and, for so small a population, I do not hesitate to say—I do not know whether the majority of members will be in accord with me, but I do not hesitate to say myself—that we are expending borrowed money in excess

really of what we are in a sound position to expend, with the object, I admit, of providing facilities for the development of our country. I say we are doing, in this respect, beyond what we can really afford to do. The Premier himself has told us to-night that the Treasury is not overflowing, and we know that we have incurred very large liabilities. Therefore, although I am in accord with the principle laid down here, the question is whether it is expedient to put it into practice at the present time, and whether we are in a position to do so. We are spending large sums in providing facilities for the development of the country, and it strikes me that we cannot afford to lose any portion of our present revenue just now. The Premier has told us so, and that if we take away any portion of it for this or any other purpose we shall have to make it up from some other source. After all, it is only a small proportion of our land revenue that is derived from sales. The Commissioner of Crown Lands will be able to tell us pretty nearly what it was during the last year or two; I should say not more than 20 per cent. of the gross revenue of the Lands Department. At any rate it is a very small proportion. Then, again, under our present Land Regulations we have provided for the purchase of land by deferred payments, and we are proposing during this session to deal with land settlement on still more easy terms. It appears to me that under these circumstances, with the small amount likely to be realised, and the long period of time over which these payments extend, and looking also at the fact that we are incurring very large liabilities in connection with our public works, and that the Treasury, as the Premier has told us, is not overflowing; it appears to me, under all these circumstances, it would not be very wise on our part at the present moment to put this principle into practice. I think if the hon. member had, in his resolution, intimated that the proceeds of the sales of town and suburban lands should be dealt with in this manner, he would have made out a stronger case. But even then, I would point out, wherever townsites are laid out and allotments sold, the Government is called upon to spend a lot of money in surveys in the first instance, and, in addition to that, money

has to be contributed by the Government, through the taxpayers, for the purpose of making roads in these townsites. This applies throughout the whole colony, for there is next to nothing done by the settlers themselves—except in the towns—in the way of raising funds for making and maintaining their roads. It all comes from the votes of this House; it all comes from the general revenue; and so long as these large sums of money have to be provided by the Government of the day, for improving the public estate, I think it is hardly expedient to deprive them of any portion of their revenue. At present the Government spend a considerable portion of the public revenue in providing facilities for improving the public estate, by the construction of roads and bridges, and afterwards keeping them in repair; so that we are really expending in this way the capital that we raise from Crown lands in a great measure. Although, as I said, the principle enunciated in this resolution is a sound one, still, under the circumstances I have referred to, I feel, myself, while strongly supporting the principle, that it is not expedient to carry it out, in its fullest detail, at any rate, at the present time.

MR. A. FORREST: I think that most members will agree generally with the principle that when you sell an estate, or any portion of it, the amount realised should be put aside to meet any liabilities there may be on the estate. But, if members will consider the subject at all, they will find that the sinking fund which the colony is now providing annually amounts to a great deal more than is realised from the sale of Crown lands. If you take the revenue derived from the actual sale of land, it is very small indeed. If you take the receipts from lands sold on the deferred payment system, you will find that the expenses of survey, etc., will eat up the revenue from that source for many years. I hardly think, myself, that the revenue derived from lands to conditional purchasers would come within the meaning of this resolution; and, as I have said, the amount received from actual sales is very small indeed,—certainly much less than the amount which we now set apart for a sinking fund for the redemption of our loans. I can quite understand the hon. member for the Gascoyne supporting this resolution,

because it would suit the district he represents, because they don't contribute to the revenue at all in this way. I do not suppose they have ever contributed more than £1,000 to the revenue, from sales of land in their own district, whereas the district which I represent contributed in one year more than £20,000 from sales of town lots. But I fail to see why we should take away one of our present sources of revenue to provide for the future. Our revenue is not so elastic as all that, and we know we have not an overflowing Treasury, or so much money that we do not know what to do with it. I think we are not doing badly at all in doing what we are now doing in the way of providing a sinking fund, and if this motion goes to a division I shall not be able to support it.

MR. THROSSELL: I go heartily with the principle of setting aside a certain proportion of the land revenue, but I cannot support the motion in its entirety. We are now in the position of a person living on his capital, but, at the same time, it must be remembered that we are spending large sums upon railways and public works for improving the public estate. The question after all is,—Can we afford at the present time to take any large sum from the revenue and invest it as a sinking fund? I fear not; therefore, while supporting the principle involved in this motion, I am afraid I shall have to oppose its immediate application. It has been said that we ought to bear the burden of our loans ourselves, and not leave it all to posterity. I am not going so far as to say with the Irishman, "Hang posterity! what has posterity done for me?" But I would point out that if we are incurring a debt for posterity to pay, we must also remember that we are handing down to posterity an estate improved to an extent more than representing the public debt. It has for many years been an idea of mine that a portion of the land revenue should be set aside as a fund for the development of the land; and, if such a plan could be instituted, it would have my hearty support. I cannot see why the existing sinking fund should not be available for investment in this colony. If it could be so utilised it would bring a greater amount of interest, and if it were avail-

able to be utilised as loans on freehold agricultural lands it would go far towards the development of the large freehold estates now lying dormant—although tapped by Government Railways—through lack of capital on the part of the owners, and the absence of any financial institution for supplying the want. If such a system could be set in motion by so utilising a portion of the sinking fund, it would rapidly advance agriculture, feed our railways, and relieve the Government of all anxiety as to the unemployed, as every borrower would become an eager employer. If the motion of the hon. member for Beverley included some such system as I have indicated, it would have my earnest support, but in its present form, while I approve of the principle, I cannot support its immediate adoption in the manner proposed. The withdrawing of any large sum from the public revenue must result in one of two things: we must either reduce expenditure or provide fresh taxation. The motion, in my opinion, is one to be dealt with by a future Government; and the present is, in my opinion, an inopportune time for bringing forward such a proposal, more especially by a private member.

MR. RICHARDSON: The Premier has told us that this is not an opportune time to ask the Government to consent to set apart a portion of its revenue for this purpose. I do not believe the time will ever come when it will suit any Government in power to support such a principle as this. Whoever may be on the Treasury benches will always see other channels for the expenditure of public money, and no Treasurer will ever be found who will be able to make up his mind to forego a portion of his revenue in order to have it set apart for future purposes. From this point of view it will always be inopportune to do so. I think, from that point of view, there is something in what the hon. member for Northam said, that this might have been a good platform for a new Government just coming into office, to inspire confidence in foreign lenders. But, apart from that, I do not think that any harm would arise from our affirming that this is a sound principle, when we are in a position to adopt it. A great deal has been made of the fact that our land revenue from sales is very small, and the cost of sur-

veys very great; but I would point out that the second resolution proposes that all expenses incurred in the survey and sale of lands shall be deducted from the proceeds which it is proposed to remove from the control of the Government. Therefore that objection falls to the ground. It is only the net income, after deducting these expenses, that is to be so applied. Furthermore, I take it that when we come to deal with the details of this scheme the hon. member for Beverley would have no objection to amend these details in the way a majority of the House might desire. That being so, I think there can be no harm in assenting to the main principle. Probably the resolution might have been put in a different form, and meet with more general support. As we have been working for a great number of years under the present system, and have become accustomed to use the land revenue as an integral portion of the general revenue, possibly the resolution might have been framed somewhat in this way: that any land revenue, in the future, in excess of the average land revenue of the last few years, shall be devoted to this purpose; so that if say £10,000 has been the average for the last five years, let that be the absolute amount to be appropriated from land revenue annually towards the redemption of our loans. It would go a long way to inspire or revive that confidence, the loss of which, unfortunately, we have to deplore, as existing in the minds of British investors in Australian securities. I think if they knew that such a measure as this was enacted here, and that the power had been taken out of the hands of the Government to spend the land revenue of the colony, they would look upon us as a colony that was making a very wise provision for the future.

MR. CLARKSON: I think every member agrees that the principle laid down in this resolution is a sound one. Nobody seems to dispute that. I do not see how it could be disputed. At the same time I do not think this is the right time to propose such a measure as this. Let us leave it to those who come after us to provide for the redemption of our loans. We are spending the money upon railways and other public works for their use, and why should we take the burden upon ourselves of repaying it, when none

of us, in all probability, shall live to see the great advantages to be derived from the great public works which the country has entered upon. I think it is only just and right that we should leave it to those who will derive the greatest advantages from these works to bear the cost of them to some extent. While I fully approve of the principle laid down in the motion, I am sorry to say I cannot support its adoption at the present moment.

MR. TRAYLEN: I wonder that the penetration of the hon. member for Northam has not shown him that we are already doing everything he has been talking about this evening, but doing it under a different name. With regard to the unfortunate analogy used by the hon. member for the Gascogne, I think the hon. member was altogether astray in comparing the position of the colony in selling its lands to the position of the spendthrift who had disposed of his patrimony. I do not think that a country ever can come to that position, so long as there is a Parliament in the country, for this reason: when that spendthrift has gone through his estate he has nothing else to fall back upon; his estate is gone, and he has no further power over it. But it is a very different thing in the case of a country disposing of its land, because Parliament can always exercise a certain amount of control over that land, and obtain a certain amount of revenue from it every year. In other words it can impose a land tax, which would help us to meet our liabilities just the same. Therefore I cannot admit that the analogy is a good one, and I do not see how we are ever going to get into the position of the hon. member's spendthrift. Again, as we have already a sinking fund created by law, or by statute, I do not think we need trouble ourselves to provide another sinking fund. The resolution says it would be to the "best interests of the country" to do this. I believe we are acting in the best interests of the country by doing what we are already doing. I wonder how many members of this House, in conducting their own private concerns, are in the habit of having large balances lying idle at their bankers! We know it is not usual for people in business to do so, because we all want to use our money to better advantage; and why should the State pursue a different policy? As for

inspiring confidence in British investors, what I think will satisfy the good folks in England is—are we able to meet our liabilities, and, having done so, have we a pound or two to our credit? We have done so hitherto, we have met all our liabilities, and are likely to do so for I don't know how many years; and I do not think we need go to all this trouble which these resolutions of the hon. member for Beverley contemplate. I repeat, we are now doing the very things that have been advocated this evening, only under a different name, and I intend to vote against this motion.

MR. MOLLOY: Almost every member who has spoken this evening has approved of the principle enunciated in this first resolution, and I think I may venture to follow in the same strain, and with a little more consistency than some members, because not only do I approve of the principle but I also intend to vote for it. It has been urged by some members that so long as we are spending the revenue derived from this source in the improvement of the public estate, we are perfectly justified in doing so, and in regarding the proceeds of our land sales as ordinary revenue. I am unable to agree with that, because I think that in doing so we are gradually exhausting our national estate, and, once it is exhausted, we cannot replace it. With ordinary revenue it is different. People are taxed in order to produce a revenue to be expended for their benefit and protection. But it is a very different thing to exhaust the national estate, which is the national capital, and to make no provision for the future. I noticed the other day that in 1882 our expenditure was £2 less per head of the population than it is at the present time; and, whilst our revenue per head has increased by some 30s., we are still behind to that extent. This is a very serious matter, and one that requires the gravest attention of those in authority. If it is not an opportune time to adopt this principle now, when will it be? It is said that we have progressed, and are progressing now more than we have ever done before in the history of the colony. If that is so, then the figures which I have quoted should have been reversed. I think it is our duty to bring the public expenditure within our income. I can quite understand that whilst we

are expending the revenue upon permanent improvements, such as the Eastern Railway improvements, it may be a legitimate thing to apply the money received from the land to such purposes, or to apply it to improving the land, as suggested by the hon. member for Northam. An exception might be made in that case. I notice that in the Homesteads Bill introduced this session the financial proposals of the previous Bill are omitted. I think it would be a legitimate thing to expend the money received from land sales for such a purpose as that. But to apply it to purposes of general revenue is, I think, unsound in principle, and not a legitimate expenditure. I think it is very desirable that we should safeguard the national estate, in the way suggested, and make this provision for extinguishing our public debt. For these reasons I shall heartily support the motion, and I trust it may be carried this evening.

THE COMMISSIONER OF CROWN LANDS (Hon. W. E. Marmion): Every member who has spoken to the resolution seems to have joined in one universal chorus of approval as regards the principle involved; and I should be very happy myself to join in the same chorus if I thought it would be attended with any practical utility. But it seems to be useless to urge a principle unless you admit its practicability. For my part, if this principle were affirmed this evening, I do not see the slightest chance of its being carried into effect. Nor do I see any necessity for it, and I will endeavour to show the reason why. Members are very fond of indulging in similes—very often not very apt nor wise ones—and the hon. member for the Greenough has to some extent taken the wind out of my sails when he exposed the fallacy of the simile made use of by the hon. member for the Gascoyne, who compared our position in spending the money received from the sales of Crown lands to the position of a spendthrift who disposed of his patrimony and spent the money foolishly in riotous living. I maintain there is no analogy whatever between the two. What have we been doing, or trying to do, during the last 40 years, with our national estate? Have we not been endeavouring to improve it? Have we not been trying to induce people to settle upon it, and insisting upon their improving

it as one of the conditions upon which we let them have the land? Have we not spent hundreds of thousands in providing facilities for improving the public estate, and developing its resources? Is not that a wise and legitimate expenditure? There is not the slightest analogy in that respect between the position of the State and the position of the reckless spendthrift, who squanders away his patrimony in a foolish manner. Our efforts all along have been directed to improving our national patrimony, by providing facilities for settlement and encouraging people to develop the country's resources, in every way in our power. Is it not with this object that we have provided railways, and roads, and bridges, telegraphs and postal communication, and steam communication along our coast, carrying civilisation to the uttermost parts of this huge continent? Have we expended the revenue derived from our land in a foolish and reckless and wasteful manner, as a spendthrift would spend it? Not at all. The argument in support of this proposal would have had some effect if it were not a fact that we have already made provision for devoting a large amount annually for a sinking fund to redeem our loans,—a much larger amount than would be devoted if this resolution were carried into effect. We are at present devoting something like £15,000 a year towards providing a sinking fund, and in a few years more we shall possibly be appropriating £20,000 a year for that purpose, which is a much larger amount than would be provided under the scheme contemplated in this resolution. Last year the gross amount of revenue received from sales of town, suburban, and rural lands was something like £13,000, including the payments under the conditional purchase system. The previous year the amount received was larger, in consequence of the boom in land, and the consequent large sales of town and suburban lands in the vicinity of Perth and Fremantle. About £8,000 is annually spent in surveys; and, as the expenses of surveys, under the present proposal, are to be deducted from the proceeds of land sales, and only the balance applied to form a sinking fund, it will be seen at once that the provision already made for that purpose is a much more liberal one than that now proposed. If you also take into account the depart-

mental expenses, you will find there would only be a very small sum indeed available for the object contemplated in this resolution.

MR. HARPER: Then there can be no objection to it.

THE COMMISSIONER OF CROWN LANDS (Hon. W. E. Marmion): I say there is nothing to be gained by the adoption of the principle. The hon. member for the Gascoyne said the Government ought to curtail this expenditure.

MR. R. F. SHOLL: No doubt about it.

THE COMMISSIONER OF CROWN LANDS (Hon. W. E. Marmion): Would the hon. member like to see the expenditure in his own district curtailed? If it were, the hon. member would be the very first to cry out against it. It is all very well to talk about curtailing expenditure, when demands are made upon the Government, from all parts of the colony, for expenditure in every direction, necessitated by an increasing population and the extension of settlement. There has been a call for it, and the present Government have answered the call—not lavishly, but as carefully as possible; and at the present moment the greatest difficulty we have is to meet all the demands that are made on the public purse. These demands come from all parts of the colony. We have a loud cry for assistance from the thousands who are engaged in seeking for gold in almost every part of the colony. These people ask the Government to provide them with water, to provide them with railways, to provide them with telegraph lines, to provide them with mail communication, and with police protection. And these are the demands of only a section of the community. We have never had in the history of the colony such expenditure upon public works, absolutely necessary works, as we are now having. As the population increases, so also must our expenditure increase in this and other directions. The educational vote, the police vote, the coastal service vote, the postal and telegraph vote, are all increasing; and it cannot be otherwise. How is it possible to govern this large colony, with its increasing population, spread all over it, without increasing the public expenditure? Is this the time to deprive the Government of any legitimate source of revenue? I am sure the hon. member who brought

forward these proposals thought he was acting wisely in doing so, and no doubt there may be something in the suggestion which he has made, though not so much as some members have attempted to show. It is not the first time in Australia, I believe, that such a proposal has been put forward; and it may be very necessary as regards some colonies, to make every effort to restore confidence. But there is no necessity in Western Australia yet to make any effort to restore confidence which has never been lost. I believe some step of this kind was attempted in Victoria some years ago, when a portion of the land revenue was put aside for immigration purposes; but they got tired of it. It seems to me it makes no difference, practically, whether the proceeds derived from the sales of land go into the public revenue—so long as the revenue is wisely and judiciously expended—or are set apart every year to provide a sinking fund. I have already pointed out that we have made provision for a sinking fund, and I do not see what is to be gained by separating one portion of the revenue from the other. It seems to me it would only have the result of introducing a dual system of book-keeping, when there is no necessity for it.

MR. LEFROY: I think there is more money in this than some members imagine. I find that in 1892 we received £23,197 from land sales, by direct purchase and conditional purchase.

THE PREMIER (Hon. Sir J. Forrest): That must be 1891, surely.

MR. LEFROY: No. According to the report of the Lands and Surveys Department we received, in 1892, from sales of town, suburban, and rural lands a sum of £3,282; from leases and licenses held under special occupation, £10,111; and, under the conditional purchase clauses, £9,804. That makes a total of £23,197, which is a big amount; and I am not surprised at the Government not wishing to give up this sum, and placing it in the hands of trustees, to provide a sinking fund, as proposed here. This amount would be equal to 4 per cent. on about £580,000.

THE COMMISSIONER OF CROWN LANDS (Hon. W. E. Marmion): You have not deducted the cost of surveys.

MR. LEFROY: I am simply showing that there is more money in this than

some hon. members imagine, and I am not surprised at the Government not wishing to give it up.

THE PREMIER (Hon. Sir J. Forrest): We will give it up if you like, but we shall have less to spend; that's all.

MR. LEFROY: I think the principle suggested in this resolution is a sound and equitable one; at the same time, I do not feel inclined to support the motion entirely at the present time. I do not suppose we shall ever have a Government that will agree to it, unless they had an overflowing Treasury, and I am afraid the days of overflowing Treasuries are gone by. It appears to be the fashion now, for countries as well as individuals, to spend their money as fast as they get it. Therefore, I do not anticipate that this motion is likely to be agreed to practically by any Government, however admirable it may be in principle.

MR. DEHAMEL: The Minister for Lands told us there was nothing in the principle embodied in this resolution. I do not agree with him. His arguments, boiled down, seemed to me to amount to this, that there was nothing in the principle because the present cost of surveys and departmental expenses connected with land sales amount to about as much as we receive from these sales.

THE COMMISSIONER OF CROWN LANDS (Hon. W. E. Marmion): That was only one argument.

MR. DEHAMEL: It is the only one I have a note of. But we have not to deal with the present, so much as with the future. I do not believe in that selfish argument of "What has posterity done for us?"; and that, because it has done nothing for us, that is a reason we should do nothing for them. I should like to know where we would be, what our position would be, if our ancestors had acted upon that principle and done nothing for us. I think they have done a great deal for us,—

THE COMMISSIONER OF CROWN LANDS (Hon. W. E. Marmion): They gave us a great big national debt.

MR. DEHAMEL: They did a great deal more than that, and it is equally our duty to do something for posterity. If we want an example of the improvident principle underlying our present system of dealing with our land revenue, we have only to look at Queensland for instance.

Only twelve months ago they were selling Crown lands in that colony to the amount of a quarter of a million of money, representing the public estate, in order to make up a deficit in the ordinary revenue; and that is the principle we are acting upon here. I say this is a question of common sense, which ought to be considered. It is all very well to say that we are not selling a large quantity of land now; but the time will come when we shall be selling an ever-increasing quantity; and the longer we put off adopting the principle contemplated in this resolution, the harder will it be to adopt it, and the greater will be the necessity of making some provision such as this for extinguishing our liabilities. When the present Government came into power, our public debt was only one million; at present it is $2\frac{1}{2}$ millions, or, including the Midland Railway Loan of £500,000 which we have guaranteed, three millions; and, in about twelve months time, we shall have to provide taxation to the extent of £170,000, which will be a first charge upon the revenue, in order to meet our liabilities in connection with our public debt. I am sorry to say there is something in the argument of the Premier that this would be an inopportune time to adopt this resolution, in view of the large demands upon the public Treasury, and the necessity for having as large a revenue as possible to meet these demands. I must admit there is a great deal in that. We must have something to meet this terrible burden of taxation, and if, as has been said, we take away any present source of revenue we must be prepared to make it good by further taxation. I should be sorry to do anything to increase the present terrible rate of taxation. I would do nothing that would have the effect of increasing the tax upon the necessities of life. And with the burden of this large debt upon us, it seems to me it would be impossible to put this principle into practice just now, however admirable it may be in theory. I hope, however, the principle will be affirmed. As to putting it into operation, I think it will take a very clever Treasurer to make up the deficiency in the revenue without increased taxation.

MR. HASSELL: I only wish to say that I believe in the principle involved, and that if the hon. member puts the

resolution to the test of a division I shall go with him.

MR. SIMPSON: I also am in accord with the principle. It is a singular fact that every member who has spoken to the resolution, starting with the Premier—with the exception of the Commissioner of Crown Lands—said he believed in the principle.

MR. TRAYLEN: And the member for Greenough.

MR. SIMPSON: Every other member said he agreed with the principle, but questioned whether this was an opportune time for putting it into operation. I believe there was a very good principle once established, "Thou shalt do no murder;" and, the justice of the principle being admitted, I do not think it was suggested that the time for putting it into practice should be postponed, because the time was not opportune. I think perhaps the same rule might be made to apply to this. The Commissioner of Crown Lands is a little faulty in his history, in his reference to what took place in Victoria when a portion of the land revenue in that colony was set aside for purposes of immigration. The hon. member said the country soon got tired of it, and the policy was abandoned. It was abandoned simply because the people of the colony, the taxpayers of the colony, thought it was unfair that a portion of the revenue should be set apart to bring people into the colony and into competition with the local labour already in the colony. That was the reason why Victoria abandoned the principle. But I would point out that the object of the present resolution is not to have a portion of the revenue set apart for purposes of immigration, but for an entirely different object. Another colony has set us an example in this respect. In the last Land Act of New South Wales it was distinctly established that only a limited amount of Crown land should be sold, and that the proceeds should be devoted to certain defined and specific purposes. To my mind, one of the greatest menaces to our public finances, and the one which has caused the most disastrous results as regards Australian finances in the past, is the receipt by the Treasury of huge sums from the sales of land, buoying up those who have the control of the finances with the hope that this is going to be a

never-ending source of revenue, and leading them to lavish and reckless expenditure. I believe it has led more Treasurers into financial difficulties than anything else. I think that in affirming and emphasising the principle underlying this resolution we should be doing a wise thing for the colony. There is no idea of hampering the hands of the Ministry in dealing with the present finances of the colony. I do not take the same lugubrious views of the future as the hon. member for the Swan and the hon. the Premier seem to entertain. I think the prospects of this colony were never better than they are at the present moment; and, under all the circumstances, I think it would be a wise thing for this House, as representing the people of the colony, to enunciate, as a sound principle of finance, that the proceeds of the sales of our public estate should be applied in this way, to meet the liabilities we are incurring in connection with reproductive public works, which is the principle advocated in this resolution.

THE PREMIER (Hon. Sir J. Forrest): We have already done it, in providing a sinking fund.

THE COMMISSIONER OF CROWN LANDS (Hon. W. E. Marmion): Are we to have two sinking funds?

MR. SIMPSON: I do not know that we are; but it is a marvel to me, if our system of finance is so perfectly sound and established on such a solid basis, that there should be the faintest difficulty about raising the balance of our loan.

THE PREMIER (Hon. Sir J. Forrest): That is because we got a bad name from the other fellows.

MR. SIMPSON: I do not know that we have a bad name at all. I think we have a name of our own, apart from the other fellows. Our position is pretty well known in London. I was told by a very intelligent gentleman the other day that the best place for ascertaining the exact financial position of any Australian colony is London. I say again, I think the principle enunciated in this resolution is a sound one, and I cannot understand why the Government should reject it. It contemplates no interference with their present financial operations, for it is not proposed to put the principle in practice until July next year, and, if it should

then be considered undesirable to adopt it at that time, no doubt the House would be prepared to defer it a little longer.

MR. SOLOMON: I have always been of opinion that the capital of the colony—that is, the land—should be set aside for purposes other than the general revenue is applied to. It has been said that the amount realised from actual sales of land is somewhat small, and that for some years past the proceeds have been comparatively insignificant, and that they are so still. But it is to be hoped that they will not continue so, and that in the future the amount received from this source will be very considerable. I think that is a very good argument for adopting this principle now, as the Government will not feel it so much as when they are deprived of a much larger amount of revenue, which will be the case if we defer adopting this principle until some years to come. I certainly think that next year would be an opportune time to bring it into operation.

THE COMMISSIONER OF CROWN LANDS (Hon. W. E. Marmion): I must ask members to consider what they are doing. Supposing the Government—either the present Government or any other Government that may be in power—were to act upon this resolution, what would be the position? The position would be this: we are now devoting from £15,000 to £20,000 a year for providing a sinking fund for the redemption of our loans; and now members are desirous that, in addition to that sum, we should also devote the proceeds of our land sales—which would mean, possibly, another £15,000 a year to the same purpose. Of course, if members are prepared to take away this extra amount from the general revenue of the colony, they must certainly be prepared to replace it from some other source, in order to enable the Government to meet the continually increasing demands that are made upon it from all parts of the colony. Members seem to forget that the demands made upon us by the country are increasing year by year. Since the present form of Government has been brought into operation, and the liberal policy of the present Ministry has been launched upon the country, our expenditure on public works, in all parts of the colony, has been largely increased—in-

creased grants to Road Boards, increased subsidies to Municipalities, throughout the length and breadth of the colony; increased railway facilities, and public works of all kind, in every part of the country. If members are prepared to accept the principle laid down in this resolution, and cut off £20,000 a year from our public revenue, one of two things must happen. They must either find us that £20,000 from some other source, or adopt the only other alternative, and have all these votes swept off the Estimates. It is all very well for members to talk about this being a sound principle, and a valuable principle, and a wise principle; they seem to forget what the effect of putting it into practice would be. I trust that, while they approve and applaud the principle, they will also recognise that it is neither practicable nor opportune to put it into operation at the present time, and that to do so would have a seriously disorganising effect upon the revenue of the colony.

MR. R. F. SHOLL: I should like to point out that, looking at the irregularity in the amount of revenue received from land sales, it is not a safe estimate to take one or two years, and base the amount upon that. For instance, in 1890 the revenue from this source was £32,800; in 1891 it was £26,000; while last year it fell to £3,282. There can be no doubt, however, as to the soundness of the proposed policy. It is misleading altogether to look upon the proceeds of land sales as revenue; it is simply capital, and, in expending it, we are spending the country's capital. The sooner we abandon that policy the better. I think if we adopted the principle proposed in this resolution, it would have a good effect upon the credit of the colony in England, when it became known that we are not only putting aside a certain amount every year to provide a sinking fund, but also applying the proceeds of our land sales to the same purpose. It is all very well for members to say that they agree with the principle. If they agree with the principle, they should vote in favour of its adoption. If it is a good one, the sooner it is adopted the better.

THE PREMIER (Hon. Sir J. Forrest): Before the debate closes, I would ask members not to adopt what they call a good principle, unless they see their way

clear to carry it out. I do not think this is a matter of principle, but a matter of ways and means. How are we spending this money now, the proceeds of our land sales? Are we not spending it in opening up the country, in providing facilities for settlement, in building roads and bridges, and encouraging the improvement of the land? Surely no revenue could be spent in a better fashion than that. I would also point out that this vast estate which members are talking about did not cost us a penny, and I see no wrong principle in spending the revenue we are now deriving from it in improving it, and making it fit for occupation and settlement. There is another point: I think it is more fair to all parts of the colony that we should pay for our loans out of the general revenue rather than from one particular source. We know very well that nearly all the land sales that take place are confined to the settled parts of the colony, the South-Western portion of it; and why should not all the other parts of the colony contribute their share in contributing towards the extinction of our public debt? These loans are not expended in the settled parts alone; the expenditure is spread all over the colony, and every part of the country benefits by it. So long as we spend the public revenue properly, from whatever source it is derived,—so long as we spend it in developing the resources of the colony, I can see no reason to complain; I can see no reason for appropriating one portion of the revenue for one particular purpose, in the way here proposed. Some members seem to be afraid of the Government parting with the land. I do not think it matters sixpence if all the land in the colony was alienated, and held by private individuals. The Government would still be able to obtain a revenue from it, by taxation. What we want is to see the land improved, and not left in its natural state. I hope the proceeds of these land sales will some day amount to hundreds of thousands of pounds, and, should it happen to be so in my time, it would afford me much pleasure to be able to show members the way to spend the money.

MR. R. F. SHOLL: I hope it will be in a good way.

THE PREMIER (Hon. Sir J. Forrest): There can be no better way than in open-

ing up the country. I have no doubt the hon. member who has brought forward this proposition has done it with the best intentions, but I don't believe in it—not even as a principle. I think it is only a fad. I think, as I have already said, that we cannot do better with this money than spend it in improving the public estate and encouraging the occupation of the soil. I cannot conceive a more legitimate way of spending it. We have already gone out of our own way, I think—certainly none of the other colonies have done it—to provide a sinking fund for the redemption of our loans. I do not think that people in England trouble themselves or care much whether we have a sinking fund or not. [THE ATTORNEY GENERAL: Hear, hear.] My hon. friend, who knows as much about this matter as anyone, says “Hear, hear.” He told me so himself. What they look at is the country's resources and its capabilities, the number of its population, the amount of its revenue, and of its imports and exports, and the amount of its public debt, so that they may be able to judge whether we are able to repay them the money we want to borrow. It is not because we have millions upon millions of acres of land that they are ready to lend us the money. Plenty of people have plenty of land, who cannot raise any money upon it; and no one would lend this colony any money if we had no security to offer for it but its unimproved land. It is the improvement of the land, its occupation and cultivation, that makes it of value; and that is what we are doing with this money now. I think it could not possibly be spent in a better way than in making roads and bridges, in providing facilities of transit, and encouraging the settlement and development of the country. To what better purpose can we apply our revenue? The demands upon the Government in this direction are constantly increasing. Last year we agreed to subsidise the Municipalities of the colony by a grant of 10s. for every pound of their revenue, and next year, probably, they will want a subsidy of £1 per pound of their revenue. The Roads Boards again: they won't tax themselves a penny, but look to the Government to assist them out of the public revenue. With all these demands made upon the Treasury, how are we going to carry on the Government of the

colony if, by one stroke, members are going to take away from us that which now amounts to about £20,000 a year, and which may amount to £100,000 a year, in a few years hence? After all, when the whole of the land of the colony has been sold—I don't suppose that will be in our time—the colony will be just as rich as it is to-day. It will not have its lands, but it will have an improved estate, which can be taxed if necessary, and from which a far larger revenue can be obtained than can be got out of it in its present state.

MR. HARPER: I am sorry that the Premier has got so warm on the subject; his warmth seems to me to have run away with him. It is rather refreshing to hear the hon. gentleman alluding to fads; because if there is any member in this House who has fads it is the hon. gentleman himself, who has given us a good number of them already. With regard to this being an inopportune time for discussing it, I must take exception to that, for several reasons. We have a proposition on the table to alter the land laws of the colony, and it is hoped it may result in a large extension of settlement, and that it may inaugurate a new era in the development of millions of acres of land that have been lying idle for generations. That being so, surely this is an opportune time for considering how we are to deal with the receipts from the sale of these lands. The Premier says this revenue could not be better expended than in the way it is now expended, in making roads and bridges, and providing facilities for the settlement of the land. That no doubt is a most legitimate way of spending our land revenue. But the hon. gentleman seems to have overlooked the fact that the more rapidly our loans are repaid the higher will be the character of our security, and therefore the more we want to borrow the lower will be the rate of interest we shall have to pay. He also talks about the colony not being any poorer after parting with its lands, as it will still have the power of taxing these lands. But I may point out that to increase taxation does not always produce an increased revenue. We have heard before now of Governments, in the flush of prosperity, spending the public revenue recklessly, and, when they find it necessary to resort to extra taxation, in the expectation of making good their deficits,

they find that the new taxation does not yield what they expected it would. I am glad the Commissioner of Crown Lands has alluded to the expenditure incurred by his department in surveys. I only wish the hon. gentleman had visited the agricultural areas he has had surveyed, at such a large cost. I am sorry to say, from all I have heard, that a large amount of money has been absolutely thrown away in this direction, because some of the land within these areas would not be taken as a gift. I think if a great deal of the money so expended had been saved, it would have been of great benefit to the country. From the information I have had, I am afraid that a great deal of money has been recklessly thrown away on these surveys, through a lack of knowledge on the part of the Commissioner of Crown Lands of the character of the land he was dealing with, a great portion of which is utterly useless for agricultural purposes. We have confirmation of this in the fact that very little of the land within these areas has been taken up. I am very grateful to those hon. members who have approved of the principle embodied in this resolution, and I only hope they will have the courage of their convictions and support me in having the principle put into practice.

MR. R. F. SHOLL: There is an old saying amongst lawyers, that if you have a bad case, you should abuse the other side; and when the hon. member for the Gascoyne expresses himself in favour of any proposition, the Government generally, when they have nothing else to say, think fit to twit that hon. member with having some ulterior object in view. The same on the present occasion. I am told that I support this resolution because it will not affect the North, as the amount received from land sales in that part of the colony is very little. But I may tell the Premier this: when I support a motion in this House, it is not with me a question of whether it affects and benefits the North so much as whether it affects and benefits the whole colony. I would also remind him that the Northern leases bring in a very large revenue to the coffers of the colony, and will continue to do so, from property that is still held by the Crown, and not property that the Crown have alienated, as they have

done with lands in the Southern parts of the colony. These Northern lands have contributed their share towards the large expenditure of public money from which the South has derived such large benefits, in the way of railway facilities and other public works, which have conferred no benefit whatever upon the North. Therefore I think it was hardly fair to twit me with being actuated by unworthy motives in supporting this resolution.

THE COMMISSIONER OF CROWN LANDS (Hon. W. E. Marmion): I only rise to say a word or two in reply to the hon. member for Beverley's remarks about the selection of agricultural areas, and the survey of such areas. I doubt whether the hon. member himself has seen many of these areas. He has simply taken up the parrot cry which some hon. members in this House, and some people outside, have thought fit to indulge in with regard to these areas, when, in fact, they know little or nothing about them. It is all very well for members to find fault, but, before doing so, they should be prepared to show—when they say that the areas set apart through the instrumentality of the Commissioner of Crown Lands are unfit for the purposes in view—they should be prepared to show that in the same localities there were better lands available. I say these areas are suited for the purposes they are intended to serve, to a very large extent, and are as suitable as any lands we could get within easy reach of railway communication. I have taken the very best advice available in selecting these areas, and I believe that time will show that the selections have been well made, and the money spent in surveying them money that has been well spent. It must be borne in mind that one thing which has so far militated against the taking up of these areas is that many of them had to be set apart alongside the W.A. Land Co.'s selections, which had already taken up the pick of the land. Some members seem to think that all these hundreds of thousands of acres are all going to be taken up at once, and in the face of the fact that the W.A. Land Co. are offering their lands, which are better lands, on almost equally favourable terms. Members should not twit me with wasting the public money in surveys of unsuitable land, unless they know what they are talking about, and

can show me that more suitable land was available for the purpose in the same locality. I do not pretend to be a land expert, like some members do ; but I take the best advice available, as anyone else would when he knew that the people who advised him were people who were supposed to know all about the land.

MR. HARPER : The hon. gentleman admits that he has laid out hundreds of thousands of acres of land that is inferior to the land alongside of it, and a large quantity of which is yet open for selection ; therefore, he must confess that at any rate he is a long way in advance of the time, and that there was no necessity yet for incurring all this expenditure in surveys.

MR. CLARKSON : I do not know that it has much to do with the subject now before us, but I know that thousands of pounds have been wasted in surveying and setting apart thousands upon thousands of acres of perfectly worthless land.

THE COMMISSIONER OF CROWN LANDS (Hon. W. E. Marmion) : Where is it ?

MR. CLARKSON : In all parts of the colony. In the Toodyay District for one.

THE COMMISSIONER OF CROWN LANDS (Hon. W. E. Marmion) : There is not a single area in the district, except the Meckering area.

MR. CLARKSON : In the Eastern Districts, and other parts of the colony. I do not know that it is the fault of the Commissioner of Crown Lands ; I should say it has been the fault of the surveyors, who ought to know good land from bad.

Question put—That Resolution (1) be agreed to.

The committee divided, with the following result :—

Ayes ...	...	12
Noes ...	...	11

Majority for	...	1
--------------	-----	---

AYES.

Mr. DeHamel
Mr. Hassell
Mr. Loton
Mr. Molloy
Mr. Quinlan
Mr. Richardson
Mr. R. F. Sholl
Mr. H. W. Sholl
Mr. Simpson
Mr. Solomon
Mr. Throssell
Mr. Harper (Teller.)

NOES.

Mr. Burt
Sir John Forrest
Mr. A. Forrest
Mr. Lefroy
Mr. Loton
Mr. Marmion
Mr. Paterson
Mr. Pearce
Mr. Piesse
Mr. Traylen
Mr. Clarkson (Teller.)

Question put and passed.

Resolution (2) : "That in the opinion of this committee all such moneys (after

deducting expenses incurred in survey and sale) should be removed from the control of the Government and placed in the hands of trustees."

MR. HARPER : I propose to amend this resolution by moving that all the words between the words "moneys" and "should" be struck out, and that the words "over and above 75 per cent. of the average receipts for the last three years," be inserted in lieu thereof. The resolution will then read : "That in the opinion of this committee, all such moneys, over and above 75 per cent. of the average receipts for the last three years, should be removed from the control of the Government and placed in the hands of trustees." I think the Treasurer will see that what I now propose would not affect the revenue to such an extent as the Commissioner of Crown Lands apprehended.

MR. A. FORREST : I wish to inform members of the position they will occupy when the Estimates are brought down, if they adopt this resolution.

MR. R. F. SHOLL : Are you a Minister ?

MR. A. FORREST : No ; but I wish to point out to members what the result will be if this motion is carried. It means this, that a sum of certainly not less than £20,000 will have to be struck off the annual Estimates ; and I take it that one of the first votes that will be wiped off will be the subsidy to Municipalities, which was a vote that was not passed without considerable opposition. The Roads Boards vote will probably be the next. If we deprive the Government of the revenue they have been receiving from land sales to the extent of some £20,000 or more, every year, the Government must protect themselves in some direction ; and I ask which direction are they likely to take ? I take it they will tell country members : "As you have thought fit to deprive us of the revenue we received from land sales, we can no longer assist you with your roads and bridges, and you will have to tax yourselves, if you want your roads kept up." They will probably say the same to the various Municipalities. I think if members will consider the question they will agree with me that the time is not opportune for devoting the funds received from one of our principal sources of revenue to a purpose that is not required, when we

have so many pressing wants that really are required. Our loan money need not be paid off for the next forty years, and we have already made provision for doing so, and I fail to see why the country should sacrifice a portion of the public revenue which is now being spent in improving the national estate. I should think the common sense of the House would rebel against putting this or any other Government in such a position as this resolution would put them in, if carried.

MR. R. F. SHOLL: I must really protest against the hon. member for West Kimberley arrogating to himself the functions of a Minister. It is well known, it is well understood, that the hon. member's connection with the present Ministry has been something like the tail of the Dutchman's little wee dog—the tail that wagged the dog. The hon. member is the tail that waggles the Government. That has been generally understood. But I think the hon. member never exposed his hand so much as he has to-night, when he arrogates to himself the right to lecture the members of this House as to how they should vote so as not to embarrass the Government, and to threaten them that if they support this resolution certain votes will be wiped off the Estimates. I think it is simply disgraceful that a private member should take upon himself to do such a thing, and I hope that some of the responsible Ministers of the Government, who really have portfolios, will protest against the hon. member's action. What right has any private member to say that the subsidy given to Municipalities and the grants to the Roads Boards will be withheld, if members have the courage of their convictions and vote according to their consciences in this matter? I think if a member considers a principle is a good one, he would be unworthy of holding a seat in this House if he did not support it. I think it is outrageous that an irresponsible member should get up and tell members that if they vote against the Government, the assistance now given to Municipalities and Roads Boards from public funds will be withheld.

MR. A. FORREST: Where is the money to come from?

MR. R. F. SHOLL: That is for the Government to decide. I say it is an

outrage upon the members of this House to make such a threat. I do not think any responsible Minister of the Crown would have so lectured honourable and independent members who voted, according to their consciences, in the interests of the colony.

MR. LOTON: I expressed certain views in regard to the main proposition, and endeavoured to show—although I agreed with the principle—that there were reasons why it was not expedient for us to adopt it at the present time. We have had a division upon the principle involved, and the motion obtained a majority.

MR. A. FORREST: It was through a mistake on the part of one member.

MR. LOTON: In any case the principle of setting aside the proceeds of land sales for this particular purpose has been affirmed. Now, however, it appears that the hon. member who brought forward the proposition and those who supported him, are prepared to sacrifice the principle to the extent of 75 per cent. The principle which they succeeded in getting affirmed, they now wish to sacrifice to the extent of three-fourths of it. I must say I am surprised at hon. members.

THE COMMISSIONER OF CROWN LANDS (Hon. W. E. Marmion): "Outrageous."

MR. LOTON: Well, I think it is "outrageous." After fighting for a principle, and gaining a victory, it does seem a curious thing to find those who fought for it prepared to forfeit three-fourths of it the moment they gain their victory. I should have thought that, having got what they wanted, they would have stuck to it all. No doubt this money would be well applied if devoted to this purpose, but what I submit is that there is no necessity for it. That has been clearly demonstrated this evening, as we are already providing a larger sum than this, annually, for creating a sinking fund; and I do not think we are in a position to lay aside more than we are now doing in that direction, not even for the sake of posterity.

MR. RICHARDSON: The hon. member who has just sat down said he was astonished at members, after succeeding in getting the principle affirmed, in giving up 75 per cent. of it. I think we have reason to be more astonished at the hon. member himself, who, though approving the principle, is prepared to sacrifice the whole

of it—not 75 per cent., but 100 per cent.,—a principle which, as he proudly pointed out by a reference to *Hansard*, the hon. member had strongly advocated long before we ever thought of it. I maintain that the action of the hon. member for Beverley in submitting this amendment is only what has often to be adopted in practical politics; it is put forward in a spirit of compromise, without which many a political object would never be gained. We anticipate from the Home-steads Bill a large increase in our land revenue, and I hope that anticipation will be realised. In view of that, we want to prevent that increased revenue from being frittered away without the country being any the better for it. I fail to see that we are inflicting any hardship upon the Treasury in amending the proposition as now proposed; on the contrary, the Treasury must benefit by it.

THE PREMIER (Hon. Sir J. Forrest) : I should have thought that the hon. member for Beverley, having secured the affirmation of the principle which he advocates, his wisest course, in view of the impracticability of putting that principle into practice at the present moment, would have been to have withdrawn the other part of his resolution, for really it can do no good. I think the wisest thing he could have done would have been to have rested on his laurels, and to be content with his well-earned victory, leaving the details of his scheme to be discussed at a future time. I am sure if the hon. member had proposed that this measure should come into operation this year, instead of next year, he would have found very little support for it. It is merely the putting off of it for another year that has led to the proposal receiving that amount of support which it has. The day for putting it into operation being distant, members see no great harm in supporting it. If it had been proposed to put it into practice at the present moment, and take away some £20,000 from the revenue this year, I venture to say that the proposition would not have received the support which it did receive. In fact it would be impossible to carry on the Government of the country, with the present demands upon it, if you were to take away £20,000 or £30,000 from the revenue. I know very well this House is not prepared to deduct a very

large amount from the revenue this year, but they think it may be desirable to do so by and bye. They have no great objection to the principle, so long as the evil day is put off until by and bye. I say let us deal with by and bye when it comes. The first resolution has been carried by a slight majority—though I understand that was obtained through one member voting the wrong way; and no doubt the idea underlying it is a very good one. But I am quite serious when I say that it is impracticable to put it in operation at the present time, and therefore I do not think the hon. member will do any good by pressing his other resolutions.

MR. LEFROY : The members who supported the first resolution, and affirmed the principle, have been twitted with being now prepared to sacrifice that principle to the extent of 75 per cent. I do not quite see that. The first resolution was to this effect: "That in the opinion of this committee it is contrary to the principles of sound finance, and to the best interests of this country, that the proceeds of sales of Crown lands should be paid into the general revenues of the colony." That is a general proposition; and I do not think anyone will say that it is not contrary to the principles of sound finance to do so. But we are now dealing with the practical part of it, and the question is whether it is expedient to put this principle into practice at the present time. I quite agree that if we had an overflowing Treasury it would be expedient to do so; but, to enforce it at the present time, it appears to me, must simply lead to fresh taxation. If we take away £20,000 or £30,000 from the present revenue of the colony, it stands to reason we must make it up by fresh taxation in some other way; and, I do not think, now that we are trying to attract population into the colony, it would be wise to impose any additional taxation upon them than they are taxed with at the present time. That is the reason why I feel bound to oppose the resolution now before us. Some day, I hope, we may be in a position to carry the principle into effect, but at the present time I cannot agree that it would be to the interests of the community that we should do so.

MR. HARPER : The hon. member, when he says the Government would lose

£20,000 or £30,000 a year, by this proposal, does not understand what he is talking about. The amended proposition is that the amount to be set apart from the proceeds of land sales is what is over and above 75 per cent. of the average receipts for the last three years. The Government would always secure 75 per cent. of the average receipts from land sales for the past three years.

MR. LOTON: Then what is the good of the resolution?

MR. RICHARDSON: We hope the revenue from this source will increase in the future. It may be £100,000 a year some day, and, after deducting the amount of the average receipts for the last three years, there would be a very considerable sum to be set apart for this purpose.

MR. LOTON: If the average for the past three years has been £25,000, and 75 per cent. of that is to be spent as it is now spent, we should only have about £6,000 for this other purpose. After fighting so hard for the principle, this noble principle, it is to go abroad to the world that we are prepared to sacrifice the whole thing for the sake of £6,000 a year. If the principle is a good one, it ought to be carried out in its integrity, and to its full extent, and not throw away the best part of it.

THE COMMISSIONER OF CROWN LANDS (Hon. W. E. Marmion): Just one word. It has been asked why some members have departed from a principle which they have approved. I will tell the committee why. Because, when they see the result of it, they are afraid of it.

MR. QUINLAN: I voted for the first resolution, like most other members did, simply as a question of abstract principle, and I am content to leave it at that for the present, and I think that other members who voted in the same way will do wisely to leave it at that. At any rate, I intend to vote against this second resolution, and I see no inconsistency in doing so. The principle, I admit is a good one, but I don't think it would be expedient to put it into practice at the present time.

MR. MOLLOY: The first resolution, which was passed on a division, reads thus: "That in the opinion of this committee it is contrary to the principles of sound finance, and to the best interests of this country, that the proceeds of sales

of Crown lands should be paid into the general revenues of the colony." That is what I voted for. Now we are asked to sacrifice the principle we have just affirmed, and to accept an insignificant portion of it. We say in the first resolution that it is contrary to the principles of sound finance and the interests of the country to pay the proceeds of land sales into the public revenue, and now we are asked to say that it is not contrary to the principles of sound finance to pay 75 per cent. of those proceeds into the public revenue. I think that is very inconsistent, and I hope members are not going to stultify themselves by voting for this amendment. I voted for the first resolution, and would have voted for the second if it had been left as it originally stood. I think the hon. member should have adhered to his original proposal. Having achieved a victory, he does not show himself a very good general to get frightened at it, instead of following up his victory. Such tactics only gives the enemy an opportunity of securing some of his followers, and is only courting defeat. I, at any rate, am not going to vote that only a portion, and a very small portion, of the proceeds of land sales are to be used in this way. I do not pay much attention to the threat of our worthy Mayor, the hon. member for West Kimberley, though I happen to be one of his councillors. I certainly should be sorry to see the vote placed on the Estimates for the first time last year, as a subsidy to Municipalities, withdrawn, but if it is necessary for us to sacrifice a principle in order to retain that vote, I certainly shall follow in the wake of those who refuse to sacrifice their principles.

MR. HARPER: I must express my surprise at any member accusing me of being terrified at the success which I attained with my first resolution. I assure the committee that I drafted this amendment some time ago, before that resolution was affirmed, for, upon further consideration, I thought it would considerably interfere with the Treasurer's financial arrangements if we deprived him of the whole of the revenue derived from these land sales. It is an accepted axiom in politics that if you want to succeed you must conciliate. You must act in a spirit of compromise; and, when I amended this resolution, I did it in order

to remove what I conceived to be an objection to it. If any hon. member is so strongly in favour of the principle that he cannot support this amendment, it is quite competent for him to substitute the original proposition.

MR. THROSSELL: As I have already said, I consider the principle a sound one, that the revenue from land sales should be set apart, but as for the practical application of the principle in our present circumstances, I consider the arguments of the Premier and the Commissioner of Crown Lands unanswerable. I am sorry the hon. member for Beverley should insist upon pressing this matter beyond where it was left when a majority of the House affirmed the principle involved. If the hon. member will take my advice, he will be satisfied with the honour of having had the principle which he has at heart affirmed.

MR. R. F. SHOLL: I am inclined to agree with those who oppose the amendment, that it is a half-hearted way of dealing with the matter. If the object of the amendment is not to unduly interfere with the financial arrangements of the Treasurer, the hon. member could move to put off the coming into operation of this principle until two or three years hence. But to affirm a principle one moment as a sound one, and the next moment to give up 75 per cent. of it, is more than I can understand. For myself, I am prepared to support this resolution as it originally stood, but not the proposed amendment. It looks too much like playing with the thing.

MR. CLARKSON: I never heard so much talk about a principle before. There are certain principles which, though good enough in themselves, are not always practical, when you seek to put them in operation, and which you cannot afford to put in practice; and I think this is one of those principles which this colony cannot afford to put in practice at the present time.

MR. RICHARDSON: I think the Treasury would gain more by the amendment than by the original proposition. The former provided that the whole of the revenue derived from land sales should be applied to this purpose, after deducting the expenses incurred in survey and sale; and, even if these expenses are as much as we are led to believe they are by

the Commissioner of Crown Lands, the net amount that would be available, or that the Treasurer would be deprived of, would probably be considerably in excess of what it would be if this amendment were adopted.

THE ATTORNEY GENERAL (Hon. S. Burt): I have listened very patiently to this debate this evening, and, from what I can make out, it certainly seems that a majority of the House think that this is a good principle—though what this is, I do not exactly know. If it is these words in paragraph 1, that it would be “to the best interests of the country” to deprive it of a portion of its revenue at the present moment, I should say that is not a good principle at all. What is the object of the resolution after all? What does it propose to do? According to the next paragraph it is to form a sinking fund. I should have supported that principle if we had not already made provision for a sinking fund. But, as has been pointed out, we have one sinking fund, and I do not see that we want a second sinking fund on the top of it. Having already made provision for the repayment of our loans in a certain number of years, by means of a sinking fund, what do we want to do the same thing over again for? If we have the money set apart to repay these loans, what do we want to repay them twice for? I could quite understand this proposition if we had made no statutory provision for meeting the very object of this resolution. But I cannot understand why we should undertake to repay this borrowed money at an earlier date than we have arranged to do so, and made provision for doing so. I know this, that investors at home do not care whether we have a sinking fund or not. I know something about that. I had to settle with the London and Westminster Bank the prospectus of our first loan under Responsible Government, and I know what they think of it, and what other financial people in London think of it. When we were settling the prospectus of the loan I thought it would stagger them when I mentioned that we had a sinking fund; but they simply smiled, and said “Put it in, if you like.” They evidently did not look upon it as of any importance. What they look at is the population of the colony, and its revenue, and

its resources. They don't care a pin whether it has a sinking fund or not. If the principle of the motion were adopted, £6,000 a year would be required as a sinking fund; but already £15,000 a year is applied to that purpose, whereas no other colony applies a penny of revenue to a sinking fund. The money derived from sales of land is already being applied to improving the value of the Crown lands in the colony, and there is no call for the formation of another sinking fund in addition to the one already in operation.

MR. HARPER: If it is as the Attorney General stated, that the money-lenders in London think nothing of a sinking fund for the repayment of a colony's loans, I can imagine that the Ministry in the future might say: "Let us take charge of this £15,000 a year, and use it." But the advantage of adopting the principle of this motion is that, when the Government are receiving a flood of money during a land boom, instead of squandering that money on Ministerial objects, it will go to provide for the future repayment of loans. When a pinch is felt in another colony, the Government of that colony grasp at any funds available, and such action brings down the credit of a colony. Putting by for a rainy day is a principle worthy of the best consideration of the House. As the alteration I have made, in the second paragraph of my motion, does not meet with the acceptance I had expected, I ask leave to withdraw the amendment, and leave the motion in its original form.

Amendment, by leave, withdrawn.

MR. TRAYLEN, speaking on the motion as then before the committee, said that one assumption in the debate was that some Ministry was coming in which would delight in scattering money foolishly, but no Ministry could do that without the approval of the Assembly as it might then be constituted. That line of argument meant that the present form of self-government should be given up as not trustworthy. The mover, in effect, asked hon. members to remove the land revenue from the control of the Government of the day, and place the money in the hands of trustees. But who should control the finances of the country, if the Government were not to do it? He must oppose the motion.

MR. R. F. SHOLL said the motion, if carried, would not come into effect until twelve months hence, and, as the present Government might not then be in office, the motion could not be a reflection on the present Government. He preferred the motion in its present form. The Attorney General, although learned in the law, might have been rather misled by the interested financiers in London with whom he had conferred on the subject of loans and sinking funds. This motion, if carried, would have a good effect on the raising of future loans for this colony.

MR. CLARKSON said the mover would act wisely if he withdrew the motion; and there had been so much talk on it that he regretted the Chairman had not the power to enforce the closure of the debate.

The committee divided on the original motion, with the following result:—

Ayes ...	...	...	9
Noes ...	...	...	13

Majority against ... 4

AYES.	NOES.
Mr. Darlôt	Mr. Burt
Mr. Hassell	Mr. Clarkson
Mr. Molloy	Sir John Forrest
Mr. Richardson	Mr. Lefroy
Mr. R. F. Sholl	Mr. Loton
Mr. H. W. Sholl	Mr. Marmion
Mr. Simpson	Mr. Monger
Mr. Solomon	Mr. Paterson
Mr. Harper (Teller).	Mr. Pearse
	Mr. Quinlan
	Mr. Throssell
	Mr. Traylen
	Mr. A. Forrest (Teller).

Motion negatived.

On the question of reporting the decision to the House, a division was taken, with the following result:—

Ayes ...	...	...	11
Noes ...	...	...	12

Majority against ... 1

AYES.	NOES.
Mr. Darlôt	Mr. Burt
Mr. Harper	Mr. Clarkson
Mr. Hassell	Sir John Forrest
Mr. Molloy	Mr. A. Forrest
Mr. Quinlan	Mr. Lefroy
Mr. Richardson	Mr. Loton
Mr. R. F. Sholl	Mr. Marmion
Mr. H. W. Sholl	Mr. Monger
Mr. Solomon	Mr. Paterson
Mr. Throssell	Mr. Pearse
Mr. Simpson (Teller).	Mr. Piesse
	Mr. Traylen (Teller).

The House resumed.

STOCK TAX BILL.

THIRD READING.

Bill read a third time, and ordered to be transmitted by Message to the Legislative Council.

CONSTITUTION ACT AMENDMENT
BILL.

THIRD READING.

Bill read a third time.

MR. SPEAKER announced that there was an absolute majority of the members of this House present, on the third reading, as there had been also on the second reading of the Bill, as was required when an amendment of the Constitution was made.

Ordered—That the Bill be transmitted by Message to the Legislative Council, and their concurrence desired therein.

ADJOURNMENT.

The House adjourned at 11·5 p.m.

Legislative Council,

Tuesday, 15th August, 1893.

Eastern Railway: relaying Guildford portion of—Leave of absence to Hon. J. A. Wright—Post Office Savings Bank Consolidation Bill: third reading—Excess Bill, 1892: third reading—Post and Telegraph Bill: committee—Constitution Act Amendment Bill: first reading—Stock Tax Bill: first reading—Adjournment.

THE PRESIDENT (Hon. Sir G. Shenton) took the chair at half-past two o'clock, p.m.

PRAYERS.

EASTERN RAILWAY—RELAYING
GUILDFORD PORTION OF

THE HON. J. MORRISON moved,—
“That in the opinion of this House it is advisable, instead of taking up and then relaying that section of the Eastern Districts Railway, now running along portion of James and Mangles Streets, in Guildford, to remove such section entirely from the streets named, and lay a new line from the present railway station, through Stirling Square and onwards until it meets

the present line again.” He said: I am aware, sir, that this motion is brought before the House rather late; but one reason for that has been the long adjournments we have had. It is, however, better late than never. I am aware, too, that the question is already practically settled, the line having been relaid through the streets; but, having brought the matter forward, I trust that before long the Government will see their way to take it up again and run it through the Square. When the line was originally laid through the streets there were two objects in view—one, to save compensation, and the other to satisfy the people of Guildford, who, at that time, had an objection to their Square being interfered with. In those days there were only about four trains a day; but now the traffic is much greater, and as time goes on there will be a still further increase. Even now there is a great liability of accident, and this must be intensified in the future. Of course to take the railway through the Square would involve some compensation to the owners of the three grants at the back of the hospital, through which it would then pass; but the Government would be amply repaid this from the sale of that portion of the Square lying between the railway and the frontage to James Street. I presume the Government would be able to sell, for the strip would be a narrow one and of no use for recreation purposes. In order to show that the people in Guildford are with me in this matter, I may say that as soon as I gave notice of this motion I received the following petition:—

To James Morrison, Esq., M.L.C.:—

SIR,—We the undersigned ratepayers of Guildford Municipality approve of the question you asked in the Legislative Council on Wednesday last, and trust the Government will, instead of taking up and relaying that section of railway now running along James and Mangles Streets, in Guildford, remove such section from the streets named, and lay a new line from the present Railway Station through Stirling Square and onward until it meets the present line again. The great danger of accidents is our reason for desiring the change.

And it is signed by: W. G. Johnson (Mayor), Fred. Read, W. F. Guppy, junr., W. N. Howell, and F. H. Monger (councillors), A. H. Halford, R. Gardiner, C. H. Rason, Chas. Crossland, H. S. King, S. J. Sainsbury, John Male,