Legislative Assembly,

Tuesday, 18th October, 1910.

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The SPEAKER took the Chair at 4.30 p.m., and read prayers.

PAPERS PRESENTED.

By the Minister for Lands: 1, Papers relating to application made for lands by A. H. Court, R. A. Nielson, and A. Myers.

By the Premier: 1, Report by the Chief Inspector of Fisheries to 31st December, 1909. 2, Report of the Comptroller General of Prisons for 1909. 3, By-laws of the Youanme Local Board of Health.

By the Attorney General: Amended By-laws under "The Legal Practitioners Act."

PETITION — FREMANTLE FREEMASONS' LODGE No. 2 DISPOSITION BILL (PRIVATE).

Mr. HUDSON presented a petition for leave to introduce a private Bill for "An Act to declare the ownership of Fremantle Lodge No. 2 of Freemasons in and to Fremantle Town Lot 870 and to facilitate the sale, mortgage, or other disposition thereof and for other purposes connected with the said lodge."

Petition received.

QUESTION — RAILWAY PASSENGERS CARRIED AS GOODS.

Mr. JOHNSON (without notice) asked the Minister for Railways: Does he intend to make any explanation at an early date *re* the carrying of Italians in a goods truck from Doodlakine to Kurrawang as "goods and effects"?

The MINISTER FOR RAILWAYS replied: I am prepared to answer any questions the hon. member asks.

Mr. Scaddan: They are not questions, they are charges.

The MINISTER FOR RAILWAYS: The hon. member asked a question.

QUESTION — ESTATE REPURCHASE AT BAKER'S HILL.

Mr. JOHNSON asked the Minister for Lands: Is there any truth in the rumour that the Government contemplate purchasing a large area from Mr. Copley in the vicinity of Baker's Hill? If so, for what purpose is the land being purchased and what price is it proposed to pay?

The MINISTER FOR LANDS replied: No; but Mr. Copley has offered an area of 26,600 acres on the Upper Swan and Wooroloo Brook at 15s. per acre. The land is offered for agricultural settlement, but the offer will not be considered until the report of the Land Purchase Board (which is to inspect the property at the vendor's expense) is obtained.

QUESTION — CYCLONE FENCING PURCHASES.

Mr. COLLIER asked the Premier: 1, Have the Government purchased cyclone fencing for any Government departments during the year ending June 30th, 1910? 2, If so, who are the local agents through whom the purchases were made?

The PREMIER replied: 1, Yes. Cyclone gates and fittings were purchased at a cost of £44 17s. 2, Purchases were made direct from the Cyclone Fence Co., Ltd.

QUESTION—LAND TRANSACTIONS, DUNKLEY CASE.

Mr. PRICE (without notice) asked the Minister for Lands: Will the Minister lay upon the Table the papers in connection with the Dunkley case?

The MINISTER FOR LANDS replied: If the hon. member moves for the papers I will have no objection.

Mr. PRICE: Then I will give notice to move for them.

QUESTION — RAILWAYS ACTION, FAICHING *v* COMMISSIONER.

Mr. GILL asked the Minister for Railways: 1, In the case of Faiching *v.* Commissioner of Railways, did the Commissioner contest this case in the law courts contrary to the advice of the Crown Law authorities? 2, Was the Commissioner's object in contesting this to test the legality of certain regulations? 3, If such was the case will the Minister take into consideration the question of recouping Faiching the expenses incurred in taking the case into court?

The MINISTER FOR RAILWAYS replied: 1, No. 2, No. 3, Answered by No. 2.

PERSONAL EXPLANATION — MR. OSBORN AND LAND TRANSACTIONS.

Mr. OSBORN (Roebourne): I would like to make a short personal explanation following on some remarks made by the member for Guildford last week during the no-confidence debate. I was accused by the hon. member, or it was suggested by the hon. member, that my honour was at stake with respect to some land transactions in connection with the Geetarning and Kumminin agricultural areas.

Mr. JOHNSON (Guildford): I rise to a point of order; I never reflected on the hon. member's honesty; I do not desire that to go forward. My attack was on the administration of the Lands Department which permitted this transaction to take place. I had no desire to cast any reflection on the hon. member other than that the Lands Department permitted it to be done. I want that statement withdrawn.

Mr. OSBORN: All I can say is that the hon. member said, "which in some way reflected on the honour of an hon. member of the House," and he named the hon. member for Roebourne. Whether he intended it as a reflection on the member for Roebourne or only as a matter of incident in respect to the debate he was discussing I do not know, but such the statement is as it has appeared in print, and such it is in *Hansard*. I wish to say for the benefit of those who do not know, that the statements made by the member for Guildford on that occasion in respect to myself are absolutely incorrect from start to finish as far as having anything to do with any underhand business with respect to obtaining a block of land in the Kumminin area. I wish to make it plain here so that the country may know both sides of the question. I did apply for, and was granted some land in the Geetarning area. Immediately upon investigation, and within a week I returned to the office and informed them that I would not continue with that land.

Mr. Hudson: On a point of order; are we to be kept here with an harangue that might have taken place some other time? During the debate on the no-confidence motion, the hon. member had every opportunity of answering the member for Guildford. That was the time for the explanation, and now over a week has elapsed. It is not right that he should be allowed to proceed in the manner he is doing.

Mr. SPEAKER: The hon. member rose to make a personal explanation. Probably he was not able to see *Hansard*.

Mr. O'Loghlen: He was sitting in the Chamber at the time.

Mr. OSBORN: As I was saying I had a block of land at Geetarning. In July, about the 4th I think, I informed the Lands Department that I did not intend to proceed with my application for that land. It is customary to allow a period of three months to elapse, but it was within a few days that I asked that my application might be transferred to one of five blocks in the Nunajin area which was being thrown open on the 11th August. That was done, and the transfer was made. The applications closed on the 11th August, and the land board sat on the 29th August. I was not

successful, and the whole transaction as far as Geetarning, and this block at Nunajin, ceased. Prior to the board sitting on the 29th August some land in the Kumminin area was thrown open, and I made a fresh application for a block there in the event of my being unsuccessful in the Nunajin area. That was entirely the whole transaction. The other blocks had been surrendered to the Crown some months before. The board sat on the 10th September with regard to the Kumminin area. I had applied for two blocks and in giving evidence before the board I was asked the question whether I would be prepared to accept one of the two blocks if the board were not prepared to grant me both, and I replied "Yes." The board also asked me which of the two blocks I preferred, and I replied that I preferred the one I had my homestead on, No. 15889. They replied "Very well, we will make a note of it." That is the block I desired under residential conditions. When they allotted the blocks to the various applicants they did not grant me No. 15889, but they granted me block No. 15888, and I was informed that I must bring that immediately under residential conditions or else I could not have it. That is the whole history of the transactions with respect to the matter which was brought before the House by the member for Guildford. The land board was only aware that I held no land by the simple fact that I gave my evidence before them and stated that I did not hold any land. I did not hold any land because I had surrendered it to the Crown. The land board knew nothing about my transactions, and they were absolutely free from any of the influences or suggestions made by the member for Guildford. I put the plain facts before them, that I then owned no land and that was absolutely the truth. I was unsuccessful in securing the block that I wished to select and they gave me the other one.

Mr. SPEAKER: The hon. member is rather long in his personal explanation.

Mr. OSBORN: I only wish to add that the member for Guildford said that it was two months before the appeal was lodged. He was incorrect, because it was lodged within one month.

SELECT COMMITTEE'S REPORT—WORKERS COMPENSATION ACT AMENDMENT BILL.

Report Presented.

Mr. DRAPER brought up the report of the select committee appointed to inquire into the Workers' Compensation Act Amendment Bill.

Report received and read.

Mr. DRAPER (West Perth) moved—

That the report and minutes be printed, and the consideration of the Bill in Committee of the Whole be made an order of the Day for Tuesday, 25th October.

He said: It will be impossible to have all the evidence ready by to-morrow, and I have reason to believe that the Government will not object to the matter coming forward on the 25th instant.

Mr. SCADDAN (Ivanhoe): I object to the date mentioned by the hon. member. We purposely decided that we should have private members' day to-morrow instead of to-morrow week in order that we should have the opportunity of dealing with this Bill. The Premier asked the member for West Perth whether the report would be ready before he agreed to my request that it should be considered to-morrow, and the hon. member replied definitely in the affirmative. "Very well," said the Premier, "we will deal with private members' business on the 18th and Government business on the following Wednesday." If the motion moved by the member for West Perth is carried, it will mean that this Bill will be held over for another fortnight.

The PREMIER (Hon. Frank Wilson): Under the circumstances I think that the suggestion made by the Chairman of the select committee to defer consideration of the Bill until the 25th instant is a reasonable one. I will put the Bill on the Notice Paper for that day.

Mr. UNDERWOOD (Pilbara): I move as an amendment—

That all the words after "be" in the first line be struck out and the word "cremated" be inserted in lieu.

It will be a waste of time to go further with this matter, and I will confine my

objection to that of useless expenditure. All those recommendations made by the select committee can be found in *Hansard* in the speeches of the Minister for Mines and the Attorney General; and if there is anything that is not to be found in *Hansard* we can get it from the Chamber of Mines.

Mr. Johnson: Or the *Mining Journal*.

Mr. UNDERWOOD: Therefore it is absolute waste of good money. There is another ground, and that is that there is no earthly hope of passing this Bill even though we do accept the report, so that we might as well throw it out now as keep it on the Notice Paper and spend money on printing in connection with it.

Mr. SPEAKER: I cannot accept the amendment in its present form.

Mr. UNDERWOOD. I will substitute the word "destroyed."

Mr. SPEAKER: Anything that tends to ridicule or bring the House into disrepute I cannot accept.

Mr. UNDERWOOD: Then I shall content myself by opposing the motion.

Mr. BATH (Brown Hill): I think it would be regrettable indeed if it were possible for the member for Pilbara to move the amendment that he suggested. It would be very undesirable for us to destroy such precious reform. I hope it will be preserved for future reference in order that the public may learn how a Committee of this House, as evidenced by the report, can look at the matter from the employers' standpoint. Hearing that report read we notice the strain running right through as to how it will affect the employer, but there is not one word as to how it will affect the worker. Not a word as to how his interests are affected by the administration of the Workers' Compensation Act as it stands at the present time; and that deficiency is so apparent in the report, which is drawn up with such lawyer-like cleverness from the employers' point of view, that I hope it will be preserved for ever. It would be undesirable and indeed disastrous if such a report were destroyed. I hope we will have an opportunity of further discussing the Workers' Compensation Bill, because we can then point out to the gentleman who drew up the report that there are people, other than the employers, whose interests have to be considered in the administration of this measure. And even if the report is accepted as an excuse for the opposition of the Government it will at least show that when the Bill was discussed previously, before the committee entered upon its labours, while the Government were opposed to the measure they were absolutely unprepared to offer that opposition in this House; and later on we will probably see Ministers opposing the Bill, and sheltering themselves under the cover of the report we have here to-day, and which, from its very wording, looks at the matter entirely from the employer's point of view.

Mr. HOLMAN (Murchison): I think the report should be dealt with to-morrow. The member who gave notice of moving the adoption of this report on Tuesday next did not state the exact case; because, for one thing, it is absurd to consider that the whole of this has to be printed. The whole of the evidence is in print already, and it is misleading to this Chamber to be told that it all has to be printed.

Mr. Draper: On a point of order. The hon. member asserts I endeavoured to mislead the Chamber. I distinctly said that members would not have an opportunity of perusing that evidence and considering it if the discussion were taken to-morrow.

Mr. HOLMAN: I am stating an absolute fact.

Mr. SPEAKER: The hon. member's denial must be accepted.

Mr. HOLMAN: I accept it, certainly. If he denies it I must accept his denial.

Mr. SPEAKER: And you must withdraw.

Mr. HOLMAN: If I make a remark which is contrary to the procedure of this Chamber then, of course, I have to withdraw it. I will say that this statement would tend to lead members to believe that the whole of the report and evidence had to be printed. As I say, the evidence is all in print already, and the

only part still to be printed is the report. In past sessions this Bill has gone through the second reading on two occasions and its principle has thus been adopted. We now see expressed in the committee's report the principle which has already been expressed by the Chamber for Mines and a few other employers. I intend to oppose the adoption of the report.

Mr. SWAN (North Perth): As a member of that committee I think perhaps it is necessary that I should say a word, if only for the purpose of enlightening members on the other side. I do not think members on this side of the House have any doubt about my opinions in regard to that report. I was opposed to every clause of it.

Mr Hudson: The hon. member did not show that.

Mr. SWAN: Just so. I think it would be fair if provision were made for showing that it was merely a majority report. However, this explanation is an easy way of making members on the other side understand my action. I voted "no" on each clause in that report, and I wish the House to understand that.

Mr. HUDSON: I would like to ask whether the printing referred to will include the printing of the minutes of the proceedings of the committee, and the records of the voting?

Mr. Draper: Yes.

Question put and passed.

LEAVE OF ABSENCE.

On motion by Mr. LAYMAN, leave of absence for one fortnight granted to Mr. Hayward (Wellington) on the ground of ill health.

BILL — CRIMINAL CODE ACT AMENDMENT.

Introduced by Mr. Foulkes, and read a first time.

PRIVATE BILL — FREMANTLE FREEMASONS' LODGE No. 2 DISPOSITION.

Introduced by Mr. Hudson, and read a first time.

On motion by Mr. Hudson, Bill referred to a select committee consisting of Mr. Osborn, Hon. H. Daglish, Mr. Gill, Mr. Angwin, and the mover; with the usual powers.

BILL — FREMANTLE MUNICIPAL TRAMWAYS AND ELECTRIC LIGHTING ACT AMENDMENT.

The MINISTER FOR WORKS (Hon. H. Daglish) moved—

For leave to introduce a Bill for "An Act to amend the Fremantle Municipal Tramways and Electric Lighting Act, 1903."

Mr. BOLTON (North Fremantle): Would the Minister tell the House whether the promised inquiries had been made, and whether he was satisfied with the result of those inquiries.

The MINISTER FOR WORKS: If the hon. member would prefer it the motion could be postponed until the matter had been explained to the hon. member. He moved—

That the motion be postponed till Tuesday week.

Mr. WALKER (Kanowna): Before the question was put it would be interesting to hear from the Minister whether he regarded the Bill as a Ministerial or a private measure—whether he was moving in his Ministerial or his private capacity.

The Minister for Works: I think it is a public Bill.

Mr. WALKER: If that were the opinion of the Minister it would be as well to adjourn the matter, since he (Mr. Walker) would have to take the point that notwithstanding it was being introduced by a Minister it was a private Bill.

Motion (postponement) put and passed.

BILL—SUPPLY, £719,410.

All stages.

The PREMIER AND TREASURER (Hon. Frank Wilson) moved—

That the House do now resolve itself into a Committee of Supply for the purpose of considering His Excellency the Governor's Message No. 9, recommending that an appropriation be made

out of the Consolidated Revenue Fund and from moneys to credit of the General Loan Fund and from the Loan Suspense Account for the purpose of a Bill for "An Act to apply out of the Consolidated Revenue Fund and from moneys to credit of the General Loan Fund and from the Loan Suspense Account the sum of £719,410 to the service of the year ending 30th June, 1911," and that so much of the Standing Orders be suspended as is necessary to enable resolutions from the Committees of Supply and of Ways and Means to be reported and adopted on the same day on which they shall have passed those Committees, and also the passing of a Supply Bill through all its stages on this day.

Question passed.

In Committee of Supply.

Mr. Taylor in the Chair.

The PREMIER moved—

That there be granted to His Majesty on account of the services of the year 1909-10 a sum not exceeding £719,410.

It would be remembered that the last Supply Bill, passed when the session was first opened, had provided funds for the three months ended 30th September last. We had now to make provision for the present month of October, and he proposed to make provision also in this Bill for the expenditure up to the end of November.

Mr. Scaddan: What was the amount of the previous Supply Bill?

The PREMIER: It was £1,053,875.

Mr. Scaddan: Added to this we get £1,773,285.

The PREMIER: Yes.

Mr. Scaddan: And this is only to the end of November?

The PREMIER: Yes; it was for five months' expenditure. Of course, it included loan as well as consolidated revenue expenditure. The amount was based on last year's expenditure which, as hon. members might expect, had been rather smaller than this year's would be. The last Supply Bill introduced by his predecessor had represented three-twelfths of that expenditure, and to-night he had taken one-sixth, or two months more. It was the usual thing to pass these supplies pending the introduction of the Budget. If he could get a clear week-end he would be able to introduce the Budget on Tuesday next.

Mr. ANGWIN: Attention should be drawn to the fact that a number of works had been started with regard to which Parliament had had no opportunity of expressing an opinion. Members should be very careful in dealing with Supply Bills, as expenditure of all kinds might be incurred without authority. There had been sufficient time since the 30th June for the Estimates to be brought down. The excuse might be raised that there had been a change of Government, but it must not be forgotten that during nearly the whole of the period since the 30th June the present Premier had been Acting Treasurer, and consequently the difficulty that might have existed under a change of Administration had been removed.

The Premier: I have not been Treasurer since Sir Newton Moore returned.

Mr. ANGWIN: That did not make much difference. It was to be hoped the Premier would bring down the Estimates next week, and he could do so if he did not go about the country at the week-ends. Members should know what works the Government intended to carry out.

Mr. SCADDAN: It was practically understood last year that in the future the Government would bring down the Estimates earlier than had been the case in previous years, and it had been his impression that the Government promised they should be down this year in September. There was the continual objection raised that five or six months of the year expired before the Estimates were passed. The position was that supplies were voted to the end of November, so that the Estimates were really only for seven months of the year instead of twelve. It was the control of the public purse that gave people self-government; but at the present time only six or seven men had any say as to the expenditure of funds during nearly six months of the year. The Estimates should be brought down in September.

Mr. Bolton: They never will be.

Mr. SCADDAN: They should be. It was now nearly the end of October and the Treasurer had only just announced the possibility that the Estimates would be brought down next Tuesday; he would not make a definite promise to that effect however. After the recent adjournment, necessitated by the change of Ministry, the Treasurer said he hoped to bring the Estimates down on the following Tuesday.

The Premier: You brought forward a no-confidence motion which prevented me from doing so.

Mr. SCADDAN: That should have provided the opportunity for the Treasurer to get the Estimates ready. It was evident that the Government intended to spend much more money this year than last, for whereas last year the supplies to the end of November only amounted to £1,363,000, this year they totalled £1,773,000.

The Premier: We had no works in hand last year.

Mr. SCADDAN: The figures showed an increase of £410,000 for this year. Evidently, therefore, the Government intended to spend a great deal of money, presumably from Loan Fund. How much of this money now being asked for was to be obtained from Loan Fund? As had been pointed out, the Government were undertaking new works which Parliament had not sanctioned, and no items were provided for the outlay.

The PREMIER: The hon. member should realise that although he had been acting Treasurer while Sir Newton Moore was in London, since that gentleman had returned he had relinquished the reins of office in the Treasury. It should also be remembered that Sir Newton Moore's health was in such a state that he could not possibly perform the work of preparing the Budget; as was known, his health then got worse and he eventually had to resign his position and go away. Therefore nothing was done so far as the Budget was concerned when the change of Premiers took place. He had lost no time since then. Members would surely see that he had endeavoured to make the most of the time at his disposal since then, but when a new Premier was met at once with a vote of no-confidence, everything must stand on one side until that was dealt with. It was impossible for him to carry out three big matters all at the one time, for each one had to be dealt with as it came along. The week before last he had to go to the Upper Chapman to attend the opening of the railway, and even then he had to devote any spare time he had on Sundays, and at other times, in going through the charges lodged by the leader of the Opposition against the Administration. Last week the same thing applied, for the Government had to get through their trouble.

Mr. Scaddan: What did you do at the week-end.

The PREMIER: Last week-end he had to carry out a long standing engagement to visit the Wandering Show.

Mr. Scaddan: To hear one of your supporters libel the goldfields.

The PREMIER: That was a district which no Premier had previously visited.

Mr. Scaddan: You sat down while one of your supporters libelled the goldfields.

The PREMIER: No one had libelled the goldfields, and he had never heard one of his supporters do so.

Mr. Angwin: The member for Beverley did.

The PREMIER: It was only possible to do a certain amount of work, and he was endeavouring to do it as expeditiously as possible. When he was Treasurer the Estimates were brought down as early as, if not earlier than, they had been by any previous Treasurer. They would have been down some time ago but for the difficulties to which he had referred. With regard to the method of ascertaining the amount wanted under the Supply Bill, the Consolidated Revenue expenditure was taken exactly on the average monthly expenditure for the previous year. The loan expenditure was however different, for it could not be based on the previous year, as all depended upon the amount of work in hand. This year there were far more works in hand than last.

Mr. Scaddan: Can you not tell us how much you ask for from Loan Fund, and how much from Consolidated Revenue?

The PREMIER: That was included in the Bill. The amount to be taken from Consolidated Revenue Fund was £381,600, from Loan Fund £282,310, and from Loan Suspense Account £55,500.

Question put and passed.

Resolution reported; the report adopted.

In Committee of Ways and Means.

On motion by the PREMIER, resolved, "That towards making good the supply granted to His Majesty for the services of the year 1910-11, a sum not exceeding £719,410 be granted out of the Consolidated Revenue Fund of Western Australia, and from moneys to the credit of the General Loan Fund and from the Loan Suspense Account."

Resolution reported; the report adopted.

Supply Bill introduced.

In accordance with the foregoing resolutions a Supply Bill was introduced and, on motion by the Premier, was read a first and a second time.

In Committee, etcetera.

Mr. Taylor in the Chair, the Premier in charge of the Bill.

Clause 1—Issue and application of £719,410:

Mr. BOLTON: It was due to members that information should be given as to the works in hand that necessitated an expenditure of £410,000 more for the five months of this year than was the case last year. It was not right that the Committee should pass an amount like this of over £700,000 in five minutes. If this were done it would enable the Treasurer to say to his favourite newspaper tomorrow that while members passed such a large sum in such a short time they wasted time in a manner which, according to the opinion of the Government, was not warranted. Information was due to members as to the expenditure of that large sum on loan works now in hand. Why was an amount of £283,310 required from loan account for works already in hand? He wished to know why £400,000 more was required for the five months of this year as compared with the corresponding five months of last year.

The PREMIER: The hon. member knew full well that it never had been customary to have details of expenditure in connection with temporary Supply Bills. From time immemorial Bills had been introduced in this way to meet the current expenditure which was going on, and if members wanted details they must wait until the Estimates came down. If the member for North Fremantle wished details in connection with the expenditure from Consolidated Revenue, he must wait until the Budget had been delivered, and if he desired details in connection with loan moneys then he must wait until the Loan Estimates were before members. No one could expect details of expenditure on works in hand. There was a number of railways in course of construction extending from the Port Hedland railway in the North and going down to the Wilgarrup line near Bridgetown, with several lines in between. Rails and fastenings were coming to hand, and must be paid for. There was the dry dock under construction, and a fair amount of expenditure was going on there. Rolling stock was being constructed at the Rocky Bay workshops, and at Midland Junction. There was an expenditure of £50,000 in the electorate of the hon. member for North Fremantle providing facilities for shipping wheat. The money had to be found. It was only wasting time to ask for particulars when the hon. member knew they could not be produced until the Estimates were framed. Only an approximate list could be given.

Mr. BOLTON: In the statement which the Premier made to the House after the change of Government on the 4th of October he stated that the Budget was well in hand.

The Premier: So it was.

Mr. BOLTON: The Budget was to be kept well in hand until the loan expenditure and other expenditure were passed, and when members would have no say in the matter. It was due to members to know what the loan expenditure of £282,000 was for, because there had been an advance of £410,000 in the five months

of this year as against the five months of last year. The Premier should give some idea of the works that were going on. For instance, the Premier could say what railways and works were in hand. As to the expenditure in his (Mr. Bolton's) electorate, the Premier knew that expenditure had finished long ago. The dock was in hand long before the hon. member became Premier.

The Premier: The money has to be found.

Mr. BOLTON: It was not a waste of time to ask for particulars of an expenditure of £750,000 which it was desired to pass through in five minutes. What works were to be undertaken out of loan? We should know this before the Bill was allowed to pass.

Mr. SCADDAN: There seemed to be a large discrepancy in the amount from Loan Fund this year as compared with the amount spent from Loan Fund up to November last year. Two Supply Bills were passed last year to carry the Government to the end of November, and an amount of £390,000 was the total loan expenditure in those Bills. For the past five months the loan expenditure had totalled £819,000, an increase of over £400,000—more than double. We should know what extra works had been undertaken this year from Loan Fund that made a difference of twice the amount up to the end of November. The whole position was absurd. Every year we passed Supply Bills without any knowledge of how the money was being expended. Then the Estimates came down, and the Government told members that they could not interfere with the amounts because the money was half expended. We might as well dispense with Estimates altogether and bring down Supply Bills every month as they were needed.

Clause passed.

Clause 2—agreed to.

Preamble, Title—agreed to.

Bill reported without amendment, and the report adopted.

Read a third time and transmitted to the Legislative Council.

BILL—GERALDTON MUNICIPAL GAS SUPPLY.

Committee stage.

Mr. CARSON (Geraldton): I beg to move—

That the Speaker leave the Chair, and the House resolve into a Committee on the Bill.

I desire to express my thanks to the Government for giving the House an opportunity of dealing with this Bill. It is an important measure, and it is necessary that it should be passed through at the earliest possible moment, so that the municipality of Geraldton can fix their contract and use their loan money. I hope members will not place any obstacle in the way of this Bill passing.

Mr. SCADDAN (Ivanhoe): The Government have not dealt with this Bill in the same way as they have dealt with other bills of a similar character affecting municipalities, and I should like to know whether it is a fact as is rumoured that the Government have asked the member for Geraldton to introduce this Bill, and that the Government will assist him to pass it. These rumours are afloat, that the idea is to get the member for the district in the good graces of the electors of Geraldton because there is an election approaching. Why was not a similar opportunity presented to other members? This is a public Bill, but it is not a Government measure. It is introduced by a private member, and it is rather astounding to see the manner in which the Government have dealt with other private members' business. The Government have allowed this private member the opportunity to put through his Bill, although we are approaching private members' day to-morrow. I do not intend to oppose this measure, but the Government have not assisted other members in this manner with their bills; the Government have placed all the obstacles they can in the way of members on the Opposition side introducing their measures which were brought forward long before this Bill.

The Attorney General: It is not a Bill of a controversial character.

Mr. SCADDAN: It could have waited until to-morrow. It is apparent now that the statement made of the reason why

the Bill is in the hands of the member for Geraldton is correct. The Government have apparently requested the member to take charge of the Bill to enable him to get in the good graces of the electors of Geraldton, because of the pending election. On the file of Bills is one affecting the municipality of Fremantle, but that is in the name of the Minister. On this occasion the member for Geraldton has been induced to bring down this measure, and I want to know what is the reason?

The PREMIER (Hon. Frank Wilson): The hon. member has again allowed himself to be deceived by Dame Rumour, and whenever he does that he is on the wrong track. The Government always try to get private members to introduce measures of this description; they do not want any more work if they can possibly avoid it. To say that the Government, in order to get into the good graces of the Geraldton electors, allowed the member for Geraldton to introduce a Bill which he has the right to introduce at any time, is absurd. If the Government wanted to get into the good graces of the Geraldton electors a Minister would probably have introduced the Bill. But let that pass; it is absurd to put forward such a contention. The reason the measure was placed first on the list to-day at the hon. member's request, was because the municipality of Geraldton have floated their loan, raised the money necessary to purchase these works, and they have to pay interest on that loan. Unless they get the measure passed they cannot hand over the money and they have to pay the interest whether they purchase the works or not. The Legislative Council are likely to sit two or three days this week and then perhaps adjourn for a fortnight, and the member for Geraldton was anxious to get the Bill through this House and into another place before they adjourned in order that the municipality would not have to pay this interest on £12,000.

Question passed.

In Committee.

Mr. Taylor in the Chair; Mr. Carson in charge of the Bill.

Clause 1—agreed to.

Clause 2—Power to acquire works:

Mr. BOLTON: Was it a fact that the municipality of Geraldton had acquired the works during the recess and entered into an agreement and partly paid for the works? Whether the Bill went through or not there was no need for the Bill to be placed so high on the Notice Paper.

Mr. CARSON: The purchase was made pending the passing of the measure. The municipality was paying two sets of interest, 5 per cent. to the vendors and 4½ per cent. for the loan recently tendered for.

Mr. ANGWIN: The municipality apparently exceeded its powers and purchased the works on the understanding that Parliament would pass a Bill. It was a dangerous practice, and might cause a municipality to be liable for damages if Parliament refused to pass a Bill. The Minister controlling municipalities should stop this practice and see that the municipalities carried out the provisions of the Act. The municipalities should be sure of getting Bills passed before raising money to purchase works like this.

Mr. DRAPER: The Municipalities Act expressly authorised municipalities to borrow money for the construction and purchase of gasworks, so that it was not illogical to make an agreement of this kind. Clause 6 of the agreement provided that if the necessary power was not obtained from Parliament the agreement would be void. There was some doubt in regard to Section 337 of the Municipalities Act. A municipality had power to cause streets, ways, and public places to be lighted, but it was doubtful whether it had power to supply light for domestic purposes or to individuals. No doubt the object of the Bill now before the Committee was to obtain power for the municipality to do that and place the matter beyond doubt. Another point was that the limit of the borrowing power of a municipality might be exceeded. That was why Bills such as this were required.

Clause put and passed.

Clause 3—agreed to.

Clause 4—Power to borrow:

Mr. ANGWIN: This clause authorised the municipality to borrow money under the provisions of the Municipalities Act.

That Act provided that a sinking fund of not less than two per cent. should be provided. The two per cent. was generally accepted as the maximum, but in many cases the sinking fund did not provide sufficient to redeem a loan when it became due. In all cases the Treasurer should see that sufficient was set aside by way of sinking fund to redeem a loan when it became due.

Clause put and passed.

Schedule, Title—agreed to.

Bill reported without amendment; and the report adopted.

BILL—GENERAL LOAN AND INSCRIBED STOCK.

In Committee.

Mr. Taylor in the Chair; the Premier in charge of the Bill.

Clauses 1 to 5—agreed to.

Clause 6—Flotation expenses charged to proceeds:

Mr. BATH moved an amendment—

That in lines 5 an 6 the words "the proceeds of such loan" be struck out, and "consolidated revenue" be inserted in lieu.

The late Treasurer, when introducing the Bill, stated that there had been a considerable amount of argument with the Auditor General's Department as to whether it was a legitimate charge to make upon a loan, namely to charge the expenses incurred in the flotation. Whatever argument there might be about the legality of the charge it did not appear to be legitimate. It certainly seemed to be undesirable because it meant that in the building up of our general loan indebtedness we were also building up a considerable percentage of what really meant net indebtedness, upon which we had no solid asset in the shape of public works on which the General Loan Fund was expended. It would be a desirable departure in the financial methods of this State if we were to set out upon a new course and provide for these flotation expenses out of the Consolidated Revenue. It might perhaps mean that the Treasury would have a little difficulty at the outset, but in the course of a number of years the Treasury and State generally would benefit by the change. It would mean that our indebtedness incurred from the present time onwards would be respresented by solid assets in the shape of works constructed.

The PREMIER: It was neither desirable nor beneficial that we should alter the system which had been in vogue in the State and in the Eastern States, it was a system which had been adopted by all countries where money was borrowed. It was not necessary to point out that if a loan was floated, and it was issued at a price below par, one would get a corresponding advantage in obtaining a reduced rate of interest, and it was a legitimate thing to make the difference up between the price of issue and par, with the expenses of issuing that loan, out of loan funds. If that was not done it would mean that we would pay twice for the expenditure and the discount on the issue of such loans. We would be making a very serious departure which would be inadvisable, to say the least of it, if the hon. member's suggestion were adopted; we would be making a departure which would be financially unsound. Of course borrowing could be done away with altogether if there were sufficient means of raising revenue without unduly hampering the people. Such a proposal, however, was not sound, and even the hon. member would not advance such an argument. If we were justified in distributing the cost of such works over a number of years, we would be justified in distributing the discount of the flotation of the loans over the same number of years, more especially as in every case we provided sinking fund, which was based on the face value of the loan and which to a great extent obliterated both the principal and the cost of raising.

Mr. BATH: The Treasurer was arguing from the point that the sinking fund would have to be allowed to accumulate in order to redeem the loan with the flotation expenses included. Supposing this were made a separate item, independent of the amount of the loan, the sinking fund need only accumulate to redeem a

good deal of the value of the loan, apart from the flotation expenses. The Treasurer would not argue that these charges could be separated from the actual amount of the loan, and that the sinking fund could be so adjusted as only to redeem the actual value of the loan, independent of the flotation expenses.

The Premier: I did not say that.

Mr. BATH: Did the Premier argue that? That was his (Mr. Bath's) suggestion.

Amendment put and negatived.

Clause put and passed.

Clauses 7 to 9—agreed to.

Clause 10—Sinking Fund Appropriations:

Mr. SCADDAN: Although this clause only fixed the minimum it was not unlikely that the practice would be followed that this would be the standard amount. It would be recognised for all loans that half per cent. should be provided as a sinking fund and it was recognised that owing to the practice of the present or preceding Governments, they could make the amount just what they liked in the Bill.

The Minister for Works: The amount is always provided in the Loan Bill.

Mr. SCADDAN: Not always. If the clause were passed there would be no need to have any provision in Loan Bills. The Committee should express an opinion as to whether they thought half per cent was sufficient. Personally he did not think it was; the amount provided should be one per cent. There was one occasion when no less than three per cent was provided, that amount was reduced to one-and-a-half per cent, and subsequently to one per cent, and then by the present Government to half per cent. In order that the Committee might have the opportunity of expressing an opinion on the clause he would move—

That in line 8 the word "five" be struck out and "ten" inserted in lieu.

Sitting suspended from 6.15 to 7.30 p.m.

The CHAIRMAN: It was necessary to point out to the leader of the Opposition, who had moved the amendment, that the amendment was quite in order in so far as it proposed to strike out "five," but that when it proceeded to insert "ten," which was increasing the amount, it was no longer in order. That being so, perhaps the hon. member would withdraw the amendment.

Mr. SCADDAN: By leave of the Committee he would withdraw the amendment.

Mr. JOHNSON: Surely the Committee would not agree to such withdrawal. While the hon. member could not insert "ten," still, if he were successful in having "five" struck out, the Government would have to further amend the Bill themselves. It was desired to enter a protest against the proposed reduction in contribution to sinking fund, and the only way for the Committee to do so was to strike out "five." He would support the amendment for the reason that to contribute so small an amount to the sinking fund was not sound finance. The proposal was made in the Bill because the Government found that they were expending too much from loan funds on non-reproductive works and that, in consequence, the interest and sinking fund bill was amounting to alarming proportions. It was a cowardly expedient, merely staving off the difficulty and passing down to posterity the problems we should be solving for ourselves. The more manly alternative would be a careful review of the expenditure from Loan Fund. Even the Minister for Works had claimed that money ought to be borrowed for no other purpose than expenditure on reproductive works. Clearly, to be reproductive the works should allow the Government to pay one per cent. sinking fund. Consequently, this proposal to pay only one-half per cent. did not represent sound finance, and, further, it was a departure from the generally accepted policy of succeeding Governments ever since the advent of Responsible Government in Western Australia. We had pointed with pride to the extent of our sinking funds as against those provided in the other States; yet now, simply be-

cause the Government were faced with a little difficulty, it was proposed that we should accept a reduction of that sinking fund. He would support the amendment.

The PREMIER: The hon. member had been arguing altogether from wrong premises. Palpably he had been wrong when he said the Government found a difficulty in providing interest and sinking fund on loans expended on non-reproductive works. If the figures were at hand, he (the Premier) could show that this was an error, as had been shown on many previous occasions. Surely the hon. member knew that our loans were invested in reproductive works, such as railways, which were paying their way.

Mr. Johnson: Up to a couple or three years ago.

The PREMIER: No, at all times. The hon. member had gone beyond sound logic when he argued that one per cent. sinking fund should be provided against all our loans. In this the hon. member was opposed to the financial practice of the Eastern States, not one of which was providing sinking fund to anything like the extent Western Australia had done. At the present time we were providing sinking funds even of three to one and a half per cent., and they were accumulating rapidly. Last year we had paid £243,000 out of Consolidated Revenue as contribution to sinking fund. It was an enormous sinking fund to be paying on our debts. Even the Federal Government had been advised by their financial experts to fix one-half per cent. as a safe sinking fund for any loans they might raise; and the Federal Government had acted accordingly. At all the conferences he had attended one-half per cent. was the rate discussed. None of the representatives at those gatherings had dreamed of suggesting more than one-half per cent. The Committee, too, had approved of that rate, inasmuch as they had adopted one-half per cent. in recent Loan Bills passed. Was it reasonable to expect that the present generation should be paying sinking funds up to three per cent. when they were investing money in reproductive works which would last for at least a century ahead?

Mr. Scaddan: None of our works are of that length of life.

The PREMIER: Railways were, for the reason that they were maintained from year to year; moreover, they were maintained out of revenue. Notwithstanding that, however, they paid sinking fund. Many hon. members would argue that no sinking fund was required in such circumstances. He would refer hon. members to an able paper written by Mr. Johnson, a well-known actuarial expert of Tasmania, on this very question. Mr. Johnson had argued that sinking funds were not necessary when works, such as railways, were well maintained.

Mr. Scaddan: What about roads?

The PREMIER: It would be more necessary to provide a sinking fund for roads than for railways. It was to be hoped the Committee would not strike out "five shillings per centum," because, after all, it was only a minimum, and if it were thought desirable on special occasions to increase it it could be increased when the Loan Bill was before the House. But for the purposes of this measure, one-half per cent. was a fair thing to provide.

Mr. BATH: The only comparison in regard to works upon which loan moneys had been expended was made by the late Treasurer, Sir Newton Moore, who showed that the railways, the water scheme, the Fremantle harbour works, and State batteries showed better in 1909 than in 1903; but in 1903 the water scheme upon which nearly £3,000,000 had been spent was only just opened, and there was little revenue derived from it. Had a comparison been instituted in reference to the three other works, the year 1909 would have compared unfavourably with 1903, because since 1906 a policy of expending loan moneys on unreproductive works had been embarked on. Prior to 1906 the amount spent in this way was infinitesimal, but now the total was a trifle short of £1,000,000, and the works upon which the money was spent did not contribute to the general revenue that provided the interest and sinking fund on the money spent on them. It was this expenditure on unreproductive works

that had brought about the demand by the Administration for reducing the sinking fund, but it was not fair and square to those to whom the loans were due. We laid it down in our Statutes that the sinking fund should be one and a-half per cent. in the one case and one per cent. in another case, while the Coolgardie water scheme bore a sinking fund of three per cent.; and we conveyed the impression to those who held our bonds that our loans would carry a certain rate of sinking fund; but in 1907 a Loan Bill was introduced with the sinking fund set down at a half per cent., whereas all other Bills stipulated that the sinking fund should be as provided by our Inscribed Stock Acts. In 1903, Mr. Gardiner, when Treasurer, anticipating that attempts would be made to reduce the standard of the sinking fund by the expedient of prescribing a lower amount in the particular Loan Bills introduced from time to time, attempted to place a provision in the Constitution Act by which the rate of the sinking fund should not be tampered with by any Treasurer desirous of lowering the standard of the State's financial administration. The fact that in the Eastern States nothing like the same provision for sinking fund was made was no sound argument for the course pursued by the Premier in this Bill in descending from the standard previously set up in regard to the provision for sinking fund. If the course of action adhered to previous to 1906 had been pursued since that year there would have been no difficulty in maintaining the standard of the sinking fund, because in a State like ours the expenditure of loan moneys on reproductive works in the development of resources would inevitably produce the revenue enabling us to pay interest and sinking fund without any call on the taxpayer. It would be infinitely better to meet expenditure on non-reproductive works out of revenue. The course suggested by the Premier would not redound to the credit of our financial administration.

Mr. JOHNSON: Apparently members took little interest in this important departure from a defined policy of the country.

Mr. Jacoby: We argued it out last year.

Mr. JOHNSON: No vigorous protest was raised at that time against any reduction. The departure was a reflection on the financial policy of the State. Though prior to 1901 certain loan moneys were expended on non-reproductive works, since then a more vigorous and soundor financial administration not only closed down on an expenditure of that nature but expended large sums from revenue on reproductive works. The railway from Menzies to Leonora was to a large extent built out of revenue, and a contribution towards the cost of the railway from Kalgoorlie to Menzies came from revenue, while during the financial year 1904-5, when the member for Subiaco was Treasurer, £80,000 was spent on new works and improvements to working railways, money which could well have been spent from loan. To-day we were reverting to a policy that had proved disastrous, and we were also making it considerably worse by reducing the sinking fund. Yet members raised no voice in protest against what must be a reflection on the financial administration of the State.

Mr. BATH: The Premier had made a very vague statement in regard to the railways existing for a term of 100 years. It was rather early to talk in that fashion when we knew that railways had not been in existence yet for a period of 100 years, and in this age of invention changes were likely rapidly to arrive. At the present time there was a different form of traction known as the monorail, which was regarded as a practical proposition. It was futile to talk of railways as likely to last for 100 years when they might be scrap iron in ten years, and discarded entirely for some system of monorailway. It had been said that the railways had been kept in repair from Consolidated Revenue, but one had only to ride over the railway system to see the old permanent way, on which the railways were once laid, lying useless alongside the track. That all represented dead loan expenditure. Then the Premier said we could safely adopt the half per cent. sinking fund, because the Commonwealth

authorities regarded it as sufficient; but he must realise that the Commonwealth, if they embarked on a loan policy, would be able to borrow more cheaply than we could do here, therefore the sinking fund of half per cent. would represent a greater contribution, proportionally than it would if adopted in Western Australia.

The Premier: They could afford to pay more sinking fund if they could borrow cheaper. The sinking fund is on the capital and principal.

Mr. BATH: The total provision for interest and sinking fund would go farther, as there would be less provision for interest.

The Premier: You cannot run the two together; you must take the sinking fund alone.

Mr. BATH: It was much better to approach the question entirely from the Western Australian standpoint. It would be a retrograde step, indeed, to retreat from the position we had adopted in the past, when we made provision on sounder financial methods than existed in the Eastern States.

Amendment put and a division taken with the following result:—

Ayes	18
Noes	21
Majority against ..	3

AYES.

Mr. Angwin	Mr. McDowall
Mr. Bath	Mr. O'Loghlen
Mr. Bolton	Mr. Price
Mr. Collier	Mr. Scaddan
Mr. Gill	Mr. Swan
Mr. Gourley	Mr. Walker
Mr. Heitmann	Mr. A. A. Wilson
Mr. Holman	Mr. Underwood
Mr. Horan	(*Teller*).
Mr. Johnson	

NOES.

Mr. Brown	Mr. Male
Mr. Butcher	Mr. Mitchell
Mr. Carson	Mr. Monger
Mr. Cowcher	Mr. S. F. Moore
Mr. Daglish	Mr. Murphy
Mr. Davies	Mr. Nanson
Mr. George	Mr. Osborn
Mr. Gregory	Mr. Piesse
Mr. Hardwick	Mr. F. Wilson
Mr. Jacoby	Mr. Gordon
Mr. Layman	(*Teller*).

Amendment thus negatived.

Clause put and passed.

Clauses 11, 12, 13—agreed to.

Clause 14—Investments, how made:

Mr. BATH: In order to make provision for the investment of the sinking fund it had always been contended that this function should be handed over to the trustees, who were placed practically in an independent position; in fact such a position that no pressure could be brought to bear upon them by the Treasurer; yet in this clause we were doing exactly the opposite, when we were providing that the sinking fund might be invested in Western Australian inscribed stock or debentures, or in such other securities as the Governor might approve. The word "Governor" in that case meant Ministry. In other words it meant that the question of security could be determined, not by the trustees but by the Administration of the day. Why had that change been made?

The PREMIER: The reason the provision had been inserted was that it had been deemed advisable that the sinking fund should be invested, exactly as had been the case for the last year or two, in our own stock, so that we might have the advantage of the investment of that amount at the marketable price the stock was quoted at. His predecessor had explained this when moving the second reading of the Bill. Under the old Act, and before Responsible Government came into force the trustees had the discretionary power to invest the sinking fund in Imperial or Colonial Government securities. It must be admitted that the Crown agents, who managed the sinking fund, invested in stocks other than Western Australian. That might have been advisable in the early days of the State, when it was comparatively insignificant compared with what it was to-day, and had no wealth behind it. Once a State became firmly established, such as Western Australia was, when the assets were equal to those of any other State in the Commonwealth, when the industries were on the up grade, and land was being settled as ours was, there was no reason what-

ever why the sinking fund should not be utilised to keep our stocks at a proper market value. That was why this principle had been incorporated in the clause. During the past few years we had seldom gone outside our own stocks for the investment of sinking fund. In fact he could only recall two instances where the trustees had invested the sinking funds in stocks other than Western Australian. That was since Responsible Government. In 1889 the then Agent-General invested £15,000 or £20,000 in the South African National War Loan Fund. This was done in response to an invitation by the Home authorities at that time to the different representatives of the States of the Commonwealth to assist in floating this war fund. This had since been sold out with the exception of about £4,000. The trustees held that quantity of the stock now. In 1909 the late Agent-General purchased Victorian stock amounting to about £8,000. That also had been sold out and the trustees had invested the money in our own stocks. Particulars of these investments could be found in the Public Accounts. In this clause we sought to incorporate the principle that the sinking fund should be invested in our own stocks unless the Government otherwise approved. That was the proper course to take, so that the trustees would have instructions from the House that the advantage of Western Australia would be served by the investment of the sinking fund in our own stocks. It meant a good deal to us if there were a falling market, and often the stocks were depressed from causes beyond our control—for our credit was just as good—but even a war cloud hanging over Europe occasionally depressed them. Surely if we had a sum of money lying idle in the hands of the trustees that could be used to maintain the stocks it was wise that the money should be so invested. The only matter to be considered was whether we were running any undue risk by so investing the sinking fund. No such risk was being run, for the State had reached a stage in its history and development which warranted us in saying that her stocks were as good as any other investment.

Mr. Johnson: By reducing the sinking fund you are departing from that sound policy.

The PREMIER: It was doing nothing of the sort; he could not agree with that statement. Members should let the clause pass. Its object was clear. There was no desire to take any undue advantage, and there was no chance of any Government unwisely instructing the trustees to invest in securities other than those which were safe, such as home stocks and national stocks.

Mr. Bath: Have the trustees been compelled in the past to utilise the sinking funds for purchasing only that stock for which that sinking fund was provided?

The PREMIER: No. It would be found later on in the Bill that they could utilise it for any West Australian stock they liked.

Mr. Bath: Sir Newton Moore represented that they had and that this provision was necessary in order to enable them to invest in others.

The PREMIER: Speaking subject to correction, that was not right.

Mr. BATH: It was desirable to give the trustees power, in fact, to issue general instructions in the Bill for the trustees to utilise our sinking fund in order to purchase West Australian stocks at advantageous rates. He (Mr. Bath) was under the impression that when the late Treasurer was speaking he represented that the clause was necessary in order to give the trustees that power. It seemed that we could express that power or issue that instruction specifically without leaving the road open to do what he claimed they could do under the Bill, that was practically having complete control over the trustees in the direction of refusing them discretion and compelling them to invest in stocks prescribed by the Government of this State. That power was contained in Subclause (b) of the clause under discussion, which provided that, "the sinking fund investments made by the trustees shall be made in all other cases in West Australian Government inscribed stock or debentures, or any such

other securities that the Government may approve," meaning, it was presumed, the Governor-in-Council, and that, of course, was interpreted as the Government of the day. If we wanted to issue a specific instruction that they were to utilise the sinking fund for advantageous investments in West Australian stocks, surely we could do that in the clause in plain language without laying ourselves open to the interpretation which must undoubtedly be given to the clause, that we were going to exercise absolute control over the trustees and deprive them of their discretionary powers. The Treasurer should alter the clause in accordance with the intention which he had expressed that it was only for the purpose of carrying out the general instruction in favour of investment in West Australian stocks. If the trustees were worthy of being entrusted with the control of the sinking fund it was not wise to have this power of dictation which was sought to be carried in the clause.

Clause put and passed.

Clause 15—Any deficiency in sinking fund to be made good:

Mr. SCADDAN: The Premier might explain what was meant by the deficiency having to be made good out of the general revenue and assets of the State.

The PREMIER: It did not necessarily follow that a loan could not be converted by the issue of another loan. The sinking funds, as far as possible, could be utilised, and there was the Consolidated Revenue and loan funds, all of which would be applicable to satisfy a debt of this description.

Mr. Scaddan: Does it include redemption?

The PREMIER: It included redemption but it did not prevent conversion.

Clause passed.

Clause 16—agreed to.

Clause 17—Sinking funds released—how to be disposed of:

Mr. JOHNSON: This clause seemed to anticipate under certain conditions that the sinking fund could revert to Consolidated Revenue.

The PREMIER: This only referred to some of the old loans; some of those which carried 5 or 6 per cent interest and were issued as far back as 1872, 1873, and 1875, with a 2 per cent sinking fund. In 1884 it was deemed advisable to convert this stock by the issue of inscribed stock which carried 1 per cent sinking fund. There had been nothing released for 15 years and nothing would be released until the loans had run out, and if it was found that they had too much accumulation, which might easily happen, owing to the double sinking fund, the balance would be paid back into Consolidated Revenue.

Mr. Johnson: You do not anticipate any surplus out of the ½ per cent?

The Premier: There will be no surplus out of the 1 per cent.

Mr. BATH: Although the Premier might have in his mind certain debentures for which this provision was necessary, this clause, in conjunction with the previous clause, would enable entirely different action to be taken; it would enable the Treasurer to float a loan for the redemption of certain debentures and to replace those debentures by the loan floated for conversion purposes, and then appropriate the whole of the sinking fund provided for the redemption of the loan and convert it to general revenue.

The Premier: I do not think so.

Mr. BATH: It was not argued that it was the desire of the Treasurer to have power to do such a thing, but certainly these two provisions in conjunction would enable that to be done, and it would be an undesirable course to pursue. If in the past provision had been made for the redemption of certain debentures then it was contrary to good policy to effect that redemption, as it were, by a loan floated for conversion purposes and then to utilise the sinking fund provided in all good faith in the past to boost up the revenue at the present time. He moved an amendment—

That all the words after "be," in line 2, be struck out and the following inserted in lieu:—"added to the accumulated sinking fund."

The PREMIER: If the amendment were carried the clause would not be required. The Committee might just as well strike out both that and the preceding

clause. Clause 16 provided that the trustees should have power to release certain sinking fund moneys, and in Clause 17 the hon. member wanted to insert an amendment which would say that the money should be paid back to the trustees. That was rather contradictory. Clause 16 safeguarded the position, because the trustees had to be satisfied that they had ample money in hand to meet the loan at maturity.

Mr. JOHNSON: The very fact of Clause 16 having been passed proved the danger of allowing Clause 17 to stand as printed. The Premier had said we were safeguarded under Clause 16, because it was the trustees who would take action for conversion.

The Premier: For repayment. They have only power to release certain sinking fund when they have a surplus.

Mr. JOHNSON: But it would be possible to convert, and the argument advanced by the Premier went to demonstrate the danger. Some years ago we had recognised two per cent. as the rate of our sinking funds; then it had been altered to one per cent., and in any conversion the difference between the two would go back to Consolidated Revenue. The only way to safeguard the danger would be by the adoption of the amendment moved by the member for Brown Hill under which the surplus would be paid back into sinking fund. Now that the Committee had endorsed the policy of creating a one-half per cent. instead of a one per cent. sinking fund, if the trustees secured any surplus at all surely sound finance demanded that it should go back to the general sinking fund instead of to Consolidated Revenue. If, as the Premier had stated, it was never likely to be more than a small amount, why should there be any objection to the amendment? While if, on the other hand, it should prove to be a large amount, the amendment became absolutely necessary.

Mr. BATH: In supporting the clause as printed, the Premier was inconsistent, seeing that when discussing Clause 14 he had argued in favour of the sinking fund trustees being given power to utilise the sinking fund in advantageous investment in Western Australian stock. The trustees controlled the sinking fund; why then could not they have the power of discretion in regard to the utilisation of the sinking fund?

The Premier: They have.

Mr. BATH: But they would not have if the sinking fund were paid into Consolidated Revenue, for in such event they would be at once deprived of that amount of sinking fund, which would be appropriated by the Government as revenue. Not only had we to-night lowered our flag so far as provision for sinking fund was concerned, but we were reaching our hand back and stealing, so to speak, some of the sinking fund provision made in the past. Surely, even if we were prepared to lower the flag so far as the present and future was concerned, we should stand fast by the provision made for sinking fund in the past. It was to be hoped the Premier would consider that view of the question and see that, whether large or small, amounts raised in the past were utilised for the purpose for which they were designed, namely, the provision of sinking fund.

The PREMIER: There was no fear of a contingency arising such as the hon. member seemed to imagine. Clause 16 gave the trustees absolute power. It was not to be supposed those trustees would release anything until at least they had the full amount in hand to meet the loan at maturity; and so far as new loans were concerned there was no fear whatever of the sinking fund accumulating beyond what was necessary, because the currency of the loans was shorter than was necessary to provide the whole of the money by sinking fund. The Government had from time to time to convert and renew in order to allow the sinking fund to accumulate. It was not until four years after the first issue of a loan that the sinking fund started. That generally meant at least one clear year between the completion of the loan and the beginning of the sinking fund. Up to the present the currency of our loan had never exceeded 40 years, and the sinking fund would not provide the whole amount in 39 years. Under Clause 16 the trustees had absolute power, but they had to take everything

into consideration; the Government could not instruct them.

Mr. Scaddan: It is a question of how you are going to dispose of any funds released by the trustees.

The PREMIER: If funds were released they ought in all fairness to go back to Consolidated Revenue, whence they had been taken. Of course there was the provision "as the Governor may direct." It might be that if any sinking funds were short the Governor might direct that the amount released should go back to such sinking funds as required building up. In any case, if a bad decision were arrived at it would appear in the public accounts and the member could challenge it.

Mr. JOHNSON: There could be no doubt that the clause had been inserted in anticipation of certain sinking funds reverting to Consolidated Revenue. It was all very well to say the position was safeguarded under Clause 16, but it was to be remembered that the first action, namely, the conversion, would be decided upon by the Government and that action might, in effect, require the trustees to agree to the releasing of certain funds to go back to Consolidated Revenue. The very inclusion of the clause proved that it was anticipated that certain sums would be released.

Mr. BATH: Although the provision in the Bill made no reference whatever to Consolidated Revenue the Premier unwittingly had given the show away by asking why it should not be paid to Consolidated Revenue.

The Premier: I told the hon. member that previously a small sum had been paid to Consolidated Revenue.

Mr. BATH: Probably the Premier had made the confession involuntarily. In view of the amount of our indebtedness we could not have too big a provision of sinking fund, even supposing the amount of sinking fund provided for some particular stock or debentures was more than was necessary. How, then could argument be advanced against applying that sinking fund to the general sinking fund for the redemption of other loans, seeing that to-night we had given the Treasurer power to utilise sinking funds for the redemption of stock other than those particular stocks for which they had been ear-marked, and in view of the fact that we had lessened the amount of that sinking fund for the future? The Premier must be congratulated on his ingenuity. Not only would he collect from individuals now alive, but he would be able to rob the pockets of the dead in order to add a windfall to the revenue for the time being. Money contributed in years past for sinking fund purposes as a contribution to the revenue of that year, or the next year, or some year in the future, was to be absolutely appropriated; but if the amendment were carried it would mean that these sinking funds, although appropriated to a different purpose, would still be utilised as sinking funds and not as revenue; they would be used for the redemption of other loans.

Amendment put, and a division taken with the following result:—

Ayes	.. .. ..	17
Noes	.. .. ..	22
Majority against	..	5

AYES.

Mr. Bath	Mr. McDowall
Mr. Bolton	Mr. O'Loghlen
Mr. Collier	Mr. Price
Mr. Gill	Mr. Scaddan
Mr. Gourley	Mr. Swan
Mr. Heitmann	Mr. Walker
Mr. Holman	Mr. A. A. Wilson
Mr. Horan	Mr. Underwood
Mr. Johnson	*(Teller).*

NOES.

Mr. Angwin	Mr. Male
Mr. Brown	Mr. Mitchell
Mr. Butcher	Mr. Monger
Mr. Carson	Mr. S. F. Moore
Mr. Cowcher	Mr. Murphy
Mr. Daglish	Mr. Nanson
Mr. Davies	Mr. Osborn
Mr. George	Mr. Piesse
Mr. Gregory	Mr. F. Wilson
Mr. Hardwick	Mr. Gordon
Mr. Jacoby	*(Teller).*
Mr. Layman	

Amendment thus negatived.

Clause put and passed.

Clauses 18 to 52—agreed to.

Schedule, Title—agreed to.

Bill reported without amendment, and the report adopted.

BILL—LICENSING.

In Committee.

Resumed from the 13th October, Mr. Taylor in the Chair, the Attorney General in charge of the Bill.

Clause 44—Exemptions:

Mr. O'LOGHLEN: It was provided that the holder of an orchard could sell wine without a license, but in different parts of the State, particularly in the South-West, there were growers manufacturing so-called wine which was not only injurious to the wine trade but also injurious to the systems of the unfortunate men who consumed it. The selling of this should be prohibited; it would spell nothing else but disaster otherwise. Could provision be made to impose a penalty for selling such wine?

Mr. MURPHY: On the Notice Paper there appeared an amendment to the clause in his name, and with regard to that and other amendments he desired to make a statement. It was the desire of all sections in the House and outside of it that before this session closed some sort of local option Bill should be passed. The progress being made with this Bill showed clearly that unless care was taken it would be impossible to get it through this session, so he would refrain from moving any of the amendments appearing in his name, except those relating to the compensation clauses.

The ATTORNEY GENERAL: If the member for Forrest turned to Part X. of the Bill he would see that provision was made under Clause 193 for punishing persons, the holders of licenses, or their agents, who sold or disposed of liquor that had been adulterated. With regard to the faulty manufacture of wine—wine not adulterated, but badly made—the proper place to deal with that would be in the Health Bill. A distinction must be drawn between faulty manufacture and the wilful adding of foreign substance to liquor, in order either to make people more thirsty or the liquor more palatable, but at the same time more injurious, to the person drinking it. An amendment could not properly be introduced in the Bill to a larger extent than was provided by Part X.

Mr. BATH moved an amendment—

That paragraph (b) of Subclause 1 be struck out.

The statement made by the Attorney General pointed to the necessity for the amendment. The clause dealt only with licensed persons, and would not reach anyone retailing an inferior liquor under the clause now being discussed. He had no desire to see a heavy license fee, but it should exist in order that the provisions of the Bill could apply to the holder. It would do if the licensing fee were only a nominal one, as then there could be equal control over the purveyor of liquor under this provision with that under any other clause of the Bill. Later on provision should be made for a license fee issued on terms the Attorney General considered adequate for the purpose.

The ATTORNEY GENERAL: Consideration could be paid to the matter when Part X., which dealt with the adulteration of liquor, was reached. It could then be seen whether it would be possible to make a provision guarding against the faulty manufacture of wine. It was to be hoped the amendment would not be pressed. The viticultural industry did not receive much encouragement in the State now, and he did not know that there was any great abuse in the system of allowing the owner of a vineyard or orchard to sell a single bottle of wine under certain conditions.

Mr. BATH: If the Attorney General were to say that he would not only look into the provision, so as to admit of the control of the manufacture, but also to assure general control, the amendment would not be pressed. It was necessary that these persons should be controlled, for it was well known that, particularly in connection with the timber districts, it was the custom of persons to run carts to those centres and sell wine, ostensibly the production of the grower, but which was abominable stuff and absolutely injurious to health. He had no desire to penalise the viticultural industry and the license fee could be merely nominal, but sufficient

to bring the holders of it under the controlling provisions of the measure.

Mr. GEORGE: There was another aspect to be looked at. There were a few vineyards about Pinjarrah and Coolup where wine, and very good wine, was made. Certainly in some places the wine was not so good, and probably injured the persons who drank it, the same as bad sugar beer did. He had had experience at timber stations with sugar beer, which would take a very strong head to negotiate. If the clause were not very carefully dealt with it might cause much trouble among a very deserving and hard working class of people. He had no desire to defend the selling of bad wine, beer, or whisky, but members need not go out of Perth to get bad whisky, and if we could not protect men from getting bad whisky in the City, why should we oppress those people who were working very hard, and take a portion of their income away. If means could be devised by which the faulty manufacture of wine could be obviated, well and good, but we must be careful to do nothing that would take away portion of the means of livelihood of many persons.

The ATTORNEY GENERAL: The adulteration of food was dealt with in the Health Bill now being considered by the House. In that Bill food was defined as "any substance whether solid or liquid, or partly solid and partly liquid, used or intended to be used for food or drink by man, other than drugs or water. . . ." It would be more appropriate to deal with this matter under that Bill. The question of wine deleterious to health could there be considered. What members desired to check was the sale of absolutely new immature wine, which was almost rank poison.

Mr. Jacoby: It is absurd to call new wine rank poison.

Mr. UNDERWOOD: No man desired to take away from any person his means of livelihood, but under some circumstances he was prepared to take away that means of livelihood if it meant injuring someone else.

Mr. George: So would I.

Mr. UNDERWOOD: The hon. member, when speaking upon it, did not exactly put it that way; he raised a plea for those people to be allowed to sell wine.

Mr. George: To sell good wine; they make it.

Mr. UNDERWOOD: No one protested against the selling of good wine, but only against the selling of bad wine. As to the suggestion that provision should be made under the Health Bill, it was well known that many of the measures now before Parliament would not get through this session, and where a provision was badly needed it was wise to get it inserted in the Bill likely to go through.

Mr. JACOBY: If any clause could be added which would prevent the sale of anything that was adulterated it would receive his support. There was already some provision in the Bill against adulterated liquors, and if anything could be done to prevent the sale of adulterated wine all the better. Immature wine was consumed by the wine-drinking nations of the world, but that was not impure wine. It was only when wine was unduly fortified that it became impure, and then it was the duty of the excise officers to look after it. Under the Excise Act such a thing was already unlawful.

Mr. GEORGE: The remarks he had given utterance to previously were intended to convey the idea to the Attorney General that a clause should be framed so that there might be no injustice done to the people who were turning out a good article. Rubbish was sold at the timber mills but it was not manufactured in the district. There were a number of small vineyards in the district represented by the member for Forrest, and it was known that the people there made good wine.

Mr. A. A. Wilson: And they sell a lot more than they make.

Mr. GEORGE: No doubt there was more wine sold than was manufactured from the grape, just as there was more French brandy sold than was made in France.

Mr. O'LOGHLEN: What objection could there be to having a license fee

fixed for all wine growers so that the State might have some control over them?

Mr. Jacoby: We have control now.

Mr. O'LOGHLEN: These people were not licensed, and, consequently, the Act would not apply.

Mr. Jacoby: Clause 193 will apply.

Mr. O'LOGHLEN: If the Attorney General would give an assurance to that effect the Committee could get on to the next clause. There was no necessity on the part of the member for Murray for his defence of the wine growers whom he said he had known for 20 years, because no attack had been made on them. The practice, however, prevailed at the present time of one or two to indulge in proceedings which were likely to do injury not only to the wine trade but to the residents of the district. There was no reason why the community should suffer by the vile stuff which was loaded on them week after week, and if the Committee could do anything to protect those people who produced good wine it was their duty to do it.

Mr. WALKER: It was not safe to leave a matter like that to the Health Bill: it was in the Licensing Bill that provision should be made. The clause permitted the sale of wine from anywhere, and there was no watchfulness over the seller, and it was necessary to put someone up, as it were, to "peach" on him before he could be dealt with, and then where were the penalties? The clause would not stand unless it was brought into line with the general Bill. It was not necessary to penalise to the extent of ruining a person who was a wine producer. If there were persons who were sellers of intoxicants they should be treated just as other sellers of intoxicants, and there should be power to impose penalties for breaches of the law.

The ATTORNEY GENERAL: It would be possible to meet the wishes of members by making some small alteration to Clause 193, so that it might be made to apply not only to licensed persons but also to persons authorised to sell under the Act without a license.

Mr. BATH: Such words as "any person or wine vendor under Section 44, Subsection 3" might be added to Clause 193.

The Attorney General: Yes; something like that might be done.

Mr. BATH: In view of the Attorney General's promise, there was no desire to press the amendment, and he would ask leave to withdraw it.

Amendment by leave withdrawn.

Clause put and passed.

Clause 45—New licenses:

Mr. BATH moved an amendment—

That in lines 7 and 8 the words "and thereafter until a petition is presented requesting that a local option vote be taken" be struck out.

If we were going to provide for local option in the Bill we did not want to provide it with a string so that we could pull it back again. This was a limitation of the local option provision. We should have a straight out provision and no hedging it round with restrictions so as to limit the operation of the referendum. The only argument that had been advanced in its favour was that it was desirable that we should have some evidence of the desire on the part of the electors to have a local option vote taken. As a matter of fact, the strength and condition of the referendum was in the opportunity provided for the electors to use it, and the practice wherever the referendum had been introduced was not to hedge it round with restrictions, but as it was utilised more and more, to remove whatever restrictions existed.

The ATTORNEY GENERAL: This being one of the more controversial points in the Bill he would ask the member for Brown Hill to defer consideration of the amendment until the Committee reached Clause 76, which provided for petitions. If, at that later stage, the provision as to petitions was struck out the amendment now before the Committee would be consequential. The more appropriate time to deal with the matter would be when dealing with the whole question of local option.

Mr. WALKER: The question should be dealt with now, seeing that the whole principle was involved in the clause. The Committee were now face to face with

the whole principle, and it was difficult to see the wisdom of postponing its consideration. A protest should be entered here, and if it were not successful members could fight still more vigorously for it later.

Mr. BATH: Certainly the provision in Clause 76 was more definite than in the clause under consideration, and he would be prepared to allow the matter to stand over until Clause 76 was reached.

Amendment, by leave, withdrawn.

The ATTORNEY GENERAL: It was desired to move an amendment in Subclause 2, which was designed merely to render the clause clearer than it was at present. If the petition provision were struck out from Clause 76 then this proposed amendment would also disappear. He moved—

That after "increased," in line 2 of Subclause 2, the words "and a petition is presented pursuant to the proviso to paragraph (b) of Section 79" be inserted.

The object of the petition was to meet the anomaly of a general poll in favour of increased licenses in a big local option district, while in one particular portion of that district there existed a very strong feeling against increase. The proviso in Clause 79 would permit residents in any particular locality to impose a sort of second veto upon the increase of licenses within their locality. He was moving this amendment in Clause 45 merely for the sake of convenience in the form the Bill might ultimately take, and not with the idea of asking the Committee to affirm the principle. That could be discussed when Clause 76 was reached.

Mr. WALKER: As at the instance of the Attorney General the previous amendment had been deferred until Clause 76 was reached, why should not this amendment be deferred on exactly the same reasoning? To leave the whole question open and yet agree to the amendment was only tinkering with the Bill, while step by step members were gaining an impression that a petition was necessary. He would at every stage object to the introduction of this new element into local option.

The Attorney General: This is to give an additional local option in a particular district.

Mr. WALKER: It was giving a party within a district power to veto the will of the majority. If there were any logic in the principle, then every street ought to have the same right. To be logical in the matter they could not stop anywhere. It would be delegating the functions of deciding the fate of licenses to interested parties everywhere, for it was only interested parties on one side or the other who would trouble to get up a petition. It was giving room for all species of objections in the shape of petitions. He would oppose such interference with the open voice of the people. It was to be hoped the Attorney General would allow the amendment to wait until Clause 76 was reached.

The ATTORNEY GENERAL: There was no wish that the Committee should affirm the principle at the present stage. The amendment was moved simply to give greater clearness to the clause. While not absolutely necessary to have the words in, it was advisable that this and all other clauses should be made as clear as possible. All he asked was that the amendment should be inserted until at least we reached Clause 76.

Mr. BATH: We should wait for the decision on Clause 76; there was nothing to prevent recommittal.

The ATTORNEY GENERAL: If Clause 76 was altered, this amendment would disappear, but it should be included now for the sake of clearness, and also to avoid necessity for recommittal.

Amendment put and passed; the clause as amended agreed to.

Clauses 46 to 71—agreed to.

Clause 72—Fees for other licenses:

Mr. ANGWIN: Why should the license fee for selling local liquor be higher than the fee for selling imported liquor? The spirit merchants' license fee was fixed at £10 and the two-gallons license fee at £15.

The ATTORNEY GENERAL: The spirit merchants' license fee was the same as provided for in the existing Act. There were only nine importers holding

the license, and the revenue would not benefit materially by increasing the fee to £15, but there would be no objection to an amendment in that direction.

Mr. ANGWIN moved—

That the word "ten," after "spirit merchants' license," be struck out.

The object was to allow the Government to move to insert a higher fee in lieu.

The CHAIRMAN: The idea of the hon. member was to strike out "ten" with the object of inserting a higher fee. As an amendment to increase the fee could not be accepted from the hon. member, an amendment which would make the clause incoherent could not be accepted.

Mr. BATH: A Minister could move the insertion of a word for a higher fee, and if the member for East Fremantle moved to strike out "ten" in order to enable the Minister to move the insertion of the higher fee, the amendment was in order.

The ATTORNEY GENERAL: If it was the wish of the Committee to increase the fee to £15, there was no objection to moving in that direction; he would do so.

The CHAIRMAN: In view of the statement of the Minister the amendment could be accepted.

Amendment (to strike out "ten") put and passed.

On motion by the ATTORNEY GENERAL the word "fifteen" was inserted in lieu of the word "ten" struck out, and the clause as amended was agreed to.

Clauses 73 and 74—agreed to.

Clause 75—Application of this Part:

Mr. BATH moved an amendment—

That in line 3, after the words "wayside-house license" there be inserted "and club license."

That would make the local option poll apply to club licenses in common with the others specified. The object of the amendment was that there should be no discrimination in regard to the rights of the people under the local option provisions. True, the club license was carried out on more exclusive conditions than the ordinary license, but if it were desirable to give the right to the people to control publicans', hotel, wayside-houses, and Australian wine and beer licenses, then it was also essential with regard to a club license. There were one or two institutions run as clubs, where the amount of drinking was as unrestricted as in the case of a general publican's license.

The ATTORNEY GENERAL: This was one of the most controversial parts of the Bill, and members before voting on the amendment should consider the danger of carrying the principle of local option, which had not yet been tried in Western Australia, too far. A club was on a different footing from a public house. It was a private house, a place to which only members could be admitted, and although it was true that in the past, and possibly at the present, there might be some abuses in regard to clubs, members who had looked through Part VIII. of the Bill would see there were exceedingly stringent provisions to prevent the privileges clubs enjoyed being abused. In New Zealand local option extended to clubs, but the experience there was that the sale of liquor was not prevented. There was brought into vogue a locker system, under which members got over the difficulty by having lockers where their supplies of spirits were kept. Drink went on just the same. To a large extent the club was in the position of a private house, and the drinking was confined exclusively to members, or to persons introduced there by members. Under the clauses dealing with clubs no member could be an honorary member more often than once within six months, and a man could not become an honorary member unless he lived a certain distance from the club. If the clause were passed as printed we would be introducing a very large instalment of local option. As a first step it would be a considerable one. The legislation was experimental so far as Western Australia was concerned, and if there were a right given to limit public houses, that was far enough to go for the present. If the temperance feeling increased, and there was a strong movement in favour of total prohibition, the Bill would have to be succeeded by one with more stringent conditions. He would

appeal to members, however, to be tolerant in connection with the present measure, and realise that it was the first step.

Mr. WALKER: The doctrine of consistency was more important than that of toleration. If one interfered at all with a club then that would be taking those institutions from the category of private dwellings. If the membership were to be regulated, then the principle of regulation into clubs was introduced. Why stop half-way? Many a man's life had been ruined in consequence of his association with clubs. The Attorney General said there was not the same temptation about a club that there was about a hotel. To the better character there was more danger in club life than in hotel life. Thousands of people had to live at hotels, which were their private dwellings, and quite as private as club premises; more quiet, in fact, for a bachelor forced to reside in an hotel was practically confined to his own room, and he was not necessarily thrown into companionship either with frequenters of the hotel or those residing there. He could keep himself strictly to himself, but it was different with club life. The essential principles of club life were comradeship, union and reunion. They were the elements supposed to form the charm of club life. In such circumstances a man imbibed a social glass, which appealed to more than the appetite, for it appealed to the sentiment, to the quality of social companionship, one of the best qualities of manhood. It was the man of extreme social sensitiveness, the man keenly alive to the good qualities of his fellows, the man who could pass a joke, sing a song, and keep the jovial spirit moving, who was particularly liable to become affected with the alcoholic habit. Club life was dangerous to the young people of the State; it had ruined more than one to his knowledge. If this Bill to regulate the liquor traffic of the wayside inn, the orchard, the gallon license shops, were passed, then what sanctity was there that stopped the measure at the door of a club? The law dared to enter into any other place, but stopped at the knocker on the front door of the club. Were we not, by these false sentiments about a club, making a distinction which savoured exceedingly of hypocrisy, which was making a clean distinction between the common herd and those who could afford to pay their subscription to an aristocratic club.

Mr. Osborn: They are not all aristocratic.

Mr. WALKER: For membership to any club a subscription had to be paid, and that in itself established a distinction. All the difference between first class hotels and clubs was only the seclusiveness of the latter. In a club one chose his own companions; that was the distinction between a club and a hotel. As far as comfort and entertainment generally in a first class hotel were concerned it was possible to get all that at the club, but one could not say to the landlord, "You shall stop that fellow in rags from coming in at the front door, or even the man with the belltopper, until he has been balloted for by the others and we have approved of him and examined him from top to toe." Both were profit making concerns. It was the luxury of the club that destroyed a great deal of home life and prevented that manly, independent, sturdy spirit that came from home associations. Club life was not all the glow and brilliance that some of its frequenters would have us imagine. It was a source of great danger and it was in these clubs where the worst of political plots were hatched amidst the popping of champagne.

Mr. Underwood: At Glowrey's.

Mr. WALKER: That was a sort of club. They adjourned from one club to the other; they started at the Weld Club and finished up at Glowrey's. The whole current of democracy was turned aside, when the brow was hot and fevered from the smoking of perfumed Prince of Wales cigars, and drinking he knew not what. It was under these circumstances that political programmes were drawn up and it was thus that it was decided how they were going to harness the Labour party and crush democracy generally. There should be established the principle

of keeping an eye on the clubs, interfering with them and regulating them, and the law should treat them as it treated all others. It was the same evil in the club life as was dealt with in the pub life, in the wine shop, and in the orchard. Had the man with the swollen purse more right to ruin his body and to ruin his family than the man who was poor? We should have manliness in our laws and even in the making of them in this Chamber. We should give the same regulations to the richest that we gave to the poorest, and if we were consistent and manly in this respect we should apply local option as they did in New Zealand as much to the club as to the wine shops of the State.

The ATTORNEY GENERAL: The hon. member seemed to proceed on the principle that no quarter should be given to the drinker no matter whether he be an abstainer with regard to drinking or whether he drank to excess. The hon. member regarded alcohol as poison, and looking at it from that point of view was impelled to urge the House to take the strongest measure to prevent anyone obtaining liquor in any form whatever. If the hon. member was advocating consistency in that respect, and if we were to deal with clubs, we should begin by putting our own house in order in this building. It had not only its political but its social side, and it was much doubted if a poll of the 50 members of the House were taken whether a majority of members would be found in favour of closing the Parliamentary bar for the sale of liquor. Why should we seek to impose a greater degree of virtuousness—if it be virtuousness—upon members of clubs than we were willing to impose upon ourselves? He (the Attorney General) would be exceedingly sorry if it were impossible, in the more or less strenuous work members had to do, to occasionally indulge in the beverage that was most suitable to one, and if members were prevented from taking a little wine for the stomach's sake. It was not a sufficient reason to submit clubs to a local option vote simply because the member for Kanowna had pointed out that political plots were hatched there. As far as the clubs that he (the Attorney General) had any knowledge of, the one subject that was the least discussed was that of politics. It had to be recognised that there was an enormous distinction betwen a public house, which was run in order to put profit into the pockets of its owner, and the club, which was not run in any sense to make a profit for individual members. With regard to the club where profit was made, the whole of that profit had to be devoted to improving the accommodation and providing useful and instructive literature, and enabling members to indulge in games that were of advantage to them physically and intellectually and devoting the proceeds generally to purposes which met with the approval of the bulk of the community. While it might be an impossibility to place some restriction upon the temptation to indulge in alcohol to excess, we had to remember that there was such a thing still in this country as liberty of the subject, and if we interfered unduly with the tastes and pleasures of the people we might cause a revulsion of feeling and make the pendulum swing not in the direction of reform but back against all reform. These matters were all a question of degree, and it was only because we recognised it was a most serious social evil that we had to contend against, that there was a desire to introduce some measure of local option. If one went further and sought to apply local option to places that were, to a large extent, on the same footing as private houses we would be going too far. The restrictions in the Bill with regard to clubs, restrictions imposed to prevent abuses of club privileges, were not merely nominal ones, and should prove thoroughly effective. It was provided that no club should be allowed to sell liquor unless it was registered, and if members looked at the various restrictions it would be found that all sorts of safeguards were provided, and that if there were reason to suppose that a club was merely a drinking place then effective measures could be taken to prevent it obtaining a certificate. The possibility of the Bill ultimately becoming law would be to some extent re-

stricted if the measure were made too extreme.

Mr. JOHNSON: The doubts entertained by many hon. members as to the sincerity of the Attorney General in respect to the Bill had been confirmed by the Minister's latest speech. As the Attorney General had pointed out, the curse of local option in New Zealand was the locker system. In Western Australia it would be worse, because we were going to make it possible for every hotel closed to be immediately created a club. At the very least we were going to leave all clubs in existence although the majority of the people might ask that all hotels be closed.

The Attorney General: Machinery is provided for closing the clubs if they misbehave themselves.

Mr. JOHNSON: The Attorney General had no desire to interfere with the clubs at all. In St. George's-terrace there were so-called clubs, which were really public-houses, into which one might go and get a drink at any time without being an honorary member and without being introduced by a member. These places were carrying on in opposition to the law of the land. Apparently they could not be controlled, yet we refused to recognise the difficulty and attempt to safeguard the people against them in the future. These clubs were no credit to Western Australia, and if exempted from the incidence of the local option poll they would become decidedly worse. Without the amendment the Bill was of no value.

Mr. UNDERWOOD: For the sake of consistency he would support the amendment. If we were going to have local option, let us have it. If it was good to prevent the sale of alcohol in hotels, it was good also to prevent it in clubs. He deprecated the remarks of the member for Guildford, who had said that there were in St. George's-terrace clubs which were practically hotels, clubs into which any man might go and get a drink. He, Mr. Underwood, did not know of these clubs. When he made a statement of the kind he always made a point of naming the place.

Mr. Collier: C.T.A.

Mr. UNDERWOOD: The Attorney General had attempted to make a point of the fact that the clubs did not sell alcohol for profit. But the Bill did not take into consideration the question of profit. Many publicans did not make a profit. The only question considered in the Bill was that of the sale of alcohol. As for the Attorney General's argument that to apply the principle of local option to clubs would be to interfere with the liberty of the subject, surely that might be urged equally in respect to hotels. The clubs in New Zealand had practically avoided the effect of the local option vote, and there was a wider possibility of this occurring in this State. If we retained these licenses it would be merely legislation against the holders of publicans' licenses, and not against the consumption of liquor. It was essential to absolutely prohibit the sale of liquor in dry-districts. If that were done, there would not be so many so-called dry-districts.

Mr. ANGWIN: The Attorney General, by his opposition to the amendment, realised there was a possibility of the people being in favour of closing up clubs, and he was afraid to trust the people. If hotels were closed there would be large buildings in existence which would be turned into clubs, and the rentals charged by the owners would prove greater sources of profit to them. If the Bill was not applied to every license, it would be virtually useless.

Amendment put, and a division taken with the following result: —

Ayes	.. .. ..	17
Noes	.. .. ..	18
Majority against	..	1

AYES.

Mr. Angwin	Mr. McDowall
Mr. Bath	Mr. O'Loghlen
Mr. Bolton	Mr. Osborn
Mr. Collier	Mr. Price
Mr. Gill	Mr. Swan
Mr. Gourley	Mr. Walker
Mr. Heitmann	Mr. A. A. Wilson
Mr. Holman	Mr. Underwood
Mr. Johnson	(*Teller*).

NOES.

Mr. Brown	Mr. Male
Mr. Butcher	Mr. Mitchell
Mr. Carson	Mr. Monger
Mr. Cowcher	Mr. S. F. Moore
Mr. Daglish	Mr. Murphy
Mr. Davies	Mr. Nanson
Mr. Gordon	Mr. Plesse
Mr. Gregory	Mr. Layman
Mr. Hardwick	*(Teller).*
Mr. Jacoby	

Amendment thus negatived.
Clause put and passed.
Progress reported.

House adjourned at 10.54 p.m.

Legislative Council,

Wednesday, 19th October, 1910.

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THE PRESIDENT took the Chair at 4.30 p.m., and read prayers.

QUESTION—RAILWAY ADVISORY BOARD'S REPORTS.

Hon. J. W. LANGSFORD (without notice) asked the Colonial Secretary: Will the Minister make available to members of this Chamber copies of the Railway Advisory Board's reports and plans which have been submitted to another place?

The COLONIAL SECRETARY replied: Yes. It is an oversight that copies have not been laid on the Table.

QUESTION—PUBLIC SERVANTS AND DEFENCE FORCES.

Hon. J. W. KIRWAN asked the Colonial Secretary: 1. Is the report correct that Warder Wise, of the Fremantle Prison staff, was dismissed for having disobeyed an order of the Comptroller-General in refusing to sever his connection with the military authorities? 2, If there be any truth in the report, what are the facts? 3, In view of the possibility of such a report creating doubt in the minds of Government servants as to the attitude of the Government towards those of them who have already joined or are desirous of joining the defence forces, will the Ministry give the assurance that the action of Government servants joining the militia or volunteers meets with their warm approval?

The COLONIAL SECRETARY replied: 1 and 2. Yes, the exigencies of the prison service necessitated the Comptroller General of Prisons requesting the resignation from the Defence Force of two warders employed in the Fremantle Prison as it interfered with their duties as warders. One of the two warders affected by the instructions sent in his resignation; the other, Warder Wise, though warned of the consequences, persisted in refusing. 3, Yes, provided such service does not interfere with their duty to the department in which they are employed. The Commonwealth Government, however, have recognised the difficulties attending the disciplinary staff of prisons, and the amending Defence Bill provides, inter alia, for the exemption from service of persons employed in the police or prison service, etcetera.

QUESTION—SCHOOL PREMISES, VICTORIA PARK.

Hon. J. W. LANGSFORD asked the Colonial Secretary: 1. Has the State school at Victoria Park been condemned by the Local and Central Boards of Health as unhealthy for the children in winter? 2. Have the Public Works Department designs prepared for a new school? 3. When is it proposed to start the new building?