

HON. F. M. STONE: The rejection of the second reading could not be moved by him, because he requested the Colonial Secretary to withdraw the Bill, and it was only open to him to endeavour to achieve his object in this way.

HON. J. W. HACKETT: The object of the hon. member was to get rid of the Bill altogether, and clearly that was the wish of Mr. Haynes. He would much rather that the Colonial Secretary and Mr. Stone consulted together as to the maximum number of clauses to be dropped, leaving others which would be an advantage. There were at least half-a-dozen clauses which would be a real gain. We could not afford to lose another year.

THE COLONIAL SECRETARY said he would be pleased to meet the hon. member with regard to the provisions of the Bill.

Amendment put and negatived.

Question put and passed, and the order made for the next day.

BANK HOLIDAYS ACT AMENDMENT BILL.

IN COMMITTEE.

Clauses 1 to 5, inclusive—agreed to.

Schedule:

HON. R. S. HAYNES: The Commercial and Business Holidays Bill, which had been postponed, provided for other holidays, which somewhat clashed.

HON. J. W. HACKETT moved that progress be reported.

THE COLONIAL SECRETARY: Whit-Monday was a bank holiday at the present time, but not a commercial or civil service holiday.

Progress reported, and leave given to sit again.

LAND ACT AMENDMENT BILL (PRIVATE).

Received from the Legislative Assembly, and, on motion by HON. F. M. STONE, read a first time.

CEMETERIES BILL.

Received from the Legislative Assembly, and, on motion by the COLONIAL SECRETARY, read a first time.

ADJOURNMENT.

The House adjourned at 8:55 o'clock until the next day.

Legislative Assembly.

Tuesday, 21st November, 1899.

Papers Presented—Peppermint Grove, etc., Water Supply Bill (private), Select Committee's Report—Motion of urgency: Alluvial Trouble at Kalgoorlie (negatived)—Question: Destruction of Kangaroos, Protection—Motion: Leave of Absence—Cemeteries Bill, third reading—Bills of Sale Bill, Legislative Council's Amendments—Loan Bill, £750,000, second reading (moved)—Annual Estimates, Railways and Works, Annual Statement, votes completed—Supplementary Estimates, Message; debate postponed—Adjournment.

THE SPEAKER took the Chair at 4:30 o'clock, p.m.

PRAYERS.

PAPERS PRESENTED.

By the PREMIER: 1, Education Department, Return showing names, salaries, etc., of teachers in Government schools; 2, Ocean Mail Steamers, further correspondence as to calling at Fremantle.

Ordered to lie on the table.

PEPPERMINT GROVE, ETC., WATER SUPPLY BILL (PRIVATE).

Select Committee's report brought up by Mr. JAMES.

Report received, read, and to be considered on the next Monday.

MOTION OF URGENCY—ALLUVIAL TROUBLE AT KALGOORLIE.

MR. VOSPER (North-East Coolgardie): I beg to move the adjournment of the House, in order to call attention to a matter of very considerable urgency; and I submit it is one which you, Mr. Speaker, will allow to be a matter of considerable urgency. It appears, as far as the information I have received will guide me, that an unusual departure from the ordinary criminal law procedure has taken place at Kalgoorlie this morning. I do not propose to offer the House any definite information on the point, but rather desire to receive it from the head of the Government or from the Minister who is responsible for what has happened. It appears, from information which has reached me by telegram, that some 15 men, who were arrested for having gone on the Adeline leases and removed certain ore at Kalgoorlie, were brought before the magistrate this morning, and were

committed and remanded to Fremantle for trial. This took place, as the telegram states, at 7 o'clock this morning; a very unusual hour for Police Court proceedings to take place. I am further informed, by the telegram, that the men were not represented, which I take to mean that they were not represented by counsel. The telegram is somewhat vaguely worded, and reads as follows:—

Fifteen diggers smuggled to Fremantle. Hearing seven this morning. Not represented.

I have assumed that this is the meaning of the wire I have read. I may point out that if this has really taken place, of course there may be some reason which the authorities can allege which may justify them in the action they have taken; but it does appear to me to be rather a peculiar proceeding, and certainly very hard on these men, and perhaps a straining of the law, that men should be committed in this way without being heard by counsel before the committing magistrate, because it is quite possible that any counsel appearing on their behalf would have been able to submit reasonable grounds for urging the discharge of the men from custody; and this opportunity it appears they have not had, an opportunity of presenting for the consideration of the Court reasons for the discharge of these men. I do not desire to go into the merits of the case with the information that has at present reached me; but if, after information has been given on behalf of the Government, it appears there has been a departure from the ordinary and constitutional practice, then I submit the matter requires to be discussed as a question of urgency, because it appears to me to be an interference with the liberty of the subject. All I desire at the present time is that the House shall be informed as to what has actually happened.

THE PREMIER (Right Hon. Sir J. Forrest): I know very little about this matter which the hon. member refers to. I have had no communication with the magistrate myself, but I saw a telegram to the Commissioner of Police this morning, and it was to the effect that these men had been remanded for eight days consequent upon the disorder yesterday and some riotous behaviour too, in which a sub-inspector was injured. I

believe the sub-inspector had his nose broken, and was otherwise injured. The police asked for a remand for eight days, and in the meantime to have the prisoners kept in Fremantle gaol. I do not know that there was any attempt to rescue the men, but the police had to be called out, armed, to prevent attempts at rescue. At any rate, the sub-inspector was very much injured: he had a broken nose and was otherwise hurt.

MR. MORAN: Is his name Connell?

THE PREMIER: Yes; Connell, the last sub-inspector appointed. It was thought wise to remove these men from Kalgoorlie. I know nothing further about this matter.

MR. VOSPER: Could not counsel have been informed of this?

MR. GEORGE: The men should not have broken the law in the first place.

THE PREMIER: Everything has been done according to law. The Government are not consulted in every step that is taken in matters of this sort. The Government are not consulted in criminal matters, when men are arrested. These matters are left to the magistrate to deal with without consulting the Government, and I hope it always will be so.

MR. VOSPER (in reply): The gravamen of the complaint is that the men were not represented by counsel on the application for a remand. I am not finding fault with the men being remanded to Fremantle. The men were charged with a felony—

THE PREMIER: They were only remanded.

MR. VOSPER: There has been a deprivation, for eight days, of their liberty, and this might have been prevented had counsel been consulted and had appeared for the men. An opportunity should have been afforded for any objection to be taken to proceedings of this nature.

THE PREMIER: You know more about it than I do. I do not know any more than I have told you.

MR. VOSPER: The gravamen of the charge is that the men were not represented by counsel, and an act of injustice may have been done to them. The member for the Murray said there should have been no disorder in the first instance. The charge against an individual for disorder does not take away the liberty of

a man without giving him an opportunity of defending himself.

MR. GEORGE: What difference would counsel have made?

MR. VOSPER: It is a question of constitutional right.

THE PREMIER: These men were arrested for larceny.

MR. VOSPER: I claim that they should have been represented by counsel at the earliest possible opportunity. But these men were not afforded an opportunity of being represented by counsel, and the point is whether or not some act of injustice has been done to these men.

MR. GEORGE (Murray): I would like to say a few words about this matter. I myself do not think it is a matter for the House to consider whether the men had counsel or not. What the House has to do with more particularly is to see that the law is not broken by men who, I make bold to say, have fair reason for thinking they have support in this House. To my mind, as a Britisher and Australian, our first duty as members of Parliament and members of the community is to see that the law is thoroughly respected. It is not the duty of any member of this House to, in any shape or form, give colour to the idea that law-breakers will be assisted.

THE MINISTER OF MINES (Hon. H. B. Lefroy): I understand that certain men were brought up charged with larceny, and remanded for eight days. They were not represented by a lawyer, but I do not think it is necessary for a lawyer to be brought into a case on a first hearing of this sort. I do not think it is done at all times. The hon. member who moved the adjournment of the House may feel confident that the law has been carried out, and that everything the law requires has been done. I do not think it was necessary that counsel should have been retained for this remand, and I think it is unusual for counsel to appear in such applications.

THE ATTORNEY GENERAL (Hon. R. W. Pennefather): The hon. member is perhaps not aware that the act of a magistrate in remanding a prisoner is entirely discretionary. If he has exercised his discretion as he thinks fit, it is not competent for this House at present to inquire into the course of justice; but if

any wrong has been done or any right invaded that these men claim to have, they can apply to the Supreme Court and obtain a writ of *habeas corpus* to-morrow morning, if they like.

MR. LEAKE (Albany): The member for North-East Coolgardie mentioned this matter to the Administration so that the Government could make inquiry into the matter. The hon. member did not cast any reflection, and he did not say anything which should have caused the remarks of the member for the Murray to have been made. It would be quite satisfactory if the Government would make inquiry into this matter, and give the House all the information they have by to-morrow evening.

MR. VOSPER: That is all I want.

Motion put and negatived.

QUESTION—DESTRUCTION OF KANGAROOS, PROHIBITION.

MR. MITCHELL asked the Commissioner of Crown Lands—1, Whether his attention has been directed to the inconvenience and loss that are likely to accrue to landholders and others of the Murchison district if the provisions of an order appearing in the *Government Gazette* of the 3rd October last (which virtually prohibits the killing of kangaroos anywhere south of the Murchison River) are enforced. 2, Whether he is willing to suggest to His Excellency the Governor the desirability of declaring the dividing line between the closed and open areas to be that of the southern boundary of the Victoria district.

THE COMMISSIONER OF CROWN LANDS replied:—1, My attention has not been directed to the inconvenience and loss referred to. 2, I am willing to make inquiry into the matter with a view to amending the boundaries of the closed area as suggested.

MOTION—LEAVE OF ABSENCE.

On motion by the ATTORNEY-GENERAL (for the Premier), leave of absence for a fortnight was granted to the member for Perth (Mr. Hall), on account of urgent private business.

CEMETERIES BILL.

Read a third time, and transmitted to the Legislative Council.

BILLS OF SALE BILL.

LEGISLATIVE COUNCIL'S AMENDMENTS.

Schedule of nineteen amendments, made by the Legislative Council, considered.

IN COMMITTEE.

Amendments 1 to 4, inclusive—agreed to.

No. 5, Clause 5, "definition of registrar," line 1, after "court" insert "or Registrar of Joint Stock Companies":

MR. JAMES moved that the amendment be not agreed to, as the effect would be to appoint two places at which bills of sale could be registered, the company's office and the Supreme Court. There should be only one place, to save confusion and expense.

Question put and passed.

No. 6, Clause 5, last paragraph, line 1, after "sale" in two places, insert "or debenture":

MR. JAMES moved that the amendment be not agreed to, because the clause would read "debenture by way of security," whereas a debenture was always by way of security.

Question put and passed.

No. 7—agreed to.

No. 8, Clause 8, Sub-clause (3), line 6, strike out all words after "Registrar," and insert "upon the filing of such copy bill of sale, the same shall be registered by the Registrar":

MR. JAMES moved that the amendment be not agreed to. The amendment had been made for the purpose of striking out the provision that a bill of sale should be lodged for 14 days before it was registered, thus allowing creditors during that time to lodge a *caveat*. The Legislative Council thought the provision undesirable.

Question put and passed.

Nos. 9 to 12, inclusive—agreed to.

No. 13, Clause 12, strike out the whole:

MR. JAMES moved that the amendment be not agreed to, for the same reason as given in regard to No. 8.

Question put and passed.

Nos. 14 and 15—agreed to.

No. 16, Clause 33, last line, strike out "by the last preceding section mentioned," and insert "set out" in lieu thereof:

MR. JAMES moved that the amendment be not agreed to, as it was evidently an oversight on the part of the Council.

Question put and passed.

No. 17, Clause 34, strike out the whole:

MR. JAMES moved that the amendment be not agreed to. As the Bill was drawn, it enabled the execution creditor to have the interest or goods of a debtor sold, if subject to a bill of sale. This was only fair, and did not interfere with the interest of the mortgagee. If a debtor had goods subject to a bill of sale, those goods could be sold the same as any other goods.

Question put and passed.

No. 18, Clause 53, Sub-clause 2, strike out the whole:

MR. JAMES moved that the amendment be not agreed to; this being consequential.

Question put and passed.

No. 19, 3rd Schedule, strike out the whole, and insert the following in lieu thereof (schedule recited):

MR. JAMES: The schedule which the Council had inserted in the Bill purported to have reference to Section 41, but there was no corresponding addition to that section. He moved that the Council's amendment be amended by striking out the words "Section 41," and inserting the following words:—"The following form of bill of sale, under Section 41, may be used."

Question put and passed, and the amendment as amended agreed to.

Resolutions reported, and the report adopted.

A committee, comprising Hon. R. W. Pennefather, Mr. Rason, and Mr. James as mover, drew up reasons (in accordance with those already stated), which were presented and adopted.

Bill returned to the Legislative Council, with reasons, and a request for concurrence therein.

LOAN BILL, £750,000.

SECOND READING.

THE PREMIER (Right Hon. Sir John Forrest): In rising to move the second reading of the Bill, I do not propose to make so long a speech as I have done on other occasions of a similar nature, because I hardly think that a very long speech is necessary. I suppose it is not

probable there will be any great opposition to the second reading of the Bill, seeing that it covers so many items of urgent public necessity; and I hope therefore that the debate on the second reading will not be so exhaustive or so lengthy as has been the case on former occasions when Loan Bills have been presented for very much larger amounts, and have necessitated the reviewing of the whole financial position of the colony. Hon. members will notice there are three items on the schedule; first, harbour works, jetties, and approaches, including lighthouses, covering a total of £154,000; secondly, railways, which include certain railways, also additions and improvements to opened lines, also rails and fastenings, railway workshops, and rolling stock, amounting to £520,000; thirdly, the development of goldfields and mineral resources, including public batteries and development generally, amounting to £50,000. There is a further item, to appropriate departmentally a sum of £26,000. As I have said, the details of the schedule cover works in many parts of the colony, works of great urgency and of necessity; and although I hardly expect to be fortunate enough to secure the unanimous approval of hon. members in regard to every one of the items, still I think I may fairly expect that hon. members will not object to the second reading, because to object to the second reading would mean that those who do so would by their vote say they object to many works which are generally acknowledged to be works of urgency and of necessity. Unless we are prepared to pass a Loan Bill of this sort, unless we are prepared to provide funds for works of this nature, of course we must be prepared to go along as we are, and even to stop some works that are in hand; and, that being so, I think I may appeal to hon. members that as we have progressed during the last nine years of self-government, and have kept the coach of State going with advantage to the colony, so I think I may rely on hon. members desiring that the progress of the colony should not be brought to a stop, but that we shall be found now, as we have always been, equal to the occasion. In considering the second reading of this Bill, there are two considerations that we have to bear in mind. The

first is, are the works in the schedule necessary or desirable? The second is, can we afford to carry them out? I do not think there can be much question as to the first proposition, that the works are necessary, or that they are at any rate desirable. I suppose everyone will agree that the harbour works at Fremantle are necessary works, as well as the lighthouses provided for. Most people will agree that a considerable amount of rolling-stock for railways is necessary; in fact, I fear that before the debate concludes I shall have to consider the question of whether we have provided sufficiently. From the speech of my friend the Commissioner of Railways last night, it seems that the demands of the railway department are even greater than I anticipated when I framed this schedule. There is no doubt we require public batteries, and I think we are committed to that matter. There is perhaps a difference of opinion as to the railway policy of the Government; but nearly everyone is agreed, I think, that the railway from Menzies to Leonora should be constructed; and there are the various other works connected with harbours and rivers, with the development of the goldfields and extension of railways, which I think most people in the colony will agree are necessary. Hon. members will notice that we are not following the plan we adopted in years gone by, of asking for a large loan authorisation, because we found it was not a good plan; and as we get older we get somewhat wiser, at all events in that respect. If we had begun by asking for a loan of three-quarters of a million, or of one million, for the Fremantle harbour works, I do not know whether the House would have been willing to vote it; but if the House had been willing to vote it, I believe it would have stood in the way of our credit from 1892 to the present time. The plan adopted then was to ask for what we required by instalments. Fortunately the Fremantle harbour works could be constructed in that way; but it is not always possible so to construct all public works. Some works require the whole authorisation before they can be commenced, but there are works which can be carried out by authorising sufficient sums from time to time as the work proceeds. In this Bill the Government intend that the authorisa-

tion to the extent named in the schedule shall suffice to carry us on for some time—probably to the end of next year. When that time arrives it will be competent for us to review our position and our circumstances, and to go forward either more quickly or more slowly, as may be desirable. We are not asking for authorisations, as we did in 1896, for four years ahead: we are only looking ahead about a year and a half; and I think as we go on, that will be found the better course for our finances, not to encumber ourselves with too much loan authorisation in advance of our requirements. There is no doubt the action we took in 1896 was not a good one: I thought it good at the time, but looking back upon it, I think we might have acted more wisely.

MR. ILLINGWORTH: You were told that.

THE PREMIER: By the hon. member? As I said before, he has had a large experience of finance!

MR. ILLINGWORTH: I knew that fact, at all events.

THE PREMIER: I am, at any rate, admitting it now. I do not know that I am right, but I think it is a bad plan, or not a good one anyway, to encumber the colony with too large an authorisation at one time, if it can be avoided. Hon. members will notice that the major portion of the present authorisation is for railways. We find every day, as one day succeeds another, that the railways require an immense amount of capital to keep them going and to extend them, and the rolling-stock is continually requiring to be increased. I think that is, perhaps, a matter for great congratulation: it certainly is not a matter for regret.

MR. MORAN: It all depends, you know. If you are carrying other people's goods and not making a profit on them it does not improve your position very much.

THE PREMIER: If the hon. member will wait a little while, perhaps I will get to that subject. It is not a matter of regret that we have to increase our rolling-stock, because it shows that the traffic on the railways is increasing; and that is the case with us at the present time. We have had difficulties with our railways ever since we have had self-government. At one time we had a great block; then we had a quiescence, or at least a quietness, to some extent; and I remem-

ber often saying that I wished there was another block, because there was never a more prosperous time in the history of the colony than the time when there was that block at Fremantle; and we might try another block without great disadvantage, always remembering that we are more able to cope with it this time than before, having had some experience. The major portion of this proposed loan of £750,000—that is £520,000—is provided for railways; and I am glad to know, as hon. members are also aware, that our railways last year paid their working expenses and interest and sinking fund—paid everything, in fact. We have had years when they paid a good deal more; but last year—we will review the last year as perhaps being the nearest to our present conditions—the railways paid interest and the sinking fund and working expenses, and after that contributed £20,000 to the general revenue of the colony.

MR. HOLMES: One of the railways paid that.

THE PREMIER: I am taking them altogether. I do not know why I should not do so, for the purpose of argument. If the hon. member would like to cut them up in pieces he can do so.

MR. LEAKE: Consider the Greenhills line.

THE PREMIER: But my idea is that the reason why some lines did not pay—at any rate I will speak for the South-Western Railway—was because the Government desired to encourage by every means in their power the natural products of the country, by giving the cheapest freight possible to such products; and we know very well there is a large timber freight and a large coal freight on that line, and I think I am right in saying that the freight charged is as low as we can possibly make it; and although the tonnage over that line is very great indeed, and compares very favourably with other lines, still it is not such a paying traffic as on other lines, though the same work is done. I do not know that we can blame the line for that. If a line carries the same freight, does the same amount of work as another line, but the kind of freight is of a less payable character, I cannot see that we should call such a line non-paying.

MR. ILLINGWORTH: That is a question of policy.

THE PREMIER: It is a question of policy, as the hon. member says. I only wished to state the fact. I take the published returns, and I have no other means of judging; and I see that last year the railways paid interest, sinking fund, and working expenses, and had £20,000 to the good. As long as we are careful in building our railways, as long as we are as careful as we have been hitherto, so long will they, I hope, judging from the past, pay their way and not be a burden upon the general taxpayer. When we consider this colony as it used to be, and compare that prospect with its present position, with the advantages of communication by railway from one end of the country to the other, and when we realise, as I am sure we all can, that all those advantages are enjoyed by us, that the people who use the railways pay for them all, and that there is no burden upon the general taxpayer, I think all are relieved, and especially are we members of this House relieved, of an immense amount of responsibility and of a great burden. We are all apt when we want to prove a case one way or the other, to run to statistics to furnish arguments; and it is a very common plan for us in this House—I think I have often done it myself—to dwell particularly upon the indebtedness per head of the people of the colony on account of the public debt; but I think it is reasonable to say to ourselves that the indebtedness per head on account of public loan need not frighten us very much, when most of that public debt has been spent upon works which produce the interest and the working expenses and the sinking fund, and which are being carried out and worked without any resort to taxation.

MR. ILLINGWORTH: Such works, you know, are little more than half.

THE PREMIER: I will come to that. I am not dealing with this matter without considering the point.

MR. LEAKE: This authorisation will make our indebtedness over £90 per head.

THE PREMIER: I have not said anything about that; but I am saying we need not be frightened of the indebtedness so long as the money is spent upon

works which pay their way and do not necessitate any resort to taxation. There is another familiar plan which hon. members opposite have, and always have had since I have had anything to do with the public business: so soon as the Government propose to raise a loan, they at once add that loan to the present indebtedness of the colony and divide it by the present population, and make a great display by the statement that our indebtedness is £90 or £100 per head. The hon. member (Mr. Leake) has just resorted to that very plan now.

MR. LEAKE: How else can you do it?

THE PREMIER: The loan is not yet even raised! Is it not reasonable to suppose that when we raise money and spend it on reproductive works, there will result additional prosperity and an additional population in the colony?

MR. ILLINGWORTH: Not necessarily.

THE PREMIER: Then I do not know what we are working for. I think the probability is—as I think it has always been our experience hitherto—that when we have money to spend, people have always come here to try to take part in the spending of it. When the money is spent they are sometimes not so eager to stay; but so long as there is money to spend, I think there have been always enough recipients, and I think that has been the experience of all the other colonies. “Where the carcass is, there will the eagles be gathered together.” I am giving a Scriptural quotation for the benefit of my friend opposite (Mr. Illingworth).

MR. ILLINGWORTH: It is a very unhappy one.

THE PREMIER: The point I want to make is that the people of this colony, from 1891 to the present time, have never been taxed one farthing for the railways, that the people who use those railways have paid for services rendered; and that the property in those railways is maintained in good order. Now, this is the trump card I have to play to-night, and hon. members may see if they can play a better. In urging the extension of our railway system, I again repeat that from 1891 to the present time the people of this colony have not been taxed one single farthing in respect of railways.

MR. MORAN: They have, indirectly.

THE PREMIER: The hon. member thinks that a man who rides in a train is being taxed, perhaps because he pays a shilling for his fare? As well say he is taxed when he pays his baker for bread! He is paying for services rendered, and it is not a tax: it is not a contribution levied by the Government on the general public.

MR. VOSPER: But you can make it a tax, and you have done so more than once.

THE PREMIER: The hon. member can take exception to the statement when he gets up. That is my statement at the present time. As I said at the beginning, I do not intend to go into details to-night to any large extent, but I would like to ask hon. members whether they think the building of a line, say from Menzies to Leonora, put down at a couple of thousand pounds per mile, is likely to prove a value of £8,000 a year to the colony? It is very difficult for people who have not been to these places, and who have not taken any great interest in the district and do not know what is going on there, to judge; but I should say, from my knowledge of the place and what I have seen there, that if we can get railway communication with that part of the colony from Menzies, it will be worth a great deal more than £8,000 a year to the colony; and I say the same in regard to the line to Norseman. I say that railway will be worth £12,000 a year to the country, which will be the amount of interest on £300,000. That is the reason I advocate these lines. I believe it will be to the advantage of this colony to connect these goldfields with the railway system of the colony, giving facilities of transit to those who live there and giving advantages to those who do not live there. The reason why I advocate the £750,000 loan is that when the money is spent in works, I believe this colony will reap a greater advantage than £30,000 a year. If I did not think so I would not be found advocating the loan, because I have no desire to advocate anything that is likely to bring disaster upon us. Even looking at it from a personal point of view, it would bring disaster upon myself and upon my friends, and none of us in this House desire to do anything that will bring disaster upon us. I cannot understand that will be the case. Out

of the little over ten million pounds, which was our debt on the 30th June last according to the public accounts, it is stated the railway expenditure has amounted to about six and a half millions. I am not going into very precise figures, but about six and a half millions out of the ten millions have been expended in railway construction and equipment. For the sake of argument, supposing you say all other loans—this is not so, as hon. members well know—but say, for the sake of argument, that three and a half millions have been used for works which are not interest-paying, and do not pay any interest, that is the amount for which we would have to pay taxation, which means £140,000 a year, taking it at 4 per cent. That is not a very great burden, after all, for the people of the colony. We hear from members opposite that our indebtedness is so much and our interest so much; but in all fairness we should deduct the interest from the railways, as that is actually produced and paid into the Treasury from the railways themselves; and when this point is realised, hon. members will see the indebtedness of the colony and the amount of interest we have to pay dwindles down considerably. Some people will tell us that we have half a million pounds to pay in interest this year. I do not know that this is the exact figure, but I am referring to the interest and sinking fund. But these people forget to say that six and a half millions out of the ten millions, belong to the railways, and the railways are paying the interest without there being any taxation whatever. What is the position of the colony at the present time? Our harbour works pay something, for there are harbour dues; and the other works which have been constructed pay something, even our public batteries it is supposed will pay something soon; but the interest on three and a half millions, to be liberal, is the amount we have to levy taxation for—that is far more than the amount, but I will say that £140,000 is the only amount we have to find out of the taxpayers' pockets for all the loans raised up to the present time. We have our gold export this year, which amounts to nearly two millions, and will quite amount to two millions by the end of the year. We have a trade of ten millions a year, a

revenue of two and three-quarter millions, and we have mines in the colony paying dividends of something like two millions a year, or they will be paying that amount by the time the year is up. And every other industry, whether we look at the coal, the tin, the pastoral, the agricultural, or the gold-mining industry, especially the wool industry, which is doing well at the present time—every industry is doing well. Every way we look, except in regard to our timber industry, in which there is trouble, but which is not due to anything in the colony, and I believe the difficulty will soon be overcome—every industry in the country is in a satisfactory condition; and all we have to pay in interest out of taxation is £140,000 a year. It may be interesting to hon. members to know that for the last ten months this colony has produced nearly as much gold as Queensland and Victoria put together. That will show the great strides that have been made in this industry. As I have often said, it is the great factor in the prosperity of the colony. The figures in reference to the gold production are:—Queensland, 768,760 ounces; Victoria, 681,366 ounces; Western Australia, 1,365,388 ounces. For the month of October the figures were—Queensland, 82,936 ounces; Victoria, 64,788 ounces; Western Australia, 205,186 ounces. For October, we exported or produced 57,462 ounces of gold more than Queensland and Victoria put together. The only reason I have for mentioning these figures is to show the great progress made in this one industry, which must have the effect of giving us much greater hope and much greater confidence in the future than we have had hitherto. We have always looked upon Victoria as a golden colony, and no doubt that colony has produced an immense amount of gold. Victoria has also plenty of land and other natural advantages, and has become a rich and great colony; still we never could have thought in our wildest dreams a few years ago that we should have been able to outstrip the gold production of Victoria and Queensland as well.

MR. VOSPER: We compare very favourably in land too.

THE PREMIER: I do not think so. The figures I have given are wonderful, and the production of gold in Victoria

and the other Eastern colonies is not going back. Victoria is doing well; it is holding its own; I think the production has been greater this year than last; still we have been almost able to outstrip both Victoria and Queensland. While I do not wish to boast about it, it is a matter to note, because it has a good effect in many ways. It makes us feel that we have great possibilities, and it will also have another effect which I want hon. members to thoroughly realise. We cannot do much, but we ought to do all we can in our power to give greater facilities and open up and assist the great mining industry in this country, which has done so much for us: really, it has been the great factor in the prosperity of the colony. I hope when we come to deal with the railways we shall deal with them as belonging to the great industry which has helped the older parts of the colony over the stile, also that we shall not be unwilling to extend the facilities which we have already granted, to the extent, at any rate, suggested in this schedule; and I hope this is not the end of the railway extensions, but that we shall be able to push forward our railways into every gold-mining centre where lines will pay. I do not want any railways built in the colony, nor do I want anyone to vote for them even if I propose them, unless there is a good possibility of the railways paying. We do not want to build railways to the gold-fields that will be a burden on the State: we want to build them where they will pay their way, where they will encourage production and stimulate the great industry which has done so much for the colony.

MR. GEORGE: There is something more than gold. Why not build the Marradong railway? There is any amount of timber and produce in that district.

MR. ILLINGWORTH: Where is Goomalling?

THE PREMIER: I think these railways are more urgent, and will pay better.

MR. GEORGE: I do not.

THE PREMIER: I am not prepared to go into details. All I say is that so long as there is a possibility, and in some cases a certainty of these railways paying, there is no reason why we should hesitate to construct them; in fact it is our duty

to the people who live in the districts to do so, and to promote this great industry and promote the interests of the colony. We should not be backward in giving the people facilities of transit, which are necessary in order to develop the resources of the country. When we look at the progress which has taken place on the goldfields I am sure every one of us must marvel. I was looking the other day at a newspaper published in London which is full of useful information, and I noticed a return of the value of 24 leading mines in this colony. The capital face value of 24 leading mines was about £5,000,000: generally we think the capital value is a good lot, at any rate very often a mine is not worth its capital value.

MR. MORAN: Do you mean the original capital value?

THE PREMIER: The present face value?

MR. MORAN: Not the market value.

THE PREMIER: The capital face value was £5,000,000, but the value on the market of the 24 mines was nearly £40,000,000. In April, 1899, the value of these 24 mines was £23,000,000 and in October £36,000,000. I think that should give us some confidence in this country, when from April to October 24 large mines increase in value by £13,000,000.

MR. MORAN: We ought to be wealthy men, but we are not.

THE PREMIER: We ought. If the hon. member had been in one of these mines it would have been all right. From the same authority five mines at Kalgoorlie were valued at £24,000,000: that is the price they were worth at that time, I think about the end of October. This means that 120 acres of land in this country were worth in the London market 24 millions of money; that is what it comes to. If that is the case, we may have 120 acres more worth £24,000,000. My objects in mentioning these facts, and they are facts, is to give people confidence in their country, and to try to make hon. members more hopeful of the prospects of the future. I know from my own experience what it is, that if you have a little disaster of a financial kind, if things generally do not go well with you, you get depressed and fancy that everything is going wrong financially, and in fact one feels in those circumstances as if the whole world were going wrong and life

was hardly worth living: but we must try to shake off such notions, and not to look on questions of this kind from a personal point of view, but rather dissociate our private concerns from the consideration of public affairs. We all know that in regard to the great gold-mining industry of the colony, only the richer mines are being worked at present; that with very few exceptions only the ounce stuff, or a little under an ounce, is being worked generally; but how many mines are there in this colony with what is called low-grade ore, and these have never been touched yet!

MR. VOSPER: There are thousands of no grade.

THE PREMIER: We need not bother about them; but as an instance of what happens in mining, I may remind hon. members that in a gold-mining country those who are interested in mines have generally to go on paying calls for a long time, and in my own case I was surprised the other day at receiving a dividend for a share I have in a mine on which I had been paying calls a very long time. I asked how it was that a dividend could be paid out of that mine, and I was informed that the tailings, which had hitherto been regarded as worthless, had been sold to someone who had managed to get a lot of gold out of them, and in this way the shareholders got an unexpected dividend. I have seen on the goldfields in many places heaps of tailings which have been thrown aside and accumulating for years as worthless stuff, or scarcely valued at all; but now everyone interested in gold-mining here is beginning to realise that the tailings have a value, and that a vast amount of wealth is likely to be got out of the tailings alone; that in many cases more gold can be got out of the tailings than was obtained by the original process. There is now springing up a great demand for tailings to be treated by the cyanide or other process for more complete extraction of the gold; and in working the Government batteries, where the tailings are generally not taken away by those who send stone for crushing, it is probable that by using the cyanide or other process we will be able to give to the owners of that stone not only the gold from the first crushing, but also the gold from the tailings, and in this way give to those who send the

ore nearly double the return we are able to give at present. The great problem we have before us in the future, over all this vast area of auriferous territory, is that of discovering and applying an economical method of dealing with low-grade ores; and if we can do this successfully, the wealth of this country will be far greater than we suppose at the present time. Hon. members will expect me to say something in regard to the present finances of the colony, and I am glad to be able to do so. I may say that with the exception of a quarter of a million of Treasury bills which fall due about the middle of next year, there are no other bills falling due until June in 1901; and as that is a good way ahead yet, there are lots of means of meeting the half-million that will then fall due. I may say that under ordinary conditions, and I cannot deal with those that may be extraordinary, the question of financing Treasury bills is a matter of paying a price. You can always get money, but have to pay a price for it; and if you hit on a time when money is plentiful you can get it at a cheap rate, or if not you have to pay a higher rate for it. The Government do not propose to rush headlong into building these railways at present; that is to say, so far as any works of magnitude are concerned, we do not propose to undertake them until the Transvaal war is over. After the war is over, money will no doubt get to its ordinary price, and then we will be able to raise money, if not at the old price, still at something near it. I hope that as soon as this war is over, we will be able to place a loan on the market for a considerable amount.

MR. MORAN: What is the amount authorised and not borrowed yet: half a million?

THE PREMIER: About a million, or near that amount. Of course you can raise more money than you have authorised, by applying the balance to pay off Treasury bills. If you raise £1,300,000, for instance, and you are authorised to raise only £1,000,000, you will have to keep the £300,000 until the current bills mature, and then pay them off if they are at call. I may say that £300,000 worth of Treasury bills are practically at call now in the Savings Bank, and we can pay them off when we like. Under our Treasury Act, we cannot raise any money

for purposes that are not authorised; and if we do raise money in excess of the authorisation, it will be only supplementary and by way of an interim means of paying off current bills. Lately we have had to sell Treasury bills to the extent of £1,000,000 at a very unsatisfactory price, I regret to say, for the price realised was only 98 per cent., in consequence of the war and the high bank rate in England. We had to meet half a million of Treasury bills falling due on 1st of December next, that is a few days hence, and having of course to provide the money, our advisers in London strongly urged that we should take advantage of the opportunity to sell a million of Treasury bills at 98, the bank rate being 5 per cent. I think now that it was a bad bargain.

MR. ILLINGWORTH: I think so too.

THE PREMIER: But our financial advisers in London assured us they believed the bank rate would go up to 6 per cent., and they strongly urged us to do this at the time.

MR. HARPER: The bank rate is $4\frac{1}{2}$ now.

MR. ILLINGWORTH: Your $3\frac{1}{2}$ bonds were 104 in the market on the same day.

THE PREMIER: We have been able to obtain money more cheaply at times, and in fact have raised it at a better price than any other colony of Australia has been able to do. Of course we had good luck that time, and now unfortunately we have had luck. My idea is that it was not a good financial operation to sell these Treasury bills at 98; but at the same time we cannot run risks, and we must be prepared to meet our engagements.

MR. WILSON: What is the currency of the bills?

THE PREMIER: Two years. I may say we could not have sold the bills in Australia for anything like the same price. At that time it was almost impossible to get money here, or to get it in the other colonies; and in fact the Australian banks I know would have wanted 96 or 97 in the case of those bills. It was an unfortunate time, but there is the fact, and I submit it for the information of hon. members so that they may consider it. I had an offer, in Australia of 96, and perhaps if I had pressed for better terms I might have got 97; but in the meantime we sold the bills in London for 98

per cent. We did not want the money in this colony, but in London. I have not seen in the Press what the British Government are paying for their Treasury bills, and it was well-known that they were going into the market for £6,000,000 or £7,000,000 in consequence of the war, and that fact no doubt very much affected the price of money in any dealings with Australian colonies. I should like to see what the British Government have been paying, though I believe they keep operations of that sort more quiet in England than we do in Australia. I am quite sure they will have to pay more for the £7,000,000 than if there were no war, and the reason why we had to pay more for money we wanted is due to the Transvaal war, and had nothing to do with the financial condition of this colony, but was really due to the bank rate, and I presume to the fact that financiers in London knew the British Government were going to put a large amount of Treasury bills on the market almost immediately. I would like to point out to the member for Central Murchison (Mr. Illingworth) that, after all, this very bad system of finance, as he calls it—

MR. ILLINGWORTH: Pernicious system.

THE PREMIER: Well, this pernicious system, as he calls it, cannot be so very bad when it is copied by the present Chancellor of the Exchequer in England, and he has to raise six or seven millions of money by the same process of selling Treasury bills. Therefore if it is pernicious for us to do this, it is pernicious also for the British Government to do it. The fact is that few, if any, Governments under the British system have any money actually in hand, because the system of government carried on under our Constitution is that you spend what you receive, and if more money is required, you have to borrow it by selling inscribed stock or by selling Treasury bills. I may mention that, as far as this colony is concerned, our finances here are satisfactory. The deficit, which was £341,502 on the 30th November, 1898, was £145,062 on the 31st October last; so that it has been reduced in 11 months by £196,440. We have in the bank at the present time half a million of money on current account, and we have £300,000 on account of the Savings Bank, so that

we have in the banks of this city at present £800,000. Besides this, the prospects ahead, as far as I am able to judge, are good. I am glad to see the hon. member (Mr. Illingworth) smile. We have been able to hold our own in this colony, but of course our requirements to a very large extent, for interest and in other ways, are in England, and we do not send there any more money than we are obliged to send.

MR. GEORGE: We will look after that for you.

MR. MORAN: How much of this million is in London?

THE PREMIER: It has not been paid. It will be paid about the 28th of this month.

MR. MORAN: Then it is all good yet.

THE PREMIER: We owe a considerable amount to the London and Westminster Bank, and we have £500,000 to pay for Treasury bills which fall due on the 1st December. I shall be glad to give further information in regard to this Loan Bill; and I hope hon. members will at all events pass the second reading without much debate, and we will deal in Committee with each item as fully as they desire. I shall be prepared on every item to give full information to the Committee, so that they will be able to decide whether the particular work is urgent and necessary, and whether the colony should embark upon it at the present time. I can only say that this little Bill, though it looks very small in print, has received a good deal of consideration from the Ministry; it has given much trouble to myself and other members of the Government; and this is especially true with regard to the question of railway rolling-stock, which I am afraid we shall have to deal with in Committee, as I said before, to a larger extent than might be expected on a perusal of the schedule in the Bill.

MR. MORAN: Make it a rolling-stock Bill altogether.

THE PREMIER: I can see no reason—and this I wish to impress upon hon. members—for our being despondent, for our being less bold or being more afraid than we were years ago, when I look back upon the condition of this colony when we first embarked upon these enterprises, and look on its condition to-day with all its great resources, when we have

everything so prosperous at the present time as far as our industries, at all events, are concerned. I do not think wealth has come our way, individually, for while other people have been getting gold and making their fortunes, we in this House have been trying to conserve and protect the interests of the country: we have not been looking after our own affairs, but have been trying to look after the affairs of the country; and perhaps that is the reason why fortunes have not come in our direction to the same extent as they might have come if we had had more time to give to the pursuit of wealth. I commend the member for East Coolgardie (Mr. Moran) for his speech last evening, as regards the cautious vein which ran through his remarks. I think it is right that we should be cautious; and I am sure it comes well from members representing goldfields constituencies, that they should look into the future and be careful to safeguard the interests of the country. One might be excused if one thought that such might not be the case, seeing that the goldfields have sprung into importance so quickly, and that there are so many public works required on those fields in order to give people what they need in the way of everyday conveniences: one would not be surprised if, instead of being cautious and careful, members representing those districts were inclined to be somewhat reckless. I think the hon. member deserves the thanks of the House for the caution which ran through his speech; but I must say, at the same time, that the language of his speech was not that of the hon. member as I knew him some years ago: it was not the kind of speech he used to deliver here.

MR. ILLINGWORTH: He is getting wiser.

MR. MORAN: And perhaps more conservative.

THE PREMIER: He lacked that faith in the country that is essential at the present time.

SEVERAL MEMBERS: He is a "croaker."

THE PREMIER: I do not think so. I think the hon. member is thoroughly desirous of doing what he thinks is his duty; but at the same time his speech lacked that enthusiasm and that faith in the country which we have been accustomed to see exhibited in the speeches he has delivered in this House.

I do not wish at the present time to deal with this schedule. I see no necessity for dealing with the items now, for to do so would only be going over the ground twice; and we shall be able to deal separately with the items as the Bill goes through Committee. If the House is good enough to pass the second reading, we can then deal with details to a greater extent and far better in Committee than we can in a general way in this debate. I can only say we have a great duty to perform to the goldfields, as is shown by many items in this schedule; and I hope and believe too that hon. members will be equal, as they always have been equal, to the responsibilities that are cast upon them. I realise and recognise that these are great responsibilities; but still, when we know that up to the present time, at any rate, railway construction has been the salvation of this country, has made the colony what it is, is now the life blood of this colony—when we know that, surely we are not going to hesitate to extend our railway system wherever it will pay. I do not ask that it shall go anywhere else. I do not want anyone to support me in commencing a line which will not pay, or which is not likely to pay soon. I only ask hon. members to assist those parts of the goldfields where there is a likelihood of railways paying, and where those railways will add to the prosperity and contribute to the development of the country.

MR. MORAN: Go north, young man, go north!

THE PREMIER: We must recollect that the people of the goldfields are dependent on the railway system for everything they require. (MR. GEORGE: Except gold.) Only look for a moment on the Mt. Margaret district. I wish it were possible for us to take a trip up there to see the disadvantages and the disabilities under which the people labour. There is undoubtedly no timber for making the underground workings safe; the lodes are wide, and the timber is so short and brittle that none of it is fit to put in the mines; and it is impossible to carry timber from miles and miles away, for I do not think it can be got from any place nearer than Menzies. Is that sort of thing to continue in a country turning out three or four hundred thousand pounds' worth of gold

a year? People should not hesitate to spend £200,000 to give facilities to that district—not for the mines which are there now, because where there is one mine there now there will be dozens and dozens when there are proper advantages and facilities for mining. Are we to sit still, I want to know? Are we to say that we have done all we can do, that we have shot our bolt, in fact, and not only are not prepared to do any more, but that the energy is in fact gone out of us, and that we have no longer any faith in the country? Are we to promulgate views of that sort when everything is doing well, when the mines are turning out gold which must be an advantage to everyone in the colony, the corn growers, the wheat growers, the timber getters—everyone, in fact, in addition to the miners? If we are not going to construct railways into these rich and promising places, where some of the best mines of the colony are situated—I can say that in regard to the Mt. Margaret district, at any rate—then this House will confess that it is unable, that it is in fact incompetent to deal with the growing requirements of this great country.

MR. GEORGE: That is a libel on Parliament.

THE PREMIER: I do not believe the House will do so.

MR. GEORGE: Do not you libel Parliament?

THE PREMIER: Oh, I shall not do that. I say, if this House is to confess to the people of this colony that it is unable to give railway communication where it will pay, and where rich and promising localities are languishing for the want of a railway service, all I can say is, that has not been the policy of this House in the past, and I hope it will not be its policy in the future. I have nothing more to say, except again to commend the second reading of this Bill to the careful attention of hon. members.

MR. LEAKE: I move that the debate be adjourned.

Motion put and passed, and the debate adjourned.

ANNUAL ESTIMATES.

IN COMMITTEE OF SUPPLY.

Consideration resumed from previous sitting, at postponed votes, Railways and Works (general debate continued).

THE COMMISSIONER OF RAILWAYS (Hon. F. H. Piesse, in reply) said he wished to deal with one or two matters which had been referred to by the member for East Fremantle (Mr. Holmes), and he intended to be as brief as possible, because in the main he had answered the charges brought against the department when a distinct motion by the hon. member was before the House; but as the hon. member had revived one or two matters which probably needed some further explanation, he (the Commissioner) would now deal with those matters. In regard to the preparation of the Estimates, at which some dissatisfaction had been expressed, he had done his best to give further information this year in regard to the estimates for his departments (Railways and Works); and if members referred to the different salaries set forth, they would see that he had gone as far as he could in the circumstances. The system which had been pursued here for many years was the same as that followed this year, and we were only following the practice of every other colony in Australia. It was difficult indeed to adopt any other course to give information in detail, as it would entail a great deal of unnecessary work, and would not afford any more information than that afforded by the details now given. He had before him the estimates of the other colonies, and taking the great colony of New South Wales, the estimates of the railway department of that colony were given on two pages. The total amount provided was £1,594,650; and taking one of the items objected to by the hon. member on the estimates of this colony, on the New South Wales estimates the item was given as follows: "Salaries and wages of general staff, officers-in-charge, night officers, goods and station clerks, guards, signalmen, shunters, porters, etc., with all materials required for working the traffic and compensation, £460,100;" so that the hon. member would see that the same course was followed in New South Wales as here. There were also other items showing that we were not singular in our Estimates. Under the Existing Lines branch on the New South Wales Estimates there was an item, "Salaries and wages of employees, maintenance and repairs, signal-

ling and interlocking, material included, £378,845;" so that it would be seen the information there was not given in as great a detail as was given on the Estimates of this colony. In two pages an expenditure of nearly one and three quarter millions was given. In South Australia the same course was followed, and the votes were placed before Parliament in the same way, only two pages of the Estimates being taken up with the railway votes. Large sums were provided for on the Estimates in the same way as we provided for them here. He need not go through the Estimates of the other colonies, but he had brought down a copy of the Estimates of each colony so that the hon. member could look at them if he liked, and see that the course adopted in this colony was the same as that adopted in the other colonies, with the exception of New Zealand, where a little more information was given. There was no idea of withholding information, but the Railway Department found themselves in this position: they were not able, in the same way as the Postal Department or the Mines Department, to give the whole details of expenditure. On referring to the Estimates it would be found that there was an item number given for the whole staff. A list of the different items on the Estimates was prepared and signed by him (the Commissioner), and that was a guide to the Auditor General and Treasury afterwards in paying the wages due to workmen and employees, so that there was very little probability of money being paid without proper authority. As to the other matters, the hon. member (Mr. Holmes) said that when he proposed to bring before the House a motion in regard to the charges which he said could be made against the Railway Department, the hon. member said it was his intention to make disclosures which would be very serious to the department, and that subsequently he was asked by an officer of the department to call and see him. He (the Commissioner) did not deny that the hon. member was asked to call and see the officer, but he thought the hon. member had committed a breach of faith in regard to the matter, because the hon. member was only called in in the same way as other people were called in when complaints were made, and hon.

members had seen the same or other officers in the same way as clients of the railway department were seen. The hon. member placed more importance on the interview than should have been placed upon it. He (the Commissioner) was there on the day when the hon. member had the interview, and knew the conversation which took place. There was no attempt on the part of the department to "pump" the hon. member. The officer desired to give some explanation which would satisfy the hon. member, so that there would be no further need to bring the matter up and cause difficulty and trouble, because it was a trouble to him (the Commissioner) to have to answer these matters.

MR. HOLMES: Why did the officer not give him the information?

THE COMMISSIONER OF RAILWAYS: The hon. member never asked for it. He (the Commissioner) had the assurance of the Chief Traffic Manager that the hon. member never asked for the information, and that if he had asked for it, it would have been given to him.

MR. HOLMES said he told the Chief Traffic Manager that he would like to know.

THE COMMISSIONER OF RAILWAYS: That was not asking for the information. The hon. member had gone about this business in a way which was in keeping with his actions throughout. The hon. member had discussed matters with him (the Commissioner) and had expressed himself as satisfied with the explanation, but then he came to Parliament and put the matter before the House in his own way. He (the Commissioner) knew the hon. member for the future, and would take good care that the department did not play with the fire any more. The hon. member had been treated as other members were treated who were anxious to see matters settled. But confidential matters should not be brought before the House or discussed in the way the hon. member had discussed them. The hon. member went to the department—

MR. HOLMES: He was sent for.

THE COMMISSIONER OF RAILWAYS: The hon. member knew that many trivial and paltry complaints were made against the department at the time he (the Commissioner) took office, and

that he (Mr. Holmes) used certain means which he (the Commissioner) was not prepared to state, to threaten the department, but which had no effect. He (the Commissioner) was in communication with the hon. member and did his best to try to meet him in regard to difficulties which the hon. member said his firm were suffering from at the time.

MR. MORAN: There was a bit of spite on his part.

THE COMMISSIONER OF RAILWAYS said he knew there was: that was straight talking. He would not say many things that he might say: there was something else behind the hon. member: it was not all patriotism which prompted him to bring these matters before Parliament. As to the charges in regard to Millar Brothers, the hon. member had said that this matter had not been satisfactorily explained. One charge he intended to deny *in toto*, and that was the 25 per cent. said to be allowed as a concession to Millar Brothers. He emphatically denied that: the concession was never made, was never promised, and never given to Millar Brothers, and he gave an unqualified denial to the statement. As to the other statement, no doubt the hon. member obtained some information in regard to the allowance. At one time a promise was made to Millar Brothers that instead of enforcing the charge for the "exceeding five miles" rate, which was 2s. 6d. and 5s., some other arrangement should be carried out. That was in connection with a mill erected six miles from the Government railway line.

MR. HOLMES: Where?

THE COMMISSIONER OF RAILWAYS: At Yarloop. Millar Brothers had sent to the Railway Department saying that they hardly thought it right to charge the second rate for six miles only, and he (the Commissioner) believed a letter was written that in the circumstances the rate would only be charged as for five miles. It was one of those conditions which as a business concern was left to the department to settle. There was some difficulty about the matter afterwards and the concession was withdrawn—if it could be called a concession—so that in that instance there was no loss to the country, and the concession was not enjoyed by the timber company.

MR. WILSON: What about the circular that was issued?

THE COMMISSIONER OF RAILWAYS: That was withdrawn: it was never made use of, and Millar Brothers never got any advantage under it. In regard to the rates charged, the Millar Brothers Company had 360 wagons, 180 of which were used by the company in connection with their business, and went from their mills to the places to which the timber was consigned. The Government supplied Millar Brothers with 120 wagons.

MR. MORAN: If any concession had been made to Millar Brothers, it would have been shown in the public accounts.

THE COMMISSIONER OF RAILWAYS: Certainly. No concession would have been given without Executive authority. That would have had to be obtained, so that there was no possible chance of any concession of that kind being given. The firm's wagons ran over the Government lines and the Government wagons ran over the firm's lines: the arrangement was that the 1s. 3d. for the first five miles and the 2s. 6d. for the distance over five miles was not to be enforced as between the Millar Brothers Company and the Government. That was understood, and for five months an account was kept against the company, and it was found at the end of the time that the Government owed the company £56. It would entail a good deal of bookkeeping to keep these accounts, and it was decided for the future that no charge should be made by the company for wagons going over their line—in fact very few of the Government wagons did go over their line. This was the arrangement between Millar Brothers and the Government, and Millar Brothers waived certain claims they had against the Government in regard to wagons going over their lines. He would give one instance to the member for the Canning, who understood these matters. Some time ago when the hon. member's (Mr. Wilson's) company were constructing their line of railway from Dardanup into the hills, a concession was made to allow the Government trucks to go a distance of a mile on to the Canning Jarrah line, and to stack the rails there. A charge was made by the company for allowing the

trucks to run on to their line, but afterwards that charge was not enforced.

MR. WILSON : The Government trucks ran half-a-mile on to the Canning Jarrah Company's line in order not to block the Dardanup railway yard.

THE COMMISSIONER OF RAILWAYS : No one was more persistent than the member for the Canning in asking for rebates. Only a short time ago a scheme was put forward by the hon. member in regard to a matter at Fremantle for storage. There were many instances of claims of this sort being made. There were times when the Government were able to make rebates without infringing the general conditions under which the railways were worked.

At 6:30, the CHAIRMAN left the Chair.

At 7:30, Chair resumed.

THE COMMISSIONER OF RAILWAYS (continuing) : Only one other matter need be touched on, in conclusion, and that was in regard to the statements made by the hon. member (Mr. Holmes) as to the maintenance of the rolling-stock. Last night the hon. member quoted from the Locomotive Engineer's report, by reading portions only, and this course would probably mislead some members as to the facts of the case unless the whole of the report was read. Therefore he (the Commissioner) would refer to two other portions of the report which the hon. member did not quote, in regard to the maintenance of locomotive engine and wagon stock. The hon. member would lead the Committee to infer that the maintenance of the stock had been in a measure carried out from loan funds, instead of from current revenue; that the larger portion of the money for maintenance had been obtained from loan funds.

MR. HOLMES : Never said anything of the kind.

THE COMMISSIONER OF RAILWAYS : The hon. member said we were purchasing a large quantity of new stock, and were not maintaining the stock in the way it should be maintained, and were thus lessening our expenses by resorting to loan moneys for properly maintaining the stock; in fact, that we were spending money unfairly from loan

funds for keeping up our maintenance, and thus swelling our revenue. If the hon. member would consult the statement of expenditure in the Locomotive Engineer's report, he would see that the expenditure from general revenue was £35,219 for maintenance of locomotives; and although the locomotive engineer reported that a larger number of engines should have been repaired during the past year, we were unable to carry out the whole of the work he desired to be done, not because we had not sufficient money, but because of the limited workshop accommodation. The return placed on the table of the House some time ago, in regard to the number of engines and wagons which were in the workshops for repair, would go to prove that a large proportion of the stock was kept in good order; and we must not forget too that during the year we received something like 80 new engines, which did not require so much to be expended in maintenance, and therefore the proportionate expenditure would not appear so large for overhauling. There was no necessity, in fact, for such a large overhauling during last year as would be the case during the present year; and the Estimates for this year showed a considerable increase in the requirements for locomotive expenditure, and he (the Commissioner) intended to see that during the year there should be a thorough overhaul of as many locomotives as could be spared from the traffic. It was the intention of the department to have the maintenance carried out thoroughly, and provision was therefore made in this year's Estimates for that purpose.

MR. HOLMES : How was the increased estimate shown?

THE COMMISSIONER OF RAILWAYS : The hon. member could see the difference of the estimate last year as compared with the estimate this year for maintenance.

MR. HOLMES : One could not understand the estimate.

THE COMMISSIONER OF RAILWAYS : If the hon. member was not able to understand the estimate, that could not be helped, and the inference would be that the hon. member was not capable of judging as to the difference.

MR. HOLMES : Information had been asked for, and he could not get it.

THE COMMISSIONER OF RAILWAYS: The report showed that during the year 81 locomotives of various classes were passed through the workshops; so he (the Commissioner) did not see where the complaint came in as to the Railway Department not expending sufficient in the maintenance of rolling-stock. Therefore all the statements of the hon. member were not borne out by fact; and if the hon. member had read the report, he would have found that during the year a large number of trucks had passed through the repairing shops, showing that the department had paid all necessary attention to the upkeep of the rolling-stock. The hon. member, though he last night again traversed the whole of the ground covered in his previous speech when attacking the department, had yet disclosed no new features, and there was only needed the same reply as he (the Commissioner) had previously given, that where the department were to blame they had taken the blame, which should be an end of the matter; and where the statements of the hon. member were entirely false, those statements had been denied, and it had been shown there was no ground whatever for the charges. Once more, the smallness of the amount paid in respect of claims by the department would be understood when it was remembered that one ship which came into the port of Fremantle during the past year had paid four times as much as had been paid by the department in claims for the same period. The amount paid for claims was £400 odd; and it was simply amazing that the department should handle such a large quantity of goods, and yet that the claims made in respect of goods could have been settled for so small a sum. The percentage was in fact smaller than it would be in an ordinary business house; therefore the country was surely to be congratulated that the amount paid in claims was not higher.

MR. HOLMES said he had already explained that point.

MR. GREGORY (North Coolgardie): The Premier's remarks on the Loan Bill would give great pleasure to the goldfields population, who would be pleased to hear that they were not a migratory people, and that they were deserving of consideration. It was a pity the Premier

had not made similar remarks when introducing the Constitution Bill; and he hoped the Premier, in dealing with the railways, would do something to help the people to settle on the land of the goldfields. The department had lately seen fit to make large increases in freights to the goldfields, more especially in regard to timber, iron, and similar commodities. If a permanent goldfields population were desired, the freights on these goods must be as low as possible. There was a marked difference between the old and the new scale of rates. The old rate on imported timber was £2 17s. 7d. per ton from Fremantle to Kalgoorlie; the new rate was £4 2s. 8d. The old rate on doors was £2 17s. 7d. per ton; the new, £5 3s. 8d.

MR. A. FORREST: That was imported material.

MR. GREGORY: It was all imported; he would deal with local products afterwards. On galvanised iron the freight had been raised from £2 17s. 7d. to £4 2s. 8d., with a similar increase on nails. On oils there was an increase of from £5 3s. 8d. per ton to £7 12s. 7d., with similar increases on ridge and roof work, pipes, and tin. There might be no great objection to this if the increases applied to the whole of the country; but the scale of charges was so contrived as to exempt the people of Perth from the increased rates.

THE COMMISSIONER OF RAILWAYS: Surely not. The rates applied to every part of the colony.

MR. GREGORY: The old rate for goods in Class 1, for a distance of five miles, was 3s. 4d.; the new rate for similar goods was 3s. 4d. Under 10 miles the old rate was 5s. per ton; the new rate was 5s. Under 15 miles, 6s. 8d. was the old rate; the new rate was 6s. 8d.; but when we reached 22 miles, the rate for that distance used to be 8s. 8d., and was now 8s. 10d.; for 23 miles the old rate was 8s. 10d., and was now 9s. 1d.; for 24 miles, the old rate 9s., the new 9s. 4d.; for 25 miles, old rate 9s. 2d., new 9s. 7d.; so the increase in Class 1 did not affect the people of Perth, whose goods were carried at the same rate as before; but the people who lived at a greater distance from Fremantle had to pay higher proportionate rates for their goods. He had no objection to the coal

industry being assisted as far as possible : it was quite right for the Government to carry Collie coal as cheaply as possible, so long as expenses were covered or nearly covered ; but he strongly objected to the Commissioner, without any authority from Parliament, making the railways a kind of second custom-house in this colony.

THE COMMISSIONER OF RAILWAYS : The House specially expressed its opinion on the new freights, as the scale had been laid on the table, and objections, if there had been any, would have been made.

MR. GREGORY : Some time was required to read through a long schedule.

THE COMMISSIONER OF RAILWAYS : For the new scale there was the authority of the Executive, and the concurrence of Parliament.

MR. GREGORY : But no vote of Parliament.

THE COMMISSIONER OF RAILWAYS : Its concurrence.

MR. GREGORY : Through the railways the consumers were made to pay a sort of customs revenue on imported wines, by means of the present rates.

THE PREMIER : Could not that have been altered last session ?

MR. GREGORY : It ought to be altered now.

THE PREMIER : The hon. member could have spoken last year.

MR. GREGORY : If the system were wrong, it was proper to draw attention to it at any time.

THE PREMIER : The hon. member's arguments were not new.

MR. GREGORY : Possibly they were, to the outside public. Besides, the Premier's statements regarding the increased gold yield were nothing new : we had heard them often.

THE PREMIER : No doubt the hon. member was sorry to hear of the increase.

MR. GREGORY : No ; but the Premier's statements always came a month after the public had heard the news : There was a vast difference in the freights on local goods and on those imported. Locally-produced wine was carried from Fremantle to Kalgoorlie for £1 16s. 5d. per ton ; on intercolonial or foreign wines the charge was £7 12s. 7d. ; and consequently a large quantity of South Australian wine was bottled in this colony

so as to take advantage of the lower freight. This differentiation of freights had been made without any special resolution of the House, and that was wrong. On jam, the manufacture of which was hardly heard of in this colony, the locally made article paid £1 16s. 5d. per ton, while imported jam paid £4 2s. 8d. The freight on local timbers was 19s. 1d. per ton, and on imported timbers £4 2s. 8d. The cost of bringing Oregon from Fremantle to Kalgoorlie was about the same as the total cost of importing it into the colony and placing it on the trucks at Fremantle. The rates on butter and cheese were the same as on jam, and so with many other articles. Before proroguing, the House should pass a resolution prohibiting the Commissioner from making himself a custom-house officer in this way. The Eastern goldfields lines were the only railways in the colony which were paying ; they were paying well ; and the goods required on the fields, especially building materials, should be carried at more reasonable rates.

MR. DOHERTY : The hon. member should be careful. This was no argument for his new railway.

MR. GREGORY : The hon. member should speak of something he understood.

MR. A. FORREST : But freight on jarrah was cheap enough.

MR. GREGORY : For whose benefit ? None of the local timber companies were paying. They were closing down.

MR. A. FORREST : The timber did not realise sufficient.

MR. GREGORY : The companies were not paying dividends.

MR. A. FORREST : Because imported timbers were killing them.

MR. GREGORY : The difference in freight between jarrah and Oregon was too large. The Commissioner knew that he (Mr. Gregory) was not seeking to injure the department, but was merely trying to point out hindrances to the development of the goldfields ; and for goods used on the fields the Government had no right, without a special resolution of Parliament, to impose differential duties. Not being a railway expert, he would not criticise the department generally, but must speak of the present block at Kalgoorlie. A friend of his, having some goods at the Kalgoorlie station, had sent for five days in succes-

sion to obtain those goods, but the station-master was unable to give delivery. On the sixth day delivery was obtained, but when the weigh-bill was presented, the department had the impertinence to charge demurrage; and if the consignee had not demanded the goods daily such demurrage must have been paid. That system was unfair, and strict instructions should be given that where goods were detained through the fault of the department there should be no demurrage charged, nor should such charge be made on goods tossed out on open stations and left exposed to the weather. There should be some degree of honesty in the department; and he had heard forwarding agents speak very strongly against the departmental system. The matter of weighing called for attention. A large truck was sometimes pushed half way on to a weigh-bridge, and then the other half was put on, and the sum of the two tests was called the weight of the truck. The Minister could afford to spend a little money in weigh-bridges.

THE COMMISSIONER OF RAILWAYS: That was now being done.

MR. GREGORY said he was pleased to hear it. He would never object to the Government trying to foster the coal industry.

MR. MORAN: And the timber industry, too.

MR. GREGORY: Jarrah timber was used for certain purposes and must be obtained for those purposes. He quite agreed that preference should be given to local industries such as the coal industry.

MR. MORAN: Then the hon. member would give a preference to local timbers?

MR. GREGORY: Not to the extent of the difference between 19s. and £4 per ton: that was too great. If Oregon timber was charged at per ton measurement it would come to about £8 per ton.

THE COMMISSIONER OF RAILWAYS: The department charged by dead weight for Oregon timber as well as jarrah.

MR. GREGORY: Gold mines must have a great deal of Oregon timber, and the people on the goldfields required other timber beside jarrah for building their houses and making their homes comfortable. There had been a great decrease in regard to the food duties, but the railway department increased the price of

food by the extra charge made for the carriage of foodstuffs.

THE COMMISSIONER OF RAILWAYS: In regard to the question of preferential rates, the practice was not peculiar to this colony, as it was in force in all the colonies except one. Preference was given to locally-grown products in Victoria, New South Wales, and South Australia.

MR. GREGORY: But special resolutions were passed by Parliament.

THE COMMISSIONER OF RAILWAYS: That had been done. A number of locally produced articles were carried on the railways at rates which were much lower than those for imported articles; but he (the Commissioner) was not responsible for the introduction of the rates: they were in force before he took office. That did not make the matter any better, but he had been often accused of having introduced the rates, and he had been likened to the Czar of Russia.

MR. GREGORY: The Commissioner had increased the rates, though.

THE COMMISSIONER OF RAILWAYS: Only the first class; and this rate had been brought into line with a similar arrangement which existed in all the other colonies. The rates in Western Australia were lower than the rates in any other colony except South Australia, and there was only 1s. 3d. difference between South Australia and Western Australia. The rates in this colony compared very favourably with the rates in the other colonies. As to the carriage of local timber, that had been in force a long time: he did not introduce the rate. The only difference that had been made was in regard to Class 1, which had been increased, as he said, to bring it into line with rates existing in other parts of Australia. The statement made that the increased rates were considerable was not borne out by reference to the book of rates. A, B, and C classes had not been touched at all; only Class 1 had been touched, but there were a number of goods that came under the latter rate, and which were affected. The rate for the carriage of coal, timber, and that class of material, had not been interfered with. Class A, which dealt with produce, had not been altered: that was the old rate in force five years ago. Class B dealt with small

quantities of produce, two tons and under, and Class C dealt with quantities of goods weighing 10cwt. and under. In the new rates the public had been given the advantage of the B class, the actual weight: the public were not limited to the 10cwt. Therefore, the slight increase in Class 1 was the only alteration which affected the goldfields and the other parts of the colony, and the increase was not considerable: it meant an increase all round, on the freight received for goods carried on the railways, of something under 13 per cent., which was not a considerable advance after all. As to the difference of carriage on softwood, that was the rate in vogue in the previous rate book; and when we remembered that softwood took up a great deal more space than jarrah, it must be naturally concluded that a higher rate should be paid for it. Softwood paid the same tonnage rate as jarrah, but the difference in weight was considerable: the bulky nature of the softwood justified the department in charging a higher rate for the carriage of it.

MR. GREGORY: Had not the department recently made a rebate on all stuff consigned to the smelting works and on gold sent to the Mint?

THE COMMISSIONER OF RAILWAYS: On gold sent to the Mint. All ore carried for treatment in the colony was carried at a lower rate: that was not only for the benefit of the smelting works but for every industry that sprung up, although it was intended to assist the smelting industry and other similar industries.

MR. A. FORREST (West Kimberley): The member for North Coolgardie (Mr. Gregory) had not made a very patriotic speech in regard to the carriage of goods on the railways. Those who had to live in the country and produced goods here should receive some benefit, because such people prevented money being sent out of the country to keep population in other parts.

MR. GREGORY: What about the customs?

MR. A. FORREST: If he (Mr. A. Forrest) were Commissioner of Railways and had the confidence of the country, he would make the railways pay the interest on the national debt. In the past those in the back country had no objection to

paying £35 and £40 a ton for the carriage of goods, but now the Government were carrying goods for £4 and £5 a ton, those who lived on the goldfields were at once up in arms. People in this country were quite satisfied to pay big rates for the carriage of goods before the railways were built, but now that people had goods carried for nominal sums hon. members complained that the charge was too great. If the country was going to encourage the use of softwoods, to encourage foreign ships to come here with these timbers, and to employ labour for cutting these soft timbers in other parts of the world, the argument of the member for North Coolgardie was a good one; but we had a timber industry in this colony which was languishing, and surely some preference should be given to that industry. Jarrah was carried at a low freight because it was heavy, but when this heavy timber got to places like Menzies the cartage was great. If the softwoods were carried to Menzies at the same rate as jarrah, the local timber would have no possibility of competing with the softwoods, because the carriage by teams for 200 miles to the north-east of Menzies would prohibit jarrah being used. The Government said that jarrah should be carried at a lower rate than softwoods to encourage the timber industry of this colony, and no one could complain of that. The same policy was carried out in regard to locally-produced coal, the freight for which was cheaper than that for imported coal. People were employed in this country in producing the coal; they consumed goods which paid customs duty, and the coal industry kept a large population going; it was doing a good work in the country, whereas the coal which came from Newcastle did not benefit this country at all. It benefited the steamship companies which came to Fremantle; but even these companies did not do much good to this country, because the profits made in the carriage of the coal from Newcastle were sent back to the country in which the ships were owned.

MR. GREGORY: Why not increase the custom duties and do the thing in a fair manner?

MR. A. FORREST said he would like the customs duties wiped out altogether, and he would make those who used the

railways make up the amount. He would make persons like the hon. member, who was erecting a battery at North Coolgardie, pay for the goods which were carried up there. Our railways should be made a commercial business: they should be made to pay the whole of the expenses of the country.

MR. KINGSMILL: The hon. member was an anarchist.

MR. A. FORREST: Those who used the railways should pay for them. If one went from Perth to Fremantle and hired a trap for the trip it cost him £1 or 30s.; whereas one could go by rail to Fremantle in a first-class carriage and back for 2s. 6d. People who lived in this colony before the railway was built did not grumble about paying the 30s., but the member for North Coolgardie would like duties put on at the Custom-house so that the general public should pay everything, and that goods might be carried to Menzies for nothing. One hoped the time had not arrived when goods would be carried to distant parts of the country for a mere nothing. At present people had to pay £2 or £3 a ton for the carriage of goods to Coolgardie, whereas people in the past had paid £20 and £30 a ton without grumbling. The only objection the hon. member had was that certain goods were carried cheaper than other goods. One hoped there always would be a difference between the rate for a local article as against the imported article. He was sure the member for North-East Coolgardie would not agree with the member for North Coolgardie, but would agree with him (Mr. A. Forrest) that it was not wise to allow goods from China and Japan to come into this country and be carried at the same rate as goods produced in this country.

MR. MORAN: How would the hon. member keep out slave-made goods if there were no customs duty?

MR. A. FORREST said he would wipe the duties out altogether.

MR. MORAN: How?

MR. A. FORREST: Tea and sugar came in free now.

MR. MORAN: That was no answer to the question.

MR. A. FORREST said he congratulated the Commissioner of Railways on the estimate which had been placed

before the Committee. He was sure the House would say that although the Commissioner and his officers might have made mistakes in the great department like the one which the Commissioner controlled, who would not have made mistakes? Everyone made mistakes in their own business.

MR. HOLMES: Never.

MR. A. FORREST said he made mistakes in his own business with his eyes open. In a great department like that of the railways, the Commissioner had to trust a great many people, some of whom did wrong, but the blame was cast on the Commissioner, who had to bear the brunt of attacks made by the member for East Fremantle (Mr. Holmes), who had made a dead set against the Commissioner; but the hon. member did not score very much. The Commissioner had answered the charges fairly well. The member for East Fremantle had obtained the facts pretty well: where they were obtained from he (Mr. A. Forrest) did not know; still the charges had been answered fairly well by the Commissioner of Railways. When we could get a gentleman like the Commissioner of Railways for the paltry sum of £1,000 a year, we should keep him in office: he was the most hard-working man in the country. The Commissioner had left a good business to go into Parliament and to give his time to the country. When the Commissioner told him (Mr. A. Forrest) that he intended to go into Parliament, he informed him (the Commissioner) that he was an enemy to himself; and, with the ability the Commissioner possessed, he (Mr. A. Forrest) could say that the Commissioner was the biggest fool ever created in taking a position on the Treasury bench for £1,000 a year, to be shot at by the member for East Fremantle whether the Commissioner was in the right or wrong. The Commissioner had to know everything in his department: whether a clerk had stolen a pound, or whether someone had lost his baggage. The Commissioner carried out the duties of his office in a fair manner, and the Committee ought to be satisfied. He could only say it gave him great satisfaction to have an opportunity of thanking the Commissioner of Railways for the manner in which he had conducted the business of his department

since he had been in office. He (Mr. A. Forrest) had had to grumble to the department, but when the matter had been fairly placed before the Commissioner, that gentleman had always been man enough to say, "If you cannot get redress from the officers of the department, I will see the department will carry out the law of the country to the very letter." He (Mr. A. Forrest) supposed he paid the railways as much as any man in the country, but he never received a single pennyworth from the department except it was according to the Act. Although he paid the largest amount of any person in the country for freight on the railways, he had always received redress when he had complained to the Commissioner.

THE COMMISSIONER OF RAILWAYS: In regard to freights, he had just taken out the difference between the freight rate in this colony and that in other colonies of Australia. Taking the rate for the first-class, mentioned by the hon. member (Mr. Gregory), the rate for general merchandise, such as iron, timber, and so on, the classification being almost similar throughout Australia, he found the comparison came out thus: In South Australia, the lowest of the lot, the rate was £4 1s. 3d., Western Australia £4 2s. 8d., Victoria £5 7s. 10d., Queensland £5 6s. 6d., and New South Wales £5 5s. 6d.; so that all the colonies had a higher rate than this colony and South Australia. Then in the second-class the rates were—South Australia £6 10s., Western Australia £5 3s. 8d. (being lower than the colony mentioned), Victoria £7 3s. 5d., Queensland £7 16s., and New South Wales £6 11s. In the third-class, in which a great many goods were carried, the rate was—South Australia £8 0s. 6d., Western Australia £7 12s. 4d., New South Wales £9 2s. 6d., Victoria £10 3s. 7d., and Queensland £11 3s. 7d., being 30 per cent. higher than in this colony. Therefore the rates charged in this colony, as he had said in his previous remarks, were more favourable to the people of this colony than the corresponding rates in other colonies, and these figures showed there was no proper ground for complaint. If persons who complained of the rates here had to pay the rates charged in Queensland, they would have to pay all round a rate 50

per cent. more than they paid to-day in Western Australia.

MR. ILLINGWORTH (Central Murchison): It was not his intention to speak at length on the Railway Estimates, because what he had to say would be better said on the Loan Bill. Since the question of rates had been raised, and having a strong feeling in regard to the question, he would express his conviction, though perhaps an unpopular one, that all the Railway Departments in Australia had been practically ruined by attempting to follow the producer in the cry for low rates in carrying local produce. There was not a Railway Department in Australia that was paying 4 per cent., and some not paying 2 per cent. A good deal of this had arisen through the Government of the day in one or other of those colonies yielding to the popular clamour, and carrying so-called local products at prices absolutely unremunerative to the Railway Department. He hoped the railways of this colony would be conducted on commercial principles, and be made to pay. Last year's return showed that the actual cost of conducting the railways in this colony on the present rates of carriage was 70 per cent. of the revenue earned, and a little more. Hon. members knew that the rates which were remunerative were those ruling between 55 and 65 per cent. of the working expenses; also that the actual profits from rates in Western Australia, the cheapest railway system on the continent, was only 4·55 per cent.; and he agreed with the member for East Fremantle in the conclusion that this good result had been obtained this year by some starvation of the Railway Department. What he wanted to emphasise was that these railways, constructed at large cost, must be made to pay. He had no objection that the department should, to a limited extent, encourage local production by carrying goods at cost price, but never below that; yet clearly, if the department carried a large proportion of the goods at actual cost price, the railways would be an absolute loss to the State. Railways should always be run to pay, and though he knew this was an unpopular doctrine, he must assert it in this House, and on that point he agreed with the member for West Kimberley (Mr. A. Forrest). He knew that in the

district he (Mr. Illingworth) represented, as well as in other parts of the colony, the people were formerly glad to pay £24, £36, up to £50 a ton for the carriage of goods before railways were constructed, and people were grateful to get them carried at those prices under the circumstances prevailing. Yet as soon as railways were made by the Government, and goods were carried at £5 or £6 a ton, there was an outcry against the department for what were called "excessive charges." This was an unfair state of things. In a colony like this, where there was no end of work to be done and no end of railways required to be constructed—

MR. MORAN: The hon. member had better change places with him.

MR. ILLINGWORTH: When the department formerly could show they were paying the whole of the working expenses with interest and sinking fund on the capital invested in railways and were adding a large sum to the revenue, no complaint could be made; but even then the inequalities in charges of which the member for North Coolgardie (Mr. Gregory) had spoken were really a cause of complaint, and were so still. He did not understand that hon. member to desire the Railway Department to run traffic at a loss.

MR. GREGORY: Decidedly not.

MR. ILLINGWORTH: He understood him to complain of inequalities in charges. When £150,000 of profit was transferred from the Railway Department to the exchequer in this country two or three years ago, the same kind of inequalities existed, and were open to complaint; and yet some goods were carried on the railway then at an absolute loss. Goods were being carried now at a rate that did not pay the cost of carriage, and while that was so, inequalities must of necessity take place. He wanted the Government to realise that when dealing with railways they were giving the public absolutely a full return for the money received; and this cry that was going on, and which went on in every country, though not as bad here as in other colonies of Australia—and he spoke after having had some experience of the effect of this kind of thing—we must guard against this cry for cheap carriage, because

it meant that rates would go down till railways were run absolutely at a loss. The department should charge for the work done, and charge also some proportion of the cost of railway maintenance and rolling-stock. If the railway system was to be conducted on a business basis, we must expect the return to be such as would give some distinct profit. The railway from Perth to Kalgoorlie, for instance, was made in troublesome times as far as traffic was concerned, and the rails laid down were of a light and cheap kind; but hon. members knew now that those rails were not sufficient for the present weight of traffic, and that in order to do justice to the railway system, the line from Perth to Kalgoorlie should be duplicated with heavy rails; and this being the most pressing want at the present time, it ought to be done before a single mile of additional railway was laid in any other direction. Duplication would enable the department to run the traffic at a cheaper rate, and it would be time enough for people on the goldfields to ask for a reduction of rates when the traffic could be run at a distinct profit. He did not think the mass of the people on the goldfields desired that the Government should conduct the railway system in such a manner as to involve the country in a financial loss, because the people of the colony would have to pay that loss in the end; and unless we could show, and continue to show, that the railways were yielding an absolute profit and were not a burden to the State, we could not expect the people to consent to further extensions of railway. Extensions were wanted, of course; but we must establish our line first, and he was quite in harmony with the remarks of the member for East Coolgardie (Mr. Moran) as to properly providing for the traffic from Fremantle to Kalgoorlie. Whatever outcry there might be in the country or on the goldfields for the reduction of railway rates, he hoped the Government would resist that cry for reduction, and would maintain such rates as would not only cover the actual cost of work, but pay interest and sinking fund on the capital invested, while also making such a provision for the improvement of existing lines as would put them on a sound basis. Within those limits, and those limits only, let the department

reduce the rates as much as was practicable. He did not expect the railways to become a large source of profit to the State, but they ought not to be a loss; whereas if they were run at the present cost, wearing out the rails and road and rolling-stock, while not yielding a sufficient revenue for proper maintenance and other necessary charges, the business would be run at a loss. The people ought to be content, but he was afraid they never would be content. There was some room for the department to equalise the rates, and get rid of some of the friction in reference to differential rates. He did not think it necessary to follow the rates of other colonies, and, in fact, the further we kept away from those rates the better. The rates here should be fixed on a paying basis. He must also express his conviction that the member for East Fremantle (Mr. Holmes) deserved good of his country and of this House for bringing forward a number of things in reference to railway management, and which had caused unrest in the public mind. The hon. member had given the Commissioner an opportunity of replying, explaining, and practically apologising for many things which had occurred. He (Mr. Illingworth) also sympathised with the Commissioner in his explanation, which showed there had been a large amount of traffic to handle under difficult circumstances; but while this was a reasonable excuse, it cast no reflection and was no denial of the charges made by the member for East Fremantle. Hon. members generally were conscious of worse things than these in regard to the department, but it was not desirable to bring out everything. Enough had been said to put the department on its mettle. Taking the department as a whole, it was the best-managed railway department he knew of in Australasia; and while he had often said so, he did not make the remark this year with as much satisfaction as he had made it in previous years. The present was a dangerous time in our railway history, as the department were probably aware; and he looked with some anxiety and with a considerable amount of hopeful expectation to coming years, to show that some of the dangers now surrounding the department would be removed, and some bad management remedied. Throughout Australia the

largest portion of the wealth of the State was sunk in the railways.

MR. GEORGE: In the other colonies the railway management was free from political influence.

MR. ILLINGWORTH: It was not certain that political influence was not the best thing. With railways managed by a board, years might elapse before Parliament found out how matters were proceeding. But with a Minister responsible to Parliament there was a chance of effective criticism. All the accusations made by the Opposition against the Government faded before the statement made by the member for West Kimberley (Mr. A. Forrest), that the Commissioner of Railways was the biggest fool in the world. No Opposition member had ever descended so far as to say that, not even the member for Albany (Mr. Leake), who was so often reproached by the Premier for the language used to the Government. The point which required emphasising was the absolute necessity of running these lines on commercial principles, one half of our revenue being derived from the railways. Let the Government do what the Opposition had urged again and again: divide the management of the two departments, the railways and the works. The need for this was even more pressing now than in years past. It was time the Commissioner was relieved from the control of the Works, not so much for the sake of the Works Department as because of the absolute necessity for greater watchfulness over the Railways, that largest of the spending and earning departments. He (Mr. Illingworth) hoped the time would come when the profits from the railways would pay the interest and the sinking fund on the whole of the colony's public debt. That project had occupied his thoughts for years, and he would never be content till, by increased profits from the railways, that end had been attained, for when it had been achieved, then the colony's financial condition would be satisfactory, and this was the best reason why the Works and the Railways Departments should be separated, so that the Commissioner could give his whole attention to the Railways; and this was the opinion of nearly everyone who came into contact with the Railway Department. In doing justice to that depart-

ment, one man, no matter how able or energetic, would have his hands full; and when the railways found themselves with a profit of 4.55 and an expenditure of 70.99, they were in dangerous country.

THE COMMISSIONER OF RAILWAYS: The expenses had been reduced by an additional 6.

MR. MORAN (East Coolgardie): The address of the last speaker (Mr. Illingworth), the great financial authority of the Opposition, must be particularly gratifying to the Government and the Commissioner of Railways. He (Mr. Moran) had not expected anyone to say that this colony's railway system was the best managed in the whole of Australasia, yet the hon. member had made that sweeping assertion.

MR. ILLINGWORTH said he had expressed it as his conviction.

MR. MORAN: It was pleasant to see such a dose of healing ointment administered to the Commissioner; though after this display, one could hardly believe there was such exact cohesion between the members of the Opposition as might be expected. The member for East Fremantle (Mr. Holmes) had said some very harsh things about the railways.

MR. HOLMES: Opposition members had opinions of their own, unlike Government supporters.

MR. MORAN: Probably those opinions were retained by their owners, because no one else cared to take them away. Here were two leading authorities of the Opposition, of whom one said that the railway system of Western Australia was a public scandal, while the distinguished and much more experienced authority said that the system was the most perfect in Australia.

MR. HOLMES: Was there any authority for saying that the other systems were perfect?

MR. MORAN: One statement was from a junior member of the House; the other from a member who had had the honour of sitting in the Victorian Parliament. The country would appraise the true value of the two statements. Before the hon. member (Mr. Illingworth) spoke, honours were easy in the debate; but his speech had given the Government a distinct advantage. However, the hon. member, in maintaining that railways

must always pay their way, differed from almost all Australian politicians.

MR. ILLINGWORTH: And therefore other Australian railways did not pay.

MR. MORAN: Quite true. Nevertheless, no prominent Australian politician had supported the theory that railways should be commercial concerns. On the contrary, railways were looked on as national enterprises for the development of the country's resources. At what period in the colony's history should its railways begin to pay—in the first, second, or third year? Had not the hon. member heard of an instance where it was the highest political wisdom to encourage trade by giving low rates?

MR. ILLINGWORTH: Such an instance as the Greenhills railway.

MR. MORAN: Was no line to be built unless it paid immediately? If so, the hon. member at once discarded the theory that the object of building railways was to encourage settlement. The hon. member said: "Let there be as cheap rates as possible, but never below a paying price," and he also said he would give differential rates for different classes of goods, slightly encouraging local produce, provided the rate did not involve a loss to the railway; that for a limited quantity of such produce there might be a differential rate. But in that case other goods must be carried at much more than a bare paying rate; therefore, according to the hon. member's theory, a large profit would be made from the railways. From that theory he (Mr. Moran) differed. The hon. member would carry nothing below cost price, and would carry foreign goods at a rate largely exceeding cost price, so as to make the railways pay working expenses. But it was sufficient to keep the finances of the country in a fairly sound condition, and to leave the increased population which must result from a liberal railway policy to take over an extensive railway system, and a public debt which was not too heavy for a large population to bear.

MR. ILLINGWORTH said he would like to leave posterity something better than a big national debt.

MR. MORAN: Posterity had no votes just now, and was a much quieter factor in Parliament than any portion of the population. The Kalgoorlie district had figured prominently in the debate.

Though he was not satisfied that the traffic arrangements were carried on with adequate celerity, he was yet pleased to see the Commissioner prove the Western Australian railway rates were lower than those of any other colony, save perhaps South Australia. There was no room for public agitation of that question. Some little alteration might be made in freights on articles like galvanised iron, so largely used for goldfields buildings. But he would rather pay £1 per ton extra on his potatoes and get them on the day they were expected, than have them carried for £2 less, and delivered a week late. That was where the shoe pinched in Western Australia. It was not the rates charged, but that the rolling-stock was not able to carry the traffic, and on the goldfields a person could not rely on getting a truck of goods there within a specified time. In that respect he could not agree that the railway system was on a thoroughly satisfactory basis. He was not blaming the department, but Parliament, because we did not give the railway department sufficient rolling-stock, and he was blaming the Government that they were heaping on the railway department more work than the department was able to do before the permanent way had been made in a proper manner on the main road from here to the great centres of population. Let the main railway lines be laid with heavy rails and put in good order, and then go in for the construction of new railway lines. Until the lines were put in order it was not possible to use the track, on which the traffic was constantly being bogged. The traffic on the goldfields lines was going to increase so largely that the line would be blocked, and then the Commissioner of Railways would be the man in this country most to be pitied. It would be impossible with a single track to undertake the work which the line would be called upon to perform. To-day the track was not safe, if trains ran above a certain speed the rails were not fit to carry the trains.

THE PREMIER: Then do not go so fast.

MR. MORAN: Why not lay the line with heavy rails?

MR. GEORGE: And a wider gauge.

MR. MORAN: That could not be done at present. The Government might

consider the advisability, when duplicating the line to the goldfields, of laying down the second line on the wider gauge. He could not agree that the railways were in a satisfactory condition, because they were not able to receive goods and deliver them in anything like a specified time.

THE COMMISSIONER OF RAILWAYS: There would be an improvement when all the alterations had been carried out.

MR. VOSPER (North-East Coolgardie): It was somewhat embarrassing to follow a member of the Opposition who, like the celebrated Scriptural character—he did not know whether it was Balaam, or Balaam's ass—came to curse and finished by blessing. He intended to confine himself to details and to reply to certain remarks made by members opposite, because he did not know a great deal about finance. The member for West Kimberley told members that he was sorry that members on the Opposition side were so devoid of patriotism. The form of patriotism which was so commendable to the member for West Kimberley was the looking after affairs at one's own door rather than looking after the affairs of the whole of the colony. The goldfields contributed as much revenue to the colony as any other portion of the community, and one of the claims made by the goldfields people was that the railways, although built on the credit of the colony, had been paid for by the goldfields people. The railway was built at a low rate, and the people on the goldfields were penalised to make up the deficiency. The people paid double and treble the rates that should have been charged, and they were taxed for the construction in the early days of the railway, in a manner that no one had been taxed before or since.

THE COMMISSIONER OF RAILWAYS: It was a great advantage to get their goods.

MR. VOSPER: The people paid "through the nose" for them. The principle enunciated by the member for North Coolgardie was a right and just one. The railways of the colony should not be made a species of surreptitious custom-house. He believed that goods produced in the colony should be carried at a cheaper rate than those produced elsewhere. The customs tariff was settled

by Parliament, but the railway rates, which went to supplement the customs revenue, were decided without the aid of Parliament, on the caprice of a Minister or the Cabinet, which was not wise or judicious. The member for West Kimberley desired to carry the principle further. He would abolish the customs duties, and instead derive all the revenue for the Government of the colony from the railways. One did not suppose the member for West Kimberley thought seriously of the effect this would have. The people in the South-Western district and on the coast would escape scot-free from taxation, while the people in the inland districts would have to contribute all the taxes. The landowner, the city man, and the coastal population would escape, while people in the inland districts would have money continually extorted from them. That was a principle which was too preposterous to bear serious consideration. He (Mr. Vosper) was asked whether he would be likely to support the idea of goods coming from all parts of the world—China and Japan were cited—to compete with the goods made in this country. Galvanised iron, nails and oil, and such like goods did not come from Japan. The complaint on the goldfields was that the Government charged prohibitive rates on goods that could not be manufactured in the colony, and which no attempt had been made to manufacture.

THE COMMISSIONER OF RAILWAYS: A ton of iron would roof a very big house.

MR. VOSPER said he was not dealing with how much iron it took to roof a house. If we assumed that the railway rates were framed with a view of obtaining revenue, it was all right. The principle underlying the railway tariff was encouragement to the local article; but some goods, for which prohibitive rates were charged, were not local articles.

THE PREMIER: A heavy rate was charged for the carriage of gold.

MR. VOSPER: Why?

THE PREMIER: Because it was more valuable, and the more valuable the article the more freight was charged; the cheaper the article the lower the freight.

MR. VOSPER said he was trying to arrive at some principle on which railway rates were based, and it had been said that the rates were framed to assist local

production. But galvanised iron, and nails, and such like articles which were used for building purposes, were not locally produced. The complaint was made that the goldfields people were a migratory population, and that they would not build houses or bring their families here. The old rate for galvanised iron was £2 7s. 2d., suddenly it was raised to £4 2s. 8d.: what the Commissioner's motive for raising the rate was he could not say. The object should be to encourage the people to build and become permanent settlers on the goldfields. With regard to the higher rates in the Eastern colonies, it had been asserted that the railway lines in this colony cost less to construct than those in the Eastern colonies, and in this he found some clue to the difference in the rates. If it had cost this colony so much less to build the railways, the total interest on the capital cost must be correspondingly less. The railway lines in the Eastern colonies cost more, in the first instance, and then there were a large number of political railways which we had not seen much of in this colony, although we had seen some; and in order to pay interest and meet the obligations, the railways of the Eastern colonies imposed higher rates than were charged here.

THE COMMISSIONER OF RAILWAYS: In this colony the cost of working, in consequence of the higher cost of coal, was 15 to 18 per cent. more.

MR. VOSPER: That argument was not adduced by the Commissioner when speaking. It must be admitted that the freights of this colony compared favourably with those of the Eastern colonies; but he contended that although the working expenses here were greater, the upkeep in the Eastern colonies must be greater. The railway lines in the other colonies ran over big rivers, which necessitated the construction of large bridges, and there had to be viaducts over ravines; therefore the lines must cost more to maintain than the railway lines in this colony. That would justify the railway departments in the other colonies charging more than was charged here. What justified the railway departments in the other colonies would not justify the railway department here. The member for Central Murchison told hon. members that railways should be made to pay at

once. Railways could be made to pay in two ways: by getting more revenue from them than it was necessary to spend on them; but the question arose whether in straining every nerve to obtain that profit was not the Government sacrificing a more substantial profit which might be found in the development of the country. The true policy of the railway department in this or any country was to take a middle course, not to reduce freight below the cost of running the railways, but to take care and avoid anything like extortionate rates. The railways should be made to pay the interest and the contribution to the sinking fund, and anything above that was money taken from the pockets of the people.

THE COMMISSIONER OF RAILWAYS: What about providing for depreciation as was pointed out by the member for East Fremantle?

MR. VOSPER: That would have to be done. Any concern, run on anything like commercial lines, would have to do that. The railways should be conducted on commercial principles, but the Government should not ride that hobby to death. The complaints on the goldfields were not so much as to the rate of charges, but rather in regard to the differentiation between different goods and different localities. The incidence of the railway rates fell more on the goldfields than on persons in other parts of the colony, and people on the goldfields therefore felt a sense of unfairness when they saw the light export rates charged on the South-Western railway and on other lines, as compared with the heavier rates charged on goods sent to the goldfields. This difference caused a sense of injustice, that people in other parts of the colony were being favoured at the expense of those on the goldfields.

MR. GEORGE: What was it that was being exported from agricultural districts?

MR. VOSPER said he was speaking of freights to the goldfields.

THE COMMISSIONER OF RAILWAYS: The rates in proportion to mileage were very much greater for a short distance.

MR. VOSPER: There had been complaint made in this House that certain goods were carried too cheaply, and it was pointed out in the annual report that the South-Western railway was not earning enough to pay working expenses,

because of the low cost at which timber and coal were being carried. This was extending too far the principle of making concessions to local industries. He knew it was a ticklish work for the Commissioner to keep a balance between the two extremes, for on the one side there was an over-anxiety to make a profit on the Eastern railway, and on the other side there was too much tendency to grant concessions on the South-Western line for the cheap transport of articles locally produced. In the charges for carrying timber, jarrah was favoured as a local product; and though it was an excellent timber in its way, yet it was heavy and unsuitable for various purposes required in mining, and consequently the imported timbers, such as pine, were almost absolutely essential to the goldfields. The charge for carrying jarrah to the Eastern goldfields was 19s. 1d. per ton, whereas the charge for the lighter imported timbers was £4 2s. 8d. per ton, and that difference was enormous. Oregon pine was more suitable for work on the goldfields than jarrah, and this great difference in charge showed the injustice which was done to the goldfields, for the Government were thereby trying to force the heavier local timber into use on the goldfields, where it was not suitable.

THE PREMIER: The imported timber was much more bulky and occupied more room.

MR. VOSPER: Yes; and he had said so.

THE PREMIER: Then those who required that timber should pay more for carrying it on the railway, because of the greater bulk.

MR. VOSPER: But why should they be penalised?

THE PREMIER: Bulky articles were always charged at a high rate.

MR. VOSPER: The fact remained that the only railway in the colony that was paying was the line to the Eastern goldfields, and it was the only line that suffered seriously from this differentiation in the rates, because it happened that a large proportion of the goods so charged were consumed at the Eastern end of the line. There was no necessity for duplication to make that line pay, but there was a necessity for duplication in order to catch up with the traffic; and if railways are to be extended in other

directions as proposed by the Government, then the traffic to Kalgoorlie would in a year or two be so enormous that it would be absolutely impossible for the present line to carry the increased traffic. The work of duplication should be commenced and completed before any further extension of railways was attempted. With regard to the rates and their effect on ores, he would read an extract from a mining journal published in London, referring to the railway administration in Western Australia, and the effect of charges on the carriage of ores for treatment at distant places. [Extract read.]

THE COMMISSIONER OF RAILWAYS: That was the rate some time ago, but it had been altered, and that grievance had been remedied.

MR. VOSPER: Referring now to the Boulder railway, which was the best paying line in the colony —

MR. MORAN: Nothing like it in the world.

MR. VOSPER: It had a larger passenger traffic, he believed, than any other line in Australia.

THE COMMISSIONER OF RAILWAYS: The rates were very low.

THE PREMIER: They were all "through" rates.

MR. VOSPER: Without referring to rates, he wanted to speak of the danger and discomfort to passengers in leaving or getting on a train upon the Boulder line, for there were no platforms and no station accommodation when he was last there. Accidents were of frequent occurrence, and the only marvel to him was that they were not more frequent. The Boulder line deserved better station accommodation.

THE COMMISSIONER OF RAILWAYS: Immediate steps would be taken to provide that.

MR. GEORGE (Murray): After listening with pleasure to the member for Central Murchison (Mr. Illingworth), and agreeing with much that was said, he (Mr. George) wished to speak particularly about the duplication of lines to the goldfields before further extensions of the railway system were proceeded with. He could not agree with those members who advocated that line of policy, because the duplication being once started, the effect must be that the already crowded line would have to bear even more traffic,

because there would be more sleepers and more rails to carry for the duplication, thus causing a greater congestion of traffic than at present. There was also the congestion that would result from the conveyance of pipes for the goldfields water scheme, although he had no doubt the railway management would be able to cope with them. Reference had been made to speed on the light 45lb. rails which were laid over a considerable portion of the Eastern Railway. These light rails were capable of carrying a considerable bulk of traffic, if trains were not run at too great a speed; and it was unfair for hon. members to grumble at delays in the carriage of goods, when they knew that to expect a great speed over these light rails must result in disaster. Therefore the two things would not run together. We all wanted to make the railways pay, but the Government at the same time should provide facilities for the people in the country. We were drifting into the same quagmire as the other colonies fell into, that was the danger of political interference in railway management, not only as to rates, but also as to the discipline among railway servants. It was an open secret that in connection with some portion of the Railway Department the men had openly boasted, not only in public meetings but in their documents, that they could approach hon. members and get them to support almost any claim they liked to press on the Government. It was time for this House to set its foot down firmly, and say that if hon. members would allow this to be done for any body of men, the time had come to take the railways away from the Government management and place them under the management of men who would be free from any such influence. In the old country it used to be the cry, in the Midlands district especially, "How much better we would be if the railways were under the Government!" But since he (Mr. George) had been in these colonies and seen railways run under Government management, he had been forced to the conclusion that it was not good for a country to have the railways so managed, for this system stifled competition and made an opening for the worst kind of political log-rolling. He must protest against any members taking up matters without making a full

inquiry about them, as had been done this session and last. It was not good for the discipline and *morale* of the service, and not good for this House or for the country, that such a practice should go on. One hon. member (Mr. Vosper) spoke of people on the goldfields having been penalised by the contractors during the construction of railways; but he (Mr. George) must tell that hon. member and any of the people who had spoken outside on this question, that they had no right to speak of having been penalised during the construction of railways, because before railways were made to the goldfields the people there were paying very high rates for the carriage of machinery and other goods, and they made no serious complaints at that time, yet when the Government commenced the construction of railways and contractors carried out the work, some people began to complain that the rates charged by the contractors were excessive, and that the people were being penalised. He must tell hon. members that only in exceptional circumstances, such as those prevailing at the time when the railway was extended to Coolgardie, was it possible for the contractors to make any profit out of the traffic during construction, for such traffic as came during construction was usually more trouble than it was worth. He would remind the hon. member (Mr. Vosper) that those persons who had to pay the contractors what were called penalised rates, were really saving a considerable sum of money on the goods carried during that period, as compared with what they would have had to pay if that railway construction had not been undertaken. He did not believe the goldfields generally wanted members to make such unreasonable complaints in this House. With regard to the differential rates charged as between goods produced in the country and goods imported, he would point out that the most enlightened colony which members often referred to, New Zealand, was about the greatest sinner in this respect among all the colonies, for the railway rates charged in New Zealand were greatly in favour of articles locally produced as against articles imported into the colony, and this was on the top of a customs tariff beside which the tariff here would seem absolutely generous.

How the scale of freights was made up was the business of the department, and the idea of calling the Commissioner to account because the freight on a certain article was slightly higher here than in another colony was bringing Parliament into contempt. This carping at trifles in connection with the railways would destroy all the loyalty of the managing officers to each other and to the country. Let hon. members put themselves in the places of the railway officers: could men who were being pin-pricked so often feel loyal to their employers? The importance of the duties of those officers was not sufficiently considered. Though hundreds of miles of new lines had been laid, the salaries were the same now as two years ago, and were such as in the old country would only procure men of very inferior ability. Admittedly the railways were well and carefully managed; but from the general manager downward the salaries were insufficient, and that complaint could reasonably be made throughout all the Australian colonies. Those in power appeared to have no idea of the value of the services of such officers. Take the office of the Locomotive Engineer, without referring to its present holder. A salary of £800 a year for such a responsible officer would never be dreamed of anywhere else. Even on one of the smaller British railways, the position would be worth £1,500 or £2,000 per annum. Of the Chief Traffic Manager and the Engineer of Existing Lines the same might be said. The remarks he had made when discussing the salary of the Engineer-in-Chief would apply to those officers. Until the higher salaries had been increased, nothing could be done to adequately remunerate the rank and file.

MR. WILSON: The startling theory of taxation advanced by the member for West Kimberley (Mr. A. Forrest), that all taxes should be paid by the railways, was just as refreshing as that gentleman's conversion to free-trade, which appeared from the statement that he would abolish the customs tariff. Although a supporter of free-trade as far as such was possible in a new country, he (Mr. Wilson) could not agree with the hon. member that the railways should bear all the taxation of the country. Regarding differential rates, though the South-Western Railway had, during the last year,

been worked at a loss, that loss had not been made altogether for the benefit of the producers along that line.

MR. ILLINGWORTH: That line had been feeding another line.

MR. WILSON: True. Taking the timber traffic on that railway, it must be remembered that the railway freight was always added to the cost of production, and that the consumers who were crying out about high freights to the goldfields reaped the advantage of the loss incurred by the South Australian importers to this colony. Though the same argument might perhaps be applied to the coal industry, yet as the local coal had to compete with firewood on the fields, a preferential rate might in its case fairly be granted. Though interested in the timber trade, he was quite prepared to welcome an additional rate on local timber in order that the railways might be made to pay. Such rate could not affect the timber companies, and the Committee would be justified in seeing that such goods were not carried at a loss.

MR. DOHERTY: Were they so carried?

MR. WILSON: According to the Commissioner they were. With regard to the export trade, a different view must be taken, inasmuch as the timber or coal exported had to compete with foreign markets, and it was therefore a question whether we were justified in making a loss on our railways to enable local producers to compete with foreigners having the advantage of cheaper labour and better facilities for production. The hon. member (Mr. Gregory) had said that the rates on Oregon pine were too high as compared with the freight on local timber. However, there were 700 super. feet of Oregon to the ton, whereas there were only 360 super. feet of jarrah; so the rate on Oregon must be doubled to be fairly compared with that on jarrah. If, as stated, the rate on jarrah were 19s. 1d. per ton, that was actually 38s. 2d. as against £4 2s. 8d. on Oregon, and the local timber was being carried at half the rate charged for the imported article. That, again, was a question of policy, and protectionists must admit the justice of the principle. If a customs duty on an import were fair, a preferential rate to local products on our railways was equally unobjectionable. It was regrettable that

the debate this evening should have taken such a personal turn, and especially regrettable that the Commissioner should have characterised certain remarks of the member for East Fremantle (Mr. Holmes) as due to personal spite. Such charges were unbecoming to the dignity of the House, and were especially out of place when coming from a Minister. He (Mr. Wilson) did not believe the hon. member's charges were brought forward spitefully, and that insinuation should either be proved or withdrawn.

THE COMMISSIONER OF RAILWAYS: Someone else had said the charges were made in spite, and he (the Commissioner) had said, "Yes; I suppose they are."

MR. WILSON: The Commissioner had said he knew the charges were made in spite. The complaints brought forward were matters of deep concern to Parliament and to the country, and should be treated in a serious spirit with a view of sifting them to the bottom. He had been disappointed by the Commissioner's explanation with regard to Millar Brothers' truck hire, and could not reconcile the statements of the Commissioner made to-night, and those made by that Minister the other evening.

THE COMMISSIONER OF RAILWAYS said that on the former occasion he had thought the hon. member had been dealing with the question of demurrage instead of with the question of running trucks over the company's lines.

MR. WILSON said he was still unable to reconcile the Commissioner's statements, for he had distinctly asked the Commissioner whether Messrs. Millar Brothers did not pay the same rate per truck as other companies were charged. The Commissioner replied, "Yes." To-night he (Mr. Wilson) found that a circular had been issued to the effect that Millar Brothers were to be charged the 1s. 3d. rate per four-wheel truck. That order was in force for about a fortnight or three weeks, and was then withdrawn. Subsequently he found that Millar Brothers were not being charged at all; that they had a certain number of trucks running on Government lines, and that the Government permitted a certain number of trucks to go up Millar Brothers' line. Why had not other companies the same privilege?

THE PREMIER: They had not sufficient trucks.

MR. WILSON said that his company always had the trucks: they had 68 trucks—quite sufficient for the distance traversed. There was no obvious reason for the tariff being departed from in the case of Millar Brothers, and the Commissioner had given no explanation. Would Millar Brothers have demanded an alteration unless they had wished to make a profit out of the department? He was not blaming that company; and with regard to the Commissioner's remarks about the Canning Jarrah Timber Company, he would say that so long as he was managing that company he would make the best bargains he could with the department.

THE COMMISSIONER OF RAILWAYS: Why drag these paltry details into the House?

MR. WILSON: But when he entered the House as member for the Canning, then he would take the department to task when they had done wrong by giving any customer, even his own company, an undue preference.

THE PREMIER: Surely the hon. member would not tell tales on himself?

MR. WILSON said he would certainly support any complaint made in regard to his company having had an undue preference.

THE PREMIER: But the hon. member would not take an undue preference.

MR. WILSON said he would take any preference he could get in a fair and above-board business arrangement with the Commissioner. These complaints of the member for East Fremantle (Mr. Holmes) were neither trivial nor paltry, for the abuses, if continued, were calculated to disorganise and demoralise the whole department. The Commissioner had the temerity to say that he (Mr. Wilson), at Dardanup, had received some concession with regard to trucks. The Commissioner well knew that the cases were not parallel. At Dardanup his (Mr. Wilson's) company were constructing a railway which ran for half a mile within a Government fence, and the trucks carrying the material, a considerable portion of which had been purchased from the Government, were shunted on to the new line in order to get clear of the station yard so as to get outside of the

railway fence to the company's own yard. There was no parallel between that case and a question of running trucks continuously over the Government line for the sake of profit.

THE COMMISSIONER OF RAILWAYS: The principle was the same.

MR. WILSON: There was no analogy. In one instance an arrangement was made for the purpose of a profit. In the case of the Canning Jarrah Company, the Government were simply carrying trucks a certain distance along the line for the mutual convenience of both parties.

THE PREMIER: Surely the department were capable of driving a good bargain with Millar Brothers?

MR. WILSON: As a rule, the officers were only too capable in that respect. Here was an instance in a matter of storage of machinery, which the Commissioner had been unkind enough to bring forward; and it was calculated to create an impression in the country that an undue advantage was given to the company. As to the storage of machinery, the Commissioner said that he (Mr. Wilson) had asked for a certain rebate. He did ask for a rebate. One shilling per ton per week was charged for the storage of machinery, which amounted to £500 or £600, and he (Mr. Wilson) maintained that the charge was too high.

THE PREMIER: Other people were charged that amount.

MR. WILSON: No; he found other people were charged 6d. per ton per week. The Commissioner saw the justice of the claim, and reduced the amount to 6d. per ton per week. He was not satisfied yet that other people were not getting their storage even cheaper. He tried to get the amount further reduced, but the Commissioner would not reduce it, and now his company had to pay, not a concession, but the rate which others were paying. In the first instance the railway department endeavoured to get from his company more than others were paying. There was nothing wrong in his attempting to get the amount reduced.

THE PREMIER: The hon. member agreed to pay 1s. per ton: why did he not stick to that agreement?

MR. WILSON: Because everybody else was paying less. As to the matter of rolling-stock, the member for East Fremantle, when speaking on the ques-

tion, stated that the rolling-stock was being maintained out of loan moneys, but that the department, through not maintaining the rolling-stock, but replacing it with new stock, were keeping up the supply at the expense of loan funds. The Commissioner of Railways had said that the locomotives were not repaired this year on account of the want of accommodation at the railway workshops and not on account of the want of funds. The report of the Locomotive Engineer did not bear the Minister out. It stated :

I had proposed that a larger number of engines should have been repaired during the past year, but in consequence of our estimates for this work being reduced, I have been unable to do so. In consequence of this, we have now a larger number of engines awaiting repairs than is desirable, and I am somewhat concerned as to how we are, with our limited workshop accommodation, to overtake the repairs necessary, and at the same time meet the constantly growing demands of the Traffic Branch for power.

It was the want of funds which threw the Locomotive Engineer into arrears with his repairs to locomotives, and then with the limited accommodation in the workshops he feared that he would not be able to overtake the repairs. This brought him back to the oft-advanced argument in regard to the railway workshops : why was not the vote of Parliament carried out, and the new railway workshops at Midland Junction commenced ? The Government were penny wise and pound foolish in trying to carry out the work at Fremantle, in spending tens of thousands of pounds which would not have been required if the workshops had been built years ago at Midland Junction. The Engineer-in-Chief estimated that the workshops at Midland Junction would save £15,000 per annum to the Railway Department, and that expenditure had been going on for four years ; therefore £60,000 had been wasted through keeping the workshops at Fremantle, where the department were getting into a state of disorganisation with regard to rolling-stock. It was a matter of serious moment, and if it was not remedied very shortly we might expect a state of chaos in regard to the traffic, possibly greater than the block which occurred at Fremantle years ago. The Engineer-in-Chief said, in regard to the engine stock :

I have already stated that this expenditure was less than I had proposed, and knew to

be necessary. The effect of this minimised expenditure shows itself chiefly to-day in the condition of our engine stock, which, as I have said, is causing me some concern.

The engine stock was in a very bad condition at the present time.

THE PREMIER : Why was the rolling-stock not kept in a better condition ?

MR. WILSON said he knew more about locomotives and engineering than the Premier did, and no one, however capable he might be, could possibly keep the rolling-stock in order with the facilities at Fremantle. The sooner the Government decided to give effect to the resolution of the House and start workshops at Midland Junction, the better for the country.

Vote for Railways put and passed.

This completed the ordinary Estimates for Railways.

PUBLIC WORKS DEPARTMENT (Director, Hon. F. H. Piesse).

Vote, *Public Works*, £157,369 :

MR. WILSON : The only matter he wished to refer to in connection with this vote was the method of calling for tenders for public works, with a view of inducing the Commissioner to alter the present system. Tenders, with the exception possibly of the larger works, such as railways, were put into a box at a certain hour, and that box was supposed to be opened by the Under Secretary himself. Sometimes it was opened by the Under Secretary and sometimes by a subordinate two or three hours before the result of the tenders was announced to the public. No doubt everything was right, and he did not insinuate it was not, but it certainly gave good ground for suspicion to outside contractors. The contractors said they did not know what became of the contracts, and that it was very easy for a clerk to be in collusion with a contractor, slip out and change a tender which was too high for one which would fit the work. The system which was adopted in the other colonies, of opening tenders in public and declaring the lowest, should be adopted here. In South Australia all the tenders were opened before a board consisting of certain officers.

THE COMMISSIONER OF RAILWAYS : There was a board here of three members.

MR. WILSON : Why should not the public go into the room and see the tenders opened ?

THE COMMISSIONER OF RAILWAYS : The public did when big works were tendered for.

MR. WILSON : There was another matter which caused a great deal of complaint as to the tenders for stores two years ago, more especially with regard to piles. He understood the lowest tender was not accepted, but that the tender of the Gill McDowell Company, who got the supply at all-round prices, was accepted : other tenders were put in at average prices. Now, orders for piles were being sent to outside companies at higher prices and some at lower prices than those which the Gill McDowell Company were getting. This matter ought to be inquired into. He had in his possession a tender which was lower than that accepted from the Gill McDowell Company. These tenders should also be opened in the presence of the public, and the lowest tender, if from a suitable person, accepted.

THE COMMISSIONER OF RAILWAYS promised to look into this matter, and see if he could meet the wishes of the hon. member.

MR. MOORHEAD suggested that the terms of contract for any work should be submitted to some legal authority for revision. With reference to the building of railways, very absurd claims were made to the department for extras, which he thought must be owing to the contracts being loosely drawn in many instances. If the Government spent £10 or £20, the contract could be drawn by a legal authority, which would obviate this trouble. He also suggested that a minimum sum per mile be fixed in all railway contracts. It was absurd to say that the residents of the goldfields had not been taxed for the building of the lines by reason of the low price of the tenders. It was a notorious fact that tenders for the Coolgardie line and the Mullewa to Cue line were not based on the cost of construction of the line, but what could be extracted from the residents on the carriage of machinery and passengers. A section of the community really paid for the construction of these lines. All members agreed that these being national undertakings, the population at large should bear the expense of construction. The hon. member for the Murray had said that the

people on the goldfields got their goods cheaper, therefore they ought to be able to bear the cost : that was not an argument which appealed to members. At the time of the construction of the Mullewa to Cue line, when the line reached Magnet, which was 20 miles from Cue, people at Cue were carting their goods from Mullewa in preference to having them brought to Magnet by the railway. He urged upon the Minister that in view of the large policy of railway construction in front of the colony, it would be advisable to fix a minimum sum per mile for the construction of a line, allowing a fair profit, the Government regulating the amount to be charged to the public for goods and passengers.

THE PREMIER : That was done now.

THE COMMISSIONER OF RAILWAYS : In regard to the question of the submission of the conditions of contract to some legal expert, he might say that already the department had done their best in this respect, and several of the prominent legal men of the city had given assistance in this direction ; but the same difficulty presented itself in the Eastern colonies that presented itself here. In the Eastern colonies, notwithstanding all the available talent there, legal gentlemen had not been able to draft a contract that would avoid the bringing forward of claims for extras, by contractors. In New South Wales he (the Commissioner) was told that the construction department there had had much difficulty in regard to contractors tendering for certain works with the evident intention of eventually coming down on the Government for extras. A low price was put in for the contract, with the intention of making the bill for extras very heavy subsequently ; and the Works Department in New South Wales had endeavoured to protect the department, and submitted the terms of the contract to legal gentlemen ; but the legal gentlemen did not succeed in drawing a contract which prevented the department being subjected to a great many claims, resulting in loss to the country. As a rule the contractors here made no secret about it, and their object was to make as big a bill for extras as they could. In regard to the suggestion thrown out, in the contract recently made for the construction of the line between Kalgoorlie and Menzies, the Government so far

anticipated the wishes of the hon. member by providing in the conditions of contract that the highest charge made should be 6d. per ton per mile for goods, and 3d. and 4d. per mile for passengers. Taking the rate right through, an average of the carriage at the tonnage rate showed that people in that part of the district got their goods carried at a rate about equal to that which the Government charged. So that they had the advantage of the rate, and the advantage of being able to get their goods carried at a much lower cost than if the railway had not been under construction. The department had endeavoured to meet the wishes of people on the goldfields by limiting the charge which contractors could make for goods carried over the line during construction. In regard to the railway to Cue, the contractor there was not bound by any limit as to the charge for goods during the period of construction, and at one time the contractor charged 1s. 6d. a ton per mile, which was most excessive, and was with difficulty reduced through the action of the department. He agreed that the department should, as far as possible, endeavour to limit the charge; but he could not see how they could carry out the suggestion of limiting the price for the construction of a railway, because the department could not have the advantage of letting the work by tender if there was to be a limit as to the cost per mile.

Vote put and passed.

Public Buildings, £145,440 :

MR. QUINLAN: Referring to the Architectural branch, there were many architects in Perth, some of them excellent men, who would be glad to do work of this kind at the usual commission of $2\frac{1}{2}$ per cent. for supervision and $2\frac{1}{2}$ for construction, making a total of 5 per cent. on the cost of a building. He suggested that as there could not be much requirement for public buildings under present conditions, a material saving might be effected by abolishing this branch of the department, or at least doing away with it to the extent of architectural work for new buildings, which might with advantage be placed in the hands of competent architects to be carried out at the usual percentage on cost, and this might be done by inviting competitive designs for the larger class of buildings.

THE DIRECTOR OF PUBLIC WORKS: With regard to the suggestion just made, he regretted that the report of the Works Department for the year was not already on the table, as he believed it would be next day; but he would quote from it to show that the Architectural staff was not nearly so large now as previously. The number employed in the Architectural branch in the previous year was 91, and the number was now reduced to 36, so that a considerable reduction had been made. He could not promise to reduce the staff further in view of the necessity for maintenance of the large number of public buildings throughout the colony, valued at over a million sterling, and for which some expenditure in the way of maintenance was unavoidable. Last year the buildings undertaken were those which remained unfinished in the previous year, and practically no large new buildings were commenced in the last year. For the present year, however, all the works enumerated were new, and had to be carried out, and therefore the services of the men now employed were really necessary. There was, for instance, the new Supreme Court-house to be erected, and as plans had been prepared and approved by the Judges, and everything was ready for commencing the construction, he intended to invite in a few days a committee of both Houses to confer with him in fixing on a suitable spot for this important building.

MR. WALLACE, referring to Item 71, objected to any further expenditure on the Observatory. He noticed that there were £1,000 for additional buildings and £150 for laying out the grounds, making a total of £1,150 more, in addition to the large expenditure already undertaken on this "white elephant."

THE PREMIER: This amount was only a re-vote.

THE DIRECTOR OF PUBLIC WORKS: Yes; the House voted £2,600 last year, and only £1,600 was expended, so that the £1,000 now asked for was a re-vote.

MR. WALLACE: This institution had not done anything except provide a means by which the member for West Kimberley (Mr. A. Forrest) might be informed as to when it was going to rain on a certain part of his run, and when it was not.

It was not worth while keeping up this "white elephant" for that purpose.

Vote put and passed.

This completed the ordinary Estimates for the year.

Resolutions passed in Committee were reported to the House.

SUPPLEMENTARY ESTIMATES.

On motion by the PREMIER, the Estimates were recommitted for consideration of the Supplementary Estimates, laid on the table this evening.

IN COMMITTEE OF SUPPLY.

Vote, *Departmental Supplementary*, total £24,361 19s. 6d.:

MR. GEORGE: These Supplementary Estimates had not been in the hands of hon. members long enough for consideration. He moved that progress be reported.

Motion put and negatived.

MR. GEORGE, referring to item "Grant in aid of upkeep of fire brigades," asked what were these various grants?

THE PREMIER: They were annual grants inadvertently omitted from the principal Estimates, and were the same as those given last year.

MR. GEORGE objected to the grants. In these Supplementary Estimates the Perth Fire Brigade was not mentioned. Why was no grant given to that brigade?

THE ATTORNEY GENERAL: The Perth Fire Brigade was under a special Act.

MR. GEORGE: To Norseman there was a grant of £50 in aid of upkeep of the brigade, and lower down the list a further special grant of £150.

THE ATTORNEY GENERAL: The special grant was the first vote for such a purpose that had been given to Norseman.

MR. GEORGE: Such a vote was a premium on fires.

MR. CONOLLY: The grant of £150 to Norseman was for the purpose of establishing some sort of water conservation for the prevention of fire. The amount was small in comparison with the sum required, and the municipality would have to contribute largely to provide the balance.

MR. GEORGE: The answer of the Attorney General on this point was misleading. He said this was the first grant given to Norseman, whereas from last year's Estimates it appeared this town had received £50 previously. Were

the Committee to be insulted with such haphazard answers?

THE PREMIER: The special grant was to assist Norseman municipality in providing means for extinguishing fires, the town having already done something for itself in that direction.

MR. GEORGE, referring to item "Improvements to recreation grounds generally," asked for explanation.

THE PREMIER: The grant of £1,000 on the Estimate-in-Chief was insufficient. This money would be spent all over the colony wherever there were public recreation grounds.

MR. GEORGE, referring to item "Purchase of land at Victoria Park for recreation ground, £600," asked: Was no private individual sufficiently patriotic to provide land for such a purpose?

THE PREMIER: No.

MR. GEORGE (after speaking generally on the Estimates during fifteen minutes) again moved that progress be reported.

Motion put and passed.

Progress reported, and leave given to sit again.

ADJOURNMENT.

THE SPEAKER: Before the adjournment, I think it is only respectful that I should mention to the House that I propose, with the indulgence of hon. members, to be absent from the sittings for the remainder of this week. The fact is, I have to attend the annual show at Bridgetown, and I may say it is almost obligatory now for members who represent country constituencies to attend the shows in their various districts; and therefore, with your indulgence, I propose to do that.

On motion by the PREMIER, the House adjourned at 10-50 o'clock until the next day.