

LEGISLATIVE COUNCIL,

Wednesday, 30th March, 1881.

Chief Justice, Attorney General, Crown Solicitor: Number of Appointments to those offices since November, 1879—Supervision of Replacing Buys—Forest Commission—Auctioneers Act, 1873, Amendment Bill: third reading—Message No. 5 (Attorney General's Salary): Consideration of—Message No. 6 (Contract between Government and Messrs. Lilly & Co.): Consideration of—Message No. 8 (Railway Extension and Surveys): Consideration of—Eastern Railway Extension Bill: third reading—Stamp Duties Bill: further considered in committee—Loan Bill, 1881: second reading; in committee—Adjournment.

THE SPEAKER took the Chair at seven o'clock, p.m.

PRAYERS.

APPOINTMENTS TO OFFICES OF CHIEF JUSTICE, ATTORNEY GENERAL, AND CROWN SOLICITOR.

On the motion of MR. STEERE,

THE COLONIAL SECRETARY (Lord Gifford) laid on the Table a return containing the names of the various persons who have performed the duties of the offices of Chief Justice, Attorney General, and Crown Solicitor, from November 1st, 1879, to the end of March, 1881, the date of appointment and resignation of the various officers performing the said duties, and the amount of salary received by each officer whilst in performance of the above duties between the dates before mentioned.

SUPERVISION OF REPLACING BUOYS.

MR. STEERE, in accordance with notice, asked the Honorable the Colonial Secretary: "What precautions are taken, when tenders are accepted for lifting and replacing Buys, to ensure their being replaced in their proper position?" His reason for asking the question was, because he was informed that the buoy at Bunbury had either drifted, or been replaced by somebody, a considerable distance from its proper position, as originally fixed, and that, where it now was, instead of proving of assistance to captains of vessels in following the sailing directions of the Admiralty Surveyor, it was calculated to cause the vessels to run ashore. He thought either the Harbor Master or some other responsible person ought to be required to see that these buoys, when

lifted for painting or repair, were replaced in their proper position as indicated in the Admiralty charts, otherwise very serious results might ensue.

THE COLONIAL SECRETARY (Lord Gifford) replied as follows:—"On March 26, Magistrates at outstations, such as Geraldton and Bunbury, were written to and ordered to have Water Policemen in attendance, provided the man was competent to see the work properly carried out; if not, a competent person was to be obtained. In addition, the Harbor Master makes periodical visits to all outstations to see that the buoys are in their proper position; and he is now under orders to do so when the work is in an advanced state."

FOREST COMMISSION.

MR. CAREY, in accordance with notice, moved, "That an Humble Address be presented to His Excellency the Governor, praying that he will be pleased to cause to be laid upon the Table of this House the Report of the 'Forest Commission' appointed about three years ago." He was not aware whether or not the Commission had ever made a report, or even met, but if they had, he thought a perusal of their report would be interesting to the House.

Motion agreed to.

AUCTIONEERS ACT, 1873, AMENDMENT BILL.

Read a third time and passed.

ATTORNEY GENERAL'S SALARY: CONSIDERATION OF MESSAGE No. 5.

MR. STEERE, in moving the House to go into Committee for the consideration of the Governor's Message (*vide* p. 67, *ante*) relating to the salary of the Attorney General, said His Excellency stated in his Message that the Secretary of State had been led to believe—and not without reason His Excellency thought, from the tenor of some correspondence embraced in a sessional paper referred to in the Message—that it was intended by the Legislature to add £100 a year to the salary of the Attorney General, whoever he might be, and not alone to that of Mr. Hocking personally. Laboring under this belief, the Secretary of State had offered the appointment to

the present Attorney General (Mr. Onslow) at £600 a year, and Mr. Onslow had accordingly come here in expectation of receiving that salary. The sessional paper alluded to in His Excellency's Message, and which it was stated had led the Secretary of State—and not without reason, as His Excellency thought—to believe that it was the intention of the Legislature to increase the salary attached to the office of Attorney General from £500 to £600, was a despatch from Governor Weld to Lord Carnarvon, and the Secretary of State's reply thereto. Governor Weld, in his despatch, said: "At the request of Mr. H. Hicks Hocking, the Attorney General, I forward to you a letter (24th November, 1874) which he has written to me to be submitted to Your Lordship, on the subject of the salary attached to his office. I could not entertain Mr. Hocking's request made to me about a week ago for an increase of salary to be placed on the Estimates, for, as the question was not urgent, as his services as Attorney General have been short, and as no new service has been imposed upon him which was not contemplated when he was appointed, whilst he has been fortunate in receiving the acting half-pay as Chief Justice during the absence of over fifteen months of Sir A. Paull Burt, I believed that, putting all other considerations aside, I should not at all be justified in taking any step in the matter without Your Lordship's previous authorization." Governor Weld, it would be seen, did not feel at all inclined to recommend the proposed increase. The Secretary of State, replying to His Excellency's despatch, under date 15th February, 1875, said: "Looking to the improvement which has taken place in the financial condition of the Colony, and to the importance of the office held by Mr. Hocking, I am disposed to consider that his request may be fairly acceded to, and I have therefore to convey to you my sanction for raising the salary of the office of Attorney General from £500 to £600 per annum as proposed, on the understanding that the Attorney General is not to practise as a solicitor, or to have any business connections with any solicitor's firm except in the strict

"exercise of his professional duties." The Secretary of State gave his sanction to the proposal, no doubt; but His Lordship evidently forgot that the sanction of that House was required in the matter. And as that had never been obtained, beyond as regards Mr. Hocking personally, he (Mr. Steere) failed to see that the House was in any way bound to sanction the same increase to Mr. Hocking's successor. That this was the view entertained of the matter by the Government itself was evident from the fact that no vote to cover this additional salary was asked for last Session, when it was known to the Government that a successor to Mr. Hocking had been appointed. He did not for a moment wish to ask the House to disallow the proposed increase; on the contrary he believed the proposal would be carried unanimously. At the same time, he thought it was their duty to point out to the Governor and to the Secretary of State that there was nothing to show that it had been the intention of the House to permanently increase the salary of the Attorney General's office. That being the case, he begged to move the following resolution:—

"The Council has duly considered Message No. 5 from Your Excellency, with reference to the salary of the Attorney General.

"Sessional Paper No. 8, of 1877, therein alluded to, was a despatch from Governor Weld to the Earl of Carnarvon, forwarding a letter from Mr. Hocking, the then Attorney General, asking for an increase of salary, but as Governor Weld did not support his request, and as the Legislative Council, the only body competent to vote any increase of salary, was not even alluded to, the Council cannot think that this correspondence discloses any reason which could lead the Secretary of State to believe that it was the intention of the Legislature to add £100 a year to the salary of the office of Attorney General; and the fact that no vote for this purpose was asked for at the last Session of the Council would seem to imply that the Government viewed the additional salary as made to Mr. Hocking personally.

"The Council, however, is of opinion that the expectation held out to Mr.

"Onslow as to the amount of salary that he was to receive should be strictly complied with, and accordingly recommends that the salary of £600 a year promised by the Secretary of State should be granted to him."

The resolution was agreed to unanimously.

CONTRACT WITH MESSRS. LILLY AND Co.: MESSAGE No. 6: CONSIDERATION OF.

On the Order of the Day for the consideration of His Excellency's Message No. 6 (*Vide* p. 67, *ante*),

MR. STEERE (in Mr. Shenton's absence) moved the adoption of the following resolution in reply to the Governor's Message. He had spoken to several hon. members on the subject, and all concurred in the opinion expressed therein—that, before the present contract with Messrs. Lilly and Co. expires, tenders should be publicly invited both in this and the other colonies for the performance of the coastal steam service, the general opinion being that, by doing so, we should have the service performed at much less cost to the Colony than at present. The resolution was as follows:—"The Council has received Message No. 6 from Your Excellency forwarding a copy of the contract between the Government and the owners of the 'Otway' and 'Rob Roy'; and the Council recommends that public tenders should be invited in this and the other Colonies for the performance of the requisite steam service, at least six months before the termination of the present contract, which expires on the 14th day of January, 1882.

"The Council is also of opinion that the present rates of freight between Albany and Fremantle, and the intermediate ports, are excessive, and that a reduction thereof should be made in any fresh contract entered into."

The resolution was agreed to.

EASTERN RAILWAY EXTENSION AND SURVEYS: MESSAGE No. 8: CONSIDERATION OF.

On the Order of the Day for the consideration of Message No. 8 from His Excellency the Governor (*Vide* p. 67, *ante*),

MR. STEERE, without comment, moved the following reply to the Message in question:—"In reply to Your Excellency's Message No. 8 the Council desires to state that Your Excellency has rightly understood this House to mean that it wishes the railway extension to be proceeded with as far as Chidlow's Spring, as the first section of the direct route approved of by the Secretary of State; also, that while the first section is in progress it would desire fresh surveys to be made between Chidlow's Spring and York via Spencer's Brook, in order to ascertain whether a practicable route can be adopted passing within a short distance of Northam, and thus affording greater advantages to a larger number of the Eastern Districts settlers than they would obtain from the sanctioned direct line. The Council has little doubt that such an improved line can be found, and that, if found, the Secretary of State will approve its adoption when his sanction is obtained to a further loan for carrying on the railway from Chidlow's Spring to its proposed destination."

The resolution was agreed to unanimously.

EASTERN RAILWAY EXTENSION BILL.

Read a third time and passed.

STAMP DUTIES BILL.

This Bill was further considered in Committee.

Item "Customs Forms" reverted to:

THE ATTORNEY GENERAL (Hon. A. C. Onslow) said that since progress was reported yesterday for the purpose of enabling him to give his attention to what had fallen from the hon. member for Swan with reference to some of these forms, he had communicated with the Collector of Customs on the subject, and he would now move that the forms contained in the following Schedules—"E, G, H, K, L, M, and N," be struck out, the principle being that all forms used by the ship shall pay a stamp duty of one penny, but that none of the forms used by the Customs Department shall be so subjected to a duty. If the Committee were of opinion that the forms applicable to free goods on landing should be liable

to a penny tax, the particular form used for passing such goods would have to be retained.

MR. MARMION said, if by that was meant the form required for passing an entry at the Customs, he thought it might fairly be charged with a penny duty.

THE ATTORNEY GENERAL (Hon. A. C. Onslow) concurred, and said instructions would be issued to the officers of the Customs Department as to the working of this particular schedule.

In reply to MR. MARMION,

THE ATTORNEY GENERAL (Hon. A. C. Onslow) said the intention as regards bonded goods was that the forms applying to such goods should pay a duty only when the goods were first taken out of bond, and not when re-bonded. The Collector of Customs, he might add, was very anxious that Schedule "Q" should be added to the list, so as to bring ships' manifests within the provisions of the Act. There appeared to him no objection to this, and consequently he would further move that letter "Q" be inserted between "P" and "to," in the item now under consideration.

This was agreed to, and the letters proposed to be struck out were expunged.

THE ATTORNEY GENERAL (Hon. A. C. Onslow) said he understood there was a general feeling in favor of the item being further amended by rendering forms used where goods were entered duty free, subject to a stamp duty; he would therefore move, That after the word "Ordinance," in the sixth line, the words "where the goods are entered duty free, 2d.," be inserted.

Agreed to without discussion.

MR. STEERE moved, That the remainder of the clause be struck out, the forms in question relating to goods already subjected to a duty.

THE ATTORNEY GENERAL (Hon. A. C. Onslow) said he understood it would make a difference of about £50 a year if these forms were struck out.

MR. MARMION said the introduction of these items into the schedule was an attempt to increase *ad valorem* duties and specific duties by a side-wind. The former were already quite high enough, and, as to the latter, the specific duties here were higher than in any of the

Eastern Colonies. He thought with the hon. member for Swan that these forms should be struck out.

Motion put and carried.

MR. MARMION asked whether it was proposed that each of the duplicate or triplicate forms (as the case might be) in a set should be subjected to a stamp duty, or merely one of the forms?

THE ATTORNEY GENERAL (Hon. A. C. Onslow) said the intention was that only one form should pay duty; but, in order to make the matter clearer, and beyond dispute, he would move the following addition to the item: "In every case "when any of the above forms are issued "in sets of more than one only one form "shall bear a stamp."

This was agreed to, and the item, as amended, was put and passed.

Item—"Deed of any kind whatever, "not otherwise charged with duty, £1. "Exemptions:—

"(1.) Grants of the fee simple or "other less estate in lands from "Her Majesty.

"(2.) Conveyances, surrenders, or "leases of the fee simple or "other less estate in land to "Her Majesty or for her use."

MR. BURT asked whether the first exemption applied to certificates of title issued by the Commissioner of Titles under the Transfer of Land Act? Very few grants were now issued direct from the Crown, but under a certificate from the Commissioner.

THE ATTORNEY GENERAL (Hon. A. C. Onslow) said, although not specifically mentioned here, such certificates would certainly come within the spirit of the exemption and of the intention of the Committee.

The item was then agreed to.

Item—"Lease:—

MR. BURT said the Committee would observe, on reference to the scale of duties, that all Crown Leases were exempted. Was it intended also that the transfer of these leases should be exempt from duty? There were a great number of transfers of Crown Leases, and he did not see why such transfers should not be liable to a stamp duty.

THE ATTORNEY GENERAL (Hon. A. C. Onslow) said it certainly would be equitable if they were so liable. He had not thought of it before, but if the lease

itself was exempt he should certainly say that the transfer also would be exempt.

MR. BURT: In that case I shall move, as an amendment, That the words "or transfer of the same to any person" be added to the exemption clause.

This was agreed to.

THE ATTORNEY GENERAL (Hon. A. C. Onslow) said he had been informed officially, as regards the proposed duties on the other descriptions of leases specified in the schedule under consideration, that they were almost prohibitory. He need hardly point out that it would be a great mistake to impose such duties as would have a tendency to prevent leases being taken out.

MR. STEERE said the duties were much higher in England, and he thought the scale here proposed might remain as printed.

MR. BURT, on the contrary, considered they might fairly be reduced one-half. A lease of any lands where the rent amounted to £300 would have to bear a stamp of the value of £4 10s., and other leases in proportion. The result would be nobody would take out a lease.

THE ATTORNEY GENERAL (Hon. A. C. Onslow): That is what I fear; the duty will prove prohibitive.

MR. MARMION suggested that the scale of duties be reduced by one-third. Who would have to pay the duty—the lessor or the lessee?

THE ATTORNEY GENERAL (Hon. A. C. Onslow) said there was no specific instruction contained in the Bill on that point, but in any disputes that might arise under the Act, the Court here would of course be guided by the law of England; and as the present Bill was almost a transcript of the English Act we should have the advantage of the judicial decisions of the Courts at home for our guidance. The only Stamp Act he had come across that prescribed which party shall pay was the Tasmanian Act; but he thought it might lead to disputes and complications if they were to introduce that principle into a Bill framed on the lines of the Imperial Act, and, he might add, of the Acts in force in most of the colonies.

The discussion then dropped.

The item, as amended, was then agreed to.

Item—"Notarial Act of any kind whatsoever (except a protest of a bill of exchange), 4s.:"

MR. STONE thought this was too high a duty upon these instruments, and moved, That it be reduced to 2s. 6d.

Agreed to.

Item—"Policies of assurance or insurance:"

MR. MARMION said he would like to exempt life policies from the operation of this clause. He noticed that in Victoria, and also in Queensland, such policies were exempted from the payment of a stamp duty, and he might say that every encouragement was offered all over the world to the principle of life insurance. He was therefore rather sorry to see this item included in the schedule, and, unless it was regarded as absolutely necessary for revenue purposes, he should like to see it struck out.

MR. BURT would also like to see this item expunged. He thought they ought to do all they could to encourage these life insurances rather than to throw obstacles in their way. He was happy to think that most men were now inclined to avail themselves of such institutions, and it would be a mistake to offer any discouragement to people availing themselves of a system that enabled them to provide for their families hereafter.

THE ATTORNEY GENERAL (Hon. A. C. Onslow) said he fully approved of the principle of life assurance, and judging from the returns furnished to the Government as to the probable revenue which would be derived from this item, it would not be much. If it was the feeling of the Committee that the item should be struck out, he certainly should not press it upon the House.

MR. MARMION said, that being the case, he would formally move, That the item be struck out.

Agreed to.

The remaining items of the schedule were agreed to without discussion.

Schedule B:

Agreed to.

Schedule C:

THE ATTORNEY GENERAL (Hon. A. C. Onslow) moved, That this schedule be struck out.

Agreed to.

Preamble and title agreed to.
Bill reported.

LOAN BILL, 1881.

THE COLONIAL SECRETARY (Lord Gifford) moved the second reading of a Bill for raising the sum of £150,000 by loan for the construction of certain public works and for the repayment to the general revenue of the cost of constructing the Eucla telegraph line. The right hon. gentleman said, Bills of this character had even in this Colony ceased to be a novelty; the Legislature and the public were becoming familiar with them. The first one introduced was, comparatively speaking, of dwarfish dimensions, and was ushered into existence years ago, when the Colony, under the authority of that House, incurred its first public debt, amounting to £35,000. He could only express a hope that the floating of the loan contemplated in the Bill now before the House would be attended with equally successful and satisfactory results as had attended the floating of their first loan, which realised in the market here a premium of 197. Some of the subsequent loans upon which the Colony had entered had not proved quite so successful in their financial results, but he could only trust that on the present occasion we should have a slight surplus over the nominal amount of the loan proposed to be placed in the market, notwithstanding the fact that our financial position was not altogether so satisfactory as it was when the Colony first appeared in the character of a borrower. It would be in the recollection of some hon. members no doubt that, when our first loans were floated, the Colony, instead of having a deficit to meet, had a large surplus revenue. At the end of 1873, there was a balance in the Treasury chest of £23,567, which by the close of the following year had increased to £36,715. In 1875, however, the Colony began to go backwards, and the surplus at the end of that year had been reduced to £21,204. The cause of this diminution in the Colony's credit balance had given rise to various conjectures. On the one hand it was maintained that the surplus was reduced in consequence of the expenditure incurred in connection with the construction of the Eucla line—a work

constructed entirely out of current revenue, by an annual vote; and there was no doubt that a no inconsiderable portion of the surplus amount did go towards the carrying out of that work; but if hon. members would carefully look back through the financial operations of the period to which he referred, they would find that, although provision had to be made and was made for the payment of interest and for providing a sinking fund in connection with our public loans, these amounts were not included in the Appropriation Act. Where, then, was the provision made? He thought they would here find the key to the solution of a financial mystery which had caused a good deal of speculation. He thought they might safely assume that this was the secret of the gradual diminution of the surplus, which at the end of 1874 had reached the sum of £36,715, but which by the end of the following year had been reduced by about £15,000, leaving a balance in the chest of £21,204. This surplus in the course of the next year, 1876, was reduced to £3,900, and at the end of 1877 the balance was on the wrong side of the ledger, there being a cash debit of £13,600. This deficit was increased in 1878 to £48,000, and at the end of 1880 the Colony was £80,950 to the bad, according to the latest returns furnished by the Treasury. Of this deficit, £50,000 would be paid off by the restoration of the amount expended on the construction of the Eucla telegraph, which would leave us at the commencement of the current year with a debit balance of £30,950 (should the £50,000 be realised). He need hardly point out that the most rigid economy would have to be practised in order to enable the Colony to extricate itself from its financial embarrassment, and that no charge should be imposed upon the general revenue which could possibly be avoided. For this reason, it was proposed, when the House went into Committee upon the Loan Bill now under consideration, to introduce a clause making provision—in the event of such provision being necessary—for the payment of the difference between the nominal amount of the loan and the actual amount which it realised. This difference it was proposed to meet out of the loan itself, distributing the amount

proportionately between the item for railway extension and the item for funding the money expended on the Eucla telegraph line. This was a proposal which he thought would commend itself to the favorable consideration of the House, rather than that the general revenue should be saddled with such a charge. Intimately connected with the question of our public debt and public loans, was the question of the material progress of the Colony as indicated by its exports, and the value of its local productions; and a comparative statement showing the transactions of the Colony in this respect during the past two years would probably prove acceptable to the House. In 1879 the total exports of the Colony amounted in value to £447,983 18s. 1d., whereas last year the country exported to the extent of £499,183 8s. 6d., showing an increase on the previous year's transactions of £51,199 10s. 5d. This was undoubtedly a satisfactory condition of things, especially when it was borne in mind the falling off in the export of guano,—an item for which, he might say, he personally entertained no particular affection, and which certainly had tended in a great measure to increase the financial embarrassments of the Colony, not by reason of any inherent evil in the product itself, but consequent upon the unfortunate arrangements entered into with regard to its disposal. In 1879 our exports of guano amounted to 12,041 tons, valued at £47,054, whereas last year we only exported 1,300 tons, valued at £5,850, showing a falling off in this item of no less than £41,204. Notwithstanding this falling off, the exports generally, as he had already shown, had increased largely compared with the transactions of the preceding year. Of sandalwood, we exported in 1879 to the value of £35,000, whereas last year our exports under this head amounted to £51,970. In skins, too, there was an increase from £1,594 in 1879 to £2,947 in 1880; and in shells (Sharks Bay) there was a corresponding increase, our exports under this head during 1879 being valued at £1,880, whereas last year we exported shells of the estimated value of £3,550. He thought we might safely assume that there would be no diminution, but rather an increase,

under this head (shells) this year, notwithstanding the losses sustained in consequence of the late hurricane. He made this statement on the strength of information received as to the discovery of shells, in great masses, at LaGrange Bay, the quality of which were very highly spoken of. Coming to the principal and most valuable item of export—wool, it would be satisfactory to the House to hear that the increase under this head was very encouraging. Our total exports of wool in 1879 amounted to 3,505,688 lbs., which at the low average say of 1s. per lb., and not 1s. 3d., was valued at £175,284 8s., whereas the quantity of wool sent out of the Colony last year reached 4,342,606 lbs., of the estimated value of £217,130, showing an increase on the previous year of 836,918 lbs. in weight, and £41,845 12s. in value. This large increase was accounted for in more ways than one, and notably by the fact of one of the wool ships having cleared twice in the course of the same year. The comparative returns of imports went to show that the Colony was becoming more largely dependent upon its own resources, and less reliant upon foreign assistance. The gross value of our imports in 1879 was £407,299 0s. 6d., whereas in 1880 we only had occasion to import to the extent of £353,669 2s. 7d., representing a diminution amounting to £53,629 17s. 11d. in the total amount of imported articles—a very conclusive proof, it appeared to him, bearing in mind our largely increased exporting powers, that the Colony was beginning to realise the expediency of relying more upon its own local productions than upon the imported article. This assumption, he thought, was borne out by the fact that in 1879 we imported flour to the value of £18,909, whereas last year our imports under this head only amounted to £12,301. In 1879 our imports of corn and other grain were valued at £10,566, whereas in 1880 we only introduced £2,998 worth, showing, as appeared to him, that the Colony was becoming more dependent upon local production than it was in past years. He was aware that this view of the case would not be accepted without demur—that there were other causes at work to account for the reduction in the value of last year's

importations as compared with the preceding year. It was stated, on the one hand, that there was a large amount of over-trading in 1879, which would have the effect of diminishing the imports during the following year; and on the other hand, that the tea ships which should have arrived in 1878 did not come in until the following year, thus swelling the Customs receipts for 1879 to a considerable extent. Leaving our exports and imports, and coming to the question of revenue and expenditure, he might state that the estimated revenue from all local sources during 1880 was £170,310, to which would have to be added the Imperial grant in aid of the Police and the Magistracy, amounting to £11,250, and making the total estimated revenue £181,560. The actual revenue, however, fell short of this amount by £1,510 5s. 10d. The estimated ordinary expenditure for the past year was £176,256 4s. 8d., to which would have to be added the supplementary vote of £4,025 2s. 6d., making a total estimate as regards expenditure of £180,281 7s. 2d. This estimate was exceeded by £28,600 13s. 1d.—an excess mainly attributable to the fact that no provision was made to meet extraordinary claims. In other respects, the excess occurred in items over which it might be said the Government could exercise little if any control. This would be readily acknowledged, he thought, when he enumerated the items which constituted the overdraft, and which were as follows:—£15,535, paid by the Treasurer as transfer to loan on account of the Northern Railway; £4,776, expenses of arbitration in connection with the same railway; £1,171, excess in connection with the Police vote; £1,307, in connection with Gaols; £1,028, under the head of Medical; £291 in respect of Pensions; and £1,155 in respect of Refunds. There were also several small sums, too unimportant to enumerate, consisting of Departmental overdrafts, and which, together with the items he had just specified, made a total, as he had already said, of £28,600. This total, however, was capable of being presented in another light, for there was an underdraft of £4,544 which might be deducted from it, reducing the actual overdraft to £24,056 (of which over £20,000 was in connection with the Northern Railway). As the

House, however, on a former occasion, had expressed a wish to the effect that the overdrafts and the underdrafts should be shown separately, he had presented this statement to the House in accordance with that wish. The underdraft consisted mainly of small items, as follows: Works and Buildings, £121; Legislative Council, £251; Survey Department, £389; Customs, £397; Post and Telegraphs, £375; Immigration, £631; Rottnest Prison, £572; Volunteers, £211; and Literary, £270. Dealing with the present year, he might state that the Government calculated upon a revenue, from all sources, of £192,154, whilst the estimated expenditure was reckoned at £168,894. Every effort would be made to keep within the bounds of this estimate, and, if they succeeded, as he hoped they would, in doing so, there would be a gain of £23,260 on the year's transactions. But it must be borne in mind that against that they had certain claims hanging over them. There was Beaver & Co's. claim, amounting in round numbers to £6,000; and then, again, the claim put forward by McDonald & Mockford. There was also another item which would tend to swell the ordinary expenditure to the extent of about £500, and that was the expenses connected with the collection of the Census statistics, on account of the great distances dividing the settlers of this Colony. In addition to this there were some bridges which were reported to be in a very dilapidated state, and which would entail a very considerable amount of unforeseen expenditure. Altogether he estimated that these, what he might call extraordinary charges upon the revenue, would amount to about £22,000, which would still leave us with £2,154 to the good. To this he thought might be added another £5,000 from railway receipts, pearls, &c. These figures, he should add, were merely an approximate estimate, based upon calculations of his own, but he believed they would not be found to be very far wrong. On the revenue side of the ledger he thought they might fairly expect some increase from the proceeds of the lands in the Kimberley district, and also from the railway receipts; from these sources they might possibly expect to swell their credit balance to about £8,000, which

would leave the Colony at the end of the year—after the restoration of the £50,000 expended on the Eucla Telegraph—with a deficit of about £22,950. This he trusted would be materially reduced in the course of the following year or two. On the other hand there was a fresh item which would have to be provided for in the Estimates for 1883, in connection with the sinking fund which would have to be created towards the redemption of the 1878 Loan, which must soon be taken into calculation and thought of. There was also another item which must not be lost sight of in making these financial calculations, and that was the question of what amount the loan which it was now proposed to float would realise. He was aware that some people were very sanguine on this point and believed that we would be able to obtain the money at its full price; but he himself hardly thought we were likely to realise that expectation, and he thought it would be well to prepare them for that contingency, in the event of our possibly having to make up the deficiency—unless it be understood that it was not to be made good. This, as he had already intimated, it was proposed to do by inserting a provision in the Loan Bill charging any difference there might be in the nominal value of the loan and the amount which it actually realised, to the two items constituting the loan, proportionately with the amount set apart for each. Provided this loan were successfully floated, we should next year have to provide interest upon the money borrowed, and this, reckoned at $4\frac{1}{2}$ per cent., would amount to about £6,750, which would be another charge upon the revenue. In order, however, to meet that charge, a stamp tax was about to be introduced, but he did not think that, if their most sanguine expectations with regard to the revenue to be derived from this source were realised, it would exceed £3,000 or £3,500 a year; it would therefore be necessary to fall back upon the ordinary revenue to make up the deficiency for paying the interest on the proposed loan. He had taken that into consideration when he estimated the expenditure for the current year at £168,884 (plus the £22,000 before mentioned). If all their expectations with regard to an augmentation of the revenue

from the lands in the Kimberley district and from increased railway receipts were realised, and if no unforeseen cause for expenditure beyond that estimated arose, he thought the Colony would, notwithstanding the extraordinary claims made upon it, be in a sounder position, financially, at the close of the year, than it was at present, and that, by the exercise of due economy and a strict adherence to the appropriations made by the Legislature, they might be congratulated upon entering upon a new financial era. The day of excess of expenditure over the votes of the Legislature had gone by; he thought he might safely say that. The necessity for a more strict adherence to these votes was now generally recognised, as well by the present Administration as by that House, and he trusted that, except in cases of the most urgent necessity, it would be found hereafter that the votes of the Legislature would not be exceeded. Of course there were cases in which it would be impossible to adhere strictly to the appropriations made by the Council; hon. members, he was sure, would recognise that fact. But when such circumstances did arise as to necessitate the Government going beyond the parliamentary vote, they would not be slow in acquainting hon. members of those circumstances, and in treating the Legislature in an open and straightforward manner. He was perfectly satisfied, speaking on behalf of the Government, that if they met the House in that spirit, it would be reciprocated, and that any excess of expenditure arising out of circumstances over which the Administration had no control, would be ratified by that House as it always had been. He now begged to move the second reading of the Bill.

MR. STEERE seconded the motion. In doing so, he wished to correct one statement which had fallen from the right hon. gentleman in charge of the Bill, namely, that the present deficit was originally attributable to the fact that no provision had been made in past years for the payment of interest and sinking fund in connection with former loans. The right hon. gentleman was in error in stating that; he (Mr. Steere) had looked through the Estimates since the year 1872, and he found that pro-

vision was made every year to meet the charges referred to.

THE COLONIAL SECRETARY (Lord Gifford): But no vote was appropriated for that purpose, and the money was paid out of the surplus revenue which had accumulated in former years. Hence the gradual disappearance of that surplus, and the creation of that deficit, which, in later years, assumed such formidable proportions.

The Bill was then read a second time, and committed.

IN COMMITTEE.

Clauses 1 to 9, inclusive, agreed to without discussion.

Clause 10.—Mode of providing for payment of interest and principal:

MR. BURT asked if the same provision as was here proposed to be enacted for the payment of interest and the redemption of the loan appeared in the last Loan Bill?

THE ATTORNEY GENERAL (Hon. A. C. Onslow): Just the same.

MR. BURT: Then it strikes me, if I understand the clause rightly, that we shall be wiping out the loan at a greater rate than some people imagine. Hon. members will observe that the section provides that, so long as any debentures remain outstanding, the Governor shall appropriate half-yearly out of the general revenue a sum sufficient to provide for the half year's interest, not alone on the outstanding debentures but on the total nominal value of all debentures issued, inclusive of those which may have been redeemed or withdrawn. As time goes on and the debentures are redeemed, it stands to reason there will be no necessity to provide the interest on the total value originally issued. I also notice that the clause requires the Governor to remit the whole amount raised in respect of interest to the Crown Agents. As the time draws near for the loan to expire, it appears to me we shall be providing too much money altogether for the payment of interest and sinking fund, and as it is possible that the finances of the Colony may be in such a straitened condition that it may not be desirable or expedient to raise more money than is actually necessary, and to remit it to the Crown Agents, it appears to me it would be advisable to invest the Governor with

some discretionary powers in this respect. While I am on my legs, I may express a hope that the Government—I am not in any way prepared to say that they do not do so at present—keep a sharp eye on the Crown Agents with regard to the manner in which these loan accounts are kept, and as to how the money remitted to them is applied. I do not mean to insinuate, as I have already said, that there has been the slightest remissness on the part of the Government in this respect, but I think it is well to keep these gentlemen up to the mark.

THE ATTORNEY GENERAL (Hon. A. C. Onslow) said it would be in the recollection of hon. members that the last Loan Bill passed by the House was not exactly in a form approved by the Secretary of State, and that the Bill was returned to be amended with respect to its provisions in regard of the sinking fund, the Secretary of State recommending that the contribution to that fund should not begin for five years after the first issue of debentures under the Bill. A special Session of the Council was convened to amend the Bill accordingly, and the present Act was an exact copy of the original Bill, with the amendment suggested by the Secretary of State interpolated. He believed the form of the Bill was that adopted elsewhere, and one which had met the approval of actuaries and the advisers of the Crown, as being best calculated for the protection of all concerned. The hon. member had pointed to the accumulation of interest which would take place in the course of time; but this money would be applied to a very proper and legitimate purpose—the redemption of the debentures as soon as possible. Should it be deemed advisable hereafter to provide that the amount raised in respect of interest should be reduced in proportion to the number and value of the debentures still outstanding, it would be competent for the House to legislate to that effect.

MR. STEERE considered the matter referred to by the hon. member for the Murray a most important one, and he thought it would be very advantageous if the House were to legislate in the direction indicated.

MR. BURT said he did not object to the redemption of the debentures as fast

as possible, but that, according to the provisions of the 10th section of the Bill, it was incumbent upon the Governor to continue to remit the whole of the money raised in respect of interest due upon the total value of all debentures issued under the Act, although almost the whole of those debentures may have been redeemed, and consequently bear no interest.

THE ATTORNEY GENERAL (Hon. A. C. Onslow): I understand the hon. member to mean that we should lose the interest on the money accumulating in the hands of the Crown Agents.

MR. BURT: What I mean is that we may have greater need of, and better use for, the money in this Colony, and that the Governor should have discretionary power as to remitting it to the Crown Agents, or not.

THE COLONIAL SECRETARY (Lord Gifford) said the money was always invested, on deposit at interest, by the Crown Agents, and we received the benefit of that interest.

MR. BURT thought a great deal more benefit would be derived if the money were retained in the Colony. The Government had often to pay eight or ten per cent. interest on its overdrafts at the Banks, and yet it was bound to remit this money home, where probably it would not bring in more than two or three per cent. interest.

The clause was agreed to as printed.

The remaining clauses of the Bill were passed without comment.

THE ATTORNEY GENERAL (Hon. A. C. Onslow) said he had an amendment to propose, with a view to carry out the suggestion made by the right hon. gentleman the leader of the Government when moving the second reading of the Bill, with regard to making provision, in the event of the loan not realising par, that the deficiency should be met out of the proceeds of the loan and not become chargeable to the general revenue.

MR. BURT thought that would be an admission that we did not consider our credit was remarkably good, and that it might operate injuriously in floating the loan.

THE ATTORNEY GENERAL (Hon. A. C. Onslow) admitted the force of the hon. member's argument, and that the

proposed provision was somewhat outside the scope of a Loan Bill. But the question was—how were they going to get over the difficulty without enacting some such provision?

MR. BURT asked if it would not be better to provide for it in the Appropriation Act.

MR. MARMION said our credit in the market at the present time was good; our securities were quoted at from 104 to 106, and he certainly thought there was every prospect of the projected loan realising par.

THE COLONIAL SECRETARY (Lord Gifford) said possibly it might, but the question was—what were they going to do in the event of their expectations not being realised? How were they going to provide for the deficiency, in case there should be any? If hon. members would make some other provision for meeting this contingency, without making it a charge upon the general revenue, and the House agreed to the proposition, the Government would be perfectly willing to abide by it.

MR. BURT saw no necessity for making any present provision for a very remote contingency. It would be time enough to consider the question when they were face to face with it.

MR. STEERE thought it would be most objectionable, should there be any deficiency to make up, to make it a charge upon the general revenue. If necessary, it would be better to provide for it out of another loan, or enact some provision under which no more money should be expended on the contemplated works than the loan realised.

MR. BURT said the Government seemed anxious to make provision in the event of the loan being floated below par, but nothing was said about making provision in the event of there being a balance on the other side. All they seemed to be anxious about was to secure for themselves the full amount of the loan. It should be borne in mind that the relative position of the Legislature and the Government here was different to what it was in countries possessing a different constitution to our own, and where, if they raised a million of money by loan, the funds were voted by the Legislature for the use of the Government as the money was wanted, every

year; whereas, with us, once the money was raised the Government closed upon it, and the Council would hear nothing more about it, unless the Government ran short, when they would very soon come to the Legislature to make up the deficiency.

The amendment suggested by the Attorney General was not pressed, and the matter dropped.

New clause:

MR. STEERE, in accordance with notice, moved, That the following new clause be added to the Bill:—"So much of the monies raised under this Act as may be required for Salaries of Public Officers for the purpose of the said Act, and also for the construction of the several Buildings and Works which may be required for the said purposes, shall be annually submitted to the Council for their approval and confirmation." His object in moving the insertion of this new clause was in order to give the House the same control over the expenditure of money raised by loan as it now possessed in respect of the appropriations from general revenue. In his opinion this borrowed money stood exactly on the same footing as the money raised out of ordinary revenue, and should be equally subject to the control of the Legislature. He did not think the Government should have any more right to expend this £150,000 without the approval of the Council on the several works it was proposed to expend it, than they had to spend any other public funds without the consent of the Legislature. Hon. members would recollect that when a discussion took place last Session with regard to some expenditure in connection with the first section of the Eastern Railway, the House was informed by the then Colonial Secretary that it had nothing whatever to do with the expenditure of the money, that the Legislature having agreed to borrow the money, the Government were going to expend it as they thought proper—a very pleasant and consolatory announcement indeed, for the representatives of the people, with respect to the people's money. This question of the control which the Legislature should exercise over public funds raised by loan had lately occupied considerable attention in another colony—South Australia, where a Commission was

nominated to inquire into the matter and to report thereon. The Commission was appointed to ascertain the best means to be adopted for giving the Legislative Assembly greater control over the expenditure of moneys raised by loan for the construction of public works, and more especially the amounts paid out of loan in respect of salaries, etc. This Commission had made a progress report, in which they recommended the following course to be adopted towards the attainment of the object in view: that the Treasurer should annually lay on the Table of the House a loan balance sheet for the past year in a certain prescribed form, together with a comparative summary of the estimated and actual expenditure, and the details of the salaries paid during the year, also a statement of the estimated expenditure and of salaries payable for the next ensuing year, and that a Committee of the House should then proceed to the consideration of these loan estimates, and agree to a resolution with regard to them, approving or disapproving of them as they thought proper. It might be said that if the Legislature were empowered to appropriate loan moneys as it considered proper, it might injuriously interfere with the various works proposed to be carried out by means of the loan; but the Commission, with a view to put that question to a practical test, examined the Engineer in Chief and the Accountant of Railways, who informed them that there would be no difficulty in carrying out the proposed arrangement. If the Chief Engineer and the Accountant of Railways in South Australia saw no objection to the recommendations of the Commission in this respect, he really could not see that there need be any difficulty here in carrying out the proposals contemplated in the new clause now before the Committee, and that the estimates of loan expenditure as well as of ordinary expenditure should be submitted to the Legislature for its approval and confirmation.

THE COLONIAL SECRETARY (Lord Gifford) said he had an amendment to propose, and that was—to strike out the words "for their approval and confirmation," at the end of the clause. He hoped the hon. member for the Swan would agree to this amendment, for if the words proposed to be expunged were allowed to

remain part of the section, it must be apparent to hon. members that the Government could not proceed with any works, however urgent, unless the estimates for the same had been previously approved and confirmed by the House. There was no desire on the part of the Government to avoid furnishing the Council with the information referred to, but, unless the clause was amended as he proposed, it must be obvious to hon. members that occasions might arise when the Government would have to wait for months, unless the Council happened to be in Session, before they could carry out any alteration which it might be deemed expedient in the interests of the public to make in the details of the works on hand; and this delay might not only entail inconvenience but also expense. The Government proposed to tell the Council what they were doing, to inform the House fully of what their intentions were with regard to loan expenditure, and to lay on the Table the estimates referred to in the new clause, showing what sums it was proposed to expend upon salaries, &c., in connection with the works contemplated in the Bill, and to ask the House to approve of the same. He thought hon. members might be satisfied with that, without going any further, and unnecessarily crippling the action of the Government in cases of emergency, where it might be necessary, in the public interest, to do something which had not happened to have received the approval and confirmation of the House beforehand, but which the Government would have no doubt would be approved and confirmed when it came to be laid before hon. members, as it would be, in due course. He therefore hoped the hon. member for Swan would be prepared to accept the amendment.

MR. CAREY hoped the hon. member for Swan would *not* accept the amendment; if he did, the clause would be so emasculated as to be rendered worthless for all practical purposes. The words proposed to be struck out formed the very pith of the clause. The right hon. gentleman who moved the amendment said the Government would always tell the House what they were doing; but he (Mr. Carey) would like to know what check the House would have upon what

they were doing. If such a provision as was contemplated in this clause had been introduced in previous Loan Bills, the Colony would not have had such large sums to pay in the way of compensation for the destruction—he might almost say wilful destruction—of citizens' gardens, by reason of the railway going through them. From a return laid on the Table of the House last Session showing the land claims for which compensation money had been paid in connection with the first section of the Eastern Railway, it appeared that the Colony had been called upon to pay £11,000 in this respect. He was sure that if such a provision as this had been in existence, this £11,000 would never have been paid, or anything like it. Nor would they have had two Fairlie engines, costing some thousands of pounds, at Champion Bay, where, to say the least, they had not proved a success by any means. If such a provision as this had been introduced in the Bill authorising the raising of a loan for the construction of the Northern Railway, the country would have been saved the thousands more thrown away in connection with the arbitration case arising out of that contract. The right hon. gentleman said the Government would always tell them what they were doing. Well, perhaps, they might. The Government, through their responsible officer (the Director of Public Works), told them once that the railway station at Northampton would only cost £400, but when the bill came in it was found to have cost about four times that amount. If the provision embodied in the clause now before the Committee had been in force when the estimate for that station was laid before the House, the country might have been saved the extra £1,200 which it cost, for the simple reason that the Government would not have had the power to spend the money. Then again there was the £50,000 loan, which was being entirely thrown away on the roads of the Colony. If the Legislature, as was here proposed, had had any control over the expenditure of that money, the Colony would not have been saddled with a Superintendent of Roads, or an Assistant Superintendent, but would have had its roads made and looked after by its own local boards, and the money would have

been properly expended, instead of being "frittered away," as had been said by the hon. member for Murray the other night. He could venture to say, from his own knowledge and experience, that the roads in the Southern districts of the Colony were never in such a wretched state as they were in at the present time. There was not a single bridge between Bunbury and Pinjarrah that was not either in a dilapidated condition or destroyed altogether, when he came down a few days ago. This state of things would never have occurred if the Council had had the power which it was now proposed to invest it with, for the loan money would have been properly expended, under the direct supervision of the district boards, who would have taken good care that their roads and their bridges did not become impassable, as they were now. He noticed that the same mismanagement was observable in connection with the approaches now being made to the Perth railway station, and the same blundering shown even in connection with such a trivial matter as the station clock, which, instead of being so erected as to show the time inside the station, was so ingeniously constructed as to be of no earthly use whatever, unless the Commissioner's idea was to set up another timepiece in opposition to the Town Hall clock, which answered every purpose that the railway clock, as now placed, could possibly answer. This, it might be said, was a very trivial matter, but still it tended to illustrate how absurdly the public funds were being squandered away, when no check was placed upon the expenditure by empowering the Legislature to exercise some control over it. He hoped the clause would be carried in its integrity.

THE ATTORNEY GENERAL (Hon. A. C. Onslow) said the hon. member who moved the new clause had endeavoured to enforce his position by reading to the House, not what was practised in another Colony but what was advised by a Committee should be practised. He thought the hon. member was going rather far to ask that this Council—which he might say, with all due deference to the House, was not so unfettered in its actions as the South Australian Assembly—should be invested with powers which a Parliament under a freer constitution did not

yet possess. If the hon. member could not prove that the Legislature in colonies which had greater freedom of action than this Colony had, went as far as was here proposed to go, in controlling the actions of the Executive Government, how could he, with any show of logic or force of argument, ask this House to go further in that direction than the Legislative Assembly of a self-governing Colony went? He did not think the hon. member had strengthened his position one whit in quoting, not what was actually being done, but what was recommended to be done, in South Australia. He could easily understand that, in a Colony like that, where Parliament sat a great portion of the year, no great harm could be done by submitting these estimates for the approval and confirmation of the House: but here, where, as a rule, the Council assembled only for a few weeks in the year, he thought it would be very impolitic to do what was now proposed, namely, to absolutely tie the hands of the Government in respect of any expenditure whatever (not approved and confirmed by the House) for a period of ten months in the year. The result would be this: in the event of the Director of Works considering it necessary to perform some little work which he might have overlooked when submitting his estimates, and which would only entail an expenditure of £50, his hands would be so tied that he would be prevented from doing so, until the next Session of Council,—unless it pleased the Governor to summon a special meeting of the Legislature to authorise the expenditure of this £50. He did not think that when hon. members looked at the matter from this point of view they would consider it advisable to adhere strictly to the very wording of the clause. He could not help thinking they would see that, in point of fact, if they adopted the amendment, everything which, in equity or justice, might be regarded as right for the House to be informed of would be placed before it, if the estimates of expenditure were laid upon the Table, as they would be, under the clause as amended. It would then be competent for the House to criticise these estimates in every detail, and to express its opinion thereon; and, if expressed strongly and emphatically, most undoubtedly it would

be followed. Next year hon. members would again have an opportunity of seeing whether any of the items had been exceeded, and if so, it would be open for them to call for an explanation. He really thought, if the House regarded the matter in this light, it would see that, as a matter of fact, it would have complete control over the public purse,—so far as expediency could require—and that it was not necessary to tie up the hands of the Executive for ten months in the year, as regards the prosecution of public works. He felt bound to say, before resuming his seat, and he wished to mention it in as cautious language as he could command—he was not, in fact, instructed to say it—but he would put it to the House whether, in the event of this clause as now worded being added to the Bill, the Governor would not consider that his hands would be so tied as regards this loan expenditure as to induce him to consider seriously whether it would not be his duty to send home the Bill in order to obtain that assent which it would be necessary before it became law, if a new principle of this importance were introduced into it.

MR. BURT: This is not the first time I have heard similar arguments from those who occupy the position which the hon. gentleman who has just spoken holds. We have had to listen to similar arguments not only from the hon. gentleman's predecessor but also from the other occupants of the same bench, on every occasion when this House has sought to have any control whatever over the expenditure of its own money. We are always told, among other things, that it will be necessary to call this Council together to confirm every petty detail of expenditure, and that the hands of the Governor will be tied. But I would ask hon. members whether it is not a fact which has stared us in the face for years, that the Government do spend plenty of these fifty pounds without ever thinking of calling this House together? [The ATTORNEY GENERAL: They won't again.] I am very glad to hear it. I am very pleased indeed to think that a new era is about to dawn upon us, in this respect. But we were told that same thing on former occasions; and, as recently as the last Session of Council, we had the assurance of no less an authority than the

Governor himself that it would not occur again—that the Government would strictly adhere to the Appropriation Act—that it was very wrong indeed to do otherwise. Yet in the face of all this, I think we shall find that the Estimates have this year again been exceeded, and that, too, to a very considerable extent. I think that the object aimed at by the hon. member for the Swan in the clause under consideration is a very proper object indeed, more especially when we consider the experience which this House has had in such matters. If it could be shown by the hon. gentlemen representing the Government on the opposite bench, that the loan moneys hitherto had been economically, or in any way properly expended, they might with some show of reason ask us to hesitate before taking any step tending to embarrass the Government by tying up their hands. But, with our past experience of loan money expenditure, I think hon. members will agree with me, we ought not to hesitate in any way in attempting to provide some check upon that most lavish expenditure which is going on. That check will be provided if we adopt this clause,—though the virtue of it will in a great measure depend upon the form in which these estimates are submitted to the House. While agreeing with a great deal that fell from the hon. member for the Vasse, I do not mean to say for a moment that we should require to be furnished with a detailed estimate with regard to so essentially petty an item as a station clock, or of every chain of road forming the approach to a station. What this House requires is, that it shall exercise some control over the reckless system of expenditure which now characterises the department chiefly entrusted with the spending of our loan moneys, and that we should not be again asked to place in the hands of the Government, or in other words the Commissioner of Railways—and more particularly our present Commissioner—anything like a sum of £150,000 to squander away as he thinks fit. We all know—there is no doubt whatever about it—no one can accuse me of exaggeration, when I state that the loan money which heretofore has been left entirely in the hands of the Government, or, in other words, of the Commissioner, to spend as

he thought proper, has been expended in anything but a proper manner,—has, in fact, been squandered. I don't think that this is too hard a word at all. I do not say wilfully squandered, but, owing to the want of business habits, or to sheer carelessness, or to lack of responsibility, or to all these causes combined, the money has undoubtedly been squandered. In the speeches which we have heard from the Executive members in this House during the last few years, as well as in the speeches of the Governor himself, this fact has been to some extent admitted, and Session after Session we are told it shall not occur again—that there will be no more Excess Bills, no more Supplementary Estimates, no more Overdrafts. But it appears to me that we are as far as ever from this financial millenium, and I therefore go thoroughly with the principle aimed at in this new clause. But, as I have already said, I think the virtue of it will lie in the manner in which these estimates are placed before the House. I should be very sorry indeed if the Government look upon the action of the Council in this matter as a test question, or if anything so serious as the rejection of the Bill were to happen, consequent upon the introduction of the new clause; but, so far as I am concerned, I am not to be intimidated—I do not mean to say that the hon. the Attorney General wished to intimidate the House when he intimated, as he did, that the fate of the whole Bill might probably be jeopardised if this clause were inserted in it, as it now stands; but I believe such a statement is calculated to operate upon the minds of some hon. members. For myself I am perfectly willing that the fate of the Bill should be jeopardised, sooner than we should sacrifice a just and a valuable principle. The clause in my opinion is a highly proper one, and will prove most beneficial in its operation. I am therefore prepared to let the whole Bill stand or fall with it, and let the Government accept the responsibility of its rejection.

THE ATTORNEY GENERAL (Hon. A. C. Onslow) said the hon. member for the Murray had twitted the Government—perhaps not altogether unjustly—with having, in the past, been somewhat lavish in its expenditure upon public works, and the hon. member went on to say that, as

regards any assurance on the part of the present Government that the expenditure in future would not be on so lavish a scale but would be kept more strictly within the limits of the estimates, the House had no more guarantee on this point now—if they accepted the amendment—than they had before. But he (the Attorney General) thought, if the hon. member would give the matter a little further consideration, he would see that the House would have a very substantial guarantee, and one which it never had before, if hon. members accepted the clause as it was proposed to amend it. Heretofore, the Council contented itself with voting a lump sum—the entire loan in fact—for certain works, and they never knew, in detail, how it was proposed to expend it until the money was spent; but if the clause as amended were incorporated with the Bill now before the Committee, the House would be able to see beforehand, almost in every detail, what was proposed to be done with the money, and to express its opinion thereon. This, he thought, was a very different guarantee to what the Council ever had before, and a very substantial guarantee,—one placing the House in a very different position as regards the control of loan expenditure to what it was ever placed in before.

MR. MARMION said he should like very much to have been able to give his support to the clause as it stood, but it appeared to him there were some difficulties in the way, as had been pointed out by the hon. members on the Executive bench. Possibly a compromise might be effected by the introduction of the words “for their consideration,” instead of “for their approval and confirmation,” at the end of the clause. He thought it must be admitted that, whenever the House had expressed an opinion with regard to any matter of expenditure, the Government had, as a rule, been ready to meet the wishes of hon. members; and when excessive expenditure had occurred, he did not think it had been caused through any lack of desire on the part of the Government to carry out the wish of the House, but through some failing or remissness on the part of some of the officers employed by the Government, who held their positions, he might say, at the pleasure of this Council, and

upon whom he thought, very often, the censure, if deserved, should rest. He thought the circumstances of this Colony, particularly with regard to the Loan Bill now before the House, might be considered to be altogether different to the state of affairs existing in South Australia. The present Bill was to raise £150,000 for a specific purpose, to be expended on one particular work; but the Loan Bills in the neighboring colony often represented two or three millions sterling, to be expended on public works in various parts of the Colony, the works being undertaken in quite a different manner to the work proposed to be undertaken here. There the works are divided into sections, each district having its share of the loan for the construction of its own lines; and he thought he was right in assuming that it was more particularly for the purpose of regulating the expenditure upon these district sections that the estimates were submitted to the Legislature. As to the proposal to submit estimates of the amounts required for the salaries of such officials as may have to be employed on the line, and of the buildings that might be found necessary, he thought it would be very difficult to furnish an estimate embracing all these details. In fact, he could not himself see how it would be possible to place such estimates upon the Table. Tenders would be invited for the construction of the railway, and the contractor might possibly complete the whole of the permanent way within the space of a year, or it might be longer, and the amount of money which would be required would depend upon the time occupied in carrying out the work. What did the hon. member for the Swan and the hon. member for the Murray require? Did they require that a certain sum of money should be expended on so many miles of railway, and that under no circumstances should any more be expended? As to buildings—what buildings would there be to erect? So far as he was aware, he knew of no buildings that would be required on this next section of the line: and, with regard to officers, he failed to see that there was any probability of any larger staff of officers being required than were now employed by the department. Altogether he was unable to recognise the import-

ance or the utility of the clause before the Committee, and he thought that, after all, they were fighting with a shadow. He did not consider it at all material that the words proposed to be struck out should stand part of the clause. If the Council had placed before it a statement showing the proposed expenditure in connection with the work—so far as it was possible to frame such an estimate—and hon. members had an opportunity of expressing their opinions thereon and of giving the Government the benefit of their advice, he thought the House might be content without going any further. For himself, he was quite satisfied with the clause as it was proposed to amend it, and he hoped the hon. member for Swan and the hon. member for the Murray would also see their way clear to accept the amendment.

MR. STEERE said he certainly could not do so, for it would render his clause useless for the object in view. What guarantee would the House have that the Government would confine themselves to the sums placed on these estimates, unless the items were subject to the approval and confirmation of the Legislature? He failed to see what they would gain by merely laying the estimates on the Table of the House, simply for the gratification of hon. members having a look at them. The Government might as well adopt the same course with the estimates of ordinary expenditure: unless those were subject to the approval and confirmation of the House, what guarantee would the Legislature have that the appropriations would not be disregarded altogether? The Government would spend just whatever sums they liked, and the House would have no control whatever over the expenditure. The hon. member for Fremantle said he was at a loss to know how such estimates could be particularised: but surely the hon. member must be aware that, even before tenders could be invited, detailed specifications would have to be made, and the Commissioner must be in a position to furnish an estimate of the expenditure which would be incurred in each particular. The hon. member also seemed to think there would be no new buildings required; but the mischief was, whether actually required or not, the probability would be—if the matter were

left entirely to the option of the Works Department—that they would have a station at Chidlow's Well as palatial as the metropolitan station, and another in the same ornate and costly style at the Eastern terminus, besides many other buildings, as unnecessary as they would be expensive. The Commissioner might also feel inclined to go in for more engines and more carriages than the House might consider necessary, and in a great many other ways incur needless expenditure, contrary to the wish of the Legislature,—unless the Council exercised some control over the expenditure of this money. The hon. the Attorney General said it would be very inconvenient to have the Council summoned to confirm some unforeseen item amounting to only £50; but he (Mr. Steere) would like to ask the hon. gentleman whether the Government considered it necessary now to call a special meeting of the Council to confirm £50 items of over-expenditure, or even £5,000? He failed to see why it would be more incumbent upon them to do so if this clause were added to the Bill, than it is regarded incumbent by them now.

THE COLONIAL SECRETARY (Lord Gifford) thought the hon. member for the Swan had somewhat distorted what had fallen from the occupants of the Treasury bench, and also the effect of the amendment. There was no intention on the part of the Government, as he had already said, to conceal anything from that House, and every opportunity would be afforded hon. members to comment upon the estimates which it would be the duty of the Government to submit to the Legislature, in pursuance of the provisions of this clause, even if the words proposed to be omitted were struck out. When these estimates were laid on the Table of the House, hon. members would have an opportunity of combating them in detail—in fact, he might say the Government invited criticism and advice, with a view to secure an economical expenditure of the money. This being the case, he thought it must be patent to hon. members that, if they accepted the amendment, the Government would be giving them all the power they now asked for. The Government was anxious to meet the wishes of hon. members in every possible way, con-

sistent with expediency and with a regard to possible contingencies. There was no desire on the part of the Government to indulge in costly stations, or in unnecessary buildings, or in superfluous engines or carriages; and if the House, when the estimates were submitted for its consideration, favored the Government with any practical advice with regard to any item, they would only be too happy to listen to it, and to follow it. He saw no particular objection to the words proposed to be expunged remaining part of the clause, beyond the inconvenience and delay which they might, and most likely would, entail, in the event of the Legislature not being in Session, and the possibility of the Council having to be specially summoned at inconvenient seasons, not for confirming an item of £50—that would be stupid—but for affirming some expenditure which might be found absolutely essential, but which had not been foreseen.

MR. MARMION: Does the hon. member for the Swan mean to insinuate for one moment, that if these estimates are placed before the House, and the Council resolves that such and such an item of proposed expenditure should not be incurred, the Government would still spend the money?

MR. STEERE: I do think so.

MR. MARMION: What greater control over the expenditure would the retention of the words proposed to be struck out afford the House? The hon. member himself—in combating the argument that it might be very inconvenient to have to call the Council together, in order to confirm any expenditure which had not been authorised—stated that the Governor does not consider it incumbent now to convene the Council when he finds it necessary to expend £50 or even £5,000 which has not been sanctioned by the House. And why should he consider it requisite to do so, if these words were retained as part of the clause?

MR. BURT: The expenditure would then be illegal.

MR. MARMION: I think if the Governor were to spend the money, in the face of a distinct resolution of the House against it being spent, the expenditure would be equally illegal, and that such a resolution would be regarded by His Ex-

cellency equally as binding as this clause would be. I venture to submit that if the words which I suggested should be substituted at the end of the clause are adopted, it will answer every purpose which the House can require, and at the same time avoid embarrassing the Government, or delaying the work, in the event of any unforeseen expenditure being needed.

MR. BURT failed to see what possible check or control the Council could have over the expenditure of this loan, by the mere placing of the Estimates on the Table of the House—not for confirmation, but merely for the information of hon. members. He recollected that, some few years ago, the Works Department laid before the House—as was proposed by the Government to be done with regard to these estimates of loan expenditure—an estimate of the cost of some Fairlie engines, which were put down at £3,000, and the House, believing the engines would be very useful and were well worth the money, recommended that they should be sent for. But what did these engines actually cost? He thought he was correct in saying that, instead of costing £3,000, as estimated by the Commissioner, they cost over £9,000 before they were put in working order. He could only imagine from that, that the Commissioner did not actually know what the engines would cost when he submitted his estimate to the Council, and induced the House to agree to the proposed expenditure.

THE ATTORNEY GENERAL (Hon. A. C. Onslow) said that was an argument that weighed not so much against the system as against the want of prescience or skill on the part of the person who framed the estimate.

MR. BURT, continuing, said it was in consequence of such experiences as these that he felt so strongly the necessity of placing some control over the expenditure connected with a department over which the gentleman who had shown this want of prescience and skill is the presiding genius. Unless the House was prepared to see this loan money actually thrown away, it was absolutely incumbent upon them to interpose some check upon its expenditure, and, in the absence of a more effectual check, he should support the clause now before the Committee.

He again asked hon. members not to be intimidated by any apprehensions as to the passing of the Bill being likely to be jeopardised by the insertion of a clause which had for its object the placing of some control over the expenditure of the money which it was proposed to borrow. What was the use of raising the money at all, if they had any doubt as to its being properly expended, or were of opinion that there was a likelihood of its being squandered. And was it not a fact that all their former experiences of the Commissioner of Railways and those who would have to do with the spending of this money led them to believe that it would not be properly or economically spent—that, in fact, it would be squandered away?

MR. CAREY thought it would be as well, in order to show the necessity which existed for some such clause as that under consideration, to refer to what had fallen from the late Colonial Secretary (Mr. Goldsworthy), during the Session of 1880, when referring to this very question of the House interfering with the control of detailed expenditure. The question under discussion at the time was a motion submitted by the hon. member for Swan, to the effect that no tenders should be invited for the Fremantle railway station until the plans and specifications and the estimated cost had been laid on the Table. The Colonial Secretary on that occasion—he was now quoting from *Hansard*, p. 154—said: “Hon. members before committing themselves to the motion for raising a loan for the construction of a line of railway ought to have made themselves thoroughly acquainted with every detail of the work, and not come to the House at the last moment and tell the Government—‘Don’t do this, and don’t do that.’” How, he would ask, were hon. members going to deal with the details of the expenditure of the line now about to be extended unless some such clause as that under consideration were inserted in the Bill. In the course of the same debate, the same hon. gentleman said (p. 155): “However willing the Government was to afford the House every information which it wanted relating to the public departments, at the same time—as that House had already assented to a loan being raised and

"expended for a specific purpose—he did not think it was competent for it to step in on every occasion, and interfere in matters of detail like this." He (Mr. Carey) thought that was a very strong argument in favor of the introduction of a clause such as that now brought forward. Nothing could be stronger. They were distinctly told that once having agreed to a loan, the House had nothing more to do with it.

MR. VENN felt that, in this matter, he was in every way bound to support the hon. member for the Swan. The question seemed to him to resolve itself into this—whether the Government trusted that House, or whether the House trusted the Government. The elected members were twitted the other evening by the right hon. gentleman, the leader of the Government, with neglecting the interests of their constituents because they had not mastered the details of the Stamp Bill. Whether there was any foundation for the allegation made on that occasion, he was not going to say, but this he would say—the representatives of the people would be neglectful of their duty towards their constituents if they did not do all within their power to introduce this clause into the Loan Bill now before the Committee.

MR. STONE said he quite concurred in the object aimed at by the hon. member for the Swan, and that if the words proposed to be struck out were expunged, they might just as well strike out the whole clause, for the object in view would be entirely defeated. He did not look upon the clause as at all implying that the House had no confidence in the Government, as regards the expenditure of this money; but the Council knew that the Government was sometimes placed in this position—that having in charge of a public department a responsible officer whose professional opinion they were bound to accept, whether they regarded it as right or not, they would be placed in a very awkward dilemma, if this officer insisted upon the necessity of incurring some item of expenditure not provided for in the estimates, and they were not fortified in their position by the support of the Legislature. The House had very recently had a proof of this.

The Government being stoutly, and he might say obstinately, opposed by its own professional adviser, in its views as regards a slight deviation in the railway route, was obliged to apply to that House for a resolution to get it out of its dilemma. And it might so happen, with regard to the expenditure of this loan, that, though the Government might not see the necessity for this or that item, they would be bound to give way to their professional adviser, unless they were fortified in their position by a legislative enactment. This clause would afford them that protection. But if the estimates were going to be submitted merely for the information of the House, and not for its approval and confirmation, he did not see really of what value they would be, in this respect. It was for this reason that he felt impelled to support the clause as it stood.

MR. STEERE said he would not mind exempting the permanent way from the operation of the clause. If the House obtained control over all other expenditure connected with the line, it would answer every purpose which they had in view.

MR. RANDELL said he intended to support the amendment. He was quite desirous to see some of the safeguards proposed to be introduced adopted, but he thought the clause as now worded was surrounded with such difficulties as would render it, practically, inoperative. The objections raised to it by the hon. member for Fremantle were, to his mind, very forcible objections, and had not been answered. The Governor, after all, was responsible for the expenditure of this money, and they were bound to leave a good deal of discretionary power in his hands. He understood it was now proposed to exclude the permanent way from the operation of the clause—a very wise provision; but he also thought that even in matters of lesser detail the House would be sure to be beaten, in the long run, by the Commissioner, for, after all, hon. members did not know what rolling stock or other requirements would be wanted, and would be bound to accept the Commissioner's dictum, in such matters. Possibly, the House might exercise some control over the buildings, but in all

matters of technical detail he thought they would find they would have to leave them in the hands of the responsible adviser of the Government. He did not think the hon. member for Swan had much strengthened his position by referring to what had been done in South Australia, for, after all, the system recommended by the Commission referred to had not been adopted, and, as had been pointed out by the Attorney General, that Colony possessed a freer constitution than this Colony did; and a power which it might be expedient to grant a parliament under a system of ministerial government might be ill-suited for a constitution such as ours, under which ministers could not be ousted from office. But he questioned whether under any form of government such a clause as this would prove workable, or whether the House of Commons itself possessed such a power as was here proposed to give to our local Legislature. The object in view had his full sympathy, but he did not approve of the means by which it was proposed to attain it. The amendment, however, would have his support, as it robbed the clause of some of its most objectionable features.

MR. STEERE said that, to a certain extent, the South Australian Assembly did possess the power which was contemplated in this clause. All the votes for salaries paid out of loan money had to be approved and confirmed by the Legislature before the funds for that purpose became legally available. The estimates of loan expenditure were also laid before the House, but the money was sometimes expended beforehand, and it was with a view to place a greater check upon this expenditure that the Commission to which he had referred had been appointed.

MR. MARMION said that, as it was proposed to modify the clause to the extent of exempting the permanent way from its operation, and after carefully considering the proposed amendment embodying that modification, he would, in the event of a division, vote against the original amendment.

The amendment proposed by the Colonial Secretary—to strike out the words “for their approval and confirmation” at the end of the clause—was then put, and

the Committee divided with the following result:

Ayes	...	...	6
Noes	...	...	7

Majority against 1

AYES.	NOES.
The Hon. M. Fraser	Mr. Stone
The Hon. A. C. Onslow	Mr. Burt
Mr. Burges	Mr. Hamersley
Mr. S. S. Parker	Mr. Marmion
Mr. Randell	Mr. Venn
Lord Gifford (Teller.)	Mr. Carey
	Mr. Steere (Teller.)

The amendment was therefore negatived.

MR. CAREY—in order to exempt the permanent way from the operation of the clause—then moved the following amendment: To strike out the words “works which may be required for the said purposes shall be annually,” and insert the following in lieu thereof—“purchase of rolling stock which may be required for the Eastern Railway shall be.”

THE COLONIAL SECRETARY (Lord Gifford) moved, That Progress be reported, and leave asked to sit again next day.

Question—put.

Committee divided.

Ayes	...	...	7
Noes	...	...	6

Majority for ... 1

AYES.	NOES.
The Hon. M. Fraser	Mr. Burt
The Hon. A. C. Onslow	Mr. Carey
Mr. Burges	Mr. Hamersley
Mr. S. S. Parker	Mr. Marmion
Mr. Randell	Mr. Venn
Mr. Stone	Mr. Steere (Teller.)
Lord Gifford (Teller.)	

Progress reported.

The House adjourned at midnight.