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1901-09-13

House of Representatives..

Mr. Speaker took the chair at 10 a.m., and read prayers.

#### QUESTIONS

##### AUSTRALIAN NAVAL DEFENCE

Sir LANGDON BONYTHON

- May I ask the Minister for Defence whether I am to gather from his answer to my question asked yesterday, that he will call for a report from Captain Creswell with reference to naval defence ?

Minister for Defence

Sir JOHN FORREST

- I did not intend to reply to convey that I would call upon Captain Creswell for a report, but that I would be very glad to receive one from him if he had anything to communicate. There seems to be a little difficulty about calling upon any officer for a report at the present time. We already have the views of His Excellency the Admiral, and if anything further is to be done, we had much better obtain a report from a committee than from an individual officer. At the same time I shall be very glad to receive the views of any officers of the naval forces if they desire to communicate them.

##### ALBURY CUSTOMS OFFICERS

Mr CHANTER

- I would ask the Minister for Trade and Customs whether there is any truth in the rumour or that it is his intention to remove the Customs officers from Albury to Wodonga; and, if so, whether he will reconsider the matter with a view to allowing the officers to remain at Albury ?

Minister for Trade and Customs

Mr KINGSTON

- There is no truth whatever in the rumour, and there never was - the facts are exactly the reverse.

##### TELEGRAPH TO TARCOOLA

Sir LANGDON BONYTHON

- I would ask the Treasurer whether in the first list of public works to be constructed out of loan moneys he will include the extension of telegraphic communication to Tarcoola?

Treasurer

Sir GEORGE TURNER

- The list of proposed public works has to be prepared by the Minister of Home Affairs, and all I have to do is to see whether I can provide sufficient money for the purpose of carrying out the works. Personally, I can assure my honorable friend that I think this is a work which, if possible, should be carried out, and I shall be very glad to have a talk with the Minister of Home Affairs and the Postmaster-General with a view to arriving at some arrangement by which the work can be executed at an early date.

##### THE BUDGET

Mr JOSEPH COOK

- Can the Treasurer inform the House when the Budget is likely to be introduced?

Sir GEORGE TURNER

- At the earliest possible moment.

##### SALES OF TOBACCO AND SPIRITS IN FEDERAL TERRITORY

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Mr CHANTER

asked the Attorney-General, upon notice -

Whether it is the intention of the Government to introduce legislation making the sale of intoxicating liquors and tobacco in the federal capital territory a Commonwealth monopoly, to be operated for the benefit of the whole of the people of the Commonwealth ?

Attorney-General

Mr DEAKIN

- The legislation in connexion with the federal capital has not yet been under the consideration of the Cabinet, but when it does engage attention the proposal of the honorable member will have due weight attached to it.

## SERVICE AND EXECUTION OF PROCESS BILL

Report adopted.

## DISTILLATION BILL

Motion (by Mr. Kingston) agreed to -

That the Bill be recommitted for the purpose of reconsidering clauses 6, 11, 24, 25, 26, 53, 54, 58, 63, and 69, and the 3rd schedule.

Clause 6 (Interpretation).

Amendments (by Mr. Kingston) agreed to-

That a new definition, "'Lees of wine' includes grape skins and other residue from wine making " be inserted before "low wines."

That the words "and also in regard to vigneron's licences any person authorized by the collector" be added to the definition of "Officer."

That a new definition, "'Vigneron ' means a person to whom a vigneron's licence under this Act has been granted" be inserted before "Wash."

Amendment (by Mr. Kingston) proposed -

That a new definition, "' Winery' means an establishment where wine is made from purchased grapes, and where not less than 200 tons of grapes are annually purchased from growers, and which is declared to be a winery by proclamation," be inserted before " Wort."

Mr McCOLL

- I suggested myself in the earlier stages of this debate that 200 tons of grapes should be fixed as the minimum, but since then I have received suggestions that the minimum ought to be reduced to 100 tons. I have also been informed that what are known as wineries do not always buy grapes, but in some instances purchase the wine or must which the vignerons themselves express. If it is reasonable to grant a licence to wineries that buy grapes, it will be equally fair to grant licences to those wineries by which the product of the grapes is purchased. I, therefore, suggest that the definition should read - "Winery" means an establishment where annually 100 tons of grapes are purchased and treated for making wine, or where 4,000 gallons of wine or must are purchased for treatment.

I mention 4,000 gallons, because as far as I can ascertain that would be about the product of wine from 20 acres of vineyard. I am told that, roughly speaking, about 20 lbs. of grapes are required to produce a gallon of wine, but the yield varies very much. It is stated that the average yield in Corowa and Albury is from 150 to 200 gallons per acre, whereas in my district the yields are never below 200 gallons, and they sometimes go up to 600 and to even 800 gallons per acre. The yield, of course, depends upon the season and the soil, and the class of grape ; but taking a fair average, I think 4,000 gallons would about represent the yield of 20 acres of vines, and 200 tons of grapes would be relatively very much more than this quantity of must. The winery in the district I represent purchases 600 tons of grapes annually, so that the proposed amendment does not in any way affect it.

Mr WATSON

- I should like the Minister to consider whether even 100 tons would not be too much in some cases. Where a new district has been planted with vines, and the people cannot afford to erect vigneron's stills themselves, they may desire to have a winery between them, because at the initiatory stage they have only a small quantity of either must or grapes to deal with. The Minister would do well to define a winery as an establishment where wine is made from grapes or must, and which is proclaimed as such. The proclamation would be sufficient, because it would be in the hands of the Minister to prevent undue advantage being taken of the clause.

Mr Kingston

- I do not think this ought to be arbitrary ; there ought to be some minimum.

Mr WATSON

- One hundred tons of grapes mean in an ordinary way 100 acres of vines in New South Wales, where, I am assured, there has been frequently during bad years a ton or less to the acre. The provision would act very harshly in newly planted districts.

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Mr KINGSTON

- The desire is to provide what is reasonable under the circumstances ; but we do not wish to see the

multiplication of a number of small stills, which are troublesome to the Customs from a revenue point of view, and do not add to the character and reputation of our wines and spirits. I fancy there is some misunderstanding as to the terms on which the Government deal with vigneron's stills. During the debate I heard it suggested that the time of the officers was in some degree paid for by the parties concerned.

Mr Kennedy

- Yes ;. while supervising the fortification of wine.

Mr KINGSTON

- I have made the closest inquiry, and I am informed in a written report that absolutely nothing, of the kind obtains in any of the States.

Mr KENNEDY

- Supervising the distillation of spirits is, in Victoria, part of the officer's duty, but if he is taken away to supervise the fortification of wines his time is paid for by the applicant.

Mr KINGSTON

- Not an hour ago the head officer of the department told me that no charge whatever is made.

Mr Salmon

- A case happened about a week ago in "Victoria, where a vigneron, whose name and vineyard I could mention, desired to use eight gallons of spirits for the fortification of wine, and he was asked to pay about £8 in fees.

Mr KINGSTON

- The report I have received says that in none of the States are the services of an officer charged for in connexion with the distilling of spirits.

Mr Kennedy

- There is a distinction drawn between the supervision of the distillation of spirits and the supervision of the fortification of wine.

Mr KINGSTON

- The report goes on to say that when an officer is engaged in supervising the fortification of wine with spirits belonging to the vigneron, no charge is made, but to check the increase of stills in Victoria, the late Commissioner of Trade and Customs - and there has been no alteration made since the 1st January, 1901 - allowed vigneron's who have no stills to obtain spirits free of duty - which I think is utterly illegal - to fortify their wine, and when an officer is employed, his expenses are paid by the vigneron at the rate of £1 a day, and railway fares. So far as this Bill is concerned, not a penny is paid by distillers of one character or the other, or by vigneron's for the attendance of officers in connexion with either the distillation of their own spirits, or the use of their spirits in fortifying. But when vigneron's are permitted to get spirits free of duty elsewhere for fortifying their wines they are charged - I do not know by what authority - a certain fee. The cost of supervision in the whole of the States is £25,000 per annum, and that is a matter of considerable importance.

Mr Watson

- That includes tobacco, and a great number of other things.

Mr KINGSTON

- Yes ;. and it is rather amusing that in connexion with tobacco, there is a charge of some description made. Why tobacco should be dealt with in one way, and spirits in another, is a little difficult to discover. This point, however, can be discussed on the Excise Bill, which will be introduced shortly. The cost of supervision in connexion with excise is - New South Wales £5,353, Victoria £6,479, Queensland £5,141, South Australia £2,216, Tasmania £490, and Western Australia £1,259. These figures should induce us to consider whether the system is right, and whether we should encourage the multiplication of small stills. I do not think there is any inclination on the part of the committee to give such encouragement, seeing the bad effect it has on the character of our wines and spirits, and how troublesome it is so far as the collection of revenue is concerned.

Mr E SOLOMON

- In Western Australia wine-growing is a new occupation, and if the minimum be more than 50 tons, the industry will be shut out altogether.

Mr KINGSTON

- There is no proposal to shut the Western Australian grower out. This is a question of what is a fair thing

to do under the circumstances. I believe that 200 tons was the limit originally suggested by the honorable member for Echuca.

Mr McColl

- Yes ; but I have since been asked to suggest that it be 100 tons.

Mr KINGSTON

- Two hundred tons is not a very extraordinary quantity of grapes, and if preference is- given, as is not unusual, to local distillers, there is an additional loss to be contemplated. I did not quite catch the suggestion of the honorable member for Bland.

Mr. WATSON(Bland). - I suggested that the definition should stop with a declaration of the class of the establishment, and that a proviso should be added that no establishment should be considered a winery until so proclaimed by the Minister.

Mr Kingston

- I think that would be hardly fair to either the grower or the Minister.

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Mr WATSON

- I admit that some time might be occupied in considering applications, but at the same time a minimum of 200 tons, or even 100 tons, might operate very harshly in the early stages of a district, some 50 miles away from the nearest winery, where for several years there might not be more than 50 tons of grapes available for treatment.

Mr Kennedy

- That could be got over by obtaining a licence for a 5-acre patch.

Mr WATSON

- But no one in the district might have 5 acres bearing vines.

Mr. Kennedy. - That is usually got over by co-operation.

Mr WATSON

- Would the Bill allow two or three persons, with areas of not more than 5 acres, to hold a still jointly ?

Mr Kingston

- There is a provision that persons can combine for the purpose of using a common still.

Sir William McMillan

- Could a minimum not be fixed, and power given to the Minister to vary it ?

Mr WATSON

- That could be done. Western Australia presents an instance in which the provision as now drafted might operate harshly.

Mr E SOLOMON

- Wine-growing is entirely a new industry in Western Australia, where I do not think there is a public still, but where there are a number of growers with not more than from 2 to 5 acres each. Surely such growers ought to be allowed to combine and have a co-operative still ; and if a minimum of 50 tons were allowed, it would be an encouragement to the industry in Western Australia, where very fine grapes are grown.

Mr. KENNEDY(Moira).- It would be desirable to have the minimum fixed in the Bill.

Mr Kingston

- With power of relaxation by regulation ?

Mr KENNEDY

- Yes. The point raised by the honorable member for Bland can be easily met by other provisions in the Bill, giving power to combine to obtain a still. Further, spirit for fortifying purposes can be obtained from any locality where there is a distillery. If the minimum of grapes or must is fixed as high as 200 tons, even large companies may be debarred from taking advantage of the Bill because they merely approximate to the minimum, and are thus unable to obtain a licence for a still.

Mr Kingston

- What is the proportion of must to the ton of grapes ?

Mr KENNEDY

- It is a very varying quantity, according to the season.

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Mr McColl

- About 100 gallons to the ton.

Mr KENNEDY

- In some localities it is considerably more than that, and in other localities considerably less ; the soil and climatic conditions have a very appreciable effect. I would suggest that if the minimum is reached by the purchase of grapes and wine there should be the opportunity to obtain a licence. In the Rutherglen district, where there are a considerable number of vineyards, ranging from 10 to 20 acres, the Winery Company might buy 150 tons of grapes and between 3,000 gallons and 4,000 gallons of wine, neither of which would be the minimum. As to the charge for the services of officers, I have it on unquestionable authority that where the owner of a vineyard-still licence has distilled spirit, that spirit is under the key of the Customs officer, and if the spirit is desired for fortifying purposes the officer has to be paid for supervising the operation, although no charge is made for the attendance of an officer during the process of distilling. No complaint has ever been made about the charge for the attendance of the officer during the process of fortification, because supervision must be exercised, and those who require it are willing to pay for it.

Mr KINGSTON

- understand that the proportion of wine that can be obtained from a ton of grapes is, roughly, 100 gallons. I think we might define a winery as an establishment where annually a certain quantity of wine is made either from grapes or must. That will meet the case whether people are dealing with wine or must, or both together. If we take power to prescribe a reduced quantity, we shall do the best we can to fix a fair thing. The proposal was 200 tons, and that means 20,000 gallons of wine.

Mr Watson

- It means 200 acres in New South Wales under some circumstances, and that is a very large area.

Mr McColl

- It means 50 acres in Victoria.

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Mr KINGSTON

- The question is what minimum shall we fix as regards thi&gt;. quantity of wine 1 We might perhaps make the provision read as follows : - "Winery" means an establishment where not less than 20,000 gallons of wine or such reduced quantity as may be prescribed, is made from purchased grapes and must and which is declared to be a winery by proclamation.

Mr. WATSON(Bland). - I would point out that the introduction of the words " as maybe prescribed " will be tantamount to providing that the minimum cannot be altered save by an alteration of the regulations.

Mr Kingston

- That is so.

Mr WATSON

- Would it not be wise to allow of an alteration of the minimum by proclamation. That course may be rendered desirable owing to the prevalence of drought in a particular district, or possibly to meet the requirements of some new district.

Mr McCay

- That would remove the control of the regulations from this House, and I do not think that that should be done.

Mr KINGSTON

- I would point out to the honorable and learned member for Corinella that the adoption of the proposal of the honorable member for Bland would substitute for the removal of such control, the control which this House has over any Government. If we put a regulation upon the table, and it is not challenged and becomes law, the responsibility for it is, to some extent, shared by both Houses of Parliament. But if on the other hand, the Government take it upon themselves to exercise executive power by the issue of the necessary proclamation, they can, of course, be dealt with at once by this House. The slightest expression of opinion from this Chamber would have its constitutional effect. I rather like the idea of the proclamation, and its adoption would merely be in harmony with the spirit of the Bill, which is that the whole thing should be controlled by proclamation. I move, in substitution of my original amendment- That a new definition "winery" means an establishment where not less than 20,000 gallons of wine or such reduced quantity as may for the time being be fixed by proclamation, is made from grapes, or

grapes and must, annually purchased from growers or produced in the district, and which is declared to be a winery " by proclamation," be inserted before "Wort."

Amendment agreed to.

Clause, as amended, agreed to.

Clause 11 -

No person shall distil spirits unless he is licensed to do so under this Act, or under a licence already granted under some State Act. - Penalty £300.

Mr KINGSTON

- I move-

That the following words be added to the clause : - "And no person shall distil spirits except pursuant to his licence."

Mr McColl

- I presume that a general distiller's £50 licence will enable the holder to exercise all the privileges conferred by the £25 licences ?

Mr KINGSTON

- Yes.

Amendment agreed to.

Clause, as amended, agreed to.

Clause 24 -

Nothing in this Act shall prohibit a licence from being issued in respect of any still or premises lawfully in use for distilling at the commencement of this Act.

Mr McCOLL

- I ask the Minister to consider the case of the Bendigo Distillery, which is practically closed. That distillery has carried on a very satisfactory business in the past. It has only a licence to sell spirits at present, but the persons interested would abandon that licence if they they could get a distillery licence. I think that they ought to be encouraged to resume distilling. I suggest that we should add to the clause the words " or which has been lawfully used for distilling within five years from the commencement of this Act."

Mr KINGSTON

- I must ask the honorable member not to press his proposal. I do not think that we should insert a special provision in favour of this distillery.

Mr McColl

- If the Minister will give the matter consideration in his administration I will be satisfied.

Mr KINGSTON

- I will exercise any power which I ought to exercise, but I think that the honorable member will see that we should be creating a very troublesome precedent if we made the amendment he suggests. We cannot specially legislate for a dead and buried distillery, although we may wish it a speedy resurrection. We cannot justify the application of an arbitrary period of five years even to the case to which the honorable member has referred.

Mr. McCOLL(Echuca).- The Minister has promised that this Bill shall not affect any licences at present in force, either as regards the capacity and size of the plant, or the materials of which the licensed buildings are constructed. There is nothing in the Bill, however, which definitely states that. I think that we might add to the clause the words "Provided that in the case of licences now in force it shall not affect the size, capacity, . or material of any existing premises."

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Mr KINGSTON

- I think that the matter is provided for pretty fully already.

Mr Watson

- This clause is qualified by clause 25.

Mr KINGSTON

- I propose to alter that. I intend to insert in clause 25 words which will show that it is not to be at the sweet will and pleasure of the collector to issue the notices which are there provided for. He is only to do it if anything happens which convinces him that it is necessary. The intention is that as regards existing stills existing conditions shall apply, unless something turns up to show that an alteration in some special

case is necessary.

Mr. McCOLL(Echuca). - It is desirable, I think, that we should make clause 25 read " Where any premises, or plant, or acreage, &c." The promise was made that existing conditions would not be interfered with, and I would point out that the small vigneron depend upon their acreage for a licence.

Amendments (by Mr. Kingston) agreed to-

That after the word "issued" the words "to any present licensee or" be inserted ; that the words "still or" be omitted; and that after the word "premises" the words "still or other plant " be inserted.

Clause, as amended, agreed to.

Clause 25 -

Where any premises or plant in respect of which any licence to distil is in force under any State Act at the commencement of this Act are not in accordance with the prescribed conditions the collector may fix a time not less than three months within which the distiller must comply with such prescribed conditions.

Amendments (by Mr. Kingston) agreed to-

That after the word " conditions " the words " and anything shall thereafter occur which in the opinion of the collector shall render it necessary that such conditions or some of them should be complied with " be inserted ; and that the following words be added to the clause : - " as far as the collector shall require."

Clause, as amended, agreed to.

Clause 58 -

No Australian wine shall be fortified under this Act so as to contain more than 35 per centum of proof spirit.

Mr McCOLL

- The honorable and learned member for Indi moved an addition to this clause when the Bill was last under consideration, but withdrew it in order to allow the Minister to consult his officers. On behalf of the honorable and learned member, I now move -

That the words " nor with any spirit but pure wine spirit " be added to the clause.

This is in accordance with the law at present in force in some of the States, and will, I think, commend itself to the common sense of honorable members. If we are to allow our wine to be fortified with spirit distilled from rye, maize, beet-root refuse, or potatoes, the character of the wine will be entirely altered, and we shall not be able to achieve that high reputation for the products of our vineyards which it should be our aim to secure. I notice that in the Age yesterday reference was made to the provision in the Victorian Adulteration Act -that only wine spirit should be used for the fortification of wine, and to the fact that it has attracted favorable attention in the wine-growing countries of the continent, where a movement is on foot for passing similar legislation. In this morning's Age a letter appears, written by Mr.

Andrew Rowan, one of the leading wine merchants of Victoria, who refers very strongly to this question of fortification of wines. He says : -

I trust that Mr. Kingston will not permit any Australian to fortify his wine with potato spirit, or any spirit except that made from wine. In my opinion there are two cogent reasons why he should insist upon the use of pure grape spirit. 1. Because spirit made from any substance other than the grape will be more or less out of harmony with the wine, and therefore can never produce a first-class port or sherry - the thing aimed at by fortifiers. 2. By compelling the use of wine spirit only you force vigneron who have quantities of "off wine " to distil it, and thus clear the market of rubbish which would otherwise be "faked" up with a cheap potato spirit and offered to the world as Australian wine. In a word, compel the use of wine spirit and you provide a market for bad wine. Permit the use of potato or grain spirit, and you force rubbish into consumption as a wine that will only bring discredit on the Commonwealth.

These arguments are very forcible.

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Mr WATSON

- I think the Minister might agree to the principle which is sought to be affirmed, because the amendment appears to go in the right direction. It would aid the industry generally if some such provision were made, and would protect the wine-makers against injury by unscrupulous persons who for the sake of a small profit might be induced to put a lot of rubbish on the market.

Mr. BATCHELOR(South Australia).I do not know anything as to the different effects produced by wine spirit and potato spirit, but I think we ought not to interfere in this matter, as it is no part of our business to

favour one set of distillers against another. Potato spirit is a pure spirit, and there is nothing deleterious in its character, in the same sense as salicylic acid is deleterious.

Mr A McLEAN

- I hope the honorable member for South Australia, Mr. Batchelor, will waive his objection to the amendment. I can assure him that before the Victorian Legislature adopted the provisions of the Adulteration Act they made full inquiries, and satisfied themselves that it was highly desirable to prohibit the use of all except grape spirit for the fortification of wine. If we are submitting our wines as the pure juice of the grape we should not permit them to be fortified with anything but pure grape spirit. The advocates of spirits made from other products pressed their claims upon us very strongly at the time the Victorian Adulteration Act was passed, but a close investigation convinced us that it would be an utter mistake to use any spirit for fortifying wines except spirit made from the same materials. I hope the Minister will see his way to accept the amendment, for I am sure it will improve the Bill.

Mr KINGSTON

- When this matter was before us previously I promised to obtain all the information upon the subject possible in the short time at my disposal, and I have done so. I would remind honorable members that we have already provided that no spirit shall be used for the purpose of fortifying wines unless it is approved by the excise officer, and is of a certain strength, and the question is whether we ought to go any further, and say as regards the man who produces spirits from wine, "We will help you," and as regards the man who produces spirits from other materials, "We will prevent you from using your spirits for this purpose." In effect we should be protecting the wine-grower and injuring those who produce spirits other than grape spirit. The letter quoted by the honorable member for Echuca was written by a gentleman who no doubt knows what he is talking about, and the effect of what he says is that if we do what is now suggested, we shall preserve for the wine-makers and merchants a market for their "off" wines, and at the same time prevent some one else from having a market for spirit which, however pure it may be, is termed "rubbish." This question is largely one of health, and ought not to be dealt with by us, because it is a matter for the States to consider. We have done what we considered to be necessary, and I think that we have already gone far enough. Will any honorable member say that it is impossible to use other spirit - it may be spirit made from malt - for fortifying wines without injury ?

Sir Malcolm McEacharn

- Not without damaging the wine.

Mr KINGSTON

- I have not had so much experience in the making of wine as some honorable members, but can we not leave it to those who know all about it, and who possess common sense, not to use a spirit which will injure their product. I called for a report from the Comptroller of Customs, who writes as follows : - There has been mention made that spirits for fortifying purposes should be made from wine or lees of wine only. The reasons assigned why wine spirits only should be used for fortifying wines are - (1) That the spirit so made will assimilate more readily with the wine. (2) That it will be the means of keeping up the price of wine fit only for distillation. (3) That the poor wines will not be put upon the market, if other means for their disposal are available, and one way is provided if wine spirit only is to be used for fortifying purposes. (4) That it is a kind of protection to the vigneron, as it debar other spirit being used. (5) That limiting the spirit to wine spirit will be no detriment to the smaller classes of vignerons, but large holders will feel the shoe pinch when wines cannot be obtained at a cheap rate for distilling.

Mr A McLEAN

- The last is a "gallery" paragraph.

Sir Malcolm McEacharn

- - It is a departmental idea altogether.

Mr KINGSTON

- Dr. Wollaston is a man who understands perfectly what he is talking about.

Sir Malcolm McEacharn

- - There is no better man in the service, I admit.

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Mr KINGSTON

- He goes on to say :-



Should other spirit be used. - I have heard vigneron say that spirits highly rectified and purified do just as well for fortifying purposes as spirits made from wine or lees of wine. Dr. Bell, Principal of the Inland Revenue Laboratory in London, gave most valuable evidence before a select committee on British and foreign spirits. In answer to question 1002, he replied - " If the spirit is highly purified it makes no difference of what material it has been made." Answer to question 1065 also has a most important bearing. Questions 1262 to 1268 bear on potato spirits, and answers by Mr. Samuels, Principal of the Customs laboratory, are to the point at issue.

Dr. Bell at question 1065 gives the following evidence : -

But do I understand you to say that that brandy, if treated and purified, can, notwithstanding its origin from potatoes, be just as good as the brandy made from the wine spirit? if both were purified, they would be practically the same and free from all foreign bodies.

The effect of that evidence is that with good clean distilling you will get good pure spirit.

Mr McColl

- That has nothing to do with this subject at all.

Mr KINGSTON

- The purity of the spirit has a good deal to do with the subject when people talk about potato spirit being rubbish. Mr. Samuels' evidence is -

What are foreign plain spirits (that is to say, what are known as German spirits generally in this country) obtained from ? - Principally potato and beet.

When is potato preferred for the manufacture of plain spirits imported into this country ? - Potato is preferred when the spirit produced from it is required for other purposes than methylating.

I hope that honorable members will " read, mark, and inwardly digest" that opinion, although they may not be able to swallow potato spirit. This is not a question of methylating, but a question of adding spirits to wine so that the best results may be obtained so far as a sound and drinkable wine is concerned. Mr.

Samuels' evidence goes on -

That is when it is to be in a state of high purity ? - When it is to be in a state of high purity.

Why is that? - The reason is that the spirit odour from the beet molasses clings to the spirits distilled from it more persistently than does the odour from the fusel in the potato spirit.

Mr A McLEAN

- That is a comparison between potato spirit and beet spirit.

Mr KINGSTON

- I am not putting it as anything else, but it is said here that when a pure spirit is wanted, potato spirit should be used. Mr. Samuels proceeds -

When spirit is distilled abroad, what does it come over in regard to proof? - It comes over at first from 40 to 50 over proof, but it is broken down with water to about 10 to 20 under proof.

Mr A McLEAN

- Is that a comparison between potato spirit and wine spirit?

Mr KINGSTON

- No.

Mr A McLEAN

- That is the whole point.

Mr McColl

- These people do not know about wine spirit.

Mr KINGSTON

- These gentlemen have knowledge and long experience, and are the greatest authorities in the London Customs laboratory. I now propose to give the views of other Customs authorities. I may say that the minute I sent out was -

The right honorable the Minister for Trade and Customs requires reports from officers in all the States as to whether or not they see any objection to a provision in the Distillation Bill, " that wine spirit only shall be used for fortifying wine."

I do not think there could be a plainer mode of putting the question, or one less likely to influence the replies. The Queensland collector says : -

It is not advisable to allow any other than spirit made from wine to be used in fortifying wine.

The Tasmanian collector replies : -

I can see no possible objection, from a Customs point of view, to vignerons fortifying their wine with any spirit they like.

We are dealing with this from a Customs point of view, and we have no right to deal with it from any other point of view. Those other matters which have been referred to should be properly left to the States.

Mr Watson

- Then a lot of the provisions in this Bill ought to come out.

Mr KINGSTON

- I forgot to answer the honorable member for Bland when he raised this question before. I confess that, after the Bill was originally drafted, I struck out a good many clauses, which I was satisfied trenchanted on the State preserves. There were one or two others I allowed to remain, but I did so almost in fear and trembling, believing they were very close on the balance ; but knowing there were such high constitutional and other authorities in the House, I felt that all objectionable provisions would be pointed out. When, as a matter of fact, these clauses passed without exception, I laid the " flattering unction to my soul," that the grounds of fear I had previously entertained were altogether unjustifiable. The collector of New South Wales says -

While there can be no objection to any pure spirit being used, so far as interfering with the quality of the wine or the public health is concerned, I think, in the interests of the revenue, it would be wise to restrict the concession to wine spirits only.

I do not quite follow his argument.

Sir Malcolm McEacharn

- More revenue is got from wine spirit.

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Mr KINGSTON

- It is only a question of the quantity cleared for the purpose. But I give this argument to honorable members as that of a gentleman whose opinions are entitled to every respect. Mr. Stephens, South Australian collector, writes -

I think that any pure and approved spirit - including brandy - might be used, whether made from the grape or not.

We have ample provision for this in the clauses to which I drew attention. Dr. Wollaston, referring to the opinion of Mr. Stephens, says -

From a health point of view, and also as regards the department, I concur with Mr. Stephens, but, with a desire to encourage the growth of the grape, we limit the use to grape spirit only.

What is our first duty in this connexion? Revenue. Dr. Wollaston agrees with Mr. Stephens from the revenue and health points of view, but he wants to protect the wine producer at the expense of others who can, to the same extent, satisfy those conditions. There is no getting away from the fact that the amendment is proposed in the interests of protection of a certain kind. Honorable members know what my views are in reference to protection generally.

Mr. A. McLean. - Why does the Minister run off the rails on this occasion.

Mr KINGSTON

- I do not run off the rails, but, when it comes to a question of protecting one industry at the expense of another, the two local industries being equally entitled to protection, I hesitate. I am reminded that I did not quote the opinion of the Western Australian collector, which is shortly expressed - with that judicial smack we all admire - in the words " I concur," written upon the opinion of the acting collector of Western Australia, who misinterpreted the point, and did not notice the emphasis on the word "only." He says - Local Act provides colonial wine spirit may be used on payment of sixpence per gallon by manufacturers, of two shillings sixpence on imported spirit. I see no objection to wine spirit being used under proper supervision.

Then from New South Wales we have the opinion of Mr. Baxter, who writes : -

In my opinion wine spirit only should be used to fortify wine. By the use of other spirits, such as the product of grain, pulse, potatoes, or molasses, a foreign element would be introduced to the detriment of the purity of the wine, the protection of which is, I presume, one of the objects of the proposed Distillation Act.

Mr. Kemp, of Brisbane, says :

Cannot see any objection ; think it desirable wine spirit only be used fortifying wine.

Mr. Scammell, of South Australia, wires :

See no good reason why any properly rectified strong spirit, not less than 00 over proof, should not be used.

Mr Kennedy

- That is just the whole trouble.

Mr KINGSTON

- Then Mr. Hedberg, of Launceston, wires : -

No objection to insertion in Bill to use wine spirit for fortifying.

That is all the information which is available now, and I think honorable members will say I have spared no pains in collecting it. The question is - Have we gone far enough, or shall we now by the present proposal give protection to wine-producing - which is as strongly represented in the State from which I come as in any State - at the expense of another industry which is equally entitled to protection, and which is able to comply with all requirements of the Customs Act as regards revenue, and also with all conditions as to the health of the people?

Mr SALMON

- The Minister says that the amendment is a protective proposal ; and so it is. I presume all legislation is intended to protect the best interests of the people ; but the Minister goes further, and says that the amendment is intended to protect the wine-grower. In my opinion the amendment does the very reverse, because I believe a very large number of wine-growers would like to be allowed to use any kind of spirit.

Sir Malcolm McEacharn

- No.

Mr SALMON

- I know, from personal experience, that one of the largest growers requested permission from the Customs department to use some spirit made in a distillery ; but the permission was not granted. In my opinion we have to consider the protection of the consumer, not only in Australia, but in other parts of the world. This is not a fiscal matter at all, but one which affects the reputation and character of a product of Australia. We have at present a great deal to contend with in securing a market for our wines. It is admitted that the quality of Australian wines is such that at no distant date they will occupy a very high position in the regard of wine drinkers in every part of the globe.

Mr Poynton

- That reputation has been earned without a provision of the kind proposed.

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Mr SALMON

- Directly we let it be known that we allow potato spirit to be used for the purposes of fortification, we strike a blow at the industry we are endeavouring to assist. I am astounded at the position taken up by the Minister. He has endeavoured to collect information regarding this matter, and I think we are indebted to him for the amount of information laid before us. But the greater part of that information is undoubtedly in favour of the amendment; indeed, there do not seem to be two opinions about the matter. Are we going to allow a limited number of vigneron in one of the States, who desire to take advantage of an opportunity presented to them, to fortify their wines with a spirit which is well known to be impure and to have deleterious effects upon the human system ? I am astonished at the attitude of some honorable members who arrogate to themselves the function of looking after the health and well-being of the community. These members call themselves democrats, and yet they are prepared to allow a dishonest vigneron to mix with his wine an impure spirit which will undermine the health of the community, and fill our hospitals and lunatic asylums.

Mr Poynton

- We have other authorities to the very opposite effect.

Mr SALMON

- The whole value of the opinions expressed depends on the manner in which the question was put to the authorities.

Mr Kingston

- I have read the question.

Mr SALMON

- I feel certain the committee will commit a great wrong if they do not support the amendment - if they allow vigneron to use a spirit which no authority will say is a pure spirit, but which all authorities the world over designate as the very worst kind of spirit that can go into consumption.

Mr Thomson

- But by the amendment every other sort of spirit, however wholesome, is excluded in favour of wine spirit.

Mr SALMON

- We know whence the opposition to this amendment comes. I have had put into my hands a list of amendments approved by distillers, who met in Adelaide, and who specially requested that potatoes should be added as a material from which spirit might be distilled.

Mr Tudor

- Their business is quite as large as that of the wine-growers.

Mr SALMON

- I dare say that is so, but we are here to legislate for the whole community and not for a mere section, and we have to look at the effects of legislation. I am not here on behalf of the vigneron of "Victoria or any other place, but I am speaking on behalf of that great mass of the community who are wine drinkers.

Mr Poynton

- There is as good spirit made in South Australia as in "Victoria.

Mr SALMON

- I do not know whether it is the geographical origin of the honorable member for South Australia, Mr. Poynton, which makes him take his present stand, or whether it is because he has a strong feeling in favour of this particular spirit. I am only endeavouring to give the committee the results of my knowledge of the spirit distilled from potatoes, and I desire to assure honorable members that it is the most pernicious and impure spirit made, with the exception, perhaps, of wood spirit, which has such an awful effect on the human system. I referred the other day to a quantity of so-called whisky that had been made from potato spirit on the continent of Europe, and had been shipped to the west coast of Africa at 6d. a bottle, labelled, and with straw envelopes. That will give an idea of the commercial value of this spirit. It shows that it is so cheap that it is probably very nasty as well. Indeed, an analysis has proved that it is nasty. Its use has been a bad thing for the community. To uphold the reputation of Australian wines it seems to me -essential that the process of fortification shall be conducted under such conditions as will insure the addition of only pure spirit. The Minister apparently places great reliance upon the fact that a vigneron, for the sake of his own business, will not add inferior spirit to his wines. But the Minister must recognise how fallacious that argument is. All wines do not bear upon the bottles the names of the persons who manufacture them. Under such a provision as this, certain wines would be fortified with impure spirit, and the vigneron would thus be able without identification to get rid of a lot of inferior stock which otherwise he might not be able to dispose of.

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Mr KENNEDY

- I hope that the Minister will weigh carefully the report of the experts who have dealt with this matter. If he does so, he will find that the weight of evidence is in favour of the fortification of wines by the addition of spirits distilled from grapes. The Minister says that the protection of the revenue should be the first consideration. But he has failed to demonstrate that any loss of revenue is likely to occur.

Mr Kingston

- Our duty is not to go beyond the things which concern us.

Mr KENNEDY

- As the revenue will not be interfered with by the adoption of this amendment, I do not see how any objection can be taken to it. The Minister urges that it is beyond our province to deal with it, but I would remind him that it is only by a law of the Commonwealth that supervision can be exercised over vigneron using spirit for the purposes of fortification. Consequently, it comes well within the purview of this Parliament to deal with the matter in this Bill. It is the only opportunity we shall have of introducing a uniformity of practice. Of course the States can say that wines which are fortified with certain spirits shall

not be sold within their borders, but all that the vignerons would have to do then would be to send those wines elsewhere. I think that Mr. Scammell struck the point at issue when he spoke of the strength of the spirit used "for the fortification of wine. If one uses spirit other than grape spirit for the fortification of wine, one must have it very highly rectified - up to 50 per cent, over proof, and in the case of potato spirit 60 per cent, over proof. When wine is fortified with spirit of that strength distilled from potatoes, the harshness and flavour of the spirit is imparted to the wine. In fortifying wine with spirit distilled from grapes it is not necessary to have it rectified to that strength, \\\, therefore, the flavour of the grape is not eliminated from the spirit. Consequently, there are not the bad effects from spirit distilled from wine that result from spirit distilled from potatoes.

Mr Thomson

- We may have bad grape spirit as well as bad spirit of any other sort.

Mr KENNEDY

- I am pointing out that by the use of spirit distilled from wine there is not the danger of that harshness being imparted to the wine which results from the use of other spirits. To my mind there can be no reasonable objection urged to the amendment. It does not affect the fiscal issue in the slightest degree. The quotation which the Minister made from the collector of inland revenue is not questioned at all. It is admitted that we can get absolutely pure spirit, but we must have it of a very high strength.

Mr. BATCHELOR(South Australia).The progress of this debate discloses the weakness of the position taken up by some honorable members, who affirm that this Parliament ought to legislate to prevent the use of certain spirits in the fortification of our wines. The practice of the fortification of wine from grape spirit prevails only in one State. It seems idle for us to set ourselves up as judges upon this question. Surely we can leave the matter as to what spirit shall be used for the purpose of fortifying our wines to the manufacturers themselves. Does the honorable member for Echuca tell me that those who are engaged in that business in South Australia do not understand it? If, as asserted, the use of the purest potato spirit imparts a harshness to wine will they not know that ? Will they deliberately destroy their wines for the sake of using potato spirit? South Australia produces wine chiefly for export in competition with the whole world, and successfully competes with the whole world in certain wines.

Mr Kennedy

- Are their best wines fortified with potato spirit ?

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Mr BATCHELOR

- I do not know. I merely wish to point out that the manufacturers themselves know perfectly well what effect potato spirit will have upon their wines. But why should not pure potato spirit be used in the fortification of wines ? At 60 per cent, over proof one gets as near to purity as it is possible to get. Because the use of potato spirit imparts a certain amount of harshness to wine is this Parliament to say that the practice of using that spirit shall be discontinued? What is the reason advanced in support of such a proposal ? Simply that some growers who fortify their wines with grape spirit desire to have a monopoly. This is absolutely an attempt on the part of one class of producers to damage the wines of another set of producers in another State. It has not been shown by anybody that potato spirit is injurious in the form in which it is used. The honorable member for Laanecoorie said that certain whisky which is made on the Continent from potato spirit produces very bad effects. But I would point out that bad stuff can be made from most things. It is not our business to bar the use of certain material which is being used in the trade, and which has not been shown to have had any deleterious results. This State has complete power to say that wine which is fortified by potato spirit shall not be consumed in Victoria, and thus the health of Victorians will not suffer. Evidently 'Victorian potatoes produce very bad spirit.

Mr McColl

- There is not one drop of spirit produced in Victoria from potatoes.

Mr BATCHELOR

- This is an attempt on the part of some wine-growers to reap an advantage at the expense of others, and it is no part of the duty of this Parliament to interfere. For that reason I hope the committee will not pass the amendment.

Sir MALCOLM MCEACHARN

- There is a passage in the Scriptures that refers to certain swine which were driven by spirits into the

sea, and I am under the impression that the spirits in that case must have been potato spirits, or that the swine were suffering from the effects of eating potatoes. This is not really a question as to whether potato spirit shall be used for the fortification of wines, but as to whether any spirit other than that produced from grapes shall be employed. I have had some experience in connexion with an endeavour to foster the wine industry by placing our wines upon the London market, and I know that the great difficulty in connexion with Australian wines arises from their want of regular quality. Inasmuch as we have provided under the Victorian law that nothing but spirit distilled from grapes shall be used for wine fortification, I think it would be extremely unfair, after all the money we have spent in placing our wines before the British public, if it became known that Australian vignerons were permitted to use any other than grape spirit in the fortification of their wines. This is a very much more important matter than some honorable members seems to think, and I hope the Minister will see his way to agree to the Amendment.

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Mr McCAY

- The first objection raised to this amendment - and to my astonishment it is approved by the Minister - is that the amendment would go beyond the jurisdiction of the Commonwealth. I do not wish to discuss this point at any length, because I admit frankly that it is distinctly &lt;m arguable one ; but, if I were asked for an opinion off-hand, I should say that the clause itself falls within the same category as the amendment, and is of doubtful efficacy. If we are entitled to say what the alcoholic strength of the spirit shall be, we surely have a right to say what ingredients the spirits shall be made from, and there cannot be any objection raised against the amendment which could not be urged with equal force against the clause.

The second objection to the amendment is that clause 57 already provides that no spirit shall be used for the fortification of wines unless it is approved by the officer, and is of a certain strength. I have a very high opinion of the Customs officers, but I do not regard them as such angelic beings as the Minister seems to think they are. Very often the Customs officers and the consuming public do not look at things from the same point of view, and I think that if we are going to make wine we should have it made and placed on the market in the very best possible way. I have been looking through the evidence given before the select committee of the House of Commons on British and foreign spirits, and I have found some interesting facts bearing upon the comparative merits of the different kinds of spirits. A witness who gave a great deal of evidence was D. P. Williams, a collector and surveyor, at Dundee, who had had 28 years' experience in the Customs department. At question 79 he is asked -

Do you think it matters what the ingredients are that are used in distillation ? - Decidedly it matters, because some of the other constituents go over. The pure alcohol is almost impossible to get without some other ingredient - it is very difficult: even the German spirit is not pure alcohol : the strongest I have ever seen is. I think, a little over 70 over proof. I have seen 70 or 71 perhaps. Pure alcohol is 75.

Then Dr. Bell, OB., F.R.S., at question 975 is asked -

Is it not the general impression that brandy acts more prejudicially upon the nerves than other spirits ". - I think the result of the investigation of the British Commission or of the evidence that the French Commission received was this : That taking the wine spirit, the spirit obtained from the wine, which would be a genuine brandy, the ingredients in that were less deleterious than in those obtained from spirit derived from grain. I have got the particulars here, and this is one of the paragraphs from the report -

"Hygienic Consideration. - The ill effects of all commercial brandies and alcohol are connected with (1) the origin of the alcohols, and (2) their degree of purity. Beaumetz and Audige place in order of increasing toxical power the following alcohols : - (1) - Alcohols and brandies from wine; (2) brandies from pears ; (3) brandies from apples and from grape residues ; (4) alcohols and brandies from grain ; (5) alcohols and brandies from beet-root and from beet-root molasses ; ((i) alcohols and brandies from potatoes." That is the order in which they give them according to their toxical properties.

The point is, however, that speaking commercially these spirits cannot be obtained absolutely pure, because the purification is a chemical process that it does not pay to follow out in a commercial way.

Then there is another very significant piece of evidence from Mr. F.W. Pavy, M.D., F.R.S., who explains that in the ordinary distillation there goes over, besides the alcohol, certain by-products of the materials from which spirit is made. He points out that whisky is a plain spirit mixed with the by-products from malt or raw grain, that brandy is a plain spirit mixed with the byproducts of grapes, that rum is a spirit mixed with the by-products of molasses, and that potato spirit, which has no particular trade name, is generally

doctored before being placed upon the market. He then points out very cogent reasons why we should, if possible, prohibit the fortification of wines with anything but grape spirit, been use brandy is a plain spirit containing the by-products of the grape, and these harmonize with the wine itself in a way that no other by-products would do. Some of these by-products must be left in all spirits commercially produced. I am no lover of the trade in intoxicants in any shape or form, but I recognise that the trade must continue for many years, and that we should aim at giving the people the best possible article. Clause 57 provides that spirit must be 30 degrees above proof in order to qualify it for use for the fortification of wine, but as pure alcohol is 75 degrees above proof the difference in strength between 30 above proof and 75 above proof must be represented by certain by-products. So far as the approval of the officer is concerned it is not to be expected that he will lay down conditions beyond those provided for in the Act, and prohibit the use of a spirit even though it may be of the required strength, and contains no impurities beyond the by-products natural to the particular kind of spirit. The officer will not be able to refuse his approval, and we shall have spirit used which will obviously be inimical to the preservation of the good quality of the wine. This is not a fiscal matter, but one we may very well consider from the point of view that has been so forcibly put before us by those honorable members who have spoken in favor of the amendment, and I am surprised that the Minister has not seen his way clear to accept the proposal.

Mr THOMSON

- I think the discussion has departed a good deal from the real question at issue. The point is not whether potato spirit shall be used as against wine spirit, but whether wine spirit only should be used for the fortification of wine - however pure other spirits may be. It has been admitted that the fact that spirit is made from wine or grapes affords no security that it is pure spirit, and we all know that there are poisonous wines as well as wholesome ones.

Mr McColl

- But the spirit made from wine has constituents in harmony with the wine itself.

Mr THOMSON

- Surely if it is a question of harmony with the wine, the producer is best able to judge as to what will suit his purposes. If we admit that the Ministry are entitled to stipulate that spirit used for fortification purposes shall be of a certain strength, and we go further still they should deal with the question of purity and not the source or origin of the spirit.

Mr A McLEAN

- This Bill prescribes a minimum of 30 degrees overproof, and the difference between spirit of that strength and pure alcohol, which is 75 degrees overproof, must be made up of extraneous matter, which, in the case of spirit not made from grapes, cannot be harmonious with the wine which it is used to fortify.

Mr THOMSON

- There is nothing to insure purity so far as the grape spirit is concerned any more than in the case of other spirits, and I think that any limitation that is made should simply depend upon the purity of the spirit, irrespective of the material from which it may be produced. The honorable member for Melbourne stated that the great difficulty experienced in connexion with the Australian wine trade in England arose from the irregularity in the quality of the wine sent forward. That objection applies more to Victorian wines than to those from South Australia.

Sir Malcolm McEacharn

- That is not so.

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Mr THOMSON

- I have it on the authority of an expert who was out here from England recently, that the most reliable wines are those produced in South Australia, where they maintain a more regular quality than in the other States. There is no limitation in that State such as is to be found in this measure, and yet we do not find any difficulty arising there. It seems to me that the provision in clause 57 is limply sufficient to meet all cases, because the approval of the officer is made the first requirement in the case of .spirits to be used for fortification purposes, and this approval will only be granted under specific instructions issued by the principal officers of the Customs and Excise department. These instructions will doubtless prescribe that certain spirits of a deleterious character shall not be used for the purpose of fortifying wine.

Sir Malcolm McEacharn

- That is not the intention.

Mr THOMSON

- It seems to me that no other intention will hold good. This industry at the present time has the advantage of freedom from excise duty, and also the advantage of a large import duty, together with the privilege of cheap spirits at a small duty, or perhaps no duty at all, for fortifying purposes, and I think that assistance ought to be sufficient.

Sir Malcolm McEacharn

- All that assistance is valueless unless the wines are kept pure.

Mr THOMSON

- There are provisions in the Bill for keelung wines pure, and all that the amendment seeks to attain is that the only spirit allowed shall be a particular spirit which may be no more pure than others. The amendment simply directs that producers of the grape shall not only have all the advantages I have spoken of, but shall also have the advantage of a provision that the spirit used for fortifying purposes shall be distilled from grapes only. The Amendment is not that the wine producers shall use only something that is pure, because purity is not secured by the provision that only grape spirit shall be used. Purity can only be secured, even if grape spirit exclusively be used, by inspection on the part of the Customs officer.

Mr. A. McLean. - Grapes will blend better with grapes than will potatoes.

Mr THOMSON

- The honorable member may possibly be a greater authority than I, but surely the wine grower should be accepted as the best judge on this point. All spirits, however valuable, are being excluded along with the potato spirit, and, as I have said before, there is nothing that can secure purity except inspection by an officer, who is the only person who can say whether the grape spirit is good, bad, or indifferent.

Mr O'MALLEY

- There is, no doubt, a lot to be said on both sides of the question, and a lot has been said on both sides. First of all I want to put the honorable member for Melbourne right. He said that the spirit which entered into the swine of Scripture and drove them into the sea was potato spirit.

Sir Malcolm McEacharn

- I said it might have been potato spirit.

Mr O'MALLEY

- Potatoes were discovered in Virginia only in the fourteenth or fifteenth century, and taken to Europe, but grapes were grown in the early ages of the world, and consequently it must have been grape spirit that got into those pigs. Then it seems to me that those honorable members who are in favour of grape spirit are trying to introduce the morals of a monastery into a parliamentary committee. I should like to know what we have to do with any kind of spirit so long as the spirit is pure? Potatoes are raised on the north-west coast of Tasmania, and are sent over here and turned into spirits. The farmers in Tasmania are just as much interested in having their product turned into spirits as is the grape-raiser of Victoria. The Minister is not here for the purpose of giving fid vantage to any one over another, but he has to stand, as it were, as an umpire between two prize-fighters, and see fair play. If the potato-raiser of Tasmania be placed on an equal footing with the grape-raiser of Victoria, I am satisfied. There seems to be nothing more in this matter than a conspiracy - not a practical conspiracy for destruction, but an impracticable conspiracy. I was amused when the honorable member for Laanecoorie worked himself up to such a terrible pitch of excitement, and it occurred to me that if the mere thought of spirit affected him in that way, what on earth would the consumption of spirit do to him. It appears to me that there is an idea that the Customs should be a department for the regulation of the products of the community.

Mr McColl

- It is bound to be.

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Mr O'MALLEY

- If the Minister carries his Bill, so as to get hold of the boodle<sup>1</sup> in order to keep the "show" going, it does not matter where the money comes from. If a man gets drunk on " poteen " in Ireland, that poteen is made from potatoes. Potatoes from the United States are imported to the west coast of Mexico, and the Yankee Indians turn, them into whisky. It matters not what a man gets drunk on, so long as he gets drunk. He is objectionable in either case. It may be whisky or any other kind of spirit, the only difference being



that he will die quicker on potato spirit than grape spirit, and then we have " got through "" with him. I am going to vote with the opponents of the grape spirit-ites.

Mr POYNTON

- I do not know what kind of spirit is used in fortifying wine, but I know that the provision now proposed is not in the South Australian laws to-day. I resent very strongly the imputation that has been made, though somewhat veiled, that South Australian wine is worse than other wine.

Sir Malcolm McEacharn

- Some of the best wines are made in South Australia.

Mr POYNTON

- Some of the best ! I cannot allow South Australia to stand in the second place ; we make the best wine. There seems to be an attempt, such as one often sees in insurance companies, to run down the other company. The people of "Victoria have had the opportunity of competing in the open market in London with South Australian wines, and it is unfair to endeavour to make out, as did the honorable member for Laanecoorie, that deleterious spirits are used in the manufacture of those wines. There is no denying the fact that this is an attack on South Australian wines, and it is no use endeavouring to disguise that attack as anxiety for the public health.

Mr McColl

- Nothing of the sort.

Mr POYNTON

- When the honorable member for South Australia, Mr. Batchelor, was speaking, the honorable member for Echuca interjected about one State only using this potato spirit. But whether or not that spirit be used in South Australia, the best wine in the Commonwealth is there produced.

Mr Henry Willis

- That is because there is not so much spirit used there.

Mr POYNTON

- The wine-growers of South Australia are the best judges of what is good for their wine, and in the market of the world their product is accepted as against Victorian wine. Under these circumstances, it is a shame, by way of innuendo, to attempt to damage the wines produced in South Australia. I resent that attack very strongly, and shall vote against the amendment, which is neither more nor less than an attempt to get an advantage over South Australia in the wine market.

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Mr FOWLER

- As I am neither a Victorian nor a South Australian, I hope that what I have to say will be regarded as concerned chiefly with the development of what promises to be an important industry in Australia in the future. Even in this Distillation Bill we have to consider matters of this kind, and if this clause, as has been indicated by the honorable and learned member for Corinella, deals with matters which concern the wine industry outside Customs interests, I do not see why -we cannot logically include the amendment of the honorable member for Echuca. The whole question seems to me to be simply what is the best spirit with which to fortify wines. This is not so much a question of purity, because we have been told, and I believe it is correct, that alcohol, so far as ordinary consumption is concerned, is never absolutely pure. I believe there is great point in the interjection of the honorable member for Robertson a few moments ago, that South Australian wines have acquired their reputation in the markets of the world largely because of the fact that they are natural wines, unfortified to any considerable extent. There can be little doubt that the product of the grape as distilled is the natural spirit with which to fortify wines. We have heard a great deal about the question of the purity of alcohol, but this argument of purity is about one of the most extraordinary I have heard in connexion with this subject. Every distilled product carries with it characteristics of the material from which it is made, and though we hear statements to the effect that an absolutely pure spirit is quite wholesome, the evidence of experts and of medical men is that the spirit which goes into consumption is never quite pure. We know that in some of the distilleries of this Commonwealth, spirit is extracted from various materials, and then coloured and flavoured to represent whisky, brandy, or rum, as the case may be. But will any honorable member seriously contend that these whiskies, brandies, or rums are the genuine article? Should any one go to Scotland and ask a Scotch distiller why he does not adopt the same simple method, he would say, without hesitation, that if I did

so, he would spoil his whisky - that it would not be whisky at all. What the distiller of Scotch whisky tries to do is to get as many by-products as he can from his malt, in order to give the necessary superior qualities which Scotch whiskies possess. With regard to potato spirit, we have had incontrovertible evidence that it is unwholesome, on account of the materials from which it is distilled. If the grape spirit is naturally the substance with which to fortify our wines, I for one fail to see why we should not take the common-sense view, and adopt what seems to be the natural and wholesome course.

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Mr PIESSE

- Like the honorable member who has preceded me, I hope, if there be any need for me to say so, I occupy an independent position on this question. It is quite true, as the Minister has said, that in Tasmania we are not interested in the question of distillation. From all I have been able to gather from the remarks made this morning, it appeals to me it would be better to accept the amendment proposed, as being on the safer side. The degree of spirit which is to be used, is only 35 overproof, and between that and 75 overproof, which is pure alcohol, there is ample room for marked differences owing to the by-products from which the spirit has been distilled being present. All the evidence so far seems to be in favour of using wine spirit for the purpose of fortifying, and on the evidence before me, I must vote for the amendment.

Mr. McCOLL(Echuca). - The opinions of Custom-house officers and the references to the select committee of the House of Commons show how hard-up the opponents of the amendment have been for arguments. I stated in my second reading speech that, in matters connected with the health of the people and the encouragement of industries, I have found the Custom-house officers of Victoria not very reliable people to stand by. In the first place, the Select Committee of the House of Commons never had any such question before it as the fortifying of wine, but was appointed for a different purpose altogether. It was appointed to consider whether, on grounds of public health, it was desirable that certain classes of spirits, British and foreign, should be kept in bond for a definite period before they were allowed to pass into consumption, and to inquire into the system of blending British and foreign spirits in or out of bond. The evidence given before the committee does not bear on the question now before us. I have gone over the evidence, and I find that I could have furnished dozens of quotations to support my view.

I have here a list of the whole of the materials used in Victoria during last year for the production of spirits, and I am assured by the Inspector of Excise, Mr. Ferguson, that the list is absolutely correct. The materials used were barley malt, barley, wheat, maize, rye, wine, and molasses. The contention as to infringement of State rights appears to me to be ridiculous. The Commonwealth is given special authority to deal with commerce and bounties, and if we were dealing with the question of bounties in any particular industry, we should have power to prescribe the conditions under which these bounties were to be given. Supposing we were considering the question of giving a bounty on the production of Australian wine, should we not have the power to say that that wine should be of a particular character, and should be flavoured or fortified in a certain way? If the clause is left open, and it is not insisted that Australian wine shall be fortified with pure brandy spirit, wine-growers will simply use the cheap spirit from Hamburg, which is put free on board at 1s. 9d. per gallon, instead of the superior spirit, which costs 4s. or 5s. a gallon in Victoria. We have spent an enormous amount of money in the encouragement of the wine industry in Victoria, and to allow this provision to pass will be to damage irretrievably the reputation of our Australian wines. As against the opinions of two or three experts, I would point to the gathering of some 60 wine-growers in Victoria, who met last week, and who were unanimously of opinion that only brandy spirit should be used. The report of that meeting reads -

Mr.G. F. Morris, of Rutherglen, moved - " That no spirit other than grape spirit be allowed to be used in the fortification of wine."

Mr. Buckleyseconded the resolution, remarking upon the necessity of using only wine spirit, because, without an almost unattainable degree of rectification, spirits from other sources would retain enough traces of their origin to spoil the wine.

The Minister is harping continually upon the purity of the spirit, which argument is - as the honorable member for Perth has pointed out - simply ridiculous. It is impossible to get a pure alcohol except in stills that work up to an enormous strength. I feel strongly that the future of the wine industry depends upon whether we insert this provision or not, and I therefore ask the committee to support the amendment.

Mr HENRY WILLIS

- If we are going to allow vignerons to use spirit for the purpose of fortifying their wines, it is immaterial, whether that spirit be made from wine, grain, molasses, or potatoes, because we are going to permit them to use immature spirit. If the spirit be purified, one spirit is quite as good as another for the purpose of fortifying wine.

Mr McColl

- The point is that with grape spirit it makes very little difference whether the wine is matured or not. The spirit will mature in the wine just as well as out of it.

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Mr HENRY WILLIS

- The reason for using spirit in wine is that the wine has not been sufficiently clarified, racked off, or worked to make it wholesome. By fortifying it with spirit, the vigneron is able to place his wine upon the market in an immature condition. The honorable member for Echuca says that the reason for using spirit is that the wine will not keep whilst it is in course of transit through the Red Sea. That is not so. Australian wines contain a higher percentage of spirit than those of Continental countries. A short time ago I called in at the South Australian depot in London, where South Australian wines were being racked off, clarified, and blended for the purpose of placing them upon the market. I was given to understand that those wines command respect in London because they are sound and "mature." If we mature our wines here, we do not require to fortify them to the extent indicated by some honorable members who have preceded me. I found that in London Australian wines were at a discount because a very large firm in the East End had been importing large quantities of wine from Spain and elsewhere, and placing them upon the market as Australian wines. All over London one will see it placarded that "Australian wines are sold here." I was informed by the cellarman of the firm I have referred to that they imported very little Australian wine. At Coblenz, on the Rhine, I found that they were shipping to London a class of wine which was being sold as Australian wine. It was made from the skins of grapes, glucose, grape water, and fortified with raw spirit. That is just the class of wine that is being sold in Victoria to-day. I consider that the Minister has spoilt the Bill by reducing to five acres the area which a man is required to have under vine cultivation before he is entitled to use a still. It has been said that South Australian wines are not better than Victorian wines. I claim to be a wine drinker, and I say, without hesitation, that the best wine sold in New South Wales is South Australian wine. No man who cares about giving a sound wine to his friends would use any other. But South Australia hitherto has had nien in the business who understood it. I might instance the late Sir Robert Ross and Mr. Hardy, who have made a study of the question of how to produce a pure wine. Pure wine can only be obtained by prohibiting the use of pot stills altogether. Now that we have permitted the use of the pot still under this Bill we shall not secure a pure wine. The proposal of the Government is a much sounder one than that of the honorable member for Echuca, because the officer in charge has to approve of the spirit to be used. That provision affords some measure of protection.

Mr. SALMON(Laanecoorie). - There is just one question that I desire to bring before the committee before a vote is taken. I have here a book by Dr. Mitchell, which gives the constituents of the various alcohols. The lowest in carbon contents is methyl ic alcohol, which is obtained from wood, and is commonly known as wood spirit. Then we have ethylic or common alcohol, which contains two atoms of carbon to six parts of hydrogen and one of oxygen. Amylic alcohol contains five parts of carbon to twelve of hydrogen and one of oxygen. Methylic ethylic, propylic, and butylic alcohols mix very readily with water, but amylic and hexylic are utterly insoluble in water. We know that fusel oil will not mix with water, and that it is really potato spirit. Lauder Brunton, who is, I suppose, the greatest living authority we have upon therapeutics, gave evidence some time ago before the select committee on British and foreign spirits. He was asked : - For instance, supposing a mau drinks good wine or bad wine of the same name, all the results experimentally upon his own body may be very different? - "Very different indeed," he replied, "and it is a general conclusion obtained from unrecorded, no doubt, but still very numerous experiments, that good wine is much less injurious thin bad wine ; that a man may take a consider able amount of wine, provided that it be good, without any very bod effect upon him either at the time or afterwards ; whereas a very small quantity of bad wine may cause in many people a most severe headache, and perhaps great depression on the next day."

The next question put to the witness was -

In addition to the investigation of the effect of the by-products, such as the higher alcohols, you suggested that there might be another investigation also as to the alkaloids formed by the putrefaction of the materials in fermentation? -

I would point out that alkaloids are very frequently the active principles of various vegetable substances, and in most cases they are deadly poisons. Lauder Brunton's answer was -

Yes ; and I think it is just possible that the presence of these alkaloids, due to the use of bad materials, may account for some of the prejudice against so-called silent spirit ; that if silent spirit is obtained by using a decayed or putrifying maize, or rice, or potatoes, you have got a much greater likelihood of some of those alkaloids being present in it.

This applies to the whole of those spirits which honorable members urge should be allowed to be used in the fortification of wines. There is a vast difference between the spirit produced from the grape and that produced from potatoes. The same constituents result, but in relatively different quantities. In the pure grape spirit obtained from the grape there are two atoms of carbon to six of hydrogen and one of oxygen, but in the spirit obtained from potatoes there is a different proportion altogether, although the constituents are the same. But it is not these constituents that we need fear so much, although honorable members will see that if we vary the relation of carbon to oxygen we shall get carbonic acid, which is a deadly poison. But I am speaking chiefly of the byproducts, which are not got rid of by distillation up to 35 per cent, over proof.

Mr Henry Willis

- Even then it will take years to mature.

Mr SALMON

- Undoubtedly. I hope that the amendment will be carried, ' and that the reputation and character of our Australian wines will thereby be preserved. I am merely desirous of protecting the public and the consumers of wine, and in their interests this amendment is absolutely necessary.

Mr. A.McLEAN (Gippsland). - I agree that the less spirit used in the fortification of wine the better. It is preferable to allow wine to mature with age. But as this Bill expressly provides for the fortifying of wine, it should be our object to minimize the evil that is done by the use of spirits at all. . That can only be accomplished by prescribing that the very best spirits shall be used. The point relied on by the opponents of the amendment is that the spirits to be used have to be approved by the officer. Now, if the Bill itself did not prescribe any limit of strength in regard to the spirits to be used, the opinion of the officer might be worth something. But the officer will be guided by the Bill, and as the Bill prescribes that spirit of 30 degrees above proof may be used, is it likely that he will condemn any spirit which complies with the standard fixed t Pure spirit is 75 degrees over proof, and if we use a spirit of the minimum strength prescribed by the Bill, we know that the difference between that and 75 degrees over proof must be made up of foreign matter. It appears to me that there should not be two opinions upon the subject. The by-product of the grape comes from the same material as that from which the wine itself is made. Therefore, it cannot be regarded as a foreign substance, whilst the by-product from any other material is certainly a foreign substance. The Minister must be convinced that the adoption of the amendment will secure a better article than will the Bill as it stands at present.

Mr Poynton

- South Australian wine is better than Victorian wine.

Mr A McLEAN

- I am not at all sure that in fortifying their wines the South Australians use potato spirit. Because they are not prohibited by law from using the best material, it does not follow that they do not use the best.

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Mr E SOLOMON

- The question now before the committee is one of great importance to the health of the people of the Commonwealth, and I agree with honorable members who have expressed the view that we should aim at giving the public the very purest wines we possibly can. The maintenance of the purity of our Australian wines has engaged attention in the past, and we should not do anything by legislation that would have the effect of jeopardizing the reputation of our products in the eyes of local consumers, or of those outside the Commonwealth. Two or three years ago I visited Mr. Thomas Hardy's cellars in Adelaide, and tasted

wines which were, perhaps, equal to any wines in the world, and which I was told were not in any degree fortified. I can well imagine that when wines have to be sent long distances, it may be necessary at times to fortify them, but there should be no necessity for adding spirits to the great bulk of our wines. I should be very sorry to see anything but pure grape spirit used for fortification purposes, and I certainly favour the amendment before the committee.

Mr WILKS

- The most striking feature in connexion with this discussion has been the extent of the knowledge exhibited by the temperance members of this House as to the constituents of wines, and the relative effects of different kinds of spirits. The facts that have been brought out by the honorable member for Laanecoorie and others as to the soul destroying elements contained in the liquors offered for public consumption leads one to wonder that there are any people left at all to elect members to this House. We have had presented to us all the materials necessary for a most powerful attack upon the liquor trade, and I hope that some of the information elicited will have a salutary effect upon the habits of the people. There seems to be a disposition in connexion with every machinery Bill which is brought forward to attempt to graft certain fads upon it, and it appears to me that the amendment now proposed has a very strong fiscal flavour. So far as we desire to protect the public health, I think we may safely rely upon the Minister to take all necessary precautions to insure that liquor of low and deleterious quality is not allowed to go into consumption. I am not much concerned as to whether one wine-maker receives assistance through being able to use silent spirit as against another who uses grape spirit, but I think that if we are to have a national beverage such as wine, we should have it placed before the people in as pure a form as possible, and without fortification to a greater extent than may be necessary. I believe that the process of artificially maturing wine, by means of adding spirit, is one which must have injurious effects upon the health of the people, and I hope the Minister will do everything he possibly can to protect them in this regard.

Mr KINGSTON

- I was sorry to hear the observations of the honorable member for Laanecoorie, to the effect that, with regard to the reports placed before the House, the value to be attached to them would all depend upon the way in which the matter was put before the officers who furnished the reports. I may say that I obtained this information as a Minister seeking reliable information from his officers, and without any endeavour to colour the reports.

Mr Piesse

- I think that the honorable member's remarks referred to the English reports.

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Mr KINGSTON

- I am content to accept that explanation, as I know that the honorable member for Laanecoorie would not willingly suggest that I had acted unfairly in the matter. The reports from the officers of my department were called for in these terms -

I wish reports from officers in all the States, as to whether or not they see any objection to provision being made in the Distillation Bill, that wine spirit only should be used for fortifying wine.

I do not think the matter could have been put more fairly than that, seeing that my minute was perfectly free from any indication of the Ministerial view on the subject. The point is, that an attempt is being made to provide that, under no circumstances, shall any but wine spirit be used for fortifying wines. So far as vignerons and vignerons' licences are concerned, special facilities are granted for the fortification of wine, and it is highly improbable that recourse will be had by vignerons to any other spirit than that produced from wine in more cases than one in a hundred. Expressing my own opinion as a private individual, I may say frankly that if I were to drink wine I should like to think that I was drinking wine fortified with good wine spirit, and not with those spirits which have been, I think improperly, called impure. It is not, however, altogether a question as to the nature of the spirit, but as to the way in which it is produced. Bad spirit can be made out of good wine, just as good spirit may be made out of bad potatoes. It is not contemplated that grape spirit will always be distilled from good wine, but in most cases from wine that is "off colour," and that would otherwise have to be wasted. And, in the natural order of things, it seems to me that distillation from bad wine is not more likely to produce good spirit than is distillation from good potatoes. Apart from that, seeing that the whole scope of the Bill is to give facilities to vignerons for the fortification

of their wines with wine spirit, why should we go further than that and say that in no case shall spirit other than wine spirit be used for fortification. I do not think we ought to interfere unnecessarily in the interests of one section of the community or another. The test of the necessity for action seems to depend upon the question whether it is required in the interests of the community as a whole, and in connexion with this we have the eloquent fact that in South Australia, where there is no limit as to the kind of spirit to be used for the purposes of fortification, the wines are of a high character. We therefore have a notable instance in South Australia, that it is absolutely unnecessary to provide that wine shall be fortified with grape spirit only. I think we may fairly leave this matter to the good sense of those who are interested in the wine industry. No one is interested in using bad stuff when good stuff is equally obtainable, and seeing that the large discretion given to wine-makers has been exercised with advantage in South Australia, why should we say now that wine-makers shall not use their own judgment, but that they must have recourse to grape spirit so that a market may be found for wines that are "off," to the advantage of those who have such wines, and to the disadvantage of all others concerned. The honorable member for Echuca made some reference to the fact that "Victorian distillers had produced a certain quantity of wine spirit, and I think his intention was to glorify the action of the "Victorian distillers, but when we examine the returns we find that nine out of ten gallons of the spirit produced in Victoria is not wine spirit.

Mr McCOLL

- It is not potato spirit, though.

Mr KINGSTON

- Does the honorable member know what he is seeking to do? His amendment is not aimed against potato spirit only, but against every other spirit except that made from wine or grapes. I find that 439,117 gallons of spirits were produced, and the demand for spirits for the vigneron's business is limited. It is not intended to lay down the rule in regard to general distillers that wine spirit only shall be used ; and how much of this 439,117 gallons was wine spirit ? No more than 3,436 gallons.

Mr McColl

- That does not affect the argument in the least.

Mr KINGSTON

- It shows that only a small quantity of wine spirit was produced. 14 r 2

What becomes of the balance? How much of it goes into consumption, and is taken neat ? People are allowed to dilute it with a little water, but to put it into wine is to be forbidden for all time. To adopt legislation of this character is altogether unjustifiable, if it be held that such spirit is good for direct consumption.

Mr. Salmon. - Who says so ?

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Mr KINGSTON

- If I understood that this was a general scheme for the purpose of preventing the consumption of spirits, and that after having prohibited the use of spirits generally for the purpose of fortifying wine, we were going further, and intended to stop all consumption, I could understand the position. But to say that spirits made from barley malt, barley, wheat, maize, rye and molasses are fit for human consumption, and, at the same time, are impure and improper for the purpose of fortifying wine, is to contend an absurdity. If such spirit is already used for general purposes under the law, how is it possible to suggest on the ground of public health that it must not be mixed with wine. It may be a matter of taste ; but the only point on which we have a right to legislate in the direction suggested, is on the ground of public health. It is not, however, a question of public health, as is shown by the general allowance of the consumption of such spirit, and to legislate in the limited sense proposed, is an unjustifiable course to which I hope the committee will not consent.

Mr. SALMON(Laanecoorie). - The Minister seems to draw the conclusion that because I and those who think with me would refuse to allow every kind of spirit to be added to wine for the purpose of fortification, we object altogether to the distillation of spirits. The Minister has no warrant for that assumption. When spirit is made and sold as spirit, there is a chance for the consumer, but when spirit is added to wine, and the latter is sold as pure wine, then the consumer has no protection whatever. These impure spirits are allowed to masquerade under a different name. They are sold as pure wine, and numbers of people consume them, believing them to be such. I think I have demonstrated to every fair-minded man that

there is a probability, almost a certainty, that in the manufacture of materials which require, and which often are accompanied by, putrefying action, certain poisonous products are evolved, and are absorbed by the people who consume them. It is on this account that I desire to protect the consumer.

Question - That the words proposed to be added be so added - put. The committee divided -

Ayes ... .. 24

Noes ... .. 28

Majority ... .. 4

Question so resolved in the negative.

Clause 63 -

Any officer may either by day or night break up the ground in or adjoining or near a distillery, or any wall or partition thereof, and do any act which he may deem necessary for the purpose of detecting any contravention of this Act, and may, on finding any pipe or conveyance leading to or from the distillery, break up or break any ground, house, wall, or other place through or into which the pipe or conveyance leads, and may break up or cut away any such pipe or conveyance, and turn any cock, and examine whether any such pipe or conveyance conveys or conceals any spirits.

Mr. BATCHELOR(South Australia).I had two amendments in this clause to submit to the committee, but in consideration I have decided not to submit one of them. The South Australian vignerons who asked me to move in this matter desire that there should be reasonable grounds for suspicion before an officer can exercise the great powers contained in this clause, and urge that those powers should not be exercised until after a sworn declaration has been made before a justice of the peace that reasonable grounds for suspicion exist. It seems to me, however, that such an amendment would interfere with the officer in the discharge of his duty, and would probably cause too much delay, and, therefore, I do not press it. The second amendment which I was asked to submit was that in the event of there being nothing discovered to warrant the tearing up of a place or the breaking down of a wall, compensation should be paid for damage done ; and that, I think, is only a reasonable proposal. An officer might be imposed on by a dismissed employe or some person who had ill-feeling to the owner, and if an officer acts on such information, and it is found that the whole thing is a hoax, the damage inflicted ought to be made good. While power must be taken to examine and open up ground in order to discover fraud, if there be no fraud or reasonable grounds for believing that there is fraud, the manufacturer should not be put to expense. I am not wedded to the wording of the amendment, and the Minister may probably be in a position to make a suggestion. The amendment of which I have given notice is a proviso as follows : -

Provided that in the event of nothing being discovered to justify such action compensation shall be paid by such officer to the owner of the distillery for all damage done.

Mr KINGSTON

- I cannot accept such an amendment, which would have to be so hedged round that the officer would be hampered in the performance of his duty. I do not, however, object to adding some words similar to those which were inserted in clauses 65 and 66, and which may satisfy the honorable member. I move - That after the word "officer," line1,the following words be inserted - "Having reasonable cause for suspicion."

Amendment agreed to.

Mr. BATCHELOR(South Australia).I would point out that the adoption of that amendment does not alter the contention which I raised just now. It seems to me that we ought to insert some provision for the protection of the distiller.

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Mr KINGSTON

- The effect of the amendment will be that if an officer acts without reasonable cause for suspicion, the Government will recognise that an unwarrantable act has been committed, and will deal with the matter accordingly. But to provide that compensation shall be paid in every case in which an officer makes a mistake would be a most mischievous principle. It would hamper the execution of duties under every Act in which necessary powers are conferred upon officers. I have no doubt that the Government will be prepared to deal fairly with any cases in which an error has been committed, and under the circumstances, I ask the honorable member not to press the point.

Amendment (by Mr. Batchelor) negatived -

That the following proviso be added to the clause : " Provided that in the event of nothing being discovered to justify such action, compensation shall be paid by such officer to the owner of the distillery for all damage done."

Clause, as amended, agreed to.

Clause 69-

Nothing in this Act shall prevent the use of stills by officers for official purposes.

Mr KENNEDY

- I think that provision should be made here to allow of the agricultural colleges in the different States continuing to use the stills provided at those institutions. These colleges should be allowed to utilize their stills without any unnecessary interference and without the payment of the ordinary licence-fee. There is a general consensus of opinion that the States should have power to continue stills for educational purposes. We know that in the health departments and universities the necessity exists for stills for testing purposes. Of course, these stills will be under supervision. At the same time I do not think there should be paid the licence fee paid in respect of stills that are used for commercial purposes. I move -

That the following words be added to the clause, ' or with permission by any public department of the State, or for any official, educational, or testing purpose."

Mr KNOX

- May I point out that no metallurgical plant is fully equipped unless it has such a still as that which the honorable member for Moira desires to see exempted from some of the obligations which this Bill justly attaches to stills intended for commercial purposes ? I, therefore, join in urging the Minister to give the amendment favorable consideration.

Mr Kingston

- Of course there is no desire to interfere with stills of the class referred to. At the same time we ought to have knowledge of them.

Mr. BATCHELOR(South Australia).Would not this be a convenient place at which to insert an exemption in the case of stills used for distilling eucalyptus oil? Eucalyptus oil is a spirit. Unless it is expressly stipulated that such stills are exempt, it seems to me that it might be argued that the provisions of this Bill apply to the distillation of eucalyptus oil.

Mr Thomson

- The term "spirits" is defined in the interpretation clause.

Mr BATCHELOR

- A large number of people on Kangaroo Island use a crude sort of still for distilling eucalyptus oil.

Mr Kingston

- I can assure the honorable member that the Bill will not touch them.

Mr BATCHELOR

- They are alarmed lest it might. Of course, if they had to pay a licence-fee of £o annually their business would be ruined. Without interfering with the symmetry of the Bill, I think that this would be a convenient place at which to exempt such stills.

Mr KINGSTON

- The whole Bill is drafted with the intention of exempting those stills. I think that it does exempt them. At the same time I will look into the matter, and if anything further is required to be done, the necessary steps will be taken.

Mr POYNTON

- I agree with the Minister that the industry of eucalyptus distilling is sufficiently protected under the Bill. If we specially insert an exemption in the case of the distillation of eucalyptus oil we shall need to specify all the other stills which are not affected by this measure.

Amendment agreed to.

Clause, as amended, agreed to.

Schedule III. (Distillation Regulations).

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Mr MAUGER

- I should like to direct the attention of the committee to rule 60, which provides that -

No label shall be affixed by a distiller to any bottles containing spirits unless the collector has given his



permission in writing to the affixing of such labels.

The principle of that rule we approve ; but it seems to me that this is the wrong place to insert such a provision, because it will apply only to Australian manufacturers, and, to my mind, will not be effective. It places a handicap upon Australian manufactures from which importers will be exempt. It seems to me not only unfair, but absolutely impracticable.

Unless I can be convinced that the rule is to be applied universally I shall ask the committee to reconsider it, with a view to striking it out altogether.

Mr. POYNTON(South Australia). - I would point out that the honorable member will also have to move in regard to rule 59, because in that we have decided that the names of all ingredients used in the manufacture of any liquors have to be placed upon the cases. I have the same objection to that rule that I had previously. It places the local distillers at a disadvantage as compared with foreign distillers. It may be argued that we should impose the same conditions on foreign distillers, but even though this were done our local distillers would carry on the whole of their operations under the close supervision of the officers of the Commonwealth, whilst foreign distillers would not be subject to any such oversight, and we might have all sorts of liquor introduced here from other countries without having any absolute guarantee against its impurity.

Mr THOMSON

- I agree very much with what the honorable member for Melbourne Ports has put forward, but it is very surprising how careful the honorable member becomes when anything affecting the local manufacturer crops up, and how very regardless he is with respect to the imported article.

Mr Mauger

- Australia first.

Mr THOMSON

- That is all very well, but the honorable member ought to be just to all parties, and I would point out that he supported a proposal in another Bill under which we prohibited the importation of a certain article, whilst we allowed it to be manufactured within the Commonwealth. I admit that quite unnecessary restrictions are provided for in this measure, and these rules were carried the other night in their present form, because, having taken it upon ourselves to place certain restrictions upon local distillers, there was no reason why we should not go a little further and extend those restrictions in the interests of the public. In rule 58, the provision that bottles must be packed in cases before they are delivered is altogether unnecessary. We do not make any such provision in connexion with breweries, because it is a common thing to see baskets and crates filled with bottles being taken out of the breweries for delivery to the various customers, it does seem absurd that distillers should not be allowed the same liberty, instead of being compelled to go to all the trouble of packing bottles in straw or sawdust, and enclosing them in cases, and thus giving the persons to whom they are delivered the trouble of unpacking them. Then again it is required that every case must have printed on it the name of the distiller, or the name of the distillery, and the place where the spirits were distilled.

Mr Mauger

- Does not that apply to imported liquors 1

Mr THOMSON

- Not at all.

Mr Mauger

- If it does not, I would not have any such provision in this Bill.

THOMSON. - This objection was raised the other night, but no notice was taken of it, although the provision was manifestly unjust to the local distiller. If the local distiller is to be placed on an equal footing with his foreign competitor, all these rules, 58, 59, and 60, will require to be altered. Rule 58 reads - The spirits must be put into imperial or reputed quart, or pint bottles, or flasks, and must be packed in cases containing one or more dozen imperial or reputed quart bottles, or flasks, the bottles in each case to be of uniform size.

I would suggest that we should omit the words - " and must be packed in cases containing one or more dozen imperial or reputed quart bottles or flasks."

Mr Kingston

- The honorable member would not wish the spirits to be warehoused in loose bottles 1

Mr THOMSON

- No; but this prevents even the delivery of spirits in loose bottles, and it seems ridiculous to provide that a manufacturer who has to make deliveries all round the city shall first put his goods into a case in the same way as if they had to be conveyed to another country or over a railway.

Mr KINGSTON

- There is no intention to harass business people by imposing unnecessary restrictions. The idea is that if the spirits are to be removed from the spirit store to the warehouse, they should be packed.

Mr Thomson

- If goods are to go into the warehouse, it will be right to pack them.

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Mr KINGSTON

- I think I can meet the honorable member's objection. I move -

That the words, "If not immediately removed from the distillery " be inserted after the word "must," line 2.

Amendment agreed to.

Mr. POYNTON(South Australia).Rule 59 reads -

Every case must have branded or painted thereon the name of the distiller, or the name of the distillery, and the place where the spirits were distilled, and any number or letter which the collector shall direct, also the materials of which the spirits have been made.

And I move -

That all the words after "direct" be omitted.

Mr KINGSTON

- I take it that there is almost a consensus of opinion that this should be done, and I am happy to be able to meet the honorable member.

Mr McCOLL

- The words now proposed to be omitted were inserted, after a great deal of discussion, in the interests of pure spirit, and of truth. When the Minister was asked why this rule was required, he said that it was necessary in order that the public might know the truth. We desire the public to know what they are getting, and only those who desire that the public should have an inferior article should support the amendment. I admit that we cannot make this provision apply to goods from outside, but we shall have an opportunity of subjecting them to similar conditions when the Tariff comes under consideration. If we do not succeed in applying the same conditions to the imported spirits, the Minister has power" under clause 80 to vary the rules laid down in the schedule, so as to insure that the local distiller shall not be placed at any disadvantage.

Mr. MAUGER(Melbourne Ports). - I am in favour of the principle that is sought to be applied by the rule as it stands, and if the same conditions could be applied to imported spirits, I would support it. If the Minister can assure the committee that he will see that the local distiller has fair play, I think we may be satisfied to allow the rule to stand.

Mr. POYNTON(South Australia).- It would be impossible to apply quite the same conditions to imported liquors as to those locally produced, because we shall have no opportunity of exercising supervision over the distillation of the spirits sent here from abroad. The foreign manufacturer might put any lie he liked upon the cases, and we should have no possible chance of checking him.

Mr. THOMSON(North Sydney).- I am fully in accord with those honorable members who desire to preserve the purity of whatever the public consume, but after consideration of the rule which was amended the other night, I have come to the conclusion that it in no way protects the public, because the mere fact of stating the materials from which spirits may be made affords no guarantee that those spirits are fit for human consumption. There is no such provision as regards imported spirits, and it is very doubtful whether any stipulations would be effective, except so far as they might be applied by the different States under their health laws. The case might be met by inserting the words " and if so prescribed " after the word " direct." That would enable the Minister to act as he might think just towards local distillers according to the provisions that may be made under the Tariff Bill with regard to imported spirits. If the honorable member for South Australia has no objection to withdraw his amendment, I think my suggestion would meet the views of both sides, and get over the present difficulty.

Amendment, by leave, withdrawn.

Amendment (by Mr. Thomson) proposed -

That the word, "also," line o, be omitted with a view to insert in lieu thereof "and if so prescribed."

Mr. McCOLL(Echuca). - I recognise that the conditions are at present somewhat unequal, and I am quite prepared to accept the amendment proposed, and to thank the honorable member for submitting it. We can fight the whole matter out when we get the Tariff before us, and an endeavour can then be made to place some restriction on the impure spirit.

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Mr Kingston

- The Government accept this happy issue out of all our troubles.

Amendment agreed to.

Mr. McCOLL(Echuca).- At the end of rule 100, which provides that before any spirits are taken out of the store for the purpose of fortifying wine, the quantity required shall be measured and a certificate issued and entry made, I propose to add certain words to test the decision we came to this afternoon. I do not think that honorable members realized, in voting against my proposal then, what a blow they struck at the Australian wine industry. I now ask whether I should be in order in moving that there be added to the rule the words, " and no Australian wine shall be fortified by any spirits made from roots, tubers, sugar, or molasses." That would not be the same amendment as before, because grain is not included.

The CHAIRMAN

- That is practically the same amendment, and it cannot be submitted again.

Form K (Test still licence) verbally amended.

Bill reported with further amendments.

EXCISE BILL

Second Reading

<page>4916</page>

Mr KINGSTON

- I move -

That this Bill be now read a second time.

I propose to take advantage of the short time that remains for the ' j5urpo.se of briefly explaining a Bill relating to excise. The Bill deals more particularly, so far as excise on a special article is concerned, with excise on tobacco, but it contains a number of clauses of general application which are required in connexion with excise, and some of which are familiar, I am sure, to honorable members in other Bills which have lately gone through the House. The scope and object of the Bill is to lay down rules which will apply to the regulation of excise matters generally. Honorable members will notice that the Bill is divided into fourteen parts, the first of which deals with interpretation, and contains the usual provisions. The second part consists of provisions as to administration, and these are based generally on provisions which are to be found in the Customs Bill. The Excise department will be administered by the Minister of State who administers the Customs, and the Comptroller-General will have the chief control of excise throughout the Commonwealth. It is also declarer<sup>1</sup>, that all officers of Customs shall be officers of excise, and all officers of excise shall be officers of Customs. Part III. refers to producers and dealers, and declares that no person shall produce material, or deal in material, unless he is registered as a producer or dealer. The bare statement of a proposition of this sort, unless further explained, may be somewhat alarming. But the Bill does not apply to ordinary cases of production and dealing, but simply to the production and dealing in excisable material, " material " being defined in the interpretation clause as including all "material used in the manufacture of excisable goods, and declared by proclamation to be material within the meaning of the Act." " Manufacture " and " manufacturer " are similarly declared to be respectively all processes in the manufacture of excisable goods, and all persons licensed under the Bill to manufacture excisable goods, so that, with respect to the word "material," no one need be the slightest degree alarmed. An ordinary person, in ninety-nine cases out of a hundred, will not be in the slightest degree interfered with ; but it is highly necessary, so far as excisable goods are concerned, that the authorities should have knowledge where these goods are produced, and where they are dealt with, so that there may be some check. That check is effected by securing the registration of those persons engaged in the particular pursuits ; and by the registration certain obligations are cast on them. They are not required to pay any fee for registration, because all the authorities desire to know is the whereabouts

of those who canyon those businesses. They are to make returns and give information when desired ; and I take it that provisions of this character are necessary, and that the powers can well be exercised without interfering unnecessarily with business 'liberty. Then, as regards the licensing of manufacturers of excisable articles, that is dealt with in Part IV. Clause 32 provides that licences to manufacture may be granted by the collector without limitation or subject to any specified limitation. The licensee is bound by the terms of his licence, and there are proper provisions for the saving of State licences until these are replaced under the provisions of this Bill. Security has to be given to the collector for compliance with the Bill, and a licence-fee has to be paid as prescribed. Part V. contains the usual provisions in regard to the supervision of factories, and provides for books to be kept by the manufacturer, and regulations for factories generally. Part VI. provides what has to be done by the manufacturer in connexion with the payment of duty, and the removal of excisable goods from factories and excise control. In Part VII. there are special provisions relating to tobacco, which, of course, it is necessary to include, and which are based mainly on existing provisions. In Part VIII. honorable members will find drawback provided for. Honorable members will remember we spent a good deal of time in discussing the question of drawback on the Customs Bill. That Bill could not provide for drawback on excise duty, because it was a Bill dealing simply with customs matters. In this Bill, however, we have introduced provisions which are practically the adaptation of the customs clauses to excise duty. Clause 72, for instance, declares that drawbacks of excise duty may be allowed on exportation in respect of excisable goods "in such cases, to such amount, a.nd in such manner as may be prescribed." Clause 73 makes the provision required by the special circumstances of Western Australia, and the remaining clauses are based on, and almost literally follow, the customs provisions on a similar subject. Part IX. gives certain powers to officers, and relates to their protection. Here, of course, are to be found provisions for the protection of officers pending parliamentary confirmation of action necessary on account of Tariff alteration, similar to those we spent some time in elaborating and adapting in the Customs Bill. Part X. contains the penal provisions, and Part XI. refers to excise prosecutions, and deals with these on the same lines as are followed in the Customs Bill. Part XII. provides for disputes as to duty, and Part X [II. for the settlement of cases by the Minister. Part XIV. deals with miscellaneous matters, amongst others that of prowling for the adjustment of rights, between the parties on a Tariff alteration affecting goods subject to excise. This is done on the same lines as those on which we provided for the adjustment of rights in connexion with goods subject to customs duty. Power to make regulations is given, and in the schedule there are forms and special regulations relating to tobacco. These are the simple heads of the Bill, and I think they are all that is necessary I should deal with at the present time. Granted, as we must grant, that a Bill of this sort is requisite, the simple point remains as to what its precise terms shall be, and that, it seems to the Government, is a matter more fitted for consideration in committee. The sooner we address ourselves to the consideration of the clauses, and complete this, the last of the Bills which Ought to be passed, for obvious' reasons, at the earliest possible moment, the better it will be. I hope that the consideration of this measure will be facilitated by the fact that all of us are familiar with the subject of customs and excise from the experience we have gained this session. The provisions, or most of them, are those with which we are familiar, and which are here adapted to a certain purpose. This Bill will dispose of the question of regulations for the Tariff excise, and will enable the question of excise generally, in relation to any particular article, to be more conveniently dealt with at any moment we desire.

Mr SYDNEY SMITH

- I think it would be better to postpone the consideration of the second reading of this Bill. I did not receive a copy of the measure until two or three minutes ago. Judging from the remarks of the Minister, the measure is an extensive one, and there may be principles involved in it. It would be only fair for honorable members to have an opportunity to see what the Bill contains, and also to address the House on the question. We have no desire in any way to obstruct business.

Mr SPEAKER

-. - I cannot allow any discussion of the question to proceed unless the honorable member is prepared to debate the second reading.

Mr KINGSTON

- As a matter of fact there is a degree of fairness in the request of the honorable member which I cheerfully acknowledge. Under the circumstances I am content that the honorable member should move

the adjournment of the debate.

Debate (on motion by Mr. Sydney Smith) adjourned.

#### ADJOURNMENT

Aborigines of West Australia : Military Pay Committee : Payment of State Bounties : Order of Business  
Attorney-General

Mr DEAKIN

. - I regret that we are likely to lose half-an-hour to-day, but I suppose it would scarcely be worth while asking honorable members to enter upon the consideration of the two important Bills before us in the short space of time remaining at our disposal to-day. Under these circumstances I am reluctantly compelled to move -

That the House do now adjourn.

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Mr HENRY WILLIS

- I wish to ask if the Government will set apart a day to enable the discussion upon the motion of the honorable member for Coolgardie, having reference to the condition of the aboriginal inhabitants of Western Australia, to be completed ?

Mr MAUGER

- In view of the very great interest which is being taken in the Defence Bill, wish to ask whether the Minister of Defence will cause the report of the Military Pay Committee to be laid upon the table of the House?

Mr. SYDNEYSMITH (Macquarie).I wish to ask the Minister for Trade and Customs a question in reference to a paragraph which appeared in one of the Melbourne daily papers yesterday, to the effect that the State Government of Victoria, with the consent of the Federal Government, had resumed the payment of bounties. A long account was given of the various bounties referred to. It appears from the paragraph in question that the bounties had been suspended for some considerable time pending the result of correspondence as to the determination of the Federal Government upon the question. I should like to know whether the Government have done anything in regard to this matter, and whether consent has been given to the payment of bounties in the State of Victoria. I also desire to be informed what the bounties are, and whether the Government will lay the papers on the table, in order that honorable members may know exactly what is being done.

Mr KINGSTON

- Of course there is no objection to giving the House every information available on the subject. The honorable member's question is somewhat in the nature of a surprise ; I have not yet had time to consider the matter, and there was not much time for the Attorney-General to communicate with in reference to it this morning. The authority to deal with bounties has passed over to the Commonwealth. That control implies that the consent of the Federal authority is requisite to the payment of bounties by the States. The terms of the Constitution are such that the light of continuance of certain bounties is preserved. The matter of those bounties was brought under my notice, and the consent which was given was to the payment by the State of bounties which it seemed to me were lawfully required to be paid. I will look into the matter further, with the object of giving fuller information to the honorable member.

Mr PIESE

- I should like to ask the Attorney-General to indicate the order in which business will be dealt with on Wednesday next.

Mr. DEAKIN(Ballarat - Attorney-General). - It is impossible to answer the question asked by the honorable member for Robertson in reference to the setting apart of a particular day for the discussion of the motion of the honorable member for Coolgardie, or for sundry other important motions which appear on the business-paper, and which have been postponed from time to time. The imminence of the Tariff discussion, the important Bills now before the House, and the addition of one or two others within the next week or so, will occupy all the sittings which the most energetic member is prepared to attend.. The consideration of these motions will require to remain over till that pressure is removed. The Government will then be glad, in what may be called the spare time of the House, to give an opportunity for the discussion of such matters as those brought forward by the honorable member for Tasmania, Mr. O'Malley, who, on more than one occasion, has gracefully conceded the time which might have been

claimed by him for the transaction of public business. The honorable member for Coolgardie will be treated in the same manner. With the consent of my colleague, the Minister of Defence, I shall be glad to lay upon the table the report of the Military Pay Committee. As to the order of business, I may state that on Wednesday next, we shall despatch the Service and Execution of Process Bill to another place. The Distillation Bill merely needs the formal report, and the Customs Bill has been returned to us with a few amendments.

Mr Piesse

- About 150 of them ?

Mr DEAKIN

- Very few, if any, of them will, I think, require to be brought under the attention of this Chamber. When we have assisted the passage of business between the two Houses, the main business, of course, will be the discussion of the provisions of the Immigration Restriction Bill.

Question resolved in the affirmative.

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15:48:00

House adjourned at 3.48 p.m.