

# Legislative Assembly,

Tuesday, 17th September, 1912.

	PAGE
Questions: Estate Repurchase, Harvey ..	1716
Public Service Appointments ..	1716
Railways Deviations Select Committee, extension of time ..	1716
Bills: Timber Railways and Tramways, 1s. ..	1716
State Hotels, 3s. ..	1716
Roman Catholic Church Property Amendment, 3s. ..	1716
Fremantle Reserves Surrender, 3s. ..	1716
Education Act Amendment, 3s. ..	1716
Inter-State Destitute Persons Relief, 3s. ..	1716
Inebriates, Report stage ..	1717
Tramways Purchase, Council's Amendments ..	1717
Bills of Sale Act Amendment, 2s. ..	1740

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

## QUESTION — ESTATE REPURCHASE, HARVEY.

Mr. S. STUBBS asked the Premier : 1, Have the Government purchased the Harvey Estate? 2, If so, the price paid for same? 3, How many acres are in the Estate? 4, What price did the Advisory Board recommend the Government to pay for it?

The PREMIER replied : 1, Yes, subject to the approval by Parliament. 2, Price asked for is £3 per acre. 3, Approximately 8,000 acres. 4, £2 8s. per acre.

## QUESTION—PUBLIC SERVICE APPOINTMENTS.

Mr. GILL asked the Premier : 1, Is he aware that temporary employees in the public service when appointed to the permanent staff are compelled to take a lower salary than that previously received? 2, Will he see that in all transfers from the temporary to the permanent staff the officer affected shall receive a commencing salary of not less than his original daily wage? 3, Seeing that applications are being called for the vacant positions in the service under the reclassification, do the Government intend inviting applications for the new position of Public Service Inspector? 4, If so, when?

The PREMIER replied : 1, Many temporary officials are paid a higher rate of salary than permanent officials for the same work, and on appointment to the permanent staff the salary paid to the permanent staff for similar work, and the advantages gained by temporary officials by such appointments must be taken into consideration. In all general cases temporary officials are appointed at a salary being the nearest range within the classified position, thus, temporary officials at 11s. per diem, that is £171 12s. per annum, who remain stationary, would be appointed at £168 and then rise by annual increments to £204. 2, The salary of the officer, when appointed to the permanent staff, is subject to the classification under the Public Service Act. 3 and 4, The matter has not yet been decided.

## RAILWAY DEVIATIONS. SELECT COMMITTEE.

### *Extension of Time.*

Mr. B. J. STUBBS (Subiaco) : Owing to a little unforeseen delay he was compelled to ask that the time for bringing up the report be extended for another week. He moved—

*That the time for bringing up the report of the select committee be extended for a week.*

Mr. DWYER (Perth) seconded the motion.

Question passed.

## BILL—TIMBER RAILWAYS AND TRAMWAYS.

Introduced by Mr. O'Loughlen, and read a first time.

## BILLS (5)—THIRD READING.

- 1, State Hotels.
  - 2, Roman Catholic Church Property Amendment.
  - 3, Fremantle Reserves Surrender.
  - 4, Education Act Amendment.
- Transmitted to the Legislative Council.
- 5, Inter-State Destitute Persons Relief (*passed*).

**BILL—INEBRIATES.**

Report of Committee adopted.

**BILL—TRAMWAYS PURCHASE.***Council's Amendments.*

Schedule of two amendments requested by the Council now considered.

*In Committee.*

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

No. 1, Clause 2, add the following words—"and may and shall be carried into effect":

The PREMIER moved—

*That the amendment be made as requested.*

The clause as it stood originally, merely ratified the agreement and did not give power to carry it into effect. The additional words would give the necessary power.

Question passed; the Council's amendment made.

No. 2, Clause 8, after the word "purchase," in line 1, insert "until the year 1939 and thereafter":

The PREMIER: The amendment, if agreed to, would bind the Treasurer to pay 3 per cent. on the gross takings of the tramway system until the year 1939, that was, the system at present in operation, not any extensions that might be made, and after the year 1939 the payment would continue until Parliament otherwise determined. When the Bill was previously before the Assembly we objected to binding Parliament. Now he was surprised at a certain section taking up the position that Parliament until 1939 should be compelled to do a certain thing, because it was not so many years ago that we heard the same people complaining bitterly at the action to attempt to bind future Parliaments. No Parliament could bind a future Parliament, and even if the amendment were agreed to, the next Parliament, or even the next session, could amend the measure by striking out these words, and if Parliament did so that would be the end of the payments, but the inclusion of the words would bring about

something in the nature of an agreement whereby the payments would be carried out for the period specified, and it would be pretty difficult to obtain the consent of Parliament to annul the agreement. The Government now had to view the position from the standpoint whether they would pay this amount for the term stated or not. The city council were not satisfied that this was a fair compromise for what they claimed to be their rights, and they were not satisfied with the action of another place in agreeing to the amendment. On the other hand, the Government were quite satisfied that the municipal authorities were fairly treated by the Bill as it left the Legislative Assembly. The position however, now was that the insertion of the words suggested by the Legislative Council might be accepted in the nature of a compromise. The Government had to view the matter from the standpoint, not only of the city council, who after all were only a body acting on behalf of the ratepayers, but also from the standpoint of the ratepayers and the others who made up the people who used the tramways, and if the Government were compelled to draw a certain proportion of the earnings of the tramways to pay to the city council, or anyone else, that amount of money would have to be made up; it would have to be earned in some way, either by compelling the people to pay more than they otherwise would have to do, or compelling those who were working on the trams to accept less in the way of salaries and wages. That was the position the House would have to take into consideration. It was not his intention, however, to ask the House to object to the amendment, his reason being that he was doubtful in the event of the Assembly not accepting it, whether another place would agree to alter their attitude with regard to this particular clause. It was a matter of urgency that the Bill should become law, or dropped altogether. There were certain matters which the Government could not proceed with now until it was known whether the Government were going to control the tramway system or not, and if there was much further delay there would be another sum-

mer on us without sufficient accommodation being afforded to cope with the traffic of the city and the suburbs, and the Government would then have to carry the responsibility of having failed to provide that which was recognised was absolutely needed. The Government had arranged, subject to the Bill being passed to have a certain number of car bodies constructed at the workshops at Midland Junction, but it would be understood that the Government did not propose to employ men who were at the present time engaged on the construction of rolling stock, on this particular work, if there was no intention to complete the purchase of the trams. If the Bill were not to become law the Government would prefer the tramway company to get their own rolling stock from wherever they choose.

Hon. Frank Wilson: Would you prefer them to get it out of the State?

The PREMIER: It did not matter where they got it, and it would be better that they should get it out of the State than that the Government should hold up the men who were engaged on the construction of rolling stock for the railways at Midland Junction in order to build new cars for the tramway service. But if the Government took over the system it would be necessary to provide the travelling public with proper facilities to get about, and this was what the Government wanted to determine immediately. When the matter was first discussed with the local authorities the offer was made to them with regard to the payment of the 3 per cent. on the gross takings, that the payments should be made until the expiration of the various agreements and the local authorities were almost in accord in stating that it would be better if the Government fixed no stated term, that the amount should be paid and Parliament should be allowed to determine for how long those payments should continue. Under those circumstances, therefore, the Government could not have much objection to paying the 3 per cent. until 1939, as provided in the amendment. Some people might have an objection to binding future Parliaments. Personally,

he had that objection, but he was so earnest in his desire to nationalise the tramway system to-day, that rather than make a blunder similar to that in connection with the attempted purchase of the Midland railway a few years ago—and everyone could see to-day that by not making that purchase it was a blunder—and knowing the value of the tramway system to the Government and to the people of the city and suburbs, he thought the time was most opportune for completing the purchase. This money also would not go outside the State. Therefore, the same objection would not lie in this case as might have been raised in the other, that the money would go out of the State.

Mr. Thomas: What money would not go out of the State?

The PREMIER: The payment of the 3 per cent. This amendment would be accepted more in the nature of a definite agreement to pay the municipalities three per cent. until 1939.

Mr. Thomas: It would be absolutely binding, honourably so.

The PREMIER: No, but it would be in the nature of a contract. The people could amend the Bill if they desired. If they elected a Parliament next election pledged to amend it, they could do it and no one could say them nay.

Mr. S. Stubbs: Would that not be a breach of an honourable understanding?

The PREMIER: Every time we amended an Act there was a breach of an honourable understanding according to the member for Wagin. We could only bind this Parliament for the term of the Parliament. This clause would be looked upon as an arrangement between the Parliament and the local authorities and Parliament would have to consider it as such. The three per cent. amounted at the present time to about £2,400 a year and it would go on increasing, until in 1939, it would amount to about £10,000 per annum. It was only three per cent. on the gross earnings of the existing system. We provided that any future extension should not carry the three per cent. to the local authorities. For instance, if we made an extension along Rokeby-road to Jolimont,

and traffic were carried over that line, we would pay no three per cent. to the Subiaco council for the running over that line, but we would pay on the balance of it. It was three per cent. on the gross earnings of the existing system and not any extension which the Government might make; that being the case there was not the same objection to pay as there might be to pay on what the Government made in the future. He moved—

*That the amendment be made as requested.*

Hon. FRANK WILSON : All along he had contended that the various municipal bodies were entitled to full consideration at the hands of the Government in this transaction, and, therefore, he was going to support the Council's amendment, but not because another place had inserted it. The least we could do was to conserve to the local authorities the three per cent. they were now receiving on the gross earnings until the expiration of the period over which they had contracts. As to whether it should bind future Parliaments or not mattered very little. Parliament was all powerful. It could pass Acts to-day and repeal them to-morrow. Parliament could repudiate their just debts and liabilities if they thought well to do so, but he doubted if any Parliament in the British community would go so far as that. He did not think any Parliament in Western Australia that might come after this one would think of repealing the clause which we now proposed to insert in the measure.

Mr. Underwood : We will put it out now and save them the trouble.

Hon. FRANK WILSON : No, the hon. member would not do so. He did not think any succeeding Parliament would dream of departing from the clause we now desired to insert. It certainly had a very strong moral effect, and he thought it went further and that it was something really binding on the people of the State in the nature of a hard and fast agreement. So far as he was concerned he was prepared to accept it as such. We were here to make the best terms in the nationalisation of the tramways, and we

should see that the interests of all those concerned in the system were properly safeguarded, at any rate to the extent indicated in the amendment. As to the necessity of rushing the matter to get the car bodies completed in the railway shops, that carried very little argument in regard to the proposed amendment, because no doubt the Government had entered into an arrangement with the company that if the Government made the car bodies and the purchase was not completed, the company would take those car bodies over. It was to be hoped the Committee would look at the amendment from the point of view of what was equitable and just. As to the statement that we ought not to bind future Parliaments, we should adopt such equitable terms as we thought were just to-day when we were purchasing the system. The question was whether it was just that the local bodies should receive 3 per cent. until 1939.

Mr. Munsie : It is 20 years too long.

Hon. FRANK WILSON : One could not agree with the hon. member; but we had thrashed out that aspect of the question. It had been conclusively proved that these local bodies had certain rights under their agreements with the tramway company; rights that were valuable, everyone had conceded that.

Mr. Foley : No.

Hon. FRANK WILSON : One would qualify that by saying every right-minded individual conceded that we should not hesitate to put into the Bill something in the nature of a binding clause. We were getting a valuable property in the interests of the people of Perth and of the State, and, therefore, we should not confiscate any rights belonging to local bodies without reasonable compensation. This was not compensation, because the local bodies had that right now. It was to be hoped the Committee would not haggle over this. It was only a small matter to accept this amendment and have the tramway taken over by the Government and as quickly as possible put into good working order and run in the interests of the public. We knew what lack of facilities there were at the

present time. Not sufficient cars were running at certain periods of the day and persons, even on short journeys, had to stand on the platform. All these difficulties would be obviated, it was to be hoped, when the Government took possession of the trams.

Mr. THOMAS: For once in his lifetime the leader of the Opposition had grown quite reckless. While he (Mr. Thomas) was as anxious as any member to see the tramways nationalised, he had strong objection to placing too heavy a burden on the Government who had to run the trams. When we were nationalising the tramways it was for the State as a whole, but we were rushing in and taking up liabilities which at a later period might be very irksome to carry. The three per cent. was from the gross liabilities. We did not take into consideration what success would meet us in the running of the trams. It was possible there would be a strong clamour of public opinion which might induce or compel the Government to go into extensions which would be a convenience to the public but which might not be a success financially; and it was almost certain that better conditions would be conceded to the men who were working the trams, and no doubt there would be an irresistible clamour for a reduction of fares. The people of Western Australia were shouldering responsibilities, and as members we were here to consider a fair deal to Western Australia as well as a fair deal to Perth. It amounted to this, there was a big probability that there would be a deficit in the running of the trams for some years to come. The Government might even lose a substantial sum of money, but no matter what their losses might be, they still would be expected to find 3 per cent. of the gross earnings for the Perth and other councils.

Mr. Dwyer: Why should there be a deficit when the Government take over the system?

Mr. THOMAS: The Government would have to shoulder liabilities that the present company had not to bear. At the present time the tramways were run purely in the interests of the company

as a money-making concern, but when the Government took over the system, it would be run purely in the interests of the people as a first consideration, and the financial aspect would be attended to afterwards. We were rushing into this deal too recklessly. He was desirous of seeing the trams nationalised under conditions fair and equitable to the people of the country as a whole, but it was not nationalisation when a benefit was given to one section only. Those who were supporting the amendment were urging Parliament to adopt government by the dead hand. It was presumptuous to say that we to-day were better able to judge of the requirements of the future than a future Parliament would be.

Hon. Frank Wilson: That is an absurd argument.

Mr. THOMAS: For his own part, if he were in Parliament for twenty years, he would feel himself bound by what Parliament to-day undertook to do. If a subsequent Parliament were to repeal what the Legislature of to-day was granting, repudiation would be howled from the house-tops.

Mr. S. Stubbs: It would be confiscation.

Mr. THOMAS: No Parliament of honourable men would do that. If the Committee were going to carry the Bill in this way, they were directing future generations as to how they were to govern their own affairs.

Hon. Frank Wilson: It is not a question of government; it is a question of paying for a certain thing.

Mr. THOMAS: Well, the Committee would be directing future generations against their common sense to pay this 3 per cent. for 27 years. He would vote against the amendment, and he would continue to oppose it as vigorously as he possibly could, because he would be failing in his duty to the people of Western Australia if he assisted in placing a burden upon them as a whole in order to give a benefit to a small section.

Mr. S. Stubbs: Then why take over the tramways?

Mr. THOMAS: In paying the price originally provided for in the Bill the

Government would be paying all that could be expected. If three per cent. of the gross earnings of any tramway system in the Commonwealth was taken away, it would mean that that tramway system, even the Sydney tramway system, would be run at a loss; and if the Sydney tramways could not make a profit with their enormous turnover, how could a profit be made on the small system in this State?

Mr. GEORGE: It was to be hoped that the Committee would endorse the decision of the Legislative Council, because it was a simple act of justice to the citizens of Perth, and no injustice to the people of Western Australia. When negotiations were first entered into by the councillors of the city for the installation of a tramway system, they, on behalf of the people, made the best terms they possibly could with the concessionaires. It was realised that the tramways would be the means of developing the city and suburbs, and that a municipal system could not be brought about for a number of years. The citizens were with the council in the action that was then taken.

Mr. Munsie: How do you know?

Mr. GEORGE: Because every one of the councillors who made the agreement with the company was returned at the ensuing election. When the time came for the extension of the tramways into the suburbs, those who desired the extensions were not as careful as the city council had been, and did not obtain as good terms. In the debates which took place in the Legislative Assembly at the time, the difficulties in regard to these concessions were pointed out, and it was desired that the working concessions of the city council should not in any way be abrogated, and that the whole of the concessions outside of Perth should harmonise; because it was realised that, sooner or later, Perth would extend its boundaries; a Greater Perth would come into existence, and the tramways would then be one big municipally-controlled scheme. Amongst the rights obtained by the city council was this provision for three per cent. of the gross earnings in return for the concession, and in consideration of the fact that the council had

no power to rate what was a business concern using the streets. That right was conceded to the city council, and now that the Government were taking over the trams, they were not prepared to continue the payment of three per cent. without some restriction. Surely, if the local bodies were to be encouraged to do their best for the people whom they represented, there must not be an repudiation of what they had done years ago. What was the proposal to stop the three per cent. payment, if it was not repudiation? The Government would not guarantee to the city council that which belonged to that body if the concession continued until 1939.

Hon. W. C. Angwin (Honorary Minister): What will the trams be like then?

Mr. GEORGE: Under the conditions of the original concession, the company had to keep the lines and equipment up to date, and it was for the city council, if the concession continued, to see that the company did that.

Mr. Lewis: They are not doing it today.

Mr. GEORGE: If the city councillors did not do their work it was for their electors to deal with them and make them do it, but there was no reason for thinking the city councillors would not be prepared to carry out their part. Many members held the view that it would be doing wrong to the rest of the people of Western Australia if the Government, in taking over the trams, continued the concession to the municipality; but it must be remembered that the city corporation had a large business to carry on and was losing a large amount of revenue by losing the rates from the extensive property the Government were resuming. And why should we take away from the Perth City Council what they, by their business acumen, secured to the ratepayers of Perth, namely, an income out of the tramways? No doubt the ratepayers of Perth would get advantages through the Government taking over the trams, advantages in the shape of penny sections, a better service and cheaper fares for the through services; but were not these advantages they might reasonably expect to get even if

the company carried on, or, better still, if the trams were run by the municipality? It must not be supposed that the city councillors were absolute fools. They were elected by the ratepayers because they were the best men offering, just as the electors of the Legislative Assembly elected the best men offering. Why should we suppose it was impossible to have in our municipal councils men just as capable of dealing with matters as hon. members of the Legislative Assembly? In ten years' time we would not know Perth, so great its growth would be, and no doubt in this direction the assistance tramway extension would give would be a great factor, so there need be no qualms that the Government would be working the trams at a deficit.

Mr. Monger: They will not get a show if my vote will stop it.

Mr. GEORGE: If the trams were good enough for a company to work at a profit, if they were good enough for the city council to try to acquire, if they were good enough for the Government to acquire, or for any syndicate anxious to get them, where was the recklessness that the member for Bunbury spoke of? The hon. member also considered that we could not legislate for five years hence better than a Parliament five years hence could do for itself; but every day we were altering legislation passed in previous years, and we did not condemn previous Parliaments on that score, we simply said that circumstances were not the same previously as now existed. Perth undoubtedly had a right to the three per cent. for the full period of the unexpired term of the concession. Perth had other rights that were to eventuate at the end of the term, but there was no need to say anything about them, as he would be satisfied if the three per cent. on the gross earnings was guaranteed until the end of the term. It was said that three per cent. would make the Sydney trams unpayable, but that had no bearing on the question, because we knew that three per cent. on the earnings of the Perth trams did not mean a loss to the tramway company, and we had sufficient faith in our officers to realise that they would not wilfully make a loss

to prove the correctness of the assertion of the member for Bunbury. The Government should take over the trams; it would be better for the State; but they should not take them over with a blot which, if not repudiation, was very much like it. The mayor and councillors of Perth were right in doing their best to fight for what was fixed when the concession was granted.

Mr. SWAN: The hon. member was always booming the city council of days gone by, when, as a matter of fact, they were sadly lacking in foresight. If the present city councillors had no more foresight than past city councillors had, it said very little for them. If, in those comparatively benighted days, when the concession was granted, the people had been appealed to, they would have decided against granting the concession which the member for Murray-Wellington, as one of the city councillors at the time, took credit for granting. It was doubtful whether the city council of that time worried very much about the future; more likely was it that many councillors had a sharp eye for the then present. No insinuation against the member for Murray-Wellington was intended, but certainly there were in the city council of that day councillors who had their attention centred on the then present, and who cared very little about the future or about the interests of the citizens of Perth. He would vote for the requested amendment.

Mr. ALLEN: It came with very bad grace from members of Parliament to adversely criticise the work of local governing bodies, especially when we considered the work done by these local governing bodies without fee or reward, and then reflected that members of Parliament were receiving a substantial remuneration for doing very little more, if any. Although not a member of the city council at the time the agreement was made with the tramway company, he considered that the councillors of that day had, on behalf of the citizens, made a business-like contract. The amendment represented the recommendation of a select committee in another place, the members of which, after having heard a

mass of evidence, had come to the conclusion that the reversionary rights of the local governing bodies were of great value.

Hon. W. C. Angwin (Honorary Minister): I think their conclusions were very much in the wrong.

Mr. ALLEN: Still, that was the opinion of the select committee, and, in view of this, the amendment seemed almost ridiculous. In exchange for these valuable reversionary rights it was proposed to give the local governing bodies three per cent. until 1939. It was merely giving the local governing bodies what they already had. Without any intervention on the part of the Government the local governing bodies would receive three per cent. until 1939.

Mr. Munsie: And the ratepayers would pay the penalty for it.

Mr. ALLEN: Much had been said about the anticipated penny sections; we had penny sections now.

Mr. Heitmann: And a hybrid system it is.

Mr. ALLEN: At all events, to his thinking, the penny sections provided in the city of Perth were fairly satisfactory. Even if the requested amendment were agreed to, there was nothing at all to prevent a future Parliament, at the instigation of some impecunious Government, from rescinding it. We had been told that when the time came for the city council to take over the plant it would be in pitiable order. However, it should be remembered that unless the system were in real good working order and condition, according to the terms of the agreement, the council would refuse to take it over. The company had no alternative to keeping the system in good working condition.

Hon. W. C. Angwin (Honorary Minister): They do not do it to-day.

Mr. ALLEN: That was because they were praying to God that the Government would purchase it.

Mr. Munsie: There are only two men in Perth who are not—yourself and the Mayor.

Mr. ALLEN: No one had ever heard the people of Perth protesting in regard

to the tramways; they were satisfied to leave the question with their representatives in the city council.

The Minister for Works: You should take a referendum on the question.

Mr. ALLEN: It would have been satisfactory to hear more from the Premier in regard to the contract for the building of the new car bodies. Mr. Somerset had recently told the city council that the Government were going to build these additional cars for the company, and that whether or not the Government took over the system the cars would be available to the company. However, the Premier had since denied this.

The Premier: Who said we were going on with it?

Mr. ALLEN: Mr. Somerset had told the city council that the Government were going to build the cars in any case. As to the advantages to be expected from the Government control of the system, he had heard no assurance given that the penny sections would be extended.

Mr. Munsie: The select committee evidently thought we would get it.

Mr. ALLEN: It would be found that the capitalisation of the affair would be materially increased under the Government control, and it would not be so easy to provide all these advantages. He hoped that when the Government took over the trams they would give the people a tramway service very different from the railway service at present provided, which was an absolute disgrace to the State.

Mr. GILL: There was no doubt that if we accepted the requested amendment future Parliaments would be influenced by our action. Therefore he would support it. Apparently the member for Bunbury was doubtful as to the financial results to be obtained from the Government control of the system. There should be no fear on this score. The company had made good profits out of the system, and if the Government took over the trams, although the cost of the service would certainly increase, still it would return a very handsome profit from the outset. He joined issue with those hon. members who were of opinion that by taking over the

tramways we would be doing a serious wrong to the citizens of Perth. There was little doubt that the people of Perth were perfectly satisfied with the proposition before Parliament. The member for Murray-Wellington considered that the city of Perth had suffered considerably through the recent resumption of so much property with the city boundaries. It would be found, however, that these resumptions had resulted in a marked increase in rent, which meant also an increase in the ratable value up to, perhaps, fifty per cent., and therefore it would seem that the city of Perth had benefited rather than suffered by the resumption of these properties.

Mr. TAYLOR: The amendment would have his opposition, because if it were adopted, it would be obligatory on Parliament for 27 years to give three per cent. on the gross earnings of the present system to the councils. Why should this Parliament place future Parliaments in such a position? This was the only Bill which sought to bind future Parliaments in that way. Why should we depart from the fundamental principle of legislation?

The Premier: We cannot.

Mr. TAYLOR: If the amendment were accepted, we would be morally binding future Parliaments for 27 years. Another place, jealous of rights and privileges, knew full well that this would be the effect of the amendment. With the amendment, the measure would provide that after 27 years the three per cents. should continue until Parliament otherwise decided. Why should not the three per cents. be discontinued after that time? The Government were not justified in giving the three per cent. on the gross earnings to the councils without first providing interest and sinking fund, and even after that it was questionable whether that percentage should be granted them. If a referendum of the people of the State were taken on the franchise of the Legislative Assembly, the amendment would be rejected by a large majority, but naturally the people of Perth would favour it.

Mr. Munsie: I do not think they would.

Mr. TAYLOR: The people of the State would reject it by a five or six-to-one majority. The people of the State were asked to accept the financial obligations without receiving the same benefits which would result to the people of Perth.

Mr. George: Then the city council have no rights.

Mr. TAYLOR: Under their agreement, they have reversionary rights, but the Government have said they have no rights against the Crown.

Mr. George: Why should they be placed in a worse position?

Mr. TAYLOR: They would be in a better position by the Government taking over the system even if they were given no percentage at all. Under a Government system the people must be better served. The capitalisation of the system would be increased, and we had not the increased population to lift. The traffic would not increase in anything like proportion to the capitalisation, and there was a possibility that the Government would be compelled, by the pressure of residents in the metropolitan area, to grant penny sections and run cars more frequently. The present system was appalling. Only at short intervals during the day could one depend on getting a seat on a journey from the city practically to Subiaco. The system was not equal to a city like Perth, and the Government would have to increase the rolling stock.

Mr. Lewis: Will not the additional facilities create traffic?

Mr. TAYLOR: Not sufficiently to pay the extra expense. If we had treble the population we might think about penny sections, but he questioned whether they could be profitably granted at present.

Mr. George: Would you agree to the three per cent. after providing for interest and sinking fund?

Mr. TAYLOR: Not to legislate for 27 years ahead, and not to bind the hands of future Parliaments.

Mr. George: The tramways are practically doing that to-day.

Mr. TAYLOR : The matter being dealt with was one which was allowed 14 years ago.

Mr. George: Any money which the Government expended in improving the tramways would increase the traffic.

Mr. TAYLOR : That militated against the amendment. After extending the lines to more distant areas, the passengers would be brought over the existing lines and the three per cent. would have to be paid on that traffic. The outside people would participate in any loss, but not in the percentage of gross earnings. The extensions which would probably be made would be likely to reduce the earning capacity of the system. We did not expect railways to pay until after four or five years in some instances and that must apply to tram systems, though not in such a large degree. When the Government took over the trams any 30 or 40 people in a new district would want to have the lines extended to serve them.

*Sitting suspended from 6.15 to 7.30 p.m.*

Mr. TAYLOR: It was said that the city councillors, in making an agreement with the tramway company, had not sufficiently safeguarded the interest of the ratepayers of Perth. If members of this Parliament were as jealous of the interests of the people they represented as the city fathers of Perth were in making the agreement with the tramway company, they would reject the amendment. The city fathers did safeguard those whom they represented as faithfully as they could. The agreement had that stamped on its face. If the representatives of the people in Parliament considered the interests of the people they represented and guarded them as jealously as the city councillors had done, the amendment would not be accepted. Who was to father the burden of the financial obligation entailed in this proposition? The people as a whole; they were to accept the financial success or loss, while the ratepayers of Perth and the metropolitan area, a handful of people, would be on velvet. They would receive three per cent. first call on the gross earnings,

and any shortage in working expenses, if there be any, would be a call upon the consolidated revenue of the State—an altogether unfair proposition. It was said that if the amendment be rejected, the Bill would be lost. He was not quite sure that that would be an injury to Western Australia; he was not satisfied that the people would suffer by the loss of the Bill; he was not satisfied that a majority of the people of the State were content that half a million of money should be spent on this purchase. Before all requirements were met it would mean three-quarters of a million pounds within the next three years. If a referendum of the people of the State were taken as to whether half a million should be spent on the purchase of these trams, as against spending it on railways for the development of the country, in the development of our mining areas, and in giving better services to the people in the interior, there would be an overwhelming majority in favour of staying the hands of the Government in regard to the purchase of the trams, and in favour of laying out the money in developmental work. No injustice would be done if the amendment were rejected and it led to the loss of the Bill. Purchasing a going concern would not create any new work except so far as the necessary extensions were concerned, but spending the money on the development of the State would mean that the workers would receive a large proportion of the half million. In fact, the loss of the Bill would be an advantage. It would certainly be a disadvantage to the metropolitan area, because the people believed that the tram service should be nationalised. The electors of the State at the last election voted for nationalisation generally by returning the majority represented on the Government side of the House, but the proposition now before Parliament was not nationalisation. The people did not return the present party to power to bring in hybrid nationalisation, nationalisation with a limitation, by which a small section of the people made a certain profit, namely, three per cent. on the gross earning of the trams, and the people as a whole were to accept

the chances of a loss. That was not carrying out the mandate for nationalisation that the people had given to the party at present in power. The people of the State would be pleased at the loss of the Bill, and those looking for work would be satisfied to know that the Government were about to spend half a million in opening up new areas and giving railway facilities to the people in the interior, and in fostering the industries of the State, rather than in laying out the money in a proposition which would give no more work to the workers, though it might give better conditions to those employed in the tramway service. As the member for Murray-Wellington had pointed out, under the agreement the city council had ample provision to keep the tramway company practically to a point of perfection.

Mr. Lander: They have not the backbone.

Mr. TAYLOR: They had the power to make the company give fair conditions and better facilities for the travelling public. The member for East Perth was formerly a city councillor; was his backbone weak? If the city councillors were weak the ratepayers were weak to elect them, and the fault lay with the ratepayers. Because the tramway company had an agreement, and because the city council, who had the right to enforce the agreement, failed to enforce it in the interests of the people, it was unfair for Parliament to step in and buy up the service. He would not vote to tie the hands of future Parliaments for 27 solid years. It was absurd; it was a bad precedent to establish for any Parliament to pass a law stipulating a moral obligation and an honourable understanding that no future Parliament could touch for a given period. Parliament was the representative of the people, and after each general election the voice of the people should be heard, and the people desired amended the laws which had been passed, the Governor's hands should be free to amend those laws. Here, however, we were saying that for 27 years the hands of the Government should be tied, unless, of course, we declared that we would repudiate what was

supposed to be a moral obligation or an honourable understanding. He wondered what was in the minds of hon. gentlemen in another place when they suggested the amendment. Was that in a democratic Parliament the view that should be accepted by the representatives of the people in the Legislative Assembly? No, emphatically, and he was confident that the great bulk of the people would likewise say no if they had the opportunity of expressing their opinion. He challenged the supporters of the Government to submit the amendment to a referendum. They dared not do it. It was to be hoped that the Government were not so wedded to the amendment as to accept it, and that hon. members would take the view he took and which he believed to be the right view in the interests of the people. Members were not justified in accepting the amendment, which would tie the hands of Parliament for 27 years, and he hoped it would be rejected.

Mr. DWYER: The opponents of the amendment had been arguing on utterly wrong premises. They seemed to think that the Government were giving away something and getting nothing in return. Such, however, was not the case. This was nationalisation with compensation. If the member for Mount Margaret only considered the facts as they were presented, he would see that while nationalisation was no new principle, that wherever it had come to be adopted as a principle, hand in hand with it ran the question of compensation to those who had any rights which nationalisation swallowed up. Hon. members might refer to the report of the select committee which dealt with the matter, and on pages 10 and 11 the evidence of Mr. Northmore would be found.

Hon. W. C. Angwin (Honorary Minister): Is he an official of the council?

Mr. DWYER: Mr. Northmore was the city solicitor, and like other members of that profession when he gave an opinion he did so conscientiously. Mr. Northmore's evidence was not given in the heat of debate, but bore the stamp of the evidence given by a man who had considered

well all sides of the subject. Mr. Northmore said—

At the present time the company have for sale a thirteen years' franchise and, in addition to that, the present value of what their land and buildings and plant will be worth in November, 1925. That is all that the company have to sell, and that, therefore, is all that the Government can buy, and apart from this present Bill it is all that they can possess themselves of. The price to be paid for the tramways within the city of Perth should represent the present value of thirteen years' profits, so far as the working of the trams in Perth is concerned, plus the present value of what the company's plant and land would be worth in 1925, that is all the company have to sell. If, therefore, the price to be paid exceeds the value of those two items, then the Government is paying the company for something which belongs to the council. If, on the other hand, the price which is to be paid represents the true value of those two items, then if the Bill is passed, the Government, while paying for a 13 years' franchise is getting a perpetual franchise because, as soon as the city acquired under this clause and took over the undertaking of the company, it would have a right in perpetuity. I think it follows that in any circumstances if this Bill goes through, the council is being deprived of the difference between the present value of a 13 years' franchise and the present value of a perpetual franchise, and that, I would suggest to the committee, is the measure of compensation to which the council should be entitled if the Bill is to pass in its present form, because if it does not get compensation for that, undoubtedly its rights are being confiscated, and I submit, as a matter of law there is no more justification for Parliament confiscating the rights and property of the city council than there would be for confiscating the rights and properties of the tramway company itself.

Most people would agree that the Government were buying from the council in-

directly this perpetual franchise, and that no rights were being confiscated. A fair offer was being made to the metropolitan councils for their interests on their various agreements, and after all, our arguments tended to the point that the Government had decided, with the approval certainly of the people of the metropolis and he believed of the State, to nationalise the tramway system, and the only question that remained was, should that nationalisation be effected without paying any compensation whatever for rights or should it be nationalised by merely taking over the concern. The only just way of deciding the question was that the Government should do what a private individual would do when making a purchase; it ought to give the person who possessed that which was being bought something in compensation for what was being taken from him. No Government would be worthy of the name if they took from any body, private or public, any rights which were theirs without recompense. That was the crux of the whole position. Reference had been made to the fact that Mr. Northmore's opinion in regard to the extent of the franchise which the city council possessed differed from that of Mr. Pilkington. Mr. Pilkington's opinion, dated 23rd March, 1910, turned on the question of what right, if any, the council had in reference to goodwill. Two years later, in 1912, Mr. Northmore, with Mr. Pilkington's opinion before him, and having carefully weighed it with all the evidence which had been given, said that the city council had a perpetual franchise which the Government were purchasing from them. In view of the circumstances it might reasonably be said that in all probability Mr. Northmore's opinion of 1912 was the correct one. A strange point about the debates seemed to be that we had coinciding, at least in method, all the reactionary forces of the city council and some members on the Government side of the House. Although differing in principle, both had reached the same end, and agreed upon what ought to be done. If the principle of nationalisation were the bad thing for the country which some

hon. members, particularly the members for Bunbury and for Mount Margaret had alleged, we were laying ourselves open to the retort by the reactionary element of the city council "Well, leave it alone, and we are willing to take it over; we will conclude terms with the company, and run the tramway system." But it was not a bad thing for the company. It was well known that of all portions of our railway system the metropolitan paid the best; therefore there was no reason why a deficit should follow the running of the tramway system. At present the trams were being run at a profit, and there was no reason why that satisfactory state of affairs should not be continued. In securing the tramway system the Government would be securing something which would prove to be one of the best and richest assets of the State. The Government would have the opportunity of extending the system indefinitely, and, as the years went past, the trams would be still more largely availed of, and the revenue would go on increasing. The member for Mount Margaret had declared that if a plebiscite were taken on the Bill the measure would be defeated. He (Mr. Dwyer) felt equally confident that if the Bill were placed before the metropolitan electorates it would be carried by an overwhelming majority. He believed also that the sense of justice of the people in the metropolitan centres would move them to tell the Government that it was only fair and equitable that the 3 per cent. or its equivalent should be paid to the local governing bodies. In regard to the other portions of the State, he thought that they also would carry the principle of nationalism of the tramways, although, perhaps, local selfishness might lead some of them to deny the necessity for this payment of compensation. He urged hon. members not to look at the question in a parochial light, but rather to take the view that Parliament was entering into a contract with the various municipalities, under which those municipalities would lose certain rights, in respect to which, therefore, they deserved compensation.

Mr. CARPENTER: As a special pleader the hon. member had excelled him-

self. It was easy to imagine the hon. member arguing with equal logic and a good deal more sincerity on the other side of the question. The whole of the hon. member's argument was based on the fallacy of regarding the local governing bodies in exactly the same light as he would regard the owner of a freehold block of land. Manifestly the hon. member could not conscientiously bring himself to believe that the cases were at all parallel. The hon. member had merely followed a practice well known to the legal profession. It reminded one of the eloquent speech made by the Attorney General on the second reading, when the Minister had pointed out that the city council simply existed as the creation of Parliament; that they were the representatives of the people for the time being, but were not by any means to be regarded as a body of men having vested interests at stake, and that whatever rights they had been given as representatives of the people, Parliament could take away. In accepting the suggested amendment the Government had apparently lost sight of that fact. The real position was that a change had taken place, a change to the benefit of the metropolitan area particularly. Those people were going to get the chief advantage of this change in the bettering of the tramway system, and the several councils who represented them for certain purposes were coming along and saying, "Now you ratepayers, we are going to do something for your advantage; we see you are going to get the nationalised trams that you want and a better system altogether, but we are not going to be satisfied; we are going to take advantage of the opportunity to take some money from the rest of the State and put it into your coffers."

Mr. George: Oh, no.

Mr. CARPENTER: The hon. member would find that that was so when the Government were called upon to meet demands for higher wages, enormous extensions, and a quicker service.

Mr. George: How much per day are you going to give the men to bring about this deficit?

Mr. CARPENTER: By agreeing to this three per cent. members were imposing a fresh charge on the scheme from the beginning.

Mr. George: But the councils are getting it now.

The Chairman: Order! The hon. member for Fremantle must address the Chair and not the member for Murray-Wellington.

Mr. CARPENTER: The Premier had made it clear when he introduced the Bill that he expected to be inundated with demands for extensions, penny sections, quicker services, and higher wages and better conditions for the men. The Committee must know the influence which city and suburban members had when they combined forces to obtain concessions of this sort, and the rest of the State would have to make good the loss. If the people were asked whether they would have nationalisation without this three per cent. limitation they would say "Yes, we are prepared to pay our rates honestly for the services we get, and we do not want to make the tramways purchase a lever for getting money out of the pockets of other people." The amendment, if carried, would discount a large amount of the good which the nationalisation of the trams would bring about.

Mr. FOLEY: Another place had placed reservations on the nationalisation of the tramways, and as a believer in nationalisation he had no desire to take the other Chamber's opinions in this matter. The nationalisation of the trams would be a good thing for the State, but, if the trams were taken over subject to this amendment, it would be a considerable time before the service was a paying concern. The system was very heavily capitalised, many improvements were necessary, and the Government would be seriously handicapped from the commencement. If a referendum was taken the people would still vote for nationalisation, because they would believe that by nationalisation good would accrue to the whole of the people, and not to one small section. To date the trams had been worked by the company for profit, but he hoped that the

Government would not work the service for profit, but would give the people a better service. Some hon. members had said that in the past the city council had looked after the people's interest, but no one who rode on the trams at the present time could say with any truth that the service was good or that the city council had been discharging their responsibilities. As a legislative body, this Parliament had no right to say what conditions should obtain at any stated period in the future. If the Government paid in money for the trams, the trams should belong to the people, and the Government should have the right at any time to say that the three per cent. should be paid no longer. As a believer in nationalisation, he hoped that the Bill would be thrown out, rather than that members should accept a system which was not nationalisation, and then the matter could be brought forward again, when the people had been so far educated up to nationalisation as to consider the State as a whole first.

Hon. W. C. ANGWIN (Honorary Minister): The Committee had already agreed to three per cent. being handed over to the city council. In his opinion, instead of that percentage being handed over to the local governing body, it should have been reserved for the reduction of fares in connection with the tramway system. It was not the Government, but the people who used the trams, who would have to pay the three per cent., and he was confident that, no matter what Government were in power, the people of Perth and suburbs might cry out as much as they liked, but the fares would not be reduced if the trams were to be run at a loss. If members would refer to the select committee's report they would find that the committee had not read the Bill carefully, and that the councils were losing nothing.

Hon. Frank Wilson: Are you opposing the Government?

Hon. W. C. ANGWIN (Honorary Minister): The Committee's attention had been already drawn to the fact that the payment of the three per cent. had been

agreed to. The select committee's report stated—

Under the original agreement the council have, in addition to the reversionary rights, the following benefits:—(a) Three per cent. of the gross earnings on existing lines and all extensions. (b) Repairs of tracks. (c) Right to use poles for lighting purposes. (d) Right to use lines for scavenging and other purposes at night time. The Bill takes these away, and gives three per cent. on the gross earnings on the present lines, and the right to use the poles for street lighting purposes until Parliament otherwise determines.

The Bill, however, stated that the local authorities should receive the three per cent., that the track should be maintained and repaired by the Government to the extent of the liability of the company under the agreements mentioned in the fourth and fifth schedules, so that nothing whatever had been taken away from the city council. All the advantages set out in the agreement were embodied in the Bill. The report of the committee went on to state that while there were certain reversionary rights, those rights would be of little value, and, in fact, of almost no value whatever. The manager had pointed out in a communication to the Press that before the expiration of the concession the people who used the trams would have to pay for the concession. Therefore, no rights existed to-day. The committee had further stated that, in view of being deprived of the reversionary rights, certain concessions would have to be given by the Government for the benefit of those who used the trams. These consisted of a reduction of fares and a better service, and in those respects the residents would benefit greatly by the Government taking possession of the system. Some members seemed to think that the State was robbing the local authorities. To run the trams during the next few years would not be such an easy matter as some members seemed to imagine. A large increase in capital expenditure would be necessary; the lines were in a bad state of repair; new cars were required, and a large increase in the

wages paid to the running staff would be necessary. In fact, the Arbitration Court had almost decided that such should be the case.

Hon. J. Mitchell: Almost?

Hon. W. C. ANGWIN (Honorary Minister): It was recognised that that would be so in every part of Australia. The tramway men in Melbourne were earning more than the men in Perth under an agreement which had just been entered into, so that from the start the undertaking would not produce the handsome profit which representatives of the city thought probable. There was another advantage to be gained by State control. The tramways were being run in various districts, and there was a possibility of dual control. If dual control once came about, the same satisfaction could not be given to the public as would result from having the system under one head. This House had decided that the councils should receive the three per cent. for a certain period. The objection now was not so much to the payment of the three per cent. as to binding another Parliament.

Hon. J. Mitchell: Are you agreeing to it?

Hon. W. C. ANGWIN (Honorary Minister): The House had already agreed to it. He was surprised at the opposition of representatives in the city proper, because the people of Perth would derive the greatest benefit from the Government running the trams. The most unfortunate part was that those who used the trams would have to pay the three per cents. The Government had done right by accepting the amendment, but he was astonished that members of the Legislative Council had adopted such a recommendation. Parliament could review any action taken by a previous Parliament, and he was surprised at the learned gentlemen of the Legislative Council trying to impose on a future Parliament something which they had no power legally to do. He trusted that members would agree to the amendment, which would remove the possibility of dual control, put the system under one head, and thereby make it beneficial to the people who used it.

Mr. LEWIS: The amendment would have his support because he did not desire the opportunity of securing control of the tramway system to be lost. Nationalisation had been urged to ensure extensions of the system, an improved service, a reduction of fares, and fair and equitable conditions for the employees. It had been urged in the case of public utilities, in order that the workers might secure fair conditions in contrast to those given by a private monopoly which existed solely for profit. The members for Bunbury, Fremantle, and Mount Margaret had indulged in pessimistic prophecies, but we had the experience of other cities in the Commonwealth. In Sydney every possible advantage was conceded to the people. The member for Bunbury doubted whether that system would pay three per cent. on the gross earnings. The figures for the year ended June, 1911, showed that the Sydney system could have paid three per cent. and shown a profit of £7,000, in addition to giving the advantages referred to. Mr. Somerset had stated that once the population of a city reached 50,000 there was little doubt about its tramway system paying. The population of Perth was 65,000 or 70,000.

Mr. Taylor: That is the metropolitan area.

Mr. LEWIS: That was the city of Perth. The member for Perth had referred to the suburban railway traffic as being the best paying portion of the railway system. Taking the station of Maylands, the fare to which was threepence return, the figures for 1911 over 1910 showed an increase of £1,466, and for 1912 over 1911 an increase of £2,595. That demonstrated the growth of suburban traffic. Many localities were handicapped for want of tramway communication. The population of Subiaco was 8,926; that of North Perth, 4,391; that of Victoria Park, 2,267. These were localities supplied with a tramway service. On the other hand, South Perth had a population of 1,197, and Queen's Park, with the largest area of any metropolitan municipal area, had only 1,207. These two municipalities were not supplied with

trams. It was urged time after time that agricultural railways would create development and promote settlement, so would it be with the tramways. Every year the population would increase, and the trams would become a more valuable asset, so that there would be nothing to fear as to a loss. We should seize the opportunity of purchasing the trams. The opportunity might not occur again. We should agree to the amendment.

Hon. J. MITCHELL: The report of the select committee of the Legislative Council contained the following:—

It will be seen that they (certain witnesses) consider the reversionary rights of great value. There is no doubt that they are if the present high fares are allowed to be continued, for the Government are paying the tramway company £475,000 for book assets that the Commissioner of Railways values at £200,000 at the present time, the difference of £275,000 being practically goodwill for what is, according to the opinion of Mr. Northmore, the City solicitor, only a 13 years' franchise.

This was an astonishing fact that the Government were paying £275,000 for goodwill, and that goodwill over a short number of years. The report of the select committee was a little contradictory. While making this statement on the one hand that the goodwill to the owners was worth £275,000, the recommendation was that the rights of the city council were worth only 3 per cent. until 1939. If the city council were paid 3 per cent. for all time they would be very well paid for the tram service, but that did not justify our paying £475,000 to the tramway company for their interest in the concern. The member for Mount Margaret made a reasonable request in asking for an assurance from the Government that the 3 per cent. to be paid to the municipalities would be earned by the tramways, and that the general taxpayer would not be asked to contribute any part of the working expenses or interest or sinking fund. There were many avenues in which half a million could be spent more beneficially to the State than in the pur-

chase of these trams. Many districts were waiting for railways. The Government would need to find £475,000 if the tramway company did not elect to accept debentures. The Government should say whether they could raise sufficient money to purchase the trams and provide for the works the State was undoubtedly committed to. We were told that the power of the country was greater than the power of the city council, and the greater included the less, and that we had the right to confiscate what the city council possessed. That was already decided by the Committee at the request of the Attorney General, and the best thing to do now was to see that the city council at least stood where they were now, namely, that they received 3 per cent. until 1939.

The Minister for Works : Do you oppose nationalisation?

Hon. J. MITCHELL : It would be futile to do that now, and he was merely calling attention to the fact that the Government had determined to pay far more for the trams than they were worth, according to the report of the Legislative Council select committee.

The Minister for Works : When you promised nationalisation at the elections you had your tongue in your cheek, had you?

Hon. J. MITCHELL : I did not promise it.

Mr. MUNSIE : It was really surprising to hear the Premier announce the intention to make the amendment requested by the Legislative Council. Not only did the select committee of the Legislative Council recommend that the 3 per cent. should exist until 1939, but they practically laid down certain concessions that should be given. Their report read, "It must be taken into consideration that the present high fares will not be allowed to continue." The people of the metropolitan district generally would not allow the present high fares to continue. The trams would be run at a minimum of profit by the Government. In undertaking to bind the whole of the people of Western Australia to find £475,000 for the purchase of the trams, and pay interest on it, the Government

were doing sufficient for the people of the metropolitan area. Some members argued that the people who used the trams would have to pay the 3 per cent., but it was hard to see how it would work out in practice. If the provision suggested by the Legislative Council was adopted, the trams would be run at a loss for many years. The member for Canning referred to the Sydney trams paying 3 per cent. on the gross earnings and showing a profit of £7,000, but the report the hon. member quoted from embraced more than the trams of Sydney. If the figures were divided and those for the Sydney service alone given, it would be shown conclusively that the Sydney trams could not have paid 3 per cent. last year and left a profit. For the next few years, at all events, the State of Western Australia would be put to a much greater expense in regard to extensions of tram services and in giving a more up-to-date service than the people of New South Wales were put to in the matter of extensions in Sydney during the last 12 months. The Premier in his opening remarks stated that the amount of the three per cents. paid last year to the local governing bodies totalled £2,400. If the amendment before the Committee was accepted, it would mean, without any increase in the gross earnings, that in the next 25 years the Government would be paying to the people of the metropolitan area no less a sum than £120,000.

Mr. E. B. Johnston : To the property owners, not the people.

Mr. MUNSIE : That was so. The member for Murray-Wellington had waxed eloquent so far as the attitude of the city council, when they granted the concession, was concerned. At that time, however, it was not the people of the metropolitan area who were consulted it was merely the ratepayers, and when the Government were going in for any scheme of nationalisation those who should be taken into consideration were the people generally and not merely the ratepayers. When the local governing bodies on the gold-fields made arrangements to take a referendum on the question of granting a concession to certain companies there to es-

establish a tramway system practically one municipality and a roads board carried that referendum in favour of the concession. If, however, the adult population of that municipality had been given the opportunity of saying whether the concession should have been granted, the result would have been a five to one majority against it, and the same thing would have applied to the municipality of Perth if the people, instead of only the ratepayers, had been consulted.

Mr. George: You are mistaken.

Mr. MUNSIE: If the municipal council of Perth had been reasonable they would have submitted this proposition to the people or even the ratepayers. If the question had been put to the people as to whether they were in favour of the Government taking over the tramway system without the council receiving anything at all, or whether they were prepared to allow the tramway company to run the system to the end of the agreement, when the City Council would be able to take it over, the people would have voted by ten to one in favour of nationalisation, and if the question of nationalisation, without any compensating rights, had been submitted to the people, they would have voted twenty to one in favour of it. It was difficult to understand why some members were such strong advocates of the payment of this three per cent.

Mr. Allen: Because they honestly believe the city council are entitled to it.

Mr. MUNSIE: The sincerity of the hon. member who interjected was not doubted, but the Perth City Council and other local bodies, when they granted a concession to the tramway company did something that they had neither the moral nor the legal right to do.

The Minister for Works: We would never had the trams going.

Mr. MUNSIE: The trams would have been running and the Government would have had them. At the present time if the people thought that after the Government paid £475,000 to nationalise the tramway service they would not get a more efficient service, and that they were not going to get reduced fares, there would be an outcry to turn down the pro-

position. It was his intention to vote against the amendment made by the Legislative Council, even if it meant turning down altogether the whole proposal. If anything had to be nationalised he wanted it purely nationalised and not anything in the form of a hybrid scheme. If the amendment was carried, he would feel it his duty, the first time he addressed a meeting in his constituency, to place the matter before the electors and he was sufficiently optimistic to believe that they would return him at the next election, and he would oppose the question again in the future.

Mr. B. J. Stubbs: You ought to tell them also that the State pays £80,000 a year to the goldfields water supply scheme.

Mr. MUNSIE: The hon. member might be interested to know that the Eastern Goldfields railway pays £180,000 a year towards the revenue of the State. With regard to many of the extensions which the Government will have to put in if they purchase the tramway system, it will be necessary for them to spend many thousands of pounds, and for the next four or five years the amount of money that would have to be spent on the system would certainly mean that it would be run at an absolute loss, and it would be the people of the whole State who would have to bear the deficiency. It was unjust to ask the people of Western Australia to find £475,000 to grant certain privileges to the people in the metropolitan area, and the people of the metropolitan area did not expect that to be done. Statements had been made that if the amendment was carried it would be binding on future Parliaments until 1939. He failed to see the argument, but if it held good, the measure passed in the closing session of the last Parliament redistributing the seats, should also hold good for many years to come. Hon. members could not justify that kind of thing and therefore he would claim the right, representing not only the people of his constituency but in the State as a whole, to oppose at all times any scheme for nationalisation which was a hybrid scheme such as the one before members.

Mr. B. J. STUBBS: Some extraordinary arguments had been used that evening, but the most extraordinary of all were those of the hon. member who had just sat down. Hon. members claimed that this was not a nationalisation scheme because the Government had decided to pay 3 per cent. for a specified time. The member for Mount Margaret gave a high falutin dissertation on nationalisation and inferentially accused members of the Ministry and others on the Ministerial side of the House of having deserted their principles regarding nationalisation because they favoured the amendment. He would ask those hon. members how it came about that the Government had differentiated between the lines already in existence and any further extensions that might be made, and how it was that it was proposed that the three per cent. would only be paid on the mileage already existing, while on future extensions there should be nothing paid. That very fact alone showed that the Government recognised that the local bodies had a right which it would not be just or proper to take from them. Hon. members also seemed to forget that in furthering their ideals regarding nationalisation, no Government had the right to step in and take away from any other person that which they possessed for the purpose of bringing about nationalisation. If the Government in establishing a steamship service had attempted in any way to step in and take vessels belonging to a company without paying for those vessels, they would have been doing an act of injustice which no one would have tolerated. In the case of the trams, the Government were compelled to grant a concession to the local bodies, which they undoubtedly were entitled to. Practically all the unbiassed witnesses who gave evidence before the select committee had agreed that the Perth City Council were getting a *quid pro quo* for their rever- sionary rights, that the people were going to gain an improved service, and the city council an increased taxable value on the property in the metropolitan area. All the witnesses had recognised that under the agreement the local governing bodies

had to get something in return for the concessions given. Originally the three per cent. had been paid in lieu of rates. The member for Hannans seemed to imagine that the whole of the people of the State would be called upon to pay this three per cent.

Mr. Munsie: In the event of a loss, yes.

Mr. B. J. STUBBS: The real position was that the people who used the trams would have to find the money to pay for the trams, and to pay the three per cent. also. On the introduction of penny postage in Australia we had been told that we would lose thousands of pounds per annum by the innovation; but we already realised that the benefit secured to the people largely compensated for any pecuniary loss there might be. Goldfields members seemed to forget that the Goldfields Water Scheme, initiated for the benefit of the people of the goldfields, had cost the people of the State as much as £80,000 per annum to make up the interest and sinking fund on that undertaking. Even to-day the charge amounted to some £26,000; yet the goldfields members seemed to be sorely afraid that the goldfields districts might be called upon to contribute a small amount towards the tramways. Mention had been made of the large returns from the Eastern goldfields railway. It was to be remembered that the freights and fares on that railway were lower per mile than those obtaining on other lines. Therefore it would be seen that the large returns from this railway were accounted for by the larger traffic on the line, and did not represent any imposition on the districts served by the railway. People residing around the present termini of the tramway system could not hope for any reduction in fares, even though the Government took over the trams, while, if the three per cents. were to be wiped out, those people would assuredly be called upon to pay increased rates to their respective municipalities. He was pleased that the Government had accepted the requested amendment. We had no right to nationalise any public convenience at the expense of those possessing any rights in such convenience. If we desired to nationalise, without hav-

ing to pay the three per cents., let us build a new and separate tramway system altogether.

Mr. McDOWALL: There was no apparent reason for so much objection to the adoption of the suggested amendment. There had been a great deal of unnecessary discussion. The Bill as sent to the Legislative Council provided that the Government should pay three per cent. to the city council until Parliament otherwise determined, and the Premier in his second reading speech had said that provision might mean that the percentage would be paid for all time. If the amendment was inserted there would be a sort of moral obligation to keep the agreement until 1939, but one Parliament could not bind another, and if a great change of opinion took place Parliament, with the overwhelming force of public opinion behind it, could amend the Act to meet the altered circumstances. The Bill had left the Committee to be sent to another place with a clause practically the same as the amendment which was creating all the disturbance, because the Bill practically provided for a three per cent. payment for all time. Another place had said that the City of Perth had certain privileges which did not expire till 1939, and in the circumstances, it was only fair to stipulate that the municipality should be in no worse position under the Government than it was under the company. The Committee were talking over a most trifling subject.

Mr. Munsie: Yes, £120,000?

Mr. McDOWALL: Where was the £120,000? According to the figures quoted by the Premier, the largest amount received by the local authorities had been £2,272 in 1904; in 1910 it had been £1,914, and last year's payments were about £2,500.

Mr. Munsie: In 27 years the amount will be £120,000.

Mr. McDOWALL: What did it matter if in 27 years the amount was £500,000, since it was a question of proportion all the time. He hoped that the Government would be paying £100,000 to the municipalities in and around Perth at the end of that term, because that being only

a percentage of the takings of the tramway service, it would mean that Perth had grown to be the finest city in the Commonwealth. Some members argued that it was against the principle of nationalisation to allow three per cent. to the municipalities, but the local bodies had certain rights which should be honoured fairly and squarely, and the payment of the percentage was only a reasonable thing. It was a ridiculous argument to say that the money was being taken out of the pockets of the people of the State.

Hon. W. C. Angwin (Honorary Minister): Where does it come from?

Mr. McDOWALL: The money came from the people in and about the city who used the trams, and they were paying for the commodity they received. The people in the other parts of the State were not using the trams and therefore were not paying for them. Then it was said that if there was a loss the people of the State would have to bear it. If he thought there was likely to be a loss he would support those who were opposing the amendment; but with the increase of population and better management, there was certain to be a profit, and, while the profit was obtained, there could be no hardship on the people in any other part of the State. As to the argument that the amount of the purchase money should be put into agricultural railways, the Government were borrowing money on a profitable concern, one that was returning interest, sinking fund, and working expenses, and having an asset of that description the Government were not doing wrong by borrowing money to make this purchase.

Hon. W. C. Angwin (Honorary Minister): You are aware that they have never provided for depreciation?

Mr. McDOWALL: That might be so, but the Premier had informed the House that out of the profit of £41,000 a year he had provided for depreciation. Members were making a song about nothing. He would vote for the amendment because it was a fair and just thing that agreements entered into by municipalities should be respected, and because the

amendment represented a fair compromise. It would be a national calamity if the Bill was not passed, and the opportunity of nationalising the tramways at the present time was lost.

Mr. MULLANY: The only point the Committee had to consider was whether it was advisable to accept the recommendation of another place binding future Parliaments for 27 years. To his mind that proposal was against all the principles of democracy, and he was surprised and disappointed that the Government had accepted the amendment. He most decidedly objected to attempting to bind those who were to come after us. Many members had said that the people who used the trams were those who would pay the three per cent. To a great extent that was so, but there was a large floating population of visitors to the metropolitan area who were responsible to a large degree for the money which the Tramway Company earned. It was not right to make these people pay higher fares for the next 27 years to bolster up the finances of the councils. The argument regarding the goldfields water scheme and railway were beside the question, but the people outside the metropolitan area had the right to as cheap and efficient a service when they visited Perth as could be given them. Those who had in the first place given away the street rights to a private company for profit should be pleased for the Government to take over the tramways, and have the agreement wiped out of existence. Instead of that they were now clamouring to have it continued in order that they might continue to make a profit out of the rights of the people which they sold years ago. He regretted that the Government had not fought the question out with the other Chamber. It had been well discussed in this House which represented the people, and an overwhelming majority of the population of Western Australia would support the Assembly in fighting to abolish the three per cent. altogether. However, we had decided to pay it, and he was content to abide by the decision, but he would have preferred it if the Government had allowed the other Chamber to take the

responsibility. He hoped the amendment would be rejected. He did not think the other Chamber would have the courage to insist on it if it was sent back, but he would sooner see the Bill lost than that an attempt should be made to bind future Parliaments. He would vote against the amendment.

Mr. TURVEY: It was his intention to vote against the amendment, not because he was opposed to the nationalisation of the tramways, but because he was opposed to nationalisation as proposed with this amendment. Provision had been made by this House for the payment of three per cent. to the municipalities, but no definite time had been fixed. The amendment definitely stated that it should be paid till 1939, and thereafter until otherwise determined. He was surprised at the argument of the member for Coolgardie, particularly in view of the speech he made on the Bill in which he stated that he objected to any period being fixed. He said Parliament should have the power to alter it when necessary; yet on this occasion he vociferously advocated a limit.

Mr. McDowall: Only because it was a reasonable compromise.

Mr. TURVEY: The hon. member's attitude should have been consistent, and he should have voted to send the amendment back.

Mr. B. J. Stubbs: To wreck the Bill.

Mr. TURVEY: No. There was no reason why the Government should be penalised by having to pay three per cent. to the municipalities for 27 years. The three per cent. was paid by the company for work which the Government now undertook to perform.

The ATTORNEY GENERAL: The debate had been a surprise to him. No new principle had been introduced by the Council's amendment, and yet we heard repeatedly this talk of hybrid or mongrel nationalisation.

Mr. Munsie: So it is.

The ATTORNEY GENERAL: The Council's amendment had not added anything to the mongrelism.

Mr. Munsie: It has compelled it to go on for 27 years.

The ATTORNEY GENERAL: It had limited it to that time.

Mr. Taylor: It states "and thereafter."

The ATTORNEY GENERAL: As it stood before it was *ad infinitum*.

Mr. Turvey: Until Parliament otherwise determines.

The ATTORNEY GENERAL: So it was now.

Mr. Lewis: Why put these words in?

The ATTORNEY GENERAL: Because another Chamber made it a *sine qua non*. It meant nothing. The security they asked to be put in the Bill would last as long as the lifetime of this Parliament, and no longer.

Mr. Lewis: We do not like to fool the poor old fellows.

The ATTORNEY GENERAL: Members of another place were fooling themselves. As to the supposed mongrelism of the measure the municipality was part of the Government of the State, and municipalisation was a phase of nationalisation. It was part and parcel of the same principle. A municipality was no more than government by delegation, or, as we called it, local government, the government in a locality. Therefore, the municipality of Perth was part of the government of the State. It was not by the admission or recognition of any right or claim that this was done, but by a mere form of municipal subsidy from the head government to the local government, recognising that the local government had to carry on the work of government by the receipt of that amount. If we did not do it in this way, we would have to do it in other ways. In this instance we gave them money from the trams by the payment of three per cent. to carry on the government, and that was part and parcel of a national scheme of government for the whole State by virtue of delegated government.

Mr. Munsie: Allow them, then, to pay the interest on the money borrowed, and I will have no objection.

The ATTORNEY GENERAL: The people paid the money.

Mr. Munsie: The whole of the people.

The ATTORNEY GENERAL: Did not the whole of the people comprise the

State? The money paid to the municipality to do the work of that district would have to be paid by the whole of the people of the State if they got behind. The whole of the State was responsible for carrying on the Perth municipality. In the case of bankruptcy, the Treasurer would have to meet the liability. The people of Perth in their contributions to the general taxes helped in other matters outside their municipalities, as, for instance, the water scheme and railways. All had to bear a share of these general burdens. The trams were just as much a national concern as agricultural railways, because they tended to the general welfare of the people of the State. On these grounds there was no reason for carping at this concession given as a mere convenience to meet the emergencies of the hour and confer a boon upon the people more rapidly.

Hon. M. F. TROY: Having listened to the arguments advanced, so strongly did he feel on the question at issue that he intended to vote for the amendment. The City Council should be allowed a certain percentage of the gross earnings from the trams until the year 1939. Members seemed to forget that if the trams were not purchased the people using the trams would still have to pay, under the agreements between the tramway company and the municipalities, three per cent on the gross earnings without getting the superior service and accommodation the Government would undoubtedly give. By the high rates they paid the tramway company it was the people who paid the three per cent., and they would do it for all time unless the trams were nationalised or municipalised. He was inclined to think that much of the opposition to the amendment was due to the fact that it came from another place. If members were to be guided by prejudice towards another place, they would frequently reject amendments of advantage to the people. He had no quarrel with another place provided amendments were in the interests of the people. It would be time enough to fight another place when members were satisfied the amendments were not in the interests of the

people. The amendment suggested by them merely secured to the City Council that to which the City Council were absolutely entitled. It was an extraordinary thing that the members of the Government, who had the aid of financial experts, and the select committee of another place, which made full inquiries, both came forward with the same proposition. Those who made the fullest inquiries supported the amendment. The amendment was opposed by those who had not the opportunities for making inquiry. The similarity between this debate and the debate seven years ago in regard to the proposed purchase of the Midland Railway Company's property was very striking. If ever there was a national calamity, if ever a Parliament did anything against the interests of the people of Western Australia, it was the action of that Parliament seven years ago. The member for Mount Margaret should bear this in mind and, recollecting the short-sighted view he took on that occasion, not repeat the wrong on this occasion. Members considered the price asked by the Midland Railway Company to be too high, but everyone now recognised that, had the Government purchased on the terms put forward at that time, it would have been the best deal possible for the State. A mistake was made on that occasion; he would use his vote to prevent a similar mistake to-day. Though the Midland company had sold half their land since the purchase was before Parliament, their property could not be purchased to-day at the same sum. If the purchase of the trams was allowed to pass, in two years hence with the great progress the State would make, it would be absolutely impossible for the Government to secure the trams on the terms now offered. Since he knew the country was going to grow and that the system was going to expand, and that the population of Perth would vastly increase, he felt the Government's proposition was a good one and he would support it.

Mr. TAYLOR: It was all very well for members to rise in righteous indignation and talk about compensation. Where had the Government compensated any private

enterprise where they stepped in and competed? When the State put a public battery alongside a private battery was the private proprietor compensated? Did we compensate the numerous owners of condensers on the goldfields when the water scheme was established? Even in the last fortnight, had the Government dreamt of compensating any butchers from whom they certainly took a lot of trade? It was said that if we did not give the three per cent., the municipalities would have to increase their taxation. The Bill did not leave the Chamber with the same provision as the Legislative Council now asked us to make. As it went down to the Legislative Council the very next session of Parliament would be justified in altering it, but the Legislative Council, with their specific object of protecting property, now asked that the concession be fixed for at least 27 years, and it was to be regretted members of the Assembly were so eager to accept the dictum of the Legislative Council on the point. It meant a moral obligation and an honourable understanding with the local governing bodies that Parliament would not alter the concession for 27 years, no matter how straitened the finances might be. The Attorney General said it meant nothing and that the very next Parliament could alter it. If it meant nothing, how was it that this was all the select committee of another place, after so much consideration could decide on? The select committee said that if they got the amendment inserted in the clause it would mean that the City Council and the local governing bodies would be protected for 27 years. The leader of the Opposition, too, was satisfied that if we accepted the ment Parliament would not alter it for 27 years. But would members tie the hands of future Parliaments for 27 years? As the Bill left the Legislative Assembly previously, it gave Parliament a freer hand. The Premier acknowledged that. Comparisons have been made with the Sydney tramways, but it was shown that as the latter increased their mileage, their profits decreased until they reached 151 miles, when their profits were 5.44. Later on, however, when they reached 190 miles,

they cleared 4.33, and that was what they were doing in Sydney with their up-to-date system, which hon. members declared to be the best in the Commonwealth. When we were dealing with a small community such as ours, we could not hope with improved facilities and increased rolling stock and the increased wages which the Government would have to pay to be able to make profits. If the loss of the amendment meant the loss of the Bill, the people would not shed many tears.

The PREMIER: Hon. members seemed to think that by carrying the amendment we would be doing something which we had not been in the habit of doing; that was, binding future Parliaments to something that they might not be in agreement with. That was an absurdity, because we were doing that every session. This session the Government would probably introduce a Loan Bill, authorising the raising of money to build railways and other works, but it was not intended that this Parliament should pay that money, or that it should pay the interest and sinking fund charges. We passed that on to future Parliaments, so that when members talked about the small sum of £2,000 per annum being passed on, they were not asking that very much should be done by future Parliaments. There was absolutely no argument in this point which had been made so much of by some hon. members. The present Government were paying interest and sinking fund on many works which had been authorised in the past. It was being paid on the money that had been sunk in the dock at Fremantle.

Mr. Taylor: I opposed that.

The PREMIER: That might be so, but the fact would not relieve the Government of its responsibility. So it was with all measures of this description. We must, to some extent, pledge future Parliaments. These Acts of Parliament did not end immediately Parliament was dissolved; they continued until such time as Parliament altered them, and they could not be altered unless Parliament repudiated its responsibilities and liabilities.

Mr. Taylor: In this case you are not ear-marking any of your gross earnings.

The PREMIER: The first charge on all our undertakings was the payment of interest and sinking fund.

Mr. Taylor: That is what I want you to do here.

The PREMIER: The first charge we made on our revenue was for the payment of interest and sinking fund on our loans. We could not get away from that position, and notwithstanding the fact that the words of the amendment were to be put in the Bill, next session, Parliament, if it desired, could amend the Bill and refuse to continue to pay the three per cent.

Hon. Frank Wilson: It would look like repudiation if you did.

The PREMIER: It had already been pointed out distinctly that this amendment would be accepted as something in the nature of a contract between Parliament, as representing the people, and the rate-payers. He had already explained that, on behalf of the Government, he had offered the local authorities to pay three per cent. on the gross earnings on the existing system until the present agreement expired, which was 1939 in the case of the Perth City Council. The decision to make it payable until Parliament otherwise decided had been arrived at in compliance with a suggestion from certain of the local authorities. Under the circumstances the requested amendment would not pledge a future Parliament, any more than did the Bill as printed. The recommendation of the select committee, as embodied in the requested amendment, had not been accepted by the City Council as a reasonable recompense for the loss sustained by them owing to the proposed taking over of the system.

Mr. Hudson: They would not accept anything.

The PREMIER: They would accept a lump sum of money, but the Government were not prepared to adopt that form of recompense.

Mr. Allen: You would sooner give it to the tramway company.

The PREMIER: No.

Mr. Allen: You are paying them more than the system is worth.

The PREMIER: No. The hon. member knew well that if the City Council thought they could raise the money to purchase the concern at the same price they would do so without any question, and the hon. member would be the first to support them.

Hon. Frank Wilson: The mayor had already arranged for the money.

The PREMIER: By refusing to accept the requested amendment we would jeopardise the Bill. Hon. members desirous of seeing the system nationalised had only to accept the amendment. Was it worth while refusing to nationalise the trams rather than pay three per cent. to the local governing bodies seeing that, perhaps, it would be necessary to nationalise the system later on, even at the cost of paying more in increased price than would represent the payment of the three per cent. from the present time? If we were to lose this opportunity of purchasing the tramway system, which must grow with the State and the City, we would never again have so favourable an opportunity. Public opinion would inevitably compel the tramway company to make extensions and provide better facilities, in which case the price would go up out of all proportion to the actual increased capitalisation.

Mr. Allen: Their concession expires in 1939.

The PREMIER: The hon. member was very desirous of leaving to his children a heritage, such as was represented in the tramway system, for he himself was not likely to enjoy the benefits to be derived from it when the council should take it over in 1939. Was it not more reasonable that we should consider the present, and, in the interests of the people, nationalise the trams without further delay?

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

Ayes	..	..	..	24
Noes	..	..	..	14
				—
Majority for	....			10
				—

## AYES.

Mr. Angwin	Mr. McDonald
Mr. Bath	Mr. McDowall
Mr. Brown	Mr. Mitchell
Mr. Collier	Mr. A. E. Plesse
Mr. Dooley	Mr. Scaddan
Mr. Dwyer	Mr. B. J. Stubbs
Mr. George	Mr. S. Stubbs
Mr. Johnson	Mr. Swan
Mr. Lander	Mr. Troy
Mr. Layman	Mr. Walker
Mr. Lewis	Mr. F. Wilson
Mr. Male	Mr. Heilmann

(Teller).

## NOES.

Mr. Carpenter	Mr. Munzie
Mr. Foley	Mr. A. N. Plesse
Mr. Harper	Mr. Taylor
Mr. Hudson	Mr. Thomas
Mr. Johnston	Mr. Turvey
Mr. Monger	Mr. Underwood
Mr. Mullany	Mr. Gardiner

(Teller).

Question thus passed; the Council's amendment made as requested.

Resolutions reported, the report adopted, and a Message accordingly returned to the Legislative Council.

## BILL—BILLS OF SALE ACT AMENDMENT.

### Second Reading.

The ATTORNEY GENERAL (Hon. T. Walker) in moving the second reading said: This Bill is intended to cover the result of a judgment delivered by His Honour Mr. Justice McMillan very recently. During the course of an action the point was raised that the notices of bills of sale were invalid, and consequently the bills themselves were also invalid, because in the notices there had not been included an expression of the fact that the bills of sale would include future acquired property. The omission in this respect has invalidated all bills of sale that have been lodged pursuant to such notices prior to the delivery of this judgment. It is a serious thing to make invalid so many securities. This Bill proposes to validate those securities, neither more nor less than that, except that it preserves all existing judgments that have

been given under the old order of things.  
I beg to move—

*That the Bill be now read a second time.*

Question put and passed.

Bill read a second time.

*In Committee.*

Mr. Holman in the Chair, the Attorney General in charge of the Bill.

Clause 1—agreed to.

Clause 2—Validation of notices under the Act:

Hon. J. MITCHELL: Would the Attorney General explain a little more fully the intention of the clause? Apparently it was to validate notices that had been issued, but had no relation to future bills of sale.

The ATTORNEY GENERAL: Certain bills of sale had been registered pursuant to notices which were not technically correct because they failed to include words covering future acquired property. The effect of the clause was that, notwithstanding that defect, the bills of sale registered pursuant to such notices should be valid. There were hundreds, and perhaps thousands of such bills of sale, and it would be a serious thing if pursuant to the judgment on a point that was taken by Mr. LeMesurier before Mr. Justice McMillan, all those bills of sale were to be so much waste paper as securities.

Mr. George: Future bills stand on their own merits.

The ATTORNEY GENERAL: The Bill practically made it unnecessary to mention future acquired property in the notice because it was only the notice that was defective. Surely if a person were giving notice to register a bill of sale, a mere verbal defect in that notice as to the property that the bill covered should not invalidate the bill.

Clause put and passed.

Title—agreed to.

Bill reported without amendment, and the report adopted.

*House adjourned at 10.50 p.m.*

Mr. Moore	PARAS.	Mr. O'Loughlin
Mr. Wisdom		Mr. Green

## Legislative Council,

*Wednesday, 18th September, 1912.*

Bills:	Fremantle-Kalgoorlie (Merredin-Coolgardie section) Railway, Report stage	1741
	Industrial Arbitration, 2a. . . . .	1741
	Tramways Purchase, Message . . . . .	1770

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

### BILL—FREMANTLE-KALGOORLIE (MERREDIN-COOLGARDIE SECTION) RAILWAY.

Report of Committee adopted.

### BILL—INDUSTRIAL ARBITRATION.

#### *Second Reading.*

Debate resumed from the 12th September.

Hon. M. L. MOSS (West): I listened with a great deal of interest to the moderate speech made by Mr. Dodd in support of the second reading of this Bill, but, notwithstanding his moderation, he has not convinced me that the conclusion at which I arrived some four or five years ago that compulsory arbitration for the settlement of industrial disputes should not be continued on the statute-book of this State, is not a good thing. Compulsory arbitration is a form of dealing with industrial disputes which I strongly advocated for many years. I sat in Parliament before there was any law dealing with this question, and I was a strong supporter in this Chamber of the first Bill which was introduced to deal with this question. I also supported the consolidating measure which is now known as the Industrial Conciliation and Arbitration Act of 1902, but I have contended from time to time in this Chamber during the last four or five years that industrial disputes could not be settled by compulsory arbitration, and that compulsory arbitration had signally broken down, and I did my best for a number of years to induce the two Governments which preceded the present Administration to repeal the present Act. As I