

## Legislative Assembly

Wednesday, 19th July, 1899.

Papers Presented—Question: Rottneest Lighthouse, a Flare Light—Question: Explosives, Storage and Conveyance—Question: Telegraph Extension, Lake Way—Papers ordered: Outdoor Loco. Superintendent, Appointment—Motion: Payment of Members, to Affirm (withdrawn); Amendment, Referendum (passed)—Motion: Overhead Bridge, Fremantle—Dividend Duty Bill, second reading (adjourned)—Rural Lands Improvement Bill, second reading (adjourned)—Adjournment.

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

PRAYERS.

### PAPERS PRESENTED.

By the PREMIER: 1, Statistical Office, Report by Registrar General; 2, Gold produced in the colony, Report showing quantity, value, etc., from 1888 to '99; also amounts received at Royal Mint.

Ordered to lie on the table.

### QUESTION—ROTTNEEST LIGHTHOUSE, A FLARE LIGHT.

MR. HIGHAM asked, without notice, whether the Premier was prepared to give instructions to discontinue the practice of burning a flare light at the foot of the Rottneest lighthouse, such practice being calculated to mislead the master mariners when approaching the port of Fremantle.

THE PREMIER (Right Hon. Sir J. Forrest) replied that he was not aware as to the practice, but would make inquiry on the next day, and inform hon. members of the result.

### QUESTION—EXPLOSIVES, STORAGE AND CONVEYANCE.

MR. SOLOMON asked the Premier,—1, Whether his attention had been called to the alleged over-storage of explosives in the magazines at Owen's Anchorage; and, if so, what had been done in the matter. 2, Whether it was the custom to convey explosives in a buggy from Owen's Anchorage through the town of Fremantle; and, if so, whether he would take steps to stop this practice.

THE PREMIER (Right Hon. Sir J. Forrest) replied:—1, No over-storage of explosives occurs. The explosives are under constant supervision, and are regularly inspected. 2, It is customary to

convey small quantities of explosives, not exceeding 250lbs., through the town of Fremantle. This is necessary to meet the requirements of retail consumers, and of the harbour works; such carriage is conducted under the provisions of the Regulations, and it is impracticable and unnecessary to prohibit it.

### QUESTION—TELEGRAPH EXTENSION, LAKE WAY.

MR. RASON asked the Premier, what steps the Government proposed taking to provide telegraphic communication with Mount Sir Samuel and Lake Way.

THE PREMIER (Right Hon. Sir J. Forrest) replied that it was proposed to ask Parliament to make provision for the construction of this telegraph line, on this year's Estimates.

### PAPERS—OUTDOOR LOCO. SUPERINTENDENT, APPOINTMENT.

On the motion of Mr. HOLMES, ordered that all correspondence, papers, and testimonials in connection with Mr. J. P. S. Main's appointment to the position of Outdoor Locomotive Superintendent be laid on the table of the House.

### MOTION—PAYMENT OF MEMBERS, TO AFFIRM.

#### AMENDMENT, REFERENDUM.

MR. GREGORY (North Coolgardie) moved:

That, in the opinion of this House, it is desirable that its previous decision in favour of the principle of payment of members should be given effect to by legislation, prior to the dissolution of the present Parliament.

He said: In the session of 1897, a motion was tabled by me in this House, affirming the desirability of payment of members of the Legislature. That motion was fully and lengthily discussed, the result being that the principle of the motion was affirmed by a very large majority of members then present. It was then pointed out by the member for Central Murchison (Mr. Illingworth), that it would be unwise and almost indecent for members of this House during the present Parliament to vote to themselves a salary for services as representatives. Having now in view that objection, I desire, in submitting this motion, to ask the Government to bring in a Bill during the present session, providing for the pay-

ment of members who are to sit in the next Parliament. If that be done, then I say the voting of money to ourselves will not be an objection arising in those circumstances, while at the same time the principle of this motion will have been affirmed by the House again passing it. I have conferred with many members on the matter, and find that they all fairly well approve of taking such a course ; therefore I submit that the course I have indicated will be the most wise one for the Government to carry out. The voting on this question when submitted to this Assembly in the session of 1897 was 20 for and 11 against, showing a very large majority of members in favour of the principle ; and I think now it is simply a question of expediency on the part of the Government, whether they should give effect to that resolution or not. I hardly think it is worth while going over the old ground again. The matter was discussed in all its bearings on the last occasion, and it is almost useless for me to urge that the principle is a wise or a just one. I need only say that to myself, and to other members who have to travel long distances to attend our duties, I think there ought to be some remuneration. As the matter was discussed so fully last session, it would be unwise to exhaustively go into the subject now. If the motion meets with the approval of hon. members, I think the payment should be so much per sitting, and that members who do not attend to their duties should not be paid. It seems to me that it would be unfair if members were paid by the session. If the Government agree to bring forward a Bill, we can discuss the question of how payment should be made, when we get into committee on the Bill. All I need say now is that I hope the Government will see their way to do something in the matter. I formally move the motion standing in my name.

THE PREMIER (Right Hon. Sir J. Forrest) : Whatever views hon. members may take in regard to this proposal of the member for North Coolgardie, I am sure everyone will agree that he has brought the matter forward in a way that is altogether unobjectionable, and in a way that would, if one were in doubt about it, certainly tend to give it support. A somewhat similar proposal to this one

was brought forward in 1897 ; but the object of that proposal was that members of this Parliament should vote themselves payment. I expressed myself in regard to that motion at the time, and I think that, although the motion was passed, hon. members felt themselves in a difficulty as to making the principle applicable to the present Parliament. I feel sure the hon. member himself felt that difficulty, and probably expressed it. In the shape in which the hon. member brings the motion forward now, no one can say he has a selfish motive in reference to it ; but he considers he is moving in the direction, not for his own benefit, but for those who may come after him. It is not necessary to labour this question, though I should like to say something in regard to it, both on the side of payment of members and also something against it. One fact that we must all recognise is that in most British colonies, I may say nearly all if not all, for I do not know of any exception, payment of some sort is made to members of Parliament, to members of the Legislative Assembly, at any rate, and of course there are some places where payment is not made to members of the Upper House. In all the colonies of Australia, I think, except in South Australia, the members of the Upper Houses receive no payment ; but in the case of South Australia the members of both Houses are paid £200 a year for their services. There are a great many different ways of paying members of Parliament. In some cases it is called a direct payment, a salary ; in others a reimbursement of expenses, and in others so much a sitting is allowed. This last was the case in Queensland, but I think it has been altered lately. In Canada a member is only paid if he attends, and then only at a small rate. The general idea, with the exception of one or two colonies of Australia, is that payment should be made by way of an honorarium, or a reimbursement of expenses incurred, rather than that it should be a salary ; still the fact remains there is some sort of payment or reimbursement of expenses paid. Of course, in the great mother country, up to the present time, there is no provision for payment of members.

MR. VOSPER : You are not correct. There has been a provision ever since

there has been a Parliament, but it has fallen into disuse.

**THE PREMIER:** The hon. member is more learned than I am in regard to the constitution of England, but he does not get any further than I do, because no payment is received. I think it would be necessary to pass an Act of Parliament to revive such a system.

**MR. GREGORY:** The British Parliament has affirmed the principle of payment to members twice during the present Parliament.

**THE PREMIER:** The principle has been affirmed here. No doubt one great argument used in favour of payment of members, looking at it from the electors' point of view, is that it gives a greater choice to those who are electing members to the Legislature. It is also said that payment will encourage poor men, without means, to aspire to become elected to the Legislature. We all know that so long as there is no payment of members it is not easy for a man who has no money at all to take a seat in Parliament, because there are attendant expenses: a man has to live.

**MR. GREGORY:** And there is a tendency to class legislation.

**THE PREMIER:** I do not want to follow the hon. member in that direction, because the "classes" have always been recruited from below, at any rate. I was saying it encourages poor men without means to sit in Parliament, and it enables politics to remain a profession for men without any means. Poor men in the other colonies, and in many places throughout the British colonies, have got into Parliament. They get enough to live upon, and they are enabled to make a profession of politics. Not having any work to do, having no business, these men are very often able to give a larger attention perhaps to politics than they would be able to do if they had to look after a business: at the same time they have to follow the difficult profession of politics. Now in theory payment of members is excellent; there is very little to say against it; the labourer is worthy of his hire. We are all poor men in this country: very few of us can be said to be other than very moderately off.

**MR. VOSPER:** This is very much off.

**THE PREMIER:** And there is no doubt payment would be very acceptable to many even in this House at the present time. (Mr. KENNY: Hear, hear.) The question we have to consider is whether in practice the principle works out so well as in theory it seems that it ought to. I have an opinion of my own which I am not afraid to express: I think the principle does not work out in practice so well as it looks in theory. We know what the practice has been in the other colonies; we know that what is called the Labour party in Eastern Australia, especially in South Australia, our nearest neighbour, insists that its members shall not work at their trade or business—the Labour members are generally tradesmen—but shall devote the whole of their time during the recess to looking after the interests of their constituents. To a man with very strong views of what is moderate and temperate, it does not matter much if he is idle, but there is no doubt that idleness is not a good thing for anyone. The fact is, a man with no occupation or no business of his own will have a good deal of difficulty in filling up his time, and there is nothing which makes a man forget work so easily as having nothing to do. If members had nothing to do for several years, only to look after the interests of their constituents, members would not like work any longer. It is uncongenial. Should a member who has no money and nothing behind him not be re-elected, when a general election comes round, and it comes round pretty often, I consider the case of that man is absolutely pitiable. He cannot go back very well to the work he has been accustomed to, as a rule: there are exceptions of course, men made of good grit who can face adversity; but it is a pitiable thing for a man having occupied the high and responsible position of a member of Parliament, and only been paid enough to keep body and soul together, to find himself rejected and to have to go back to work again. That is the weak spot in all the colonies. Those whom we are acquainted with know it full well, and those who have experienced it know it better. It does not so often happen that a man is not re-elected: those who have put him into Parliament are loyal enough to re-elect him, which is a good thing, because it is bad to be placed on a

pinnacle and then allowed to drop or to fall over a precipice. We have seen many men, who have been members of Parliament in the other colonies, come here seeking to become members of Parliament. I have known several, and I know several in this colony now. Had it not been for payment of members, these men would never have been members of Parliament, and thus would not have been in the position they find themselves in to-day. In my opinion, in this colony --I am only speaking individually--there is no great necessity at the present time, in fact there is no necessity at all, for this motion. It is not proposed to pay the members of this Parliament. If it were proposed to pay the members of this Parliament, I could understand the motion. There would have been a necessity for the motion, if members wished to be paid; but seeing it is intended that payment shall only apply to another Parliament, I do not see that this Parliament should concern itself so much in order to make warm places for others next session. It is said that we are generally selfish. I think the member for North Coolgardie (Mr. Gregory), unless he hopes to be a member of the next Parliament, is the most unselfish man I know.

A MEMBER: He may fail to get elected.

THE PREMIER: Very likely; the same as our friend, Mr. Higinbotham. I think there is no necessity for this motion at present. One kind of machinery for ascertaining public opinion is very popular just now with a certain number of people, although it is a method I do not care much about, because I know its effect is not always good; but it is good in some cases, and if the system can be used for ascertaining public opinion on simple questions, then the sooner our Constitution Act is altered, so as to make it a part of the Act, the better. The method I refer to is what is called the "referendum;" a popular machine that is altogether foreign to the British constitution, and foreign to our constitution as a colony, but very popular with a number of persons, as I have said.

MR. KENNY: You can't beat it.

THE PREMIER: If it is to be applied for ascertaining public opinion on such questions as the Commonwealth Bill, with its great number of clauses and its

many difficulties, and if the people are to be asked to vote for or against that Bill, then I say the referendum is not a machinery suitable for ascertaining public opinion on such a Bill as that. The referendum is, however, very valuable if used only as a guide to Parliament in regard to what is the desire of the people on some simple issue which can be readily understood, and the referendum may in such cases be very useful indeed. Of course hon. members all know how it works. The referendum means the destruction of their electorates, the sweeping away of the constituency system at one stroke. The whole colony is treated as one electorate for the purpose of a referendum, so that the rights of individual constituencies are ignored and absolutely swept away. East Fremantle, for instance, would be struck out of existence in a referendum, as if East Fremantle had no existence, its wishes and interests being swept clean away. This system means that the whole people of the colony will vote as one electorate on the particular question. Therefore I think the only questions in which the referendum can properly be useful are those simple issues which the people can thoroughly understand, and on which they can give a direct answer. The issue in the present case would simply be this: Do you want payment of members—yes or no? There is not a single voter who would fail to understand that, and he could answer the question at once. So I say that is a case in which the referendum might be useful, for we might ask the people to say: Are you in favour of payment of members—yes or no?

MR. GREGORY: How much?

THE PREMIER: I think Parliament is not to be dictated to as to the amount which should be paid to members, and that would not be easy to arrange in a referendum. I believe that such a question has been asked in the neighbouring colony of South Australia, when it was decided at a general election by a referendum being taken at the same time on the particular question as to payment of members, each voter being asked to record, when he went to the poll, whether he was in favour of payment of members or not. The result of submitting the question in that form in South Australia was that the principle was supported by a large majority of

electors, and the Government of the day afterwards brought in a Bill, which was passed into law. The referendum was very useful to the Parliament of South Australia, in that case, because the wish of the whole colony was thus made clear to the Legislature. Therefore I say, seeing that this Parliament is not personally interested in the question as stated in the motion—and I am glad of it—that would be a good plan to be used at the next general election for ascertaining the opinion of the electors on this particular question. We would then see the result of the referendum on this question; and if the electors, in recording their opinion on this simple issue, were to say, "Yes, we are in favour," then I do not think there is a man in this House who would not be ready to say, "The people have decided by a reasonable majority that they are in favour of payment of members, and I do not see why we should not pay them." There is another reason why I advocate this use of the referendum, for if some members do not like the popular referendum for deciding complicated questions, the constituencies will also be consulted at the same time, in the ordinary way, on other questions, and we will come back armed with authority from our constituencies to say that the people are in favour of the payment of members, or that they are not in favour of it. We will know definitely the views of our constituents, because in every electorate we will know how many voted for and how many voted against the particular question, by means of the referendum; therefore there will be no uncertainty as to what the opinion of our electorates may be on that question. The member for East Fremantle (Mr. Holmes) will know how many have voted in his constituency for payment of members and how many against it, and I have no doubt he will be able to shape his course accordingly.

MR. HOLMES: He will not get here again if you can help it.

THE PREMIER: He will not. We put him there, and I expect we can keep him out.

MR. VOSPER: Commendable candour.

THE PREMIER: Yes; we put the hon. member in, there is no doubt about that, and I think we made a great mistake.

MR. HOLMES: You are always making mistakes.

THE PREMIER: I think the course I have suggested is the best to take on this question. The matter has not been placed before the constituencies so fully as it ought to be, and there is nothing to be gained by rushing it. It will also look far better for us not to pass the motion in this Parliament, and I think it will be more reasonable that the next Parliament should pass a Bill providing for payment of members, if that be the general wish of the people, rather than that we should pass it. Everyone knows I have been opposed in this House to the payment of members. I have argued that while there are so many persons desirous to be members of Parliament, there is no necessity for the payment of members; and this may readily be seen, for if one member resigns to-day, you will find there will be a dozen intending candidates inquiring about the constituency, although the whole dozen may not go to the poll. There must be something in it that is attractive.

MR. VOSPER: I know at least 25 who want my seat.

THE PREMIER: Then how is it that, when there are so many persons anxious to get into Parliament and give their services free, there is yet such a desire on the part of some persons to pay members of Parliament for their services? What necessity, in these circumstances, is there for the people to put their hands in their pockets in order to pay representatives for coming here? If there were a dearth of candidates for election to Parliament, and the seats were going abegging, it would be necessary for the electors to say "We must offer some inducement to our representatives, and must pay them for doing the work." On the contrary, however, when there are so many persons anxious to serve the people by representing them in Parliament without payment, there can be no necessity for payment of members. There must be some great attraction, some real advantage, in being a member of Parliament, or many persons imagine there is.

MR. VOSPER: More imaginary than real.

THE PREMIER: It is because the position of a member of Parliament is a high and honourable one that so many

persons aspire to obtain it, and every man likes to be honoured amongst his fellows. Quite right, too. To be elected to Parliament gives one a high and honourable position. For these reasons I am opposed to the passing of this motion.

MR. GREGORY: We will accept the referendum.

MR. HOLMES: But the Premier is opposed to the referendum, is he not?

THE PREMIER: I am not opposed to a referendum on a matter of this sort, for that is just such a means as would enable us to ascertain the views of our electors; and if the mover will withdraw his motion I will take care, as far as I am concerned, that we shall have an expression of opinion on the question at the general election.

MR. GREGORY: The object I have desired in submitting this motion will be attained by the referendum suggested by the Premier.

THE PREMIER: I beg your pardon. I had intended to move, and I now move as an amendment:

That the question of payment of members should be referred to the electors of the colony, for an expression of their opinion at the next general election.

MR. ILLINGWORTH (Central Murchison): I have great pleasure in seconding the amendment moved by the Premier. I had mentioned the same thing to the mover of the motion before he spoke this evening, and it is a singular coincidence that two minds happened to run in the same groove on this question of the amendment. When the question of payment of members was debated in this House two years ago, I said it would be an indecent thing for us who had so lately come from the country to vote ourselves a salary. I think also that the next Parliament will be in precisely the same position if we pass a Bill this session, because this House would have passed a Bill and the electors would not have any opportunity of expressing an opinion on it. It is sometimes said the electors can express their opinions at the polling booths; but hon. members know that no single issue returns a member to Parliament, and that while a candidate may be in favour of payment of members, his constituents may be against him on that question, and yet return him on

other features of his policy. I think there is no better way of arriving at a conclusion on this question than the one stated by the Premier; and if the people generally desire to pay their representatives, there can be no reason why that should not be done. As a democrat, I think it will be the top stone of the democratic policy.

THE PREMIER: You are a Conservative.

MR. ILLINGWORTH: I am afraid that, if the Government go much farther on the lines of democracy, I shall become a Conservative. They are going a long way beyond me. Still I think the suggested referendum is the most satisfactory way of settling this question; and the one issue before the electors will be a simple one, so that if the country says "Yes," hon. members will relieve themselves of a great many difficulties.

MR. VOSPER: And draw their cheques with a clear conscience.

MR. ILLINGWORTH: I do not think it is necessary to debate the matter further.

MR. GREGORY (in reply): With the permission of the House, I ask leave to withdraw my motion. The only object I had in submitting the motion will be served distinctly by the amendment, because I have felt satisfied that the people are strongly in favour of payment of members, and desire that it shall be brought into operation. If we find later that the people do not desire it, I think it will have been wrong for us to pass a motion affirming the payment of members. I hope the House will allow me to withdraw my motion.

MR. LEAKE: Vote for the amendment. You need not withdraw.

MR. GREGORY: I ask that my motion be withdrawn.

MR. MORGANS: If the motion be withdrawn, the amendment must go with it.

THE DEPUTY SPEAKER: The hon. member may withdraw the motion, and the amendment may become a substantive motion by consent of the House.

MR. KENNY (North Murchison): I am strongly in favour of payment of members. I cordially supported the hon. member (Mr. Gregory) on the motion he made in 1897, and I intend to give him my support on this occasion. But

while I am strongly in favour of payment of members, I am still more strongly in favour of the proposal of the Premier. I must admit that his suggestion comes as an agreeable surprise to us all. Not only do I look upon the reference of this question of the payment of members to the people for their decision as an excellent means of settling the difficulty, but I think that in so doing we are establishing a liberal precedent, a precedent that will no doubt be followed in years to come, in the settlement of more important and probably of more intricate questions. I congratulate the right hon. gentleman on his timely suggestion.

MR. VOSPER (North-East Coolgardie): I rise to add my congratulations to those of the member for North Murchison, and I can only say that the Premier's suggestion indicates to me that a considerable change has taken place in the attitude of the Government, viewed from a democratic standpoint. I think that in a little while, if we proceed to investigate the results of the Ministerial policy foreshadowed during this session, we shall see the Forrest Ministry occupying much the same position as their neighbours, the Kingston Ministry, in the colony of South Australia. At all events, I certainly think that the pursuance of the policy which the Premier has inaugurated this session will be far more in accordance with the desires of my constituents than what we have hitherto been accustomed to expect from his Administration. I may also add that, during the session of 1897, I had the pleasure of supporting the member for North Coolgardie (Mr. Gregory) on this matter; and, prior to this motion being brought forward to-night, I had a consultation with the hon. member, because it was felt by us, as by other goldfields members, that there is a demand, at least on the goldfields, for this reform.

MR. A. FORREST: So there is here, too.

MR. VOSPER: As far as I can recollect, pretty nearly all the goldfields representatives were returned on a promise to vote for payment of members. I recollect the member for Coolgardie (Mr. Morgans) making a pledge of that description prior to his election. I heartily congratulate the Government upon the happy settlement of this ques-

tion, and on their having adopted a new mode of settling little difficulties of this kind; for while the use of the referendum will have the effect of removing outside of the domain of Parliament many contentious subjects, and of giving the people increased power, it will also have the effect, which I do not suppose the Premier has yet contemplated, of keeping Ministries in power for longer periods than would otherwise be the case, because the Ministry will not then be dependent, to the same extent, on parliamentary majorities. We know that this will be so from the example we have in the Swiss Confederation, the most liberal and democratic in the world. On a question of this kind, no doubt the use of the referendum will be of great service. I again congratulate the Premier on his having made this happy concession, and the member for North Coolgardie on the successful issue of his efforts in the direction of obtaining payment of members.

MR. WOOD (West Perth): I am glad this question has been so satisfactorily settled, for I am certain the result has been a great relief to a number of members of this House. I also am glad to hear the congratulations from various hon. members on the progressive policy of the Ministry; but it is strange to me that all this has not been discovered before. I discovered it four years ago, when I took my seat on this (the Government) side of the House.

MR. ILLINGWORTH: You knew what was coming; we did not.

MR. WOOD: I took my seat here because this side of the House is occupied by the only progressive party in Parliament. It is only on this side that progressive men are to be found.

MR. ILLINGWORTH: Which way do you progress?

MR. WOOD: It is in no way surprising to me that a man like the Premier should see in what direction the tendency of modern political development is growing. He sees that development, he leads it, and to-day he is receiving the congratulations, not only of the most prominent among the Oppositionists, but nearly every member on either side of the House.

Amendment (treated as a substantive motion) put and passed without dissent.

MOTION—OVERHEAD BRIDGE AT  
FREMANTLE.

MR. HIGHAM (Fremantle) moved :

That, in the interests of the public using the South Quay at Fremantle, the immediate construction of an overhead bridge is desirable.

This motion would relieve the Railway Department of some little trouble at the present time ; for the department appeared to feel that, without a direct mandate from Parliament, they were not justified in building this overhead bridge until the annual Estimates had passed. Any person who knew anything about the South Quay at Fremantle must realise that the intention of this motion was absolutely sound ; and that, to prevent a great disaster, this bridge should be built, not after the passing of the Estimates, but immediately. There was but one outlet from Cliff street to the South Quay ; an outlet through which the vehicular and pedestrian traffic had to traverse a level railway crossing some four chains wide, where there might be, at any moment, a serious accident. The proposed bridge would relieve Cliff street of the greater portion of the traffic to and from the South Quay. As the Government were favourably disposed towards the proposal, the urgency of which was apparent to all who knew the locality, he hoped the House would pass the motion, thus authorising the department to proceed with the work immediately.

MR. HUBBLE (Gascogne) seconded the motion. The urgency of the work was beyond question, seeing that the Cliff street crossing was so dangerous that an accident might at any time involve the Government in a loss far exceeding the cost of a bridge which, he was informed by the last speaker, would be £2,700.

THE COMMISSIONER OF RAILWAYS (Hon. F. H. Piessé) : The Government did not intend to oppose the motion, the necessity for the bridge being apparent to everyone. Plans had been prepared for its erection at an estimated cost of about £3,000. But, though the work was necessary, all must recognise that the present means of approach to the jetty had been used for a number of years, and, therefore, the requirements of the port and of the public using the crossing would be amply met by

providing for the work on the Estimates. Since improved accommodation had been provided for shipping on the river, he had noticed an increase in the traffic at the crossing, and he fully recognised the danger to which the public were exposed. But, though the bridge was necessary, it could not be put in hand until the department had the necessary funds. As soon as these were furnished, the work would receive immediate attention ; and in order that it might proceed as soon as the vote was passed, all the preliminary arrangements would at once be made.

MR. LEAKE (Albany) supported the motion, and regretted that no funds were available for the work. It was noticeable, however, that funds had been available for other purposes ; and it was unfortunate that the Minister, when funds were forthcoming for overhead bridges at railway stations where there was no passenger traffic, had not thought fit to build this very necessary viaduct.

THE COMMISSIONER OF RAILWAYS : The bridges in question had cost some £215 each, as against the £3,000 required for this bridge. Would the hon. member mention one of the bridges referred to which was not required ?

MR. LEAKE : Was there not one at Bayswater ?

THE COMMISSIONER OF RAILWAYS : Was that not required ?

MR. LEAKE : No.

THE COMMISSIONER OF RAILWAYS : Hon. members might make such statements, but they ought to verify them.

MR. LEAKE : It was impossible to recollect at the moment the locations of the different bridges referred to. However, he was glad the Minister was alive to the necessity for this important work, and he (Mr. Leake) would lend his support to passing the vote when proposed.

Question put and passed.

DIVIDEND DUTY BILL.

SECOND READING (MOVED).

THE PREMIER (Right Hon. Sir John Forrest) : I have to move the second reading of this Bill. I am sorry it has not been longer in the hands of hon. members, but it is a simple measure, although very important. It has long been felt that something should be received by the State, more than is being



received at the present time, from the very large dividends that are being paid, especially by the gold-mining companies, I think there is nothing fairer than to tax those who are doing well. It comes hard when a person is scarcely making a living that he should be taxed, but I think if men are making large profits they should not object to pay something to the State in which they are enabled to make such large profits. Of course taxation of any kind is not very palatable; no one likes to be taxed; everyone likes to go scot-free; but there is a necessity for a country to obtain funds, and we have to look to those sources which produce a considerable amount. It is no use harassing people by taxation if the result is small and the cost of collection great; therefore all persons who are trusted with financial operations in a country on behalf of the State have to look to sources where the cost of collection will not be great, where the results will be large, and where those who have to pay the tax will not be unduly injured. In looking about for that class of revenue, the Government think that this dividend tax is the fairest and one more likely to produce a considerable amount of revenue than any other taxation in the colony. I am not able to tell hon. members what amount the tax will produce, but I think it will produce £60,000 or £70,000 a year, at least. Objections have been raised to the Bill because the purport of the measure has been known for some time, although we have not been able to place the Bill on the table until to-day because of the difficulties in preparing it. Although only a little Bill, it has been rather troublesome to prepare, especially in regard to companies having operations in this colony and in other countries. If we had been dealing only with companies having their habitation here, and nowhere else, it would not have been difficult to meet them; but there have been difficulties, I can assure hon. members, in preparing this little Bill, and that is why the delay has occurred in placing it on the table of the House. Hon. members will notice that in the definition of "company" is included every incorporated company or association wheresoever or howsoever incorporated, associated or formed, and whether under the laws of Western Australia or under the laws of any other

country, and whether under a statute, letters patent, charter, or otherwise, which carries on business in Western Australia and is not a brewery company. The reason why brewery companies have been excepted is because I think they are taxed enough in paying the excise duty on beer; and, being local manufacturers, it seems to me the large amount the State receives from brewery companies is quite sufficient, and that no other taxation, at the present time, should be imposed on them. If hon. members desire it, a return can be made giving the amount of excise paid by the various companies; but I can assure hon. members it is very large, and that being so, I have thought it right to exclude brewery companies which are already taxed very heavily from the operations of this dividend tax. It may be said, and it has been said, why should a dividend tax apply only to incorporated companies? If the tax did apply generally, it would become an income tax, and I do not think that is desirable at the present time. An income tax is an excellent engine of taxation, but it is a very inquisitorial, unpleasant, and a very disagreeable tax to everyone. Although it is the great engine of taxation in the mother country, and has been adopted in many other countries, there is no occasion to adopt it here at present. I take it the dividends of an incorporated company are in a better position to be taxed than the income of a private individual is. A private individual doing business risks the whole of his estate, and all he possesses in the world, whereas an incorporated company has as its shareholders the richest men in the province, whose property is only liable to a limited extent. Shareholders have not the same responsibility and do not run the same risks in business as an ordinary individual carrying on business on his own account does. It has been said that this Bill should not be made to apply to all companies incorporated in this country, but should be made to apply only to gold-mining companies which are paying large dividends. I could not myself justify the bringing in of a Bill to apply only to one class of dividend payers. It seems to me if dividends are paid in the colony, and if there is a dividend tax, it is only fair that the tax should apply to all, and for that reason the Government were not able to select any particular class of

dividend-paying companies to which the Dividend Bill should apply, but they consider the measure should apply to all companies. Hon. members will notice by the interpretation clause that a dividend includes every sum of money intended to be paid or credited to or distributed among any members of or in any company, except in a winding-up or on a reduction of capital, whether the same is derived from income or from capital, and whether it is called by the name of dividend, bonus, profits, interest, or any other name. That is necessary to prevent bonuses being given, or payment being made in some other name than "dividend," and by that means an attempt made to escape paying the duty.

MR. ILLINGWORTH: Do you tax the bonuses of insurance companies?

THE PREMIER: There are provisions in regard to insurance companies in the Bill. The amount proposed to be charged on dividends is at the rate of five per cent. on all dividends that are paid. When a company carries on business in more places than Western Australia, the duty shall be payable only in respect of such portion of the dividend, as in the case of a mining company, as is proportionate to the profit made by the company in Western Australia, as compared with the total of the profits made by the company since the preceding dividend, and if there has been no previous dividend, during the preceding twelve months. In the case of any other company not being an insurance company, the duty shall be proportionate to the value of the assets of the company in Western Australia as compared with the value of the total assets of the company. That is the nearest we can get to this troublesome matter of taxing a company doing business in different places. It is all very well in the case of a mining company; we know the profits they make here and the profits they make elsewhere; but we are not quite so certain that we can ascertain this with an ordinary trading company to the same extent. It is provided that the duty payable in respect of the first dividend declared by any company, after the coming into operation of this Bill, shall only be in proportion to the time that has elapsed after that day up to the day on which the dividend is declared, as compared with the whole

period that has elapsed since the last preceding dividend was declared by the company. Therefore the Bill is not made retrospective. If a company paid £100,000 in dividends during the last twelve months and only one month has elapsed since the passing of the Act, only one twelfth of the dividend would bear duty: that is so as not to make the Bill retrospective. Every company incorporated outside Western Australia, and carrying on the business of mining in Western Australia, shall, for the purposes of this Bill, be deemed to have its chief place of business in Western Australia. It is provided that every company carrying on business other than insurance business in Western Australia, not having or being deemed to have their head office in the colony, or chief place of business there—you see mining companies are deemed to have their head office in the colony, but those companies not having their head office here, or deemed to have them here—have to make returns as provided by Clause 6 annually, and to give all particulars necessary for the payment of the dividend. That, of course, will meet all ordinary business firms carrying on business, and which declare a dividend in the year.

MR. ILLINGWORTH: Banks?

THE PREMIER: Banks and that class of institution. But that is not the case with mining companies, which make several dividends in a year. In the case of all classes of companies, whether mining or other, they will have to pay the same duty of 5 per cent. In regard to insurance companies, the duty is to be only one per cent. It will be noticed that the duties imposed by the Bill are debts due to Her Majesty from the companies by which, and the persons by whom, they are respectively payable; and it will not be lawful for any company, or any person acting on behalf of a company, to distribute any dividend until the duty payable in respect thereof has been paid. Then a remedy is provided against persons receiving dividends until the duty is paid. There are penalties for default, there is punishment for a false declaration, and there is power given to make regulations. I do not think it will be difficult to understand this Bill, although I may say it has not been so easy to construct the Bill as may be

imagined; but I hope that, with the great care bestowed upon it, the Bill will not need to be much amended, if at all, in committee. I would urge on the House that expedition is necessary, as far as may be consistent with a proper scrutiny of the Bill; because we know that large dividends are paid very often in some places, and every day of delay in regard to any such dividend will be a loss of a nice little addition to the Treasury funds.

MR. ILLINGWORTH: Cannot you pass a resolution to protect the revenue?

THE PREMIER: I do not think we can, in a matter of this sort, though that suggestion may be considered. I think hon. members will be able to grasp the provisions of the Bill, so that we may pass it through pretty quickly. I beg to move the second reading.

MR. ILLINGWORTH: Some companies might pay a shilling dividend to-morrow.

THE PREMIER: The duty under this Bill will be payable only from the time of the last dividend.

MR. LEAKE: I move the adjournment of the debate until to-morrow.

MR. ILLINGWORTH: I second that.

Motion put and passed, and the debate adjourned accordingly.

## RURAL LANDS IMPROVEMENT BILL.

### SECOND READING (MOVED).

THE PREMIER (Right Hon. Sir J. Forrest), in moving the second reading, said: The title of this Bill seems very harmless, and would appear to commend the Bill to everyone; but on looking into its provisions, there may perhaps be objections made to the measure by some critics. The object of the Bill is to fine persons who own fee-simple land for a number of years, and do not improve or make use of it. If a person owns a fee-simple of more than 100 acres contiguously situated, and does so for 10 years, and has not fenced it in and expended on it a certain amount of money in improvements, he will, after the coming into operation of this measure, be fined annually at the rate of 1d. for every pound sterling of the estimated unimproved value of the land, and this will continue to be an annual fine until the land is fenced in and the required expenditure in improvements is made upon it. The Bill goes farther than that, and provides

that any owner who is an absentee, instead of having to pay 1d. in the pound on the value, will have to pay 1½d. in the pound as a fine annually. The Bill is to come into force on the 1st of March, 1902, so that it allows an interval of two-and-a-half years for owners of land to comply with the provisions of the Bill in order to avoid being fined. I would point out that the fine of 1d. in the pound of value of the land or 1½d. for an absentee, as the case may be, is to be on the unimproved value of the land; that is to say, the fine will not be on the value of any improvements, but merely on the estimated value of the land in its unimproved condition. If a person owns 1,000 acres of land near Perth, for instance, the value of which may be estimated at £5,000, and if he has not or does not fence it in and make the improvements necessary under the Bill, then he will have to pay 5,000 pennies each year while the land remains unimproved. That will be a fine of something like £20 a year in the case of 1,000 acres of land near Perth, and the fine will go on annually until the owner completes the required improvements; and when he has made the improvements as required in the Bill, he will be free from any fine. That is the whole substance of the Bill, with the exception of a provision in Clause 19, which says:

All fines received or recovered under this Act shall be paid to the Colonial Treasurer, and kept in a separate account, and shall be appropriated to the construction or up-keep of roads and bridges in the district in which the lands in respect of which the duty is imposed are situated.

This means that the £20 a year I have suggested as an illustration would, if the land were in the Perth Roads Board district, go to the roads board of the district, and would of course be appropriated to it by Parliament for works to be done in that district, and to no other purpose. I think that is a very good provision. I hope the amount of fine proposed in the Bill will not press heavily on any *bona fide* owner of land, and my own opinion is that it will not. In the present condition of the colony, the proposed fine for keeping land unimproved appears to be necessary, for I do not think people have a right to hold land for ever and do nothing with it. This fine will not be a heavy punishment, but I

think it will be sufficiently heavy. Seeing also that the fine is not intended to take money out of the pockets of landowners in order to put it into the Treasury chest, but is rather to go to the keeping up of roads and bridges in the district where the land is situated, that provision should make the Bill the more acceptable. It is hard that, in many places, owners of land get all the advantages of railway communication, with roads and other improvements, which enhance the value of their land, and yet these owners, in many cases, live out of the colony and do nothing with their land, whereas if you want to buy it, they ask an extravagant price. Hon. members will see, in the first schedule, that the sort of improvement referred to is that first-class land shall be improved to the extent of 5s. per acre, second-class land to the extent of 3s. per acre, and third-class land to the extent of 1s. per acre. If an owner have a piece of third-class fee-simple land, in order to comply with the Bill he will have to fence it in and spend 1s. an acre in improvements on it, and, having done that, he will be free from any fine under the Bill. I would draw attention to Clause 3, which provides that :

This Act shall not apply to rural lands granted by the Crown to the Midland Railway Company or to the Hampton Plains Company, so long as such lands remain the property of such companies respectively.

A MEMBER: What is the reason for that ?

THE PREMIER: I am going to tell you the reason. Firstly, I may say that any lands that have been sold by these companies to other persons will not be exempt from the provisions of this measure; but with regard to lands that are their own and have never been alienated from the company, the Government are of opinion, and I too am of opinion, that this measure for imposing a fine should not apply to such lands. I know I have not an easy task in recommending such a matter to the House, for I am aware that the Midland Railway Company is not looked on favourably by the people living along its route, nor perhaps by hon. members; but I wish to say that this company has laboured under a great many disadvantages, and has had to contend with great difficulties; and although it has shut up a lot of land in that district,

yet it has done a great deal of good in many other ways by giving a good daily train service between Perth and the Murchison goldfields. The company has had a disadvantage, no doubt from the beginning, in not having had command of a large amount of money. It has also had to compete with the Government, who give away land, and who sell land for very little, for 6d. an acre, and who also give away 160 acres for nothing to anyone who likes to reside on and improve such land. The company has had to compete with the Government, and it would be very difficult, I think, to form a land company to take over those lands and to compete with the Government, and yet make the venture profitable,

HON. H. W. VENN: Every landowner has to compete with the Government.

THE PREMIER: Every landowner is not trying to sell his land.

HON. H. W. VENN: Yes.

THE PREMIER: Not at all. However, this point will be for the House to deal with when it goes into committee; but it seems to me that it may be thought by investors in England that it is not a very equitable thing for this Parliament, after having given these large areas of land to these companies, in consideration of their building these railways, to tax that land before the companies have been able to dispose of it. I think such an action would not do us any good.

MR. VOSPER: Put a time limit on the operation of the tax.

THE PREMIER: I do not think it would do us any good on the London market to do that. I think it would be said that we were taking advantage of our authority to harass these people, who had never received any interest or return from their venture.

MR. GEORGE: You are about to tax their dividends.

THE PREMIER: That form of taxation only affects shareholders who receive profits. These shareholders have invested their money, these debenture-holders, to the extent of £600,000 or £700,000, I believe, and never received any interest whatever for years. They have never had any return at all.

MR. MORGANS: Nor are they likely to get any.

THE PREMIER: No; I do not think there is any present prospect of their

receiving dividends. Then if we tax them in spite of the non-success of their investments, it will be said that we are confiscating their property; and such a proceeding will have a very bad effect, and will do us serious injury on the London market. I think it is far better not to apply the provisions of this Bill to these two companies. They are the only companies in the colony which have had these large areas of land granted them on cheap terms. In my opinion, there is certainly much more reason why this Bill should apply to the Hampton Plains Company. I am not sure that they have not parted with their lands; and if they have, the provisions of the Bill will apply to such lands. [MR. MORGANS: Yes, they have.] It will not apply to lands which remain the property of the original companies. With regard to this Midland Railway Company, I am very sorry that they have not developed their lands; they have never made any money; the debenture-holders have received no interest for years; and it seems to me that to tax them into the bargain, when they are doing good service to this colony by running trains daily under great difficulties, hardly paying working expenses and interest—while they are making no profit—would be a great hardship. I do not think the line could be run much cheaper than at present. From all that I can see of the line, it is very economically worked. I do not think the Government could run it as cheaply, or anything like it; because under Government management the public would be more exacting in their requirements. That being so, I feel that we ought not to do anything to harass the company, or to increase the difficulties under which they labour at the present time. I feel quite certain that such action will not be viewed with favour by those in London with whom we wish to keep on good terms. The Midland Railway shareholders and debenture-holders, whatever may be said to the contrary, are influential people in London; they have embarked upon this venture, and they wish the Government to buy them out; but they want too much for their assets, hence the Government are not able to meet their wishes. At the same time, I strongly advise, and when we go into committee I shall cer-

tainly divide the House upon it, that the lands which have not been sold, which the companies have not dealt with, and for which they have received nothing, ought not to be brought under the operation of this Bill.

MR. MORGANS: Do not the Government hold all the lands of the Midland Company?

THE PREMIER: We hold 2,200,000 acres of their land as security for a sum of £500,000 which we guaranteed on behalf of the company; but of course the company can sell any portion of such land with the approval of the Government, and we have never yet refused to approve of any recommendation for sale made by the company, although I believe the transactions have been merely nominal, the sales comprising a few acres only. I have much pleasure in moving the second reading of this Bill. I hope it will do good; I do not think it will do very much harm. Of course some people will be dissatisfied; some people will have to pay; but still, they have two-and-a-half years in which to attempt to comply with the law; and if the Bill is not perfect, I have no doubt hon. members will be able to look to it in committee, and to put it into a shape that will be acceptable to the country. I beg to move the second reading.

MR. MORGANS (Coolgardie): I should like to say that, so far as the Hampton Plains Company are concerned, there cannot be any question in the minds of hon. members as to the justice of excluding that company from the operation of this Bill, for, as a matter of fact, the company have resigned the whole of their mining interests in the land possessed by them, and have practically handed over such interests to the public of Western Australia. I believe it will be within the memory of hon. members that last year, when the Goldfields Act Amendment Act was passed, reference was made to the subject of the Hampton Plains Company; and it is quite clear that the company have given up the whole of their interests in gold and gold-mining, all their mineral rights, to the public of this colony; and I think it is therefore only fair and just to the company that they should be exempt from the provisions of this Bill. With regard to the Midland Railway

Company I am not quite so clear in my mind; and although the Premier has, to some extent, made out a good case for the company, I am not quite convinced that they deserve the consideration which the right hon. gentleman has on this occasion been good enough to afford them. There is one important method of viewing the situation—that business is business; and if a British company enter into a business of this kind, as the Midland Railway Company have done in Western Australia, then when they enter into such a contract they do it with their eyes open; they understand the position just as well as anyone else; and if it turn out a failure, it is a matter of business, and I think they have no one to blame but themselves.

MR. A. FORREST: The company were badly advised at the time.

MR. MORGANS: I am prepared to admit that.

A MEMBER: They thought the land was of good quality.

MR. MORGANS: I may say I am prepared to admit that also. But I recognise that there is a great deal of force in what the Premier has said with regard to the effect in London of taxing the lands of this railway company. There is no doubt that this has been a very unfortunate investment for the shareholders of the Midland Company; for not only have the shareholders received no interest for their money, but the debenture-holders also have never received one cent in return for the funds they invested; and I think the same remark will apply to the money which the Government of this colony have been pleased to sink in the venture: I do not think the State has received any return in the shape of interest on that investment.

MR. GEORGE: The Government guaranteed the interest.

MR. MORGANS: The Government guaranteed the interest; but what I say is that the £500,000 which the Government of this colony were pleased to put in the hands of the Midland Railway Company for the purpose of helping them out of their difficulties stands in this position, that the Government hold as security for that money 2,400,000 acres of land; and whether that is or is not a good security, the fact remains that the company have never

been able to return one cent either to their shareholders or to their debenture-holders. The member for West Kimberley (Mr. A. Forrest) truly states, and I know it myself, that the statements made to the company in London, with regard to the land this company were about to acquire when they embarked on their enterprise, were entirely erroneous. Undoubtedly the company were grossly misled as to the position, and therefore I think there is a great deal of weight in what the Premier says, that they must receive some consideration in consequence at the hands of this House. As the Premier has said, what would be the effect upon this company of such legislation? We must remember that the shareholders have not received a single cent up to the present time in return for capital invested, and that the debenture-holders, who afterwards came to the rescue of the company and put their money into it for its salvation, have never, up to date, received a cent of interest. I think there is a great deal of weight in the Premier's contention that, looking at all the facts, and considering the large sum of money invested in this colony by the company, for which they have had absolutely no return, the corporation should receive some consideration. I desire it to be understood that I am not standing here as an advocate for the Midland Railway Company, because I do not think the company merit the advocacy of any member of this House. In looking at the question from a business point of view it is perfectly clear, although the company have had years of time in which to deal with the land in their possession, they have not been able to do anything with it. I am quite aware that hon. members may say the reason they have not disposed of the land is that they have not offered terms suitable to buyers; the terms offered to the public are not such as the public will accept. In any case I think that in view of the large amount of money the company have invested, their policy in the administration of their land must be a bad one. I am certain it has been a bad policy, and something should be done to make them change their policy and to show them that the policy they have adopted is not acceptable to the people of the country. It must be remem-

bered that the company have spent an enormous amount of capital in the country and they have received no return up to the present. In addition to that there are the debenture interests that have been invested in the company for the purpose of sustaining their position, and which represent a large amount of money.

MR. VOSPER: Would not a few years' exemption cover that?

MR. MORGANS: I am inclined to think it would. I am of opinion that something should be done to bring the company to book. I think the time has arrived when the Midland Railway Company should be led to understand that the Parliament of the country are prepared to show them their position, and make them understand that something must be done for the settlement of the land that is in their possession. This is a question which I am quite sure will be discussed in Committee, but it must be remembered by hon. members that there is a great deal of force in what the Premier says, that the taxing of these lands which have been handed over to the company under the concession would be imposing a new condition which did not exist when the concession was granted, and it must be remembered that the taxing of these lands will have the effect, if carried out, of raising doubts as to the *bona fides* of the intention of the Parliament of Western Australia. I think before the Parliament take any steps of this kind, and before we decide to impose any tax on the land belonging to the Midland Railway Company, which was given to them under certain conditions, great consideration should be given to the matter. When the Bill goes into Committee, members will be able to discuss it and look on it in its proper light, and give to the company that relief which members think they merit. Before I sit down I would like to say with regard to the company that there is one point I desire to have an opportunity of bringing before the House—the action of the company in regard to the free passes to members of Parliament over their railway. Although many hon. members have accepted the passes under the conditions offered by the company, I think the action taken by the trustee—not by the Midland Railway Company, be it understood, because it

was the trustee of the debenture holders who took up this position, and I cannot explain another man's motives—but I say the action taken by the trustee is discreditable to him, inasmuch as the Government of this colony have advanced to the company half a million of money.

MR. A. FORREST: Which is well secured.

MR. MORGANS: I doubt the security. I say, at any rate, the Parliament of this country was good enough to come to the rescue of the Midland Railway Company at the time it was in a "Slough of Despond," and when there was no hope of the company being able to relieve themselves from the difficult position. The first opportunity the company have they issue a notice to members of Parliament saying the company will allow them the privilege of travelling over the railway during the session of Parliament, but after that time members will have to pay their fares. This may be business, but I think it is absolutely discreditable, and I think it is a proceeding that should receive from this House the strongest condemnation. I agree with the member for Central Murchison (Mr. Illingworth) that it is an insult to the members of this House. I consider the conduct of the trustee of the company involved him in disgrace and discredit as far as this House is concerned. I do not desire to say more on that point. With regard to the questions raised, when the Bill comes before the Committee, we shall have an opportunity of discussing the various clauses; but in the meantime I would like to say that I hope hon. members will remember, when dealing with the Midland Railway Company—I am not now speaking of the trustee of the debenture holders, but of the company—that the company should receive at the hands of members the consideration that is due.

MR. VOSPER (North-East Coolgardie): I move that the debate be adjourned.

THE PREMIER: Some hon. members may wish to speak.

MR. VOSPER: This is an entirely new principle of taxation, and there should be no attempt to rush the Bill through.

THE PREMIER: Several members are willing to speak.

THE COMMISSIONER OF CROWN LANDS (Hon. G. Throssell): I think this measure will have the support of both sides of the House. Personally, I regret that such a measure was not introduced many years ago. I think it is known to hon. members that such a measure was advocated by myself long before the advent of railways in this colony. The Government made a mistake in the past in not introducing such a measure. When the agitation for the construction of railways was got up, large promises were made to the Government that, if the railways were constructed, great improvements would be made on the land and the necessity for the importation of produce would be wiped out. The railways were constructed, but unfortunately in too many cases the promises were not fulfilled. I have always urged that the compulsory improvement of large estates should have preceded the construction of railways at the cost of the country. At the present time there are many thousands of acres of land which are held without compulsory conditions of improvement attached. It is a deplorable fact that large estates have been increased in value to a considerable extent by the construction of railways, without any attempt on the part of owners to develop their land. Instances are not wanting of small holdings entirely surrounding large estates, and while the small selectors are compelled by the laws of the country to improve their holdings, the Government are utterly powerless to compel improvement on the large estates. It is quite clear that this is a wrong state of things, and I repeat, and most earnestly repeat, that a huge mistake was made in the past in not bringing the compulsory conditions to bear on these owners of large estates, especially when it is recognised that the main feature of our Land Act is compulsory improvement. As much as ten shillings to one pound per acre have been added to the value of large estates by the construction of State railways, and many of these estates are held on to by men who are getting a miserable living as absentees, not utilising the land, while the country is hungering for its produce. It may be argued that a man should be allowed to do what he likes with his own; but the country is being taxed for the

construction of railways which have conferred an unearned value on the land, and I conceive it to be a sound axiom that a man to-day should no longer "do what he likes with his own," when in doing so the State is injured. In regard to education, if a parent neglects his duty towards his child and does not give that child an education, the State steps in and insists on the child being educated. So in regard to land. The interests of the State demand that the land shall be improved; and as the State has entered into large indebtedness for the construction of railways, it is only right that the State should insist upon the land being improved. It has been a monstrous anomaly for years that a small man holds his land under compulsory conditions and the Government see that these conditions are carried out, while the men who have selected the "eyes of the country" have been allowed to go scot-free. I have the greatest respect for the pioneer; I can almost claim to be one myself; but I have seen how the country has suffered through the non-improvement of these large estates. This Bill will not affect the men who improve their holdings, nor affect the tenants of the Crown who hold 2,800,000 acres under conditions of compulsory improvement. The Bill will apply to those who are not causing the country to progress; and in this Bill, exemption is made to the Midland Railway Company and the Hampton Plains Estate. As to the Midland Railway Company, it must be a matter of regret to us all that a huge area of land is lying almost unimproved, and I deeply regret to say that no active steps are being taken by the company to settle people on the land. I am not quite sure whether I am right, but I have an idea that, by the agreement entered into between the Government and this company, the company were exempted from taxation. I deplore the fact of the land being locked up; but at the same time we must be just and not be harsh. People who hold millions of acres of land cannot well be compelled to face the fencing law or pay the tax. As to the classification provided for in the Bill, I think members will see that it is drawn on reasonable lines. Every man knows that a 5,000-acre block contains only a small proportion of good land, and the Bill provides for the classification under



which the land shall be placed. I rejoice that the Premier has at last introduced this measure. I have talked about it, written and preached about it for many years, and at last I have lived to see a measure brought forward dealing with these estates, and I hope to see it carried.

On the motion of MR. LEAKE, the debate was adjourned.

#### ADJOURNMENT.

The House adjourned at 6:37 p.m. until the next day.

### Legislative Assembly, Thursday, 20th July, 1899.

Question: Auditor General and Amendment of Act—Question: Goods Sheds, Fremantle—Dog Act Amendment Bill, third reading—Motion: Commonwealth Bill, Financial Clauses, etc.; to Refer to Joint Committee; debate resumed and adjourned—Trustee Investment Amendment Bill, Discharge of order—Adjournment.

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

#### PRAYERS.

#### QUESTION—AUDITOR GENERAL AND AMENDMENT OF ACT.

MR. HOLMES asked the Premier whether, in view of the disabilities experienced by the Auditor General, as pointed out in his last annual report to Parliament, it was the intention of the Government to amend the Audit Act, as requested by that officer.

THE PREMIER (Right Hon. Sir J. Forrest) replied that the matter had been again referred to the Crown Law Department for advice, and if an amendment of the law were advised, a Bill would be submitted.

#### QUESTION—GOODS SHEDS, FREMANTLE.

MR. HIGHAM asked the Commissioner of Railways,—1, What goods sheds it was proposed to erect on the South Quay, Fremantle; 2, When it was proposed to start building them.

THE COMMISSIONER OF RAILWAYS (Hon. F. H. Piesse) replied:—1, Three, being each alternate one, as provided for on plan agreed to recently by the Shipping Association and the Railway Department; 2, As soon as funds are provided.

#### DOG ACT AMENDMENT BILL.

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

#### MOTION—COMMONWEALTH BILL, FINANCIAL CLAUSES, ETC.

##### TO REFER TO JOINT COMMITTEE.

Debate resumed from Tuesday's sitting, on the motion by the Premier:

That the Draft of the Bill to constitute the Commonwealth of Australia, as finally adopted by the Australian Federal Convention at Melbourne, in the colony of Victoria, on the 16th March, 1898, as amended at a Conference of the Prime Ministers of New South Wales, Victoria, Queensland, South Australia, Tasmania, and Western Australia, which sat at Melbourne on the 28th, 30th, and 31st of January, and the 1st, 2nd, and 3rd February, 1899, be referred to a Joint Select Committee of both Houses of Parliament for consideration; such Committee to report not later than Tuesday, the 5th September next.

MR. GEORGE (Murray): Dealing with the motion before the House, it seems to me quite unnecessary for any of us to fully discuss federation at the present stage. The time will shortly come, whether this motion passes or not, when it will be necessary for members to give to this great question the time and consideration it requires; and I do not think it well for us, on a motion of this sort, to do more than deal with a few of the points relating to the question placed before us. I take it that so far as the members of the Assembly are concerned—and I think I may go further, and say so far as the people of Western Australia are concerned—we are all desirous that at some time or other federation shall become an accepted fact; and it is simply because there are those of us who believe in taking some little time for our decision,