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1901-12-11

House of Representatives.

Mr. Speaker took the chair at 2.30 p.m., and read prayers.

QUESTIONS

TRANSFERENCE OF OFFICERS

Mr TUDOR

- I desire to ask the Prime Minister, without notice, if he has considered the report prepared by Mr. Cerutti for the Victorian Public Service Board relating to officers transferred to the Commonwealth, and whose positions may be affected by section 19, Act 1721, Vict., 1900? If so, what action does he intend to take upon it?

Minister for External Affairs

Mr BARTON

- This is a matter which, at the present stage, belongs more particularly to the Minister for Home Affairs. The report has not yet reached me.

CUSTOMS ADMINISTRATION

Mr MAHON

- Does the Minister for Trade and Customs propose to give fresh consideration to the question of refunds? The duty upon condensed milk has been reduced in Committee of Ways and Means from 1½d. to 1d. per lb., but an importer who has paid the larger amount upon a consignment of 10,000 cases cannot allow the milk to go into consumption at a lower price than will cover that duty, unless he can get a refund of the difference between the rate collected by the Government and that fixed by the committee.

Mr SPEAKER

- I ask the honorable member not to discuss the question.

Mr MAHON

- I shall try not to do so. I wish simply to explain the matter, so that the Minister may have no difficulty in giving me an answer.

Minister for Trade and Customs

Mr KINGSTON

- The policy of the Government is, as before stated, to propose to the House provisions on the lines of those contained in the New Zealand Act. A Bill will be introduced, and it will be left entirely to honorable members to decide what course shall be taken.

SOUTH AFRICAN WAR

Mr McDONALD

- Is it the intention of the Government to send a further contingent to South Africa? If so, will they take the House into their confidence before coming to any determination in the matter?

Mr BARTON

- No determination has yet been come to upon this matter, and the Government will immediately inform the House when they do come to a determination upon it.

Mr McDONALD

- Before acting upon that determination?

Mr BARTON

- Yes. When they come to a determination they will inform the House, so that any honorable member may take such steps in regard to the matter as may seem desirable to him.

CONFERENCE WITH CANADA

Sir WILLIAM McMILLAN

- Will the Prime Minister give the House some information in regard to a paragraph which appears in to-day's newspaper, in regard to a proposal for a conference in London in June next, between himself and Sir Wilfrid Laurier, the Prime Minister of Canada.

Mr BARTON

- I received yesterday a cablegram from Sir Wilfrid Laurier, asking whether, in the event of Australia being represented at the Coronation, this Government would consent to a conference with representatives of Canada and New Zealand, preferably in June, but otherwise at any convenient time, upon such subjects

as cable and postal communication, trade, and transportation. Whether the word " transportation " means the transport of goods by freight steamers, or has some other meaning, I am not in a position to say. It was further suggested that such a conference, if held, might be productive of good. I have directed a cable message to be sent back to Sir Wilfrid Laurier, saying that this Government has not yet received an official invitation to be represented at the coronation, but that if such invitation is given and accepted, our representative will be glad to co-operate with the representatives of Canada and New Zealand in the suggested conference.

CHRISTMAS ADJOURNMENT

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Sir WILLIAM McMILLAN

- Has the Prime Minister reconsidered the question of the Christmas adjournment? I understand that a great many honorable members would be glad to sit every morning for the remainder of this week, and until 11.30 at night, if the House is to be adjourned at one o'clock on Saturday next, so that those who have pressing business to attend to in other States may get back there for the week before Christmas.

Mr BARTON

- I have had no opportunity, since the adjournment of the House last night, to consult my colleagues or the friends of the Ministry upon this matter ; but, upon a survey, of the whole position, I shall be content to move the adjournment of the House at one o'clock on Saturday next for the Christmas holidays if honorable members will consent to meet to-morrow morning and on Saturday at 10.30. I think honorable members will expect, in the present position of Government business, that we shall not think of adjourning at four o'clock on Friday afternoon, but shall continue our sitting until such an hour as seems a proper one in view of the work to be undertaken. With the leave of the House, I move -

That the House meet each day for the remainder of this week, including Saturday, at half-past . 10 a.m., and that Government business take precedence of all other notices of motion and orders of the day.

Question resolved in the affirmative.

PAPERS

Ministers laid on the table the following papers : -

A report upon the operation of the Hare-Clark system of voting in Tasmania, promised on the 17th July.

Copy of letter from the Premier of Queensland, dated 3rd December, in reply to a letter from the Prime Minister, dated 12th November, in reference to Pacific Island Labourers Bill.

The Clerk laid on the table a paper containing certain details in connexion with the Commonwealth elections in Tasmania.

PACIFIC ISLAND LABOURERS BILL

Bill returned from the Senate with amendments.

IMMIGRATION RESTRICTION BILL

Bill returned from the Senate with amendments.

Mr BARTON

- May I ask honorable members to familiarize themselves between now and to-morrow with the amendments which have been made in these Bills by the Senate, so that they may be in a position to assist the Government in passing them before we rise on Saturday next ?

QUESTIONS

NEWCASTLE ARMY MEDICAL CORPS

Mr WATKINS

asked the Minister for Defence, upon notice -

Is it a fact that the uniforms for the Newcastle Army Medical Corps, promised over twelve months ago, have not yet been received ? 2. If so, what is the reason of the delay, and when will they be delivered ?

Minister for Defence

Sir JOHN FORREST

- The answers to the honorable member's questions are as follow : - 1 and 2.No. Field service uniform was promised, and that has been supplied.

DUTY ON COTTON GOODS

Mr PHILLIPS

asked the Minister for Trade and Customs, upon notice -

If he is aware that considerable confusion exists at the Customs department in connexion with the definition of certain cotton goods as to whether they are subject to a duty of 10 per cent. or should be admitted free. If so, will he have any objection to the appointment of a board of experts, consisting of two members representing the exporters and two members representing the Chamber of Manufactures, who will confer with the officers of the Customs department and finally settle all disputed items ?

Mr KINGSTON

- The answer to the the honorable member's question is as follows : -

The confusion referred to has been practically remedied by the amendment relating to cottons, linens, plain, white, or unbleached, adopted by the committee last Monday, and brought into force on Tuesday morning. It is not considered necessary to appoint a board as suggested, but expert information is being collected, and will be utilized with a view to any further modification in the public interest.

WESTERN AUSTRALIAN MOUNTED INFANTRY

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Mr FOWLER

asked the Minister for Defence, upon notice -

Whether it is correct -

That the officer commanding the 1st Battalion of the Western Australian Infantry is taking steps to procure uniforms for this regiment in England ?

That the officer commanding the Fremantle Mounted Infantry has had members of this force measured for uniforms intended to be made in India.?

Whether, in accordance with the declared policy of the Government, the Minister will take steps to insure that, as far as practicable, the clothing of the Defence forces shall be made within the Commonwealth ?

Sir JOHN FORREST

- The answers to the honorable member's questions are as follow : -

(a) and (b) Inquiry is being made.

Steps have been taken already to have this done.

TARIFF

In Committee of Ways and Means : -(Consideration resumed from 10th December, vide page 8490.)

Item 74. - Manufactures of Metal, viz.: - Agricultural, horticultural, and viticultural machinery and implements, n.e.i., including mould boards, shares, and plough plates cut to shape, sheepshearing machines, horse gears ; engines, . portable, fixed on a locomotive boiler horizontally, with wheels and shafts suitable for transport, traction and oil engines, and road-making ploughs and machines, ad valorem, 15 percent.

Upon which Sir William McMillan had moved, by way of amendment -

That the words "and on and after 12th December, 1901, free," be added to the duty "Manufactured of metal, viz. : - Agricultural, horticultural, and viticultural implements, &c., ad valorem, 15 per cent."

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Mr BROWN

- When I addressed the committee last night, I read an extract from a Sydney newspaper relating to a certain large manufacturer of harvesting machinery in Victoria. I have since received a communication from Mr. H. V. McKay, the head of that particular firm, which bears out to a certain extent what I read last evening. Mr. McKay states that the duty of 15 per cent. ad valorem will not be sufficient to meet his case, and he suggests that it should be fixed at £1 5 per machine, in order to afford him what he considers adequate protection. He states that if this special concession is given, he will not raise the present price of his harvesters. He points out that the cost of harvesting is very largely reduced by the use of the machine he manufactures, and says -

To show that the complete harvester is a necessity, I have only to state that it reduces the cost of garnering the grain, as compared with the reaper and binder, by at least 10s. per acre, and as compared with the stripper and winnower, by 5s. per acre. (The harvester does all the work for 1s. per acre.)

This is the special ground upon which he bases his claim for consideration, but, as I said, in addition to this the local manufacturers of implements and machinery are placed at a disadvantage under the Tariff, because whilst a preferential duty of 15 per cent. is imposed on their manufactures, a large amount of their raw material, which has to be, imported, is subject to a duty of 25 per cent. That is not the way in

which to formulate a Tariff with a view to giving encouragement to the manufacturing industries. I am desirous to see farming implements, and all kinds of machinery necessary for the carrying on of industrial operations, manufactured within the Commonwealth, and am prepared to give every legitimate encouragement to manufacturers, but I do not wish to see them placed in such a position that they are able to dictate terms to the primary producers. I have no doubt from my own knowledge that Mr. McKay has one of the best and most up-to-date machines on the market, and I admit that he deserves every encouragement. At the same time I cannot agree to his proposal for a £15 duty, or even to the Government proposal. I should prefer to see encouragement given in the form of a bonus. We should then know the exact extent to which we are undertaking obligations, and could determine what standard of pay should be adopted for those employed in the factories. We should also be able to protect the farmers against any possible combination with the object of forcing up prices. It was claimed by the Minister for Trade and Customs yesterday that the primary producers were receiving special consideration at the hands of the Government in the shape of the money spent in road - making, and in providing them with means of communication with the centres of population and the markets for their produce ; but I would point out that these works are not carried out specially for the benefit of the primary producers. They are intended to advance the interests of the community as a whole, and it is generally recognised that everything that tends to the development of our natural resources must be to the advantage of the State. There is no analogy, therefore, between the consideration that may be given to the primary producers in that way and the preferential treatment extended to manufacturers by means of protective duties. In connexion with this aspect of the matter Mr. McKay points out that -

At the present time the freight from New York to Melbourne amounts to less than I have to pay before I can deliver my manufactures at Melbourne, Geelong, or Portland, and where, then, does the "natural protection" afforded by distance and established trade come in ?

Assuming that Mr. McKay has to pay ordinary rates, he is no doubt placed at a disadvantage in competing against Melbourne manufacturers and importers. That is a matter that may possibly be remedied by the State Government, but this Parliament has no control over it at present. The disability under which he labours, however, applies equally to all producers who have inland charges to contend against. It has been stated by the acting leader of the Opposition that the Tariff was devised for the twofold purpose of raising a certain amount of revenue, and of giving protection to established industries, and that Victorian manufacturers have been conceded special treatment. I desire to point out how the Tariff differentiates in this particular between the fostered industries of the city of Melbourne and the primary producers - notably the farmers and settlers engaged in agricultural and horticultural pursuits. Whilst a special duty is to be placed on agricultural implements and other articles required by the farmers, machinery for scouring, washing, carding, spinning, weaving, and finishing the manufacture of fibrous materials, and machine tools used in the manufacture of apparel and attire, in book-binding, boot-making, brush-making, glass making and working, hat-making, india-rubber working, leather-dressing, metal - working, paper - cutting, finishing and folding, stone working, tile, pipe, and brick making, and wood working, are specially exempted from duty. "Whilst the farmer,, the squatter, and the miner are subjected to heavy taxation, the machinery that is used by the manufacturer in the city in carrying on industries which are already protected is placed upon the free list. It is desirable that we should place the primary producers in this respect on the same footing as are those engaged in other forms of production. The position at present is so anomalous that it only needs to be stated to carry conviction to honorable members. With respect to the pastoral industry, I see that shearing machines are to be subjected to duty. I know it is contended that the exemption of the ordinary sheep shears will meet the difficulty. But I wish to point out that shearing by machinery is coming very largely into vogue. This new method is in the interests alike of the shearer and the producer in that it enables the former to do better work than he could previously do with the expenditure of less energy, whilst allowing the latter to secure a greater quantity of wool than formerly, and- to prevent his sheep from being butchered, as often 'happens under' the primitive method of shearing by hand. There is absolutely nothing in the contention that the introduction of sheep-shearing machinery will lead to a reduction of wages. Indeed there is everything in favour of the machine as against the old hand shears. I should like to know whether the proposed tax upon these . machines covers all the parts of them, because a custom has grown up under which the combs and cutters of the machines are purchased by the shearer. If these are taxed as part of the

mechanism the charge will fall upon the workers, just as directly as would a tax upon the shears. I hope that the committee will give some consideration to the primary producer, and that the result of our deliberations will be to place these lines upon the free list.

Mr. RONALD(Southern Melbourne.)I think that the proposals of the Government are admirably fitted to meet the demands of the last speaker: It seems to me that they offer the best terms possible to our primary producers, in that they give them local machinery at a small cost, and enable them to get their repairs done here. It has been repeatedly demonstrated during the course of this debate that in Victoria we have been supplying the farmers with numerous implements which are absolutely indispensable to them at a less cost than that at which they can be procured in New South Wales and Queensland. This is notably the case in connexion with plough shares. Yet it is only what might be expected. The fact that we make these implements locally is evidence that we can advantageously repair them, because it is apparent that if they are imported the repairs cannot be carried out# with as much satisfaction to the user. With the exception of those machines which are patented, we can produce almost every kind of agricultural implement that is required in Australia. For example, the ploughs which are manufactured locally are much better than are the imported ploughs, because the workers in iron know the nature of our climate, and the use to which the shares are to be put, and can, therefore, adapt their implements to our local needs much better than can any foreign manufacturer. In Victoria we have wages boards and a Factories Act under which the payment of a minimum wage is insisted upon. When we consider the great difference between the wages which are paid here, and those which are paid elsewhere, we cannot - if we are to insist upon the payment of a minimum wage and the carrying out of the conditions of the Factories Act- abandon the policy of protection. When we entered the federation there was an understanding that the laws of each State would be respected and conserved. It is absolutely impossible to do that if we do not protect existing industries from the influx of foreign manufactures. In the year 1900 Victoria imported something like £459,369 worth of machinery in spite of a protection of 35 per cent. If that machinery had been made here what an army of intelligent workmen would have been employed in its production ! We must remember that in building up a nation skilled artificers are essential to our industrial wealth. No nation can exist that has not a very large army of skilled mechanics, and nowadays not only the arts of peace but the arts of war depend upon the mechanic. No nation can become great which is not a manufacturing nation, and we cannot become a manufacturing nation unless we protect our industries from the cheap labour of the world. I speak on behalf of several large foundries which are established in my electorate, and I should be failing in my duty if I did not lift up my voice in defence of the men who sent me here. I ask the committee to give this industry a substantial measure of protection.

Mr A McLEAN

- Probably there are few electorates in the Commonwealth that are more deeply interested in the line now under consideration than that which I have the honour to represent. My constituency, which is about 200 miles long, contains very few large holdings. The great bulk of my constituents are farmers and dairymen, and it will be readily understood that they are vitally interested in any question which affects the cost of the machinery and implements which are used in connexion with their industry. In that respect, of course, they are typical of the great majority of the primary producers throughout the Commonwealth. Therefore, my efforts will be directed to securing to them the best and cheapest quality of implements and machinery that can possibly be obtained. To that extent I am thoroughly at one with the acting leader of the Opposition ; but I must confess that I differ with him as to the most desirable means of securing the best and cheapest implements. I am thoroughly in favour of placing on the free list any implements and machinery which cannot be manufactured within the Commonwealth, and of giving a moderate degree of protection to industries which have been successfully established, in order to enable them to compete with the importers.

Mr Thomas

- What does the honorable member mean by " successfully."

Mr A McLEAN

- I mean articles that can be successfully produced here at no inordinate cost - that can be produced at a reasonable cost.

Mr Thomas

- What isa " reasonable cost"?

Mr A McLEAN

- The cheapest that we can get consistently with good quality. The honorable member for the Barrier knows that agricultural implements manufactured in Victoria have successfully competed against the world in the markets of New South Wales to the extent of over £80,000 per annum, and that is the best possible proof of the success of the industry. If the industry were stamped out of existence the importers would raise prices to a level very much above those which now rule. In fact, I can point to implements which are not produced to any large extent in the Commonwealth, but the importers' prices of which are 100 per cent. above the cost of landing here. Ploughs, for instance, that can be delivered here with all charges paid at £4 10s., are sold by the importers at £9. I am not prepared to stamp out local industries, and give 100 per cent. profit to importers. The policy which will guide me in dealing with this Tariff is to give reasonable protection - and I believe 15 per cent. is not one whit too much: - to those industries which can be successfully carried on here, and, to place on the free list those articles which cannot be made in Australia. If the Government are prepared to act in that direction, I should advise them to ascertain what agricultural implements are not successfully manufactured here.

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Sir George Turner

- We are trying to ascertain what implements are not made here, with a view of putting them on the free list. That has been our desire all through.

Mr A McLEAN

- To that extent the Government shall have my support ; because, as I say, I believe 15 per cent. is not too much to provoke healthy competition. A high duty may give a monopoly to the manufacturer, and I do not want to see that, though I still less want to see a monopoly given to importers.

Mr MAHON

- The honorable member for Gippsland has pointed out that the cost of a plough landed in Victoria sometimes exceeds by 100 percent. the cost of the same article as quoted in America.

Mr A McLEAN

- With all charges paid.

Sir Malcolm McEacharn

- Sometimes the difference is as much as 150 per cent.

Mr MAHON

-That may arise from various causes. There may be a ring of importers, or there may be a ring of protected manufacturers in America.

Mr A McLEAN

- These prices rule where there is no competition from the local producer.

Mr MAHON

- I do not think the honorable member is right in asserting that the importer is always the cause of the increased prices. But, passing from that aspect of the matter, I should like to ask the honorable member how he reconciles his statement about the excessive prices which these commodities are likely to carry in Australia with the statement of the Minister for Trade and Customs made last night, that if we do not impose these duties we shall be flooded with the cheap surplus products of the world. Which of these protectionist apostles are we to believe ?

Mr A McLEAN

- The statements are not inconsistent in any degree.

Mr MAHON

- I shall be very pleased to hear the honorable member attempt to reconcile the statements.

Mr A McLEAN

- I was speaking of a period when the local industries had been shut down, while the Minister was referring to the immediate effect.

Mr MAHON

- It is wonderful that where there is no duty, local industries are not shut down. Agricultural machinery can be and is being made in New South Wales.

Mr Ronald

- To what extent ?

Mr MAHON

- Possibly not to a very large extent. I do not carry all the figures of all the States in my head, so I may be excused from attempting to quote them. I merely want the honorable member for Gippsland, or some other honorable member, to reconcile what appear to me to be two irreconcilable statements. I sympathize with the honorable member for Southern Melbourne in his effort to represent and conserve the interests of his constituents. But surely it will be allowed that a member like myself, whose constituents get no benefit from the Tariff, has an interest in seeing that they are not unnecessarily or improperly robbed. While I give the honorable member every sympathy, I ask some sympathy from him ; and if the honorable member is right in appealing on behalf of his constituents, I also am right in appealing to the impartial and independent members of the committee for some consideration for people who will receive no advantage from the Tariff. The honorable member for Southern Melbourne further said that it was a condition precedent to federation that State rights should be respected. That is an observation which cuts both ways. If the honorable member means that the State rights of Victoria to protection are to be respected, then he must also respect the free-trade rights of the people of New South Wales and of Western Australia. But if these rights be respected what is to become of the common Tariff? We are merely playing at legislation if the honorable member's ideas are to be carried out. Surely the honorable member knows that the Tariff we are framing is not for one State, but for the six States of the Commonwealth.

Mr Ronald

-Did I not say that the Tariff is a compromise ?

Mr MAHON

- The compromise that the honorable member likes is one in which the other man gives away everything. He has gone straight for the extreme proposal of the Government, which he now tells me is a compromise.

Mr Kingston

- So it is.

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Mr MAHON

- A duty of 15 per cent. represents the extreme demands of the Minister for Trade and Customs. A fair compromise in my opinion would be the duty of about 5 per cent. which is levied under the Western Australian Tariff.

Mr Ronald

- That is the honorable member's idea of protection.

Mr MAHON

- If the honorable member thinks I am in any way committed to protection he is mistaken, and I should think that even the Minister for Customs is under no delusion of that sort. I do not believe in protection in any shape or form, though at the same time I do not believe in doing any damage that can possibly be avoided to an established industry. Now that we are discussing this interminable question of free-trade and protection, I should say that if honorable members really want to protect industries, they might do it in a better way by means of bonuses?

Mr Ronald

- That is a system which lends itself to political corruption every time.

Mr MAHON

- And to what does protection lend itself? Look at the lobbies of this chamber every day crowded with men soliciting briefs for their industries ! Is it possible that a system of bonuses could lend itself more to political corruption than a system of duties?

Mr Ronald

- It is highly probable.

Mr MAHON

- When we give a bonus the State knows exactly how much is being paid for the promotion of any particular industry, whereas under Customs duties people are robbed and really do not know of how much. I cannot understand how a forward democrat like the Minister of Trade and Customs - a gentleman of extreme views, who so often goes to America for his ideas - should not have been able to discover a

better system of protection than is here proposed. Why does he not insist on patentees of expensive machinery carrying on their manufacturing operations within the Commonwealth ?

Mr Kingston

- We can discuss that next session in connexion with the Patents Bill.

Mr MAHON

- The Minister for Trade and Customs proposes to leave over a matter which could well be dealt with in this Bill. The right honorable gentleman could very well say to those people who are manufacturing cash registers, linotypes, monotypes, and other expensive patent machinery on which they are making from 400 per cent. to 500 per cent. over the cost price - " We give you the benefit of our patent laws and of our Custom-house, but we are not going to do so after a certain time, say a year or eighteen months ; and, unless you manufacture the article in the Commonwealth, you shall not have the advantage of our laws."

Mr Kingston

- That can be provided for in the Patents Bill.

Mr MAHON

- Possibly I am wrong in suggesting that such a provision could be put in this Bill. But, in any case, I ask the Minister for Trade and Customs how he justifies putting linotypes and monotypes, machines which can only be purchased by rich men, and which save labour enormously, enabling some newspaper owners to clear from £50,000 to £80,000 a year, on the free list, while taxing the poor farmer's reaper and binder.

Mr Kingston

- Reapers and binders are free here.

Mr MAHON

- I was not aware that reapers and binders are free, but, in any case, there are chaff-cutters, harrows, horse gears, ploughshares, and other implements on all of which duties are levied. I wish the Minister for Defence were here, because I have a little to say about the position of the unfortunate Western Australian farmer under this Tariff. This Tariff, as the Minister for Defence well knows, will give no benefit to the Western Australian farmer, or, at any rate, very little benefit, and certainly none whatever to the miner. What did the Minister for Defence, when Premier of Western Australia, do? The right honorable gentleman had studied the interests of the Western Australian farmer for a great many years, and the sort of duties he imposed on machinery were chaff-cutters 5 per cent., harrows free, horse-gear 5 per cent., and ploughs and shares free. These commodities are very largely imported into Western Australia.

Mr Kingston

- The people of Western Australia can get them free from the people of the eastern States if they like.

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Mr MAHON

- Our people will get them with the duty against the foreign article added. Surely honorable members know that farmers will not buy a foreign article if they can get a locally-made article as good and as cheap. In Western Australia last year the duty was the same on foreign and on Australian manufactures, and Western Australia in that year imported £11,916 worth of agricultural machinery manufactured in Great Britain and foreign countries, and £12,071 worth of agricultural machinery manufactured in the Australian States. A duty of 15 per cent. upon the importation of British and foreign machinery into Western Australia would produce £1,787 8s. ; but the Treasurer expects to get a return of only £750, so that he evidently thinks that the effect of the duty will be to shut out a very large part of the importation from Great Britain and other foreign countries. Hitherto Australian-made machinery has been able to compete in the New South Wales and Western Australian markets with the machinery manufactured in Great Britain and in foreign countries, and surely, with the larger market of the Commonwealth open to them, manufacturers will not want a protection of 15 per cent. against foreign competition. I should like some of the protectionists on the other side of the Chamber to explain the discrepancy between the statement of the Minister for Trade and Customs that, if we have a free port, the surplus products of the world will be sent here at a very low price, and the statement of the honorable member for Gippsland that, without a duty, the cost of ploughs and other agricultural implements will be increased by over 100 per cent. as compared with the American prices.

Mr MAUGER

- I shall endeavour to answer the honorable member's question. The honorable member for Gippsland stated that the result of freetrade would be to increase prices, and the honorable member for Coolgardie asks us to reconcile that statement with the statement of other protectionists that without a duty the market will be flooded with cheap foreign-made goods. If the honorable member for Coolgardie were acquainted with business transactions, he would easily realize the position. It does not follow that because goods are sent to Australia at a ridiculously low price the consumer benefits. As a matter of fact, the distributing houses regulate the trade, and pocket the difference between the cost of the article and the price charged to the consumer.

Mr Thomas

- Does that apply to Denton hats?

Mr MAUGER

- I do not think so, because there local competition regulates the market. I come now to deal with the question at issue, and I wish to begin by giving a list of the machinery which is being successfully manufactured in Victoria, and I believe in New South Wales and South Australia also. The following implements are being manufactured in those States:- Ploughs, harvesters, strippers, winnowers, harrows, horse-hoes and garden-cultivators, field cultivators, grain-drills, wool-presses, chaff-cutters, horse-works, bag-fillers, corn-crushers, straw-pressers, turnip-slicers, rootpulpers, and maize-shellers.

Mr V L SOLOMON

- Yet the honorable member for Gippsland says that American ploughs are being sold here at 100 percent. above American prices. ,

Mr MAUGER

- That proves that the farmers of this country do not get the advantage of the cheap prices prevailing in America, though the American machinery is sent into this market cheaply enough. The honorable member for North Sydney asked last night when will the time come when we shall not require protection, and he stated that 30 years ago the protectionists pleaded that after a time our industries would be able to maintain their prestige without protection. I do not make myself responsible for the statement that we shall be able to do without protection after a certain period, and my answer to the honorable member's question last night was that we shall be able to do without it when conditions are equal and Australians get fair play.

Mr McDonald

- That answer might mean anything or nothing.

Mr MAUGER

- It means a great deal. Our manufacturers have to pay their employes fair rates of wages ; the men work only for certain hours, and various conditions are imposed by State legislation. In New South Wales, for instance, they have just passed an Arbitration and Conciliation Act, providing for the hearing of disputes between employes and employers. I ask, then, is it fair to compel our manufacturers, who have to carry on their industry under these conditions, to compete in the open market with manufacturers who pay lower wages and work their men longer hours, and are not subjected to similar restrictions ?

Mr McDonald

- Does the honorable member expect to get control of the whole Australian market for our own workmen ? Is that the object of the protectionists?

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Mr MAUGER

- That is my object. Local competition will prevent the public from suffering. Then, if our manufacturers and workmen are given fair play, they will have no reason to fear the competition of the manufacturers and workmen in any other part of the world.

Mr Hughes

- What does the honorable member call " fair play" ?

Mr MAUGER

- I will give an illustration of what I term unfair play. The moment we commenced to manufacture woollens successfully, our patterns were sent home, and a shoddy imitation of our goods was sent out here, undermining our trade, and ruining our mills. Is it fair that goods manufactured by Australian enterprise, from patterns of Australian invention, should be imitated by the manufacturers of Canada and America,

and the imitations sent here to destroy our business?

Sir William McMillan

- Are not English patterns sometimes copied and used here ?

Mr MAUGER

- Two wrongs do not make a right, though I never heard of that being done.

Mr Henry Willis

- Has the honorable member heard of imitation fur being used in the hat trade?

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Mr MAUGER

- No. There is no occasion to imitate fur, because we have rabbit fur in any quantity right at our doors.

The question is whether we shall subject our local manufacturers to reasonable conditions if we expose them to the unrestricted competition of the outside world. From the first day that harvesters were locally manufactured in Victoria, the price has been gradually decreased. The price of the first harvester, fifteen years ago, was £100, but the machines are now sold at from £75 to £80. From fair competition with similar harvesters made in other parts of the world, we have nothing to fear, but it is not fair to our farmers, or to our manufacturers, or to the community generally, that spurious imitations of what is peculiarly an Australian invention should be placed upon our market, to the prejudice of the locally-manufactured article. I have here a number of testimonials from practical farmers, who speak in the highest terms of the good qualities of our harvesters. Mr. Stephen Free, of Queensland, says - I have much pleasure in informing you that the complete harvester I purchased from you last season has given me unbounded satisfaction. I harvested 170 acres with it, yielding three to eight bags per acre and averaging twelve acres per day, turning out a better sample than I have ever had from a threshing machine. The cost of harvesting same did not exceed 1s. per acre. I consider the machine is as good now as when I got it, and it has not cost me 1s. for repairs. I am also satisfied that the waste is a great deal less than with the reaper and binder, and I shall certainly recommend it to any one requiring a harvesting machine.

I could quote a number of other testimonials from practical farmers who (have tried the harvesters, and who state that for utility and good workmanship they will compare with any imported machine that they have ever had anything to do with. I am quite convinced that if the proposal of the Government - which to my mind is altogether inadequate - is not agreed to, great injury will be done to an important industry. I should like to see a fixed duty on these machines. I believe ad valorem duties open the door to all kinds of fraud, and give no assurance of anything like fair play to the local manufacturer. Through the "cooking" of invoices goods may be introduced here at valuations far below their real worth, and may thus escape the payment of a large amount of duty, and be brought into unfair competition with local manufacturers. I know it is useless to propose a fixed duty, but I believe the time will come when it will be generally recognized that ad valorem duties are unfair to the manufacturer and to the Customs department. Over 1,100 men are employed in the manufacture of agricultural implements in Victoria, and no similar conditions can be shown in New South Wales. It is true that in that State they have their iron works and engineering shops; but the men engaged in making agricultural implements in New South Wales do not number one-third of those similarly employed in Victoria. The Victorian employees earn good wages, work only eight hours per day, and give to the consumers as good value as was ever obtained in Australia. Will honorable members be so unpatriotic as to disregard Australian interests by reducing or abolishing this duty? I feel sure that it will be more to our interests to increase the duty, because I have never had anything approaching proof that the users of agricultural machinery are called upon to pay higher prices on account of the duty. In Canada and in America they have imposed heavy protective duties on agricultural machinery, and yet they supply all their own requirements, and export largely in addition. This has occurred in countries where agricultural settlement has proceeded in a way unparalleled in the history of the world, and there is no reason why we should not repeat their experiences. We are told by the advocates of free-trade that we should not manufacture iron, or boots, or hats or machinery.

Mr JOSEPH COOK

- Who says so ?.

Mr MAUGER

- We are always being told that these industries are not worth considering, and that we need not waste

any attention upon any one but the primary producer. I would remind honorable members that the farmers ought to bear their share of taxation, and even if it be granted that protective duties are taxes - -which I do not admit - and the farmers are relieved of imposts in this direction, we shall have to make them pay in some other way. If the farmers incidentally pay taxation in this way and help the manufacturer?, surely it will be to their benefit, and to the advantage of the Commonwealth in the long run. No section of the community has received the same aid and encouragement as the farmers - at any rate the Victorian farmers. Immense sums of money have been devoted to water conservation and to the payment of bonuses for the encouragement of agriculture. Where would the farmers of Victoria have been but for the butter bonuses ? No one knows better than the honorable member for Flinders that the farmer has been spoon-fed times without number.

Mr A C GROOM

- The honorable member has been ladle-fed.

Mr MAUGER

- If the honorable members refers to me personally, I may tell him that I have no interest in any protected industry in Australia.

Mr Cameron

- Did the honorable member never have an interest in a protected industry t

Mr MAUGER

- I never did. . Surely honorable members' can give me credit for purity of motive in this matter. I am not speaking in my own interest, but in that of my native country, and of the men engaged in various industries which are contributing largely to the welfare of the general community. All I desire is to give fair play to our manufacturers and to our workmen, and not to leave them exposed to the operations of trade robbers. The people of Victoria were not afraid to enter into federation, and they do not desire any undue preference, but simply ask for reasonable consideration. The leader of the Opposition stated during the federal campaign that the cost of federation to New South Wales would be protection.

Mr A C GROOM

- To a certain extent.

Mr MAUGER

- Yes, to a certain extent, but the honorable member does not appear content to extend any protection. I hope that the committee will grant the small measure of protection that is contemplated by the Government proposal.

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Mr MCDONALD

- It is difficult to understand the point at which we have arrived in connexion with this debate. The question of the duty on agricultural machinery occasionally crops up, but we have apparently entered upon a general discussion of the respective merits of free-trade and protection. I thought we had disposed of that matter in the early stages of the Tariff debate, but unfortunately the air does not seem to be particularly clear, and I may be pardoned for saying a word or two on the general fiscal question. We are told that the object of affording protection to manufacturers is to secure our own markets to our own people. We are also informed that the conditions under which workmen are employed in the various industries of Australia are much better than are to be found in other parts of the world, and that our industries would suffer if our products were subjected to free competition with goods manufactured by cheaper labour in foreign countries. I would ask what is the whole object of protection. Is it not to build up industries that shall be able not only to supply all our own requirements, but eventually to successfully compete in the world's markets 1 Any one who understands economics must know that immediately we manufacture in excess of our own requirements we shall have to enter into open competition with the world, and that - then the prices in our local markets will be governed by the rates ruling throughout the world. The moment our local production overtakes our home consumption, and we come into competition with the outside world, prices fall. Then the local competition becomes so great that prices internally find the same level that they do externally. In other words, outside prices govern internal prices. It is impossible for us to pay higher wages and give our workmen more advantages than they enjoy elsewhere, if we adhere to a protective Tariff. That is one of the reasons why I have never for a moment believed in either free-trade or protection. When I hear honorable members who I know have given a

great deal of thought to various social problems talking about the benefits that will accrue from the adoption of either one of these policies I begin to seriously doubt whether they have that knowledge of social problems with which I credit them. If we are to build up industries we I can do so only by having trade and commerce as unfettered as possible. If an industry is established upon that basis it will become strong and powerful and will be able to compete with the outside world. But if, on the contrary, we attempt to establish an industry by a system of nursing it must decline sooner or later, because it will have been only a weakling at any time. I should like some honorable member who entertains protectionist views to prove that our workmen will be better off than are the workmen elsewhere, the moment our production has overtaken our home consumption. A good deal of talk has been indulged in concerning the implements which are manufactured in New South Wales and Victoria. I think that those implements are quite as good as those which are manufactured in any other part of the civilized world. But a number of honorable members have practically said that the average farmer is a fool. I have not found him to be a fool. I have found him to be a very level-headed, hardworking, and acute man. Does any honorable member mean to tell me that the farmer is stupid enough to pay more for an imported article if he can get as good an article locally at a less price? He would certainly prefer the locally-made article. Whilst discussing the policy of protection, I should like to know something in reference to the profits which are made by the manufacturers. One gentleman, I admit, has been candid enough to inform honorable members of the profits which he has made. He is a nailmaker, who sent a circular round containing a very straightforward and candid statement. He pointed out that he started manufacturing nails in Victoria, and lost £9,000 in trying to establish the industry. He then goes on to say that he induced the Victorian Government to impose a duty of 5s. per cwt. upon nails, after which he prosecuted still more vigorous operations.

The result was another £7,000 loss. He approached the Victorian Government a second time with a request that they should impose an additional 2s. 6d. per cwt. upon nails, intimating that if they did so he thought he would be able to carry on the industry. The Government acceded to his request, and levied a duty of 7s. 6d. per cwt. upon nails, and, he adds - "I have cleared my £16,000." I should like to know who really paid that £16,000. The circular points out that the price of nails has been reduced from 61/2d. to 21/2d. per lb. during the past 17 years. But almost every commodity during that period has been considerably reduced in price owing to the application of inventive skill. Does anybody mean to tell me that the nailmaker to whom I have been referring did not make that £16,000 owing to the extra amount of protection which he had received? I should also like to point out to the Minister for Trade and Customs that a number of the articles included in this item, such as sheep-shearing machines, portable engines, and locomotive boilers ought to be placed upon the free list. The right honorable gentleman has already exempted hand-shears from duty. If it is right to regard hand-shears as tools of trade, and to include them in the schedule of special exemptions it is equally right to exempt sheep-shearing machines from duty because the shearers have to pay for the cutters and combs which form part of the machines. I have known them to pay as much as 7s. per week for the purchase of new cutters and combs, which, of course, means a considerable reduction in their wages. Moreover, it is getting quite a common thing for the shearer to carry his own machine. Hundreds of men carry their own machines in Queensland, and I suppose the same remark is applicable to other parts of Australia. Under such circumstances I think that these tools of trade should be placed upon the free list. Moreover, all these machines are manufactured in England. It would not pay to make them here, because there is not a sufficient demand for them. I might further point out that a large number of small portable and other engines are used in connexion with the mining industry. A number of men become partners in a "show" upon a new field, and owing to the quality of the water, or because of other drawbacks, are compelled to use machinery.

It is generally some small, light engine, which is necessary to keep back the water and help in developing a particular piece of country. While trying to do what we can to assist farming and other industries, we should make an effort to do what is fair and right in the way of assisting men who develop our mineral resources. When a field like Charters Towers, Mount Morgan, or Croydon is found, where thousands of men are likely to be employed, the discovery is usually made by some half-dozen men, and is worth more to the country than many industries such as are protected under the Tariff. I would remind the Minister for Trade and Customs that, while agricultural and other machinery is put on the 15 per cent. list, mining machinery is called upon to pay 25 per cent., and I think both ought to be put on the same basis.

Mr Kingston

- A much larger outlay is necessary in order to produce mining machinery.

Mr McDONALD

- How does it come about that while people are prepared to produce agricultural implements on a 15 per cent. duty, the Government demand 25 per cent on mining machinery ?

Mr Kingston

- There is not the same expensive plant required for agricultural machinery that there is for mining machinery.

Mr McDONALD

- That is an additional reason why mining machinery should be put on the lower scale. A man who starts to manufacture agricultural implements on a small scale, without the aid of expensive machinery, is less able to stand competition from the outside world than a firm which is prepared to spend from £100,000 to £300,000 on the production of a particular form of appliance. I should like to see mining machinery free, and, though I see no hope of bringing that about, I shall test the feeling of the committee as to the rate which is imposed.

Mr McCOLL

- The honorable member for Kennedy has asked what we are going to do when our production overtakes our consumption ; but the honorable member is looking a long way ahead when he puts that question. The honorable member came to this Chamber, as I supposed, one of the most pronounced protectionists amongst us, in order to protect the labour of his State.

Mr Fowler

- To make labour absolutely free.

Mr McCOLL

- One of the main objects which the honorable member had in coming here was to protect the labour of Queensland against low-paid coloured labour from the southern islands and from Asia.

Mr Kingston

- And very properly so.

Mr McCOLL

- The honorable member wishes to see those people who work at low rates of wages, and who can under-cut Europeans in every branch of labour, put under such conditions that they will either be lifted to the level of the European, or kept out of the country; but protection is required in branches of industry other than those which the honorable member represents. That is necessary in order that our people may not be brought to the same low level as are workers in other countries.

Mr McDonald

- That does not deal with the point I raised.

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Mr McCOLL

- We are here beginning a nation ; and we cannot have a nation built on primary industries. We must have a diversified system of industries both in town and in country. In no case in modern history, for the last 300 years at any rate, and perhaps before, has any nation been built up with a general system of industries except under protection. We should be in an entirely abnormal position if we hoped to establish industries in this country and supply our own needs, unless we followed in the same track and adopted the principles of every other nation of modern times. Without exception, no nation has attained commercial or manufacturing importance, except with the help of protection. The honorable member for Kennedy appears to think that we are going to produce largely, while our population is not going to increase. But we not only hope to produce more both in the country and in the towns, but also to attract a very large population to these shores. That population we cannot expect unless we are prepared to find work for them ; and it is impossible to find work for all our people in the primary industries. It is equally impossible that we can have any other industries, unless we follow the lead of other nations and adopt protection. It is possible that the time will come when we shall over-produce, and when we shall have to take the world's price. Then we cannot expect to keep up high wages by means of boards ; and here I would say that I do not feel myself bound to indorse all the views of my friends in the metropolis of Melbourne as to the efficacy of these boards. I believe that the result of the Tariff will be that "Wages

Boards will not be able to keep up the present minimum wages which, in some cases, appear to be unreasonably high.

Mr McDonald

- Still, Wages Boards are a very good expedient.

Mr McCOLL

- They are a very good expedient, and, within moderation, I heartily approve of them. We all support the idea that a fair day's wages should be paid for a fair day's work, and that employers who refuse to pay such wages should be compelled by legislation to do so. I represent a constituency almost entirely composed of farmers ; and I have not received from any portion of the district a request that the duty on implements should be lower than at present. The only communication I have had on the subject has been one asking me to prevent the duties being raised to any higher figure than that proposed by the Government. I have never found a farmer unreasonable, or ready to ruthlessly cut away the protection under which industries have been fostered, and thus be guilty of the worst possible faith to those men whom we have encouraged to invest their money. How can we expect that men with capital will establish industries here and find work for our population - how can we expect them to fight the battle against the whole world and purchase raw material from our producers - if they do not receive some assistance in the early stages 1

Mr McDonald

- Capital will come if it can be shown there is 5 per cent, in an investment.

Mr McCOLL

- But people with capital will not come here unless they are assured of assistance for a certain time. Canada and the United States could make no head way until they adopted a fair system of protection, and whenever they lowered the duties, or resorted to free-trade, they retrogressed. It is an astonishing fact that in all countries where manufactures have progressed under protection, farmers have progressed at the same time; and to-day, in protected countries, the primary industries are greater in extent, in comparison with manufactures, than they are in unprotected countries. The honorable member for Coolgardie has asked why we do not insist on patentees coming here to manufacture. But how could we do that 1 The only way to get patentees here is to protect them against the competition of other countries until the local market is good enough. The acting 24 r 2 leader of the Opposition has attempted to sweep the whole duty away under the pretext of helping the primary producer. He told us that New Zealand can send agricultural implements to New South Wales ; but in the Statistical Register I can find no record of a single pound's worth having gone to that State from New Zealand. On every item the acting leader of the Opposition has asked that a fair compromise should be adopted ; but on this occasion his idea is to sweep the duty absolutely away.

Sir William McMillan

- What did the Government do when I proposed a compromise? They would have no compromise.

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Mr McCOLL

- I am talking of what the honorable member has argued all along, and showing that now he wants to sweep the whole duty aside. In the State Parliament of "Victoria we had a gentleman of the same free-trade proclivities, who was called the " extinguisher," because he proposed to sweep away every duty ; and I am afraid that the acting leader of the Opposition will earn the name of the " industrydestroyer." He has determined that we shall have no manufactures here - that we shall try to develop the country by commerce, and not by protection. I do not know of any country which has progressed by commerce alone, and I do not think we shall be able to better the examples which the world presents to us. The honorable member for North Sydney, and other honorable members, have asked why we do not allow the farmer to have his implements free, in the same way that implements are allowed free ' in other industries which are protected in the cities. The acting leader of the Opposition has said that we tax the farmer on everything he eats, drinks, wears, and uses ; but that is an absolutely incorrect statement. In the Tariff there are more articles on the farmer's free list than on the free list connected with any other industry in the country. Certain , machinery is exempt from duty because it is patented machinery. The honorable member for Coolgardie has asked why linotypes and monotypes, belonging 'to the rich newspaper proprietors, should be let in free, while the farmer is taxed. The reason

simply is that these machines cannot be produced in Australia, and they are brought here for the general good - in order to cheapen the press to the people. We have adopted the same principle with regard to farming implements. Reapers and binders and cream separators, which are patented, and cannot be produced here, are allowed to come in free ; but we place a duty upon other agricultural implements, in order to prevent foreign manufacturers from competing with our own manufacturers, who are able to produce machinery quite as cheaply and better adapted to the conditions of our people. The honorable and learned member for South Australia, Mr. Glynn, stated last night that the manufacturing industries of New South Wales employed 11,900 men, while only 9,400 men were similarly employed in Victoria, but he must have known that he was not putting the case fairly by simply quoting those figures, because in New South Wales 2,908 men are employed in the making of railway carriages, and the repair and manufacture of rolling stock, and 3,339 men in connexion with smelting operations, which are conducted chiefly at Broken Hill.

Mr Watson

- And at Illawarra and Newcastle.

Mr Wilks

- Those men were not included in the figures used by the honorable and learned member for South Australia.

Mr McCOLL

- I find that Coghlan states that the number of agricultural implement makers in New South Wales is 193, and the number of men similarly employed in Victoria 1,107. If we deduct from the figures the honorable and learned member gave us in regard to the number of manufacturing employes in New South Wales, the number of men employed in railway works, and in smelting operations, we find that there are only about 5,700 employed in manufacturing enterprises, pure and simple. Therefore, the honorable and learned member's statement was incorrect. A great deal has been said about the farmer being made to foot the bill in connexion with this Tariff, but he is not being taxed to a greater extent than the labourer, mechanic, or tradesman. He pays his share of the taxation, but to say that he foots the bill is a mistake, and the statement, no doubt, is made in order to mislead him. No one enjoys the benefit of a larger free-list than the farmer does, and he is given protection wherever it is possible to protect him.

Mr Cameron

- The protection he gets is not worth a button.

Mr McCOLL

- If the farmers of the Commonwealth - and I speak now not only of the growers of wheat, but of all the producers from the soil - were asked whether they would rather have absolute free-trade all round or pay a moderate share of taxation, and have protection on what they produce, they would vote for moderate protection. The statements of the acting leader of the Opposition were, no doubt, made with a purpose. We heard the other night that there is to be a grand free-trade propaganda, and no doubt these statements will be quoted at the meetings which free-trade hirelings will be sent to address. The honorable member for Wentworth does not want to see manufactories established here ; he wants our raw material to be sent elsewhere to be manufactured. But, surely we should try to produce within our own borders all that we require. We have the iron and the men, and why should we not make our own agricultural machinery ? But we cannot do it without protection. Honorable members seem to forget that one of our chief objects should be to try and obtain possession of the home market for our own producers.

Sir William McMillan

- Are we going to make up all our own wool 1

Mr McCOLL

- Why should we not do so by-and-by 1 After all, how many men does the wool industry employ ? Sheep farming monopolizes a great deal of our land, and a few men grow rich by it, but one manufacturer in Melbourne employs more men at fair wages than a dozen wool kings employ. We hope to establish a home market by encouraging population to come here and finding them employment. The United States of America export only one-sixth of their productions from the soil. The rest they use within their own borders, and their consumption is so rapidly overtaking their production that it is believed that before very long they will not produce more than enough for their own needs. That is what we should aim at.

Mr Thomson

- It is only the presence of a large population that will bring that about.

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Mr McCOLL

- Many years ago in Victoria we had duties that were too high, and I did my best to have them reduced. I shall join with the honorable member for Moira in asking that certain implements shall be exempt from taxation, and with those exemptions I think that farmers should be fairly satisfied with the Government proposal. If honorable members went to the Royal Show in Melbourne, and saw the magnificent array of agricultural implements and machinery manufactured in the State that is exhibited there, and compared the 1,100 workers whom the industry employs in Victoria with the 193 whom it employs in New South Wales, they would be able to contrast the effects of the policies of the two States. Twenty years ago the cost of reaping a crop was 12s. 6d. an acre, but the introduction of the reaper and binder reduced it to 4s. per acre, and I am told that now, by the use of a locally-invented harvester, the work can be done for 1s. per acre. These harvesters came into use about 1894, and in that year one firm manufactured eighteen of them. In 1895, however, that firm made as many as 50, and in 1896 their production of harvesters increased to 75, in 1897 to 125, in 1898 to 225, in 1899 to 300, and in 1900 to 500. Their orders for this year number 750.

Mr Thomson

- Is the harvester a patented invention?

Mr McCOLL

- Yes.

Mr Thomson

- Then it could not be manufactured by any but the patentees, even if there were no protection.

Mr McCOLL

- With this machine and four horses a farmer and his man can harvest 250 acres. That is what our farmers have gained by assisting local inventors.

Sir William McMillan

- Protection has nothing to do with brains.

Mr McCOLL

- The establishment of workshops by a system of protection gives people opportunities for the exercise of their inventive faculties. It is for that reason that the United States manufacturers of farming implements stand in the front rank. We have been told that the farmer should be allowed to buy the best machines wherever he can get them, but for the last twenty years the farmer has been robbed by having to pay twice their value for machines imported free of duty. The honorable member for Coolgardie cannot understand how free-trade should make things dearer and protection make them cheaper, but with protection local competition is created, whereas, under free-trade, local competition is rendered impossible, and importers, once they have command of the market, form rings, and put up prices as they please.

Mr Thomson

- That is nonsense.

Mr McCOLL

- I cannot understand how honorable members can exhibit such callous indifference to the interests of the people engaged in manufactures, or why they should wish to sweep away duties upon which these men and their families depend for their livelihood. Their attitude puts me in mind of the scene in the Merchant of Venice, where the duke says to the money lender, "I pardon thee thy life," and takes from him all that he possesses, whereupon Shylock replies -

You take my house, when you do take the prop That doth sustain my house ; you take my life, When you do take the means whereby I live.

So it is with the manufacturers of the Commonwealth. If we shut up these workshops, we shall confer no benefit upon the farmer. He will not be able to obtain one penny more for his grain, and any saving he may effect upon his machinery will not help him to carry on his operations with more success than at present. I have no instructions from my constituents to oppose this duty ; on the other hand, they desire that it should be maintained. They are content to pay revenue duties imposed through the Customs,

because they know that the only alternative will be the land tax, to which the members of the free-trade party are driving the farmer at the present time.

Mr Wilks

- That is a bogie.

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Mr McCOLL

- It is not a bogie, because we know what the programme of the Free-trade Democratic League is. We are told that the natural protection afforded by the cost of importation from foreign countries is sufficient to enable local manufacturers to successfully compete with outside competitors, but it has been shown that it costs more to send implements from inland towns to the seaboard than to bring them from America and Germany to the Commonwealth. We know very well that pig and rough manufactured iron is brought out to this country for as little as 10s. per ton, or less than it costs to carry it a few miles on our railways. In Melbourne we have a Hardware Association, and country storekeepers have told me that it is nothing more nor less than a Tammany ring, which is intended to control the hardware trade, and to so fix prices that no one can withstand the importers. If we close up our workshops we shall have this Tammany ring operating in agricultural implements in a way that they are not now able to do, owing to the local competition to which the imported goods are subjected. Honorable members opposite have changed their tune from time to time, and the organ that represents them has also altered its attitude. At one time a 15 per cent. duty was advocated upon all articles used by the farmer, but now it is desired to sweep that duty away. I represent a farming constituency, and I assert that if this 15 per cent. duty is swept away, and our agricultural implement makers are exposed to the competition of the whole world, it will not be very long before there is a cry for the re-imposition of the duty. Having due regard to the necessity for keeping faith with those who have established the manufacture of agricultural implements within the Commonwealth, and who as a rule have not made a great deal of money, and also considering the benefits which follow from the employment of a large number of men and the utilisation of our raw material, it would be a great mistake to abolish the duty.

Mr CAMERON

- We have had the pleasure or pain of listening to most piteous appeals from Victorian members on behalf of the manufacturers.

Mr McColl

- Of the farmers.

Mr CAMERON

- If the honorable member does not represent the manufacturers he certainly does not represent the farmers, for if the farmers have any common sense they must disown him. The idea of protecting manufacturing industries is totally hostile to the true interests of those engaged in agricultural, horticultural, and pastoral occupations. These are the most important industries we possess, and we should do everything we can to legitimately encourage them. I trust that I shall be able to prove conclusively that a free-trade policy is best calculated to promote the interests of those engaged in the primary industries. Last evening the honorable member for South Australia, Mr. Batchelor, and the Minister for Trade and Customs, made certain statements with regard to the manufacture of Shearer's ploughshares in South Australia. The honorable member, Mr. Batchelor, said that Shearer's ploughshares were now being manufactured in South Australia, and were being sold to the farmers there at 35s. per dozen. He stated further that they were being sold at the same price after paying a protective duty, in Victoria, that the price in free-trade New South Wales 52s. 6d., and in Queensland £3 5s. per doz. I did not believe that statement for one moment, and I do not believe it now. The honorable member told us that Shearer's share was of such a superior character that it had practically driven all other shares out of the market. I have succeeded in obtaining one of these wonderful shares, and I have also obtained a similar article manufactured in America. I shall submit these two samples to honorable members and leave them to judge for themselves which is the better article. If I prove that one of the honorable member's statements is incorrect, his arguments fall to the ground. He stated that these shares were sold in Victoria at 35s. per doz. I have ascertained that the price to the trade in Victoria at the present moment for Shearer's patent wrought steel plough and scarifier shares is 45s. per dozen, but if a farmer wants to buy one the price is 4s. per share, or 48s. per dozen. This statement is made on the authority of Messrs.

McLean Bros, and Rigg, the Victorian agents for Shearer's shares. I confidently predict that any practical man looking at Shearer's share, and comparing it with the other, will say that the South Australian article is simply rubbish.

Mr Kingston

- The honorable member does not know what he is talking about.

Mr CAMERON

- I do know what I am talking about. Any man who knows anything about ploughshares will say that the American share is honestly worth from 1s. 6d. to 2s. more than the other. The American share is manufactured in hundreds of thousands, and is sent to all parts of the world by the Massey-Harris Company, who have adopted the original patent of the Hornsby Company. If any protectionist has the courage to say that the South Australian share is equal to the American share he cannot know what he is talking about.

Mr Kingston

- What is the special virtue which the honorable member sees in the American share ?

Mr CAMERON

- The virtue of a share rests in the tempering ; if a share is not properly tempered it will break off on coming into contact with a stone or any other fixed obstruction, but if it is properly tempered it will not be injured by the impact. The Massey-Harris share is sold in Victoria at 42s. per dozen as compared with Shearer's shares at 45s. per dozen.

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Mr Phillips

- What is the proportion of the output of the two shares?

Mr CAMERON

- I should say the out put of the South Australian article would be nil, judging from its character. I can testify to the value of the Massey-Harris share, as it is one of the best I have ever used.

Mr Kingston

- Does the honorable member form a reliable estimate of the output by looking at a share ?

Mr CAMERON

- No! I have formed a reliable estimate of the output owing to my practical acquaintance with all kinds of shares, and because I am able to discriminate between the good and the bad.

Mr Salmon

- Has the honorable member used the South Australian shares?

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Mr CAMERON

- Yes, I have-on stump-jump ploughs - and they have jumped to pieces. Honorable members must see that it is utterly impossible for Shearer's shares to have been bought at the same price in Victoria as that for which they were sold in South Australia, where they were manufactured. If they were sold at as low a price in Victoria, the South Australian manufacturer was doing an injustice to the farmer of his own State, inasmuch as if he could afford to pay a 15 per cent. duty upon them, and sell them at 35s. per dozen in Victoria, he could have afforded to sell them for considerably less where they were manufactured. I have no hesitation in saying that the statement of prices given by the honorable member for South Australia, Mr. Batchelor, is absolutely ridiculous upon the face of it. The cost of freight from Melbourne to Sydney is about 10s. per ton. A share will weigh from 3 lbs. to 3½ lbs. If we calculate the number of shares necessary to make up a ton weight, we shall see that the freight upon these shares would represent about 4d. each. If we allowed another 4d. or 6d. each for any other incidental charge, it will be seen that these shares ought to have been sold in New South Wales for . 36s.. or 37s. per dozen. Yet we are calmly told that they realized £3 15s. per dozen. I come now to the statement of the Minister for Trade and Customs. Last night, as I listened to the Tight honorable gentleman speaking so fervently against the true interests of the farmers, he reminded me of a windmill at full speed without a governor. I think I can prove that he had no governor to apply the brake upon that occasion, because he made some of the most outrageous statements that I have ever heard. He told honorable members he was willing to admit that, to a certain extent, the farmers would not benefit by these duties ; but he added that to compensate them the Government would build them roads and bridges and offer them bonuses. In this connexion I would

point out that this Parliament has nothing whatever to do with roads and bridges. As a practical farmer, before I assent to the proposed duties I wish to know what shape these bonuses are to take. We know perfectly well that for the next five years we have to return three-fourths of our Customs revenue to the various States in which it is collected. It is true that we have power to levy a land tax, but the people of the Commonwealth would rise to a man if we attempted to do so. We know that federation means an increased charge upon the people. We have taken over the Post and Telegraph departments of the various States, all of which are run at a loss, with the exception of that of Tasmania. We have also assumed control of the Defence department, which returns no revenue. Therefore, I have no hesitation in saying that for the next five years our revenue is pledged up to the hilt, and that we shall not have any money to distribute in bonuses. Where, I ask, is the money to come from with which to grant such bonuses? Tasmania for many years . past has admitted all the farmers' implements free of duty. She has recognised that the true way to improve the general prosperity of the State is not by establishing a few isolated manufacturers, who come to the Government every now and again with a cry that they are ruined if they do not get a little more protection. Five out of the six States have recognised the desirability of settling the people upon the land. Victoria has hitherto been unable to recognise that her interests lie in the same direction. Nearly half of her population is settled in one city. Had those people been distributed over thousands and thousands of fertile acres, it would have been infinitely better for the State. The statement was made last evening that the adoption of a free-trade policy resulted in the formation of rings, by which prices were increased to a greater extent than they would be under protection. It has been repeatedly urged that, owing to the formation of rings in New South Wales, prices there were very much higher than they were in Victoria. I do not propose to give the present prices of goods in the two States mentioned, but I will give the quotations from last year. At that period there was no certainty as to what the Tariff would be, or as to who would be returned to power. All we knew was that there was a protective Tariff in Victoria, and a free-trade Tariff in New South Wales. At that time the Victorian Tariff on agricultural implements was 15 percent, or '3s. in the £1, and the figures I am about to quote will, I think, convince any thoughtful man that the assertion that the consumer does not pay a protective duty is absurd. There is a company known as the Massey-Harris Company, who, with depôts in Victoria, New South Wales, and other States, are the largest importers in Australia of agricultural machinery. I have selected a few farming implements, the figures in regard to which will speak for themselves. I find that in 1900, a scuffer No. 2. was sold in Melbourne at £2 10s., and in Sydney at £2 7s. 6d. A larger size of the same implement was sold in Melbourne for £3 lis. 3d., and in Sydney for £3 6s. 6d. ; a new Model No. 10 plough was sold in Melbourne for £4 15s., and in Sydney for £4 12s. ; double-furrowed ploughs were sold in Melbourne at £8 lis., and in Sydney at £7 12s. There are something like sixteen similar articles, and in every case the price was higher in protective Melbourne than in free-trade Sydney. How can honorable members in the face of those facts assert that protection does not increase the cost to the consumer? Honorable members, if they are open to argument, must be convinced that under a free-trade policy we are able to buy what we want at a lower price than under protection. I am willing to admit that a heavy protective duty will induce a number of persons to commence industries, but the result is that the men with the largest capital come to the top. Those who enter into manufacturing with insufficient capital, or who perhaps are not thoroughly conversant with the details of the business, invariably go to the wall. For a short time the farmer undoubtedly gets the benefit of a cheaper rate ; that is to say, he probably gets an article which may or may not be as good as the imported article. But the manufacturers having -gone into competition amongst themselves the weaker go to the wall, and the one or two who survive put their prices just a shade below those of the imported article. If the local article is a good one, the manufacturers, put the duty in their pockets, but if it be not as good as the imported, the farmer grumbles, and pays more for the imported, article than he would under a free-trade arrangement, It is all very well for honorable members to talk about fair wages, and that sort of clap-trap, which may appeal to certain men in their constituencies, but we are not here to pander to any small section of the community. We are here to try to do what is best for the whole of Australia. We must remember that the agricultural, pastoral, and. viticultural industries employ people who outnumber by one hundred or five hundred to one the artisans engaged in the trades for which we have heard such piteous appeals. I speak on behalf of the farmers, the prices of whose production cannot possibly be increased by a protective policy. I urge honorable members to seriously

consider the effect that this Tariff will have on the whole of the States, four of which, until these monstrous proposals were introduced, were practically free-trade, and able to buy in the cheapest markets. It is impossible for the Government in the way of bonuses, to give the farming, agricultural, or pastoral industries any assistance, seeing that those engaged have to go into the markets of the world and take the best prices obtainable. I ask honorable members to reflect seriously before inflicting a blow which I honestly believe will be deadly to the best interests of Australia.

Mr CRUICKSHANK

- I listened with a great deal of patience to the speech of the honorable member for Tasmania, Mr. Cameron, which, so far as he is concerned, is final, but which* cannot for a moment be taken as conclusive. The honorable member commenced by saying that protectionists who represent farmers do not know what they are talking about, and followed that up by asserting: that farmers are an intelligent body of men who understand their own interests best. We must recollect that nearly every protectionist returned from New South Wales was returned by a farming district, and; there is, possibly, more farming in the electorate I represent than in all Tasmania-

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Mr Cameron

- What is produced in that, electorate ?

Mr CRUICKSHANK

- Wheat and corn.

Mr Cameron

- How much ?

Mr CRUICKSHANK

- There are 200,000 acres under cultivation there. Every one knows that the greatest advantages that can possibly be given to farming are light railway freights and land on good terms. Personally I do not attach so much importance as others to this battle of protection and free-trade. But the great tendency of the farmer is to get hold of the market as much as he can. He desires to protect the market in which he is producing, and advocates a policy that gives him the opportunity of getting markets in other parts of the world. The honorable member for Tasmania, Mr. Cameron, has quoted very largely as to the prices of plough-shares, and has questioned all the figures laid before the committee by other honorable members. He has shown that probably half - a - crown more was charged in Melbourne than in Sydney for agricultural implements, but he has not said that the articles bought in Sydney came from Victoria. The fact that the honorable member has been appointed advertising agent for a particular firm does not make that firm's plough-shares a bit better than the plough-shares which are made in South Australia. I find that in New South Wales and Victoria ploughshares made in South Australia are used to a great extent.

Mr SYDNEY SMITH

- It is not fair to call the honorable member an agent.

Mr CRUICKSHANK

- There has been more agency work done during the discussion of this Tariff than could be achieved by sending agents throughout the States for a year.

Mr SYDNEY SMITH

- That has been done largely by manufacturers.

Mr CRUICKSHANK

- I know ; and those people, by means of Hansard, which goes broadcast throughout the States, have the opportunity of a great advertisement.

Mr Cameron

- I only wish the firm would appoint me agent. I should not be too proud to take the position.

Mr CRUICKSHANK

- The honorable member would make a rattling good agent. I never knew one who could make incorrect statements with greater sincerity. Like the honorable member, I have been handed a pamphlet with regard to the prices of particular plough-shares. No doubt the Massey-Harris firm produce excellent implements, but we have another firm in the States who make plough-shares, and from their circular I read -

The price of imported malleable plough shares now range from 35s. to 47s. per dozen, according to size

and number, while the retail price of colonial is only from 24s. to 30s. per dozen.

Mr Cameron

- The honorable member is an agent himself.

Mr CRUICKSHANK

- That is the result of example. The pamphlet goes on -

We confine our manufactures to steel shares, which are unbreakable, cut very much lighter, and are much more durable than either cast or malleable shares - one of which, on the most reliable authority, outwears three malleable shares. Our retail price is 36s. per dozen for all sizes of plough shares. There are different makers of steel shares throughout Victoria, New South Wales, and South Australia, so that there is no danger of monopoly in their manufacture, as there was in the days when the farmer had to rely on the imported share, as he now gets shares to suit his particular requirements, and at a lower cost, through Australian competition, even if for the imported article.

I think the honorable member for Tasmania, Mr. Cameron, said that in his State the Massey-Harris ploughshares cost 43s. per dozen.

Mr Cameron

- No, I did not.

Mr CRUICKSHANK

- I have no intention of making a second reading speech in committee, but I would point out that it is very strange, if protective duties impose such a heavy burden upon farmers, that the farming constituencies have returned so many protectionists to this Assembly. As a matter of fact, I do not think there is much difference on this subject between the two parties in the Chamber. The kinds of agricultural machinery which the honorable member for Melbourne Ports enumerated as being made in Victoria are all used in New South Wales, and the honorable member for Grampians told us last night that he was a farmer in a large way, and used locally-manufactured machinery and implements, and found them to work very well. No doubt the honorable member for Robertson will say that 15 per cent. is a very high duty to make the poor farmer pay upon his plough.

Mr Henry Willis

- I said so last night.

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Mr CRUICKSHANK

- And the probability is that the honorable member will repeat that statement. But if I went on the hustings with the honorable member I should ask him to finish the story, and to tell the farmers that the ploughs and other agricultural implements they use come from Victoria, and have and always will be admitted free of duty. They pay no duty upon their ploughs, harvesters, winnowers, harrows, disc-harrows, field-cultivators, grain drills, and wool-presses. The Ferrier woolpress which is made in Geelong is used all over New South Wales, and, I believe, in Queensland too, so that the farmers pay no duty upon it. The same remark applies to bag-fillers, and double chaff-cutters. I found it cheaper to buy these things in Victoria and carry them 1,200 miles, than to purchase imported machinery in Sydney.

Mr Cameron

- How long ago was that ?

Mr CRUICKSHANK

- Within the last two years.

Mr Cameron

- That was because of the cut- throat railway rates.

Mr CRUICKSHANK

- I can not say what the cause was, I merely mention the fact. The cheapest agricultural machinery which the New South Wales farmer has got has come from Victoria and other protected countries ; but if in New South Wales we had had protection, we should have been able to make our own machinery, and thus to have saved our farmers some hundreds of miles of railway carriage.

Mr Henry Willis

- Why is not agricultural machinery manufactured in New South Wales?

Mr CRUICKSHANK

- It has not been manufactured there hitherto because every such industry must at the start be protected

from foreign competition, since whenever a new industry is started, those who have hitherto been in possession of the market at once lower their prices to prevent it being successful. Very few people can start a business without getting advances from a bank. But that is a kind of protection.

Mr Page

- People have to pay back what they borrow from banks.

Mr CRUICKSHANK

- I shall deal with every item on the Tariff on its merits. I think that great consideration should be given to tools of trade, because they are a workman's raw material as much as the strength of his arms and his skill are.

Mr SYDNEY SMITH

- Why not apply the same principle to the agricultural machinery used by the farmers ?

Mr CRUICKSHANK

- The machinery used for the mining development of the country must also receive consideration. But, at the same time, it is not fair to ask local manufacturers to try to establish their industries without a moderate share of protection. I would, however, while an industry is being started, give assistance to those who have to use imported machinery. The honorable member for Kennedy stated that under protection our manufacturers would very soon overtake the market, and then over produce, but we must first of all obtain possession of our home market. Hitherto we in New South Wales have paid more for our agricultural machinery than they have paid in Victoria. Prices of agricultural machinery in New South Wales has been largely governed by importer's rings, because there has been no local competition. I believe that we are all here to do the best that we can for our constituents. Before we sought election we were at liberty to call ourselves freetraders or protectionists, to espouse the " revenue without destruction " doctrine or to become revenue tariffists, and the principles we enunciated must have found favour with our constituents, or we should not have been here. I think that we have greatly improved the Tariff so far, by the changes which we have made, and that other alterations will make it still more acceptable to the people. Before voting for a protective duty I shall want to know, as I did in the case of hats, that an industry can be successfully established here.

Mr Page

- What about the duty on salt?

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Mr CRUICKSHANK

- The committee unanimously voted for a duty of 30 per cent. on hats, because of the evidence which was put before us of the success of the local hat industry. If we manufacture our own requirements here, we shall increase the amount of employment, and thus attract more people here. By increasing our population we increase our consumption, and therefore give a large market for our producers, and benefit every one all round. By adding to our population we shall increase our wealth and develop our resources. I wish to see all implements of trade placed in the hands of those engaged in industrial occupations as cheaply as possible, and I do not intend to vote in favour of imposing heavy taxation upon the farmer. I am largely interested in farming myself, and the electorate which I represent is greatly dependent upon the success of the farming industry. At the same time I desire to encourage local industry wherever I am satisfied that employment can be given with profit not only to those engaged in it, but to the community generally.

Mr.FULLER (Illawarra). - I have listened with great pleasure to the speech of the honorable member for Gwydir, but I would point out that he is slightly mistaken in saying that all those who represent farming districts in New South Wales have been returned in the interests of protection. The honorable member for Robertson represents a constituency in which farming is carried on to an even greater extent than in the Gwydir district ; the honorable member for Parramatta represents a portion of the country in which there is a very large number of farmers ; the honorable member for Macquarie, and the honorable member for Canobolas, have many farmers among their constituents ; and I have the honour of representing the oldest and largest dairying constituency probably in the whole of Australasia. The honorable member for Gwydir seems to think that a 15 per cent. duty on agricultural implements will not operate to the prejudice of the farmers. It is a remarkable fact, however, that when we were considering the proposed duty on salt, the honorable member for Gwydir, and the honorable member for New England, both of whom are

pastoralists, and whose pockets would be considerably affected by the proposed duty, immediately came over to this side of the Chamber, and voted among the free-traders. We were told by the honorable member for Echuca that he had never found the farmers ready to ruthlessly destroy manufacturing industries by opposing protective duties, but I would remind the honorable member that conditions throughout the States have been very much changed by the establishment of federation. Nearly the whole of the farmers of Victoria - I know it was the case with a great many of the New South Wales farmers - became protectionists in consequence of the competition between the various States, but they now realize that protection does not offer them the same advantages under Inter-State free-trade as prior to its establishment. We cannot by any system of protection impose duties that will benefit the farmer, and therefore all the protectionist imposts that are now being provided for will operate to the advantage of the manufacturers, and the primary producers of Australia will have to pay the cost. We were told by the honorable member for Echuca that he was surprised at our disregard of the interests of the manufacturers, but I can assure him that free-traders are just as anxious as any one else to see manufacturing industries prosper. We object, however, by means of a protective Tariff, to give a few manufacturers an opportunity to dip deeply into the pockets of the people. We do not object to the establishment of manufacturing industries, we would hail their establishment with delight, but we are opposed to the farmers and pastoralists, miners and others, who are engaged in the primary industries, being robbed to make a few manufacturers rich. We were told by the honorable member for Melbourne Ports that we were now a united nation, and that we ought to entertain brotherly love towards one another. But what the honorable member desires is that the people of New South Wales should be compelled, whether they like it or not, to buy the manufactured products of Victoria. The honorable and learned member for Corinella told us that in this case protection had had the effect of building up an export trade, and he stated that out of £96,000 worth of agricultural machinery exported from Victoria, £81,000 worth was sent to New South Wales. If the agricultural implement manufacturers of Victoria are able to export their goods beyond the borders of the State, and compete in the open free-trade markets, surely, in view of the fact that the whole of the markets of Australia are now open to them, they should be able to carry on without the assistance of protective duties. After hearing the whining appeals that have been made both in this House and out of it, on behalf of the protected industries of Victoria, including the agricultural implement industry, I think that, unless they are able to stand alone, the sooner we get rid of them the better. But there is no fear that these industries will fail if the duty is removed, because they have been flourishing for many years in New South Wales under a policy of free-trade. Coghlan says he is not able to trace the exact number of men engaged in the manufacture of agricultural implements in that State, because they have been employed in connexion with other trades allied with the iron-working industry ; but we can point to magnificent engineering works in New South Wales which far exceed any similar establishments to be found in Victoria. I might refer to the Mort's Dock and Engineering Company's works, where they provide profitable employment for a large number of artisans and labourers without the assistance of any duties whatever. We have been told that if we impose these duties we may trust to local competition to keep prices down, but I should like to know whether the low rates are to be quoted to consumers within the Commonwealth or to the people outside, whom we may hope to supply when we reach the exporting stage in the near future. The whole history of trade tends to show that in countries where a protective policy is in operation the prices charged to the home consumer are much higher than those quoted in the countries to which the manufactured goods are exported. In Germany they have been issuing two sets of prices for years past, one for the home consumer and the other for the foreign consumer : and the very same thing has happened in Victoria; as an example I will quote the Lennon plough. For years past the farmers on the northern side of the Murray in New South Wales have been able to obtain Lennon ploughs for £2 15s. less than the price charged to the Victorian farmer. Is it desirable that at the outset of our career as a Commonwealth we should establish a system under which our own people will have to pay high prices in order that manufacturers may be encouraged to send their goods to foreign countries at cheaper rates? Another remarkable statement was made by the honorable member for South Australia, Mr. Batchelor, whose principal desire avowedly was to protect the agriculturalists of the State from trusts, irrespective of whether they were of foreign or of local origin. Judging by past experience, the honorable member, in advocating the imposition of a protective duty upon agricultural implements, is going the right way to establish trusts which will be in a position to exploit

the farmers. In this connexion I have merely to quote the Melbourne Age. That newspaper points out that during the brief period in which a protective policy operated in New South Wales, trusts were established there, and that when Mr. Reid came into power and abolished the protective duties the agents representing the manufacturers from abroad were able to come in and break up these trusts. The Age further points out that under a protective policy in Victoria very large organizations, in the shape of trusts, have been established for the purpose of raising prices. For example, a trust has been established in connexion with the nail industry, and the people here have had to pay a higher price for that article than have the people of Tasmania. Where can we find a greater example of how the people are robbed by trusts than is furnished by protectionist America? Within the last two decades by reason of exploiting the Tariff, finance kings have arisen there, who have established various trusts, and who, to-day, are charging the American people much higher prices for manufactured articles than those for which we are able to purchase them in Australia. I speak on behalf of the primary industries of the Commonwealth, and in my opinion the result of the vote will affect the mining machinery as well. The representatives of Victoria do not seem to realize how different is the state of things in connexion with the agricultural industry in this State from that which obtains in New South Wales. Here it is a pleasure to see the magnificent hayfields almost within a stone's throw of Melbourne, but from Sydney one has to journey across the Blue Mountains to Bathurst and Orange - some hundreds of miles - before one can see the wheat and the oat-fields of that State. On the southern line one has to go past Goulburn and Cootamundra before one comes upon the wheat-fields. Seeing that our prices are fixed by the prices in Mark-lane, London, and that in regard to all the wheat we export we have to compete against the American wheat, every little tax imposed upon the agricultural industry handicaps it in the outside markets. Already the present Government have handicapped the agriculturalists and the dairy farmers by the increased freights which will be charged by reason of the ocean liners coming out to Australia comparatively empty. In the interests of the farmers in the drought - stricken areas of New South Wales, who have to pay heavy rates for the carriage of their produce to Sydney, in order that it may be sent abroad, I hope that the committee will agree to the amendment submitted by the acting leader of the Opposition, and allow agricultural implements to come in free of duty.

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Mr L E GROOM

- I must confess that I am prone to look at this matter from a Queensland point of view. But at the same time honorable members have to recollect the interests of the whole Commonwealth. The only way in which we can frame a Tariff which is fair and just to Australia, is by endeavouring to reconcile State interests with the interests of the Commonwealth. The policy which the Prime Minister put before the people of Queensland at Toowoomba, during the federal election campaign, was one of revenue without destruction of existing industries. He put it that established industries in the various States at the time of Federation should be considered. I supported that policy at my election. Probably there is no constituency in Australia which is more devoted to agricultural pursuits than is that which I have the honour to represent. I see that Victoria imports roughly about half her agricultural implements. New South Wales imports nearly the whole of her agricultural implements, most of them from overseas. In 1900 Queensland imported £59,295 worth of this class of machinery. Of this amount £8,688 worth came from Victoria, £3,157 worth from South Australia, and £874 worth from New Zealand. All this machinery was admitted to Queensland free of duty. Of course under the Government proposal agricultural implements are to be subject to a tax. I am not prepared to accept that proposal as introduced, but I understand that the Minister for Trade and Customs, whose fairness, irrespective of whether the suggested amendments came from the Opposition or Government side of the House, has not been sufficiently admitted, is prepared to modify it. The manufacturers of implements being manufactured in Australia are entitled to consideration, but I intend to move . that articles which cannot be produced locally shall be placed upon the free list. As illustrating the importance to Queensland of not placing a heavier burden than is necessary upon those engaged in agriculture, I may mention that there are £688,926 worth of agricultural machinery in use in that State, and £62,440 worth of dairying machinery. In Toowoomba there is £68,593 worth of agricultural machinery in use, in Warwick, £57,066 worth; and, in Allora, £49,680 worth. Therefore, I feel that the Government would do well to give every possible consideration to the men engaged in this primary industry. Let us assist them to earn as much as they can from the land, and if we

wish to impose a revenue duty let us levy it upon articles of general consumption, which they have to purchase with the products from the soil. believe that the farming implements at present manufactured in Victoria and New South Wales will compare with those manufactured in any part of the world, and if we grant the industry a reasonable protection I believe the existing manufacturers will retain the Australian market. At the same time I think that the farmer should have an opportunity of saying which implement is best adapted to his needs. If the Victorian implement is best, let us give it encouragement, but if not let the imported article take its place.

Mr SALMON

- It was not my intention to speak on this item but for the reiteration of the old misstatement that the farmer under this Tariff is taxed on everything he uses - a misstatement repeated by the acting leader of the Opposition and the honorable member for North Sydney last night.

Sir William McMillan

- Are honorable members " stone-walling " on the Government side?

Mr SALMON

- The acting leader of the Opposition does not like to be corrected. He would like the slanderous statement, so industriously circulated, to be still sent among the farmers of the Commonwealth in order to make them dissatisfied with the proposals of the Government. I have been carefully through the list of exemptions, and out of 537 items I find that more than one-fifth are used by the farmer.

Mr Poynton

- What are they f

Mr SALMON

- It is a long list, but I shall mention a few items.

Sir William McMillan

- It is absurd to say that I stated that what is on the exempt list is subject to duty.

Mr SALMON

- The acting leader of the Opposition has told the committee and the farmers of the Commonwealth that every article used by the farmer is subject to duty, and I am going to show that they are not. I suppose the farmer uses more articles in his business than any other man in the community, and it will be seen that he has received very careful attention from those who have framed the Tariff, every tool that he uses being placed on the list of. exemptions.

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Mr Poynton

- Let us hear some of them.

Mr SALMON

- Amongst the special tools used by the farmer which are on the exempt list, are adzes, augers, axes, bran bags, canvas, chisels, corn sacks, cream separators and testers, flour bags, hay forks, grindstones, hessians, hoes, reapers and binders, hay knives, rakes, saws, shovels, sickles and spades. There are in all 98 articles of a similar character, and, in addition, others which, though they cannot be regarded as tools of trade, are still incidental to farming. With few exceptions these articles are not produced within the Commonwealth, and they include alum, sulphur, different manures, meat wraps, blasting powder, rabbit traps, veterinary instruments, and a number of others. I trust we have heard the last of this gross - I do not say wilful - misstatement which has been so frequently made and unjustly circulated. In regard to machinery, I take the same position as do other honorable members on this side. Machinery which cannot be produced in the Commonwealth I should like to see admitted free. I am not in favour of revenue duties, but of protective duties ; and if we tax articles which are not manufactured here, the duty becomes purely one for revenue. In regard to harvesters, thanks to the ingenuity, industry, and enterprise of our manufacturers, we occupy a position second to none in any part of the world. On this point I would ask honorable members to read the very admirable series of articles now appearing in the New South Wales Agricultural Gazette, a production which I have said elsewhere reflects the highest credit on the Government and the people of New South Wales. That publication is not surpassed in any part of the world, and is only equalled perhaps in America. This Agricultural Gazette is another sample of protection for the farmer, because it is a magnificent magazine, which must be published at a loss for the benefit of the farming community. From the articles I have mentioned, it will be seen that even in California, which is

the home of wheatgrowing, the machinery cannot compare for lightness of draught and despatch with the machinery now being manufactured in the Commonwealth. I know that in California steam traction is largely used ; but where horses and mules are utilized, the farmers are at a disadvantage, as compared with those of the Commonwealth, on account of the loss by friction and the weight of improperly-constructed implements. I intend to take up the position outlined by the honorable member for Darling Downs, and assist in relieving the agricultural community from any burden whatsoever. Honorable members, like the honorable member for Tasmania, Mr. Cameron, when they tell us that the prices of various articles are higher in one State than in another, do not touch the question. What we have to consider is the difference between the imported article and the locally manufactured article. I do not say that protection makes every product cheaper, but when we have protection and local production combined, we usually get a cheaper article, and one likely to be more suited to local requirements. Under these circumstances, those who desire to help the farmer and the agriculturist, who have enough to bear, will best do it by assisting in the foundation here of industries, suitable to the requirements of those who have to win a subsistence from the soil. Those who desire to assist the farmer by opening our ports, and stifling and annihilating local productions, are on the mistaken road, and really do not know where* they are going. They will not be guided by the teachings of history. The removal of duties in the past has been followed by the raising of prices in numberless instances. In Victoria we have seen the removal of the duties followed by disaster to a flourishing industry - which had been paying good wages to workmen employed under proper sanitary conditions - and by the formation of a powerful ring, which, in the case of the reaper and binder, bled the people of Australia for years and years to the extent of nearly £50 per machine. That ring, in the most highly protected State of all, has been compelled to reduce prices below those prevailing in the freetrade States, and the price now is £15 per machine less than in New South Wales.

Mr Brown

- I think that is incorrect.

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Mr SALMON

- The honorable member for Gwydir can tell the committee that he bought two machines in Victoria at a price- £15 below that which he would have had to pay in New South Wales. The ring has to a large extent been broken up in Victoria; and such rings can be broken up only where there are men with energy and enterprise enough to manufacture locally. Our policy should not be to play into the hands of those who in the past have shown us so little consideration.

Mr POYNTON

- It is quite refreshing to learn the number of lines in which the farmer is to be benefited under this Tariff. We are told that, amongst other articles, shovels and sickles are on the free list ; and no doubt they are. What surprises me is that the honorable member for Laanecoorie has not discerned the different treatment meted out to the secondary industries. He starts off by talking about two or three trumpery tools of trade in connexion with farming. As a matter of fact, the selfishness of protectionists, and of the secondary industries and those who support them, is more strikingly shown every day. It is most singular that there is not a tool of trade required by the protectionist which is not on the free list, even to the most costly machinery. Look at the different treatment given to the farmer. Are not ploughs and other similar implements the farmer's tools of trade, just as much as printing machinery is the tool of trade of the newspaper proprietor?

Mr Salmon

- Does the duty on the plough make the implement dearer ?

Mr POYNTON

- If the duty is not wanted, why is it imposed? While the manufacturers want all their tools of trade on the free list, they wish agricultural implements, mining machinery, and machinery used by pastoralists, which are equally the tools of trade of the farmers, the miners, and the wool-growers and shearers, to be heavily taxed. Machinery for the manufacture of paper and felting, machinery used in the process of electrotyping and stereotyping, machine tools used in apparel and attire making, bookbinding, boot-making, brash-making, glass-making, hat-making, leather-dressing and metalworking, is on the free list ; but on agricultural machinery there is a duty of 15 per cent. Directly it is proposed to put any other machinery on

the free list, the Government are deluged with the complaints of manufacturers that a duty should be placed upon it so that it may be manufactured in Australia. All lines of agricultural machinery, including reapers and binders, are cheaper to-day than they were a few years back, or even twelve months ago, but that is not the result of protection.

Mr Kingston

- The importers are flying; from the wrath to come.

Mr POYNTON

- One can get a reaper and binder to-day for £27.

Mr Phillips

- Of what make?

Mr POYNTON

- The "Osborne," I think. My brother bought one at the last. Ballarat Show for that price, and it is doing; very good work. The combination that, formerly existed was an American combination.

Mr MAUGER

- There is a combination in. Sydney now.

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Mr POYNTON

- As a matter of fact there are middlemen in all industries. A retailer cannot obtain hats from the Denton Mills without getting them from a wholesale house, and the wholesale people make as much profit as they can, just as the importers do. With regard to Shearers' ploughshares, I am unable to say whether they are or are not better than the other ploughshares which have been mentioned, but. I have seen a letter from Mr. Shearer, in which it is emphatically stated that their price is considerably under that quoted by the honorable member for Tasmania. With regard to the price in New South Wales, I believe the difference was caused in the same* way as that in which the price of hats is increased here. When a man becomes sole agent for certain manufacturers, he can control the sale of their manufactures, and that is what has occurred in Sydney in connexion with Shearers' ploughshares. I do not think that the protectionists do what they claim to do in connexion with the bringing down of prices. Although the price of ploughshares was higher some years ago than it is now, the same thing may be said of wire-netting,, and of other articles. Some years ago I paid £27 a ton for wire-netting, but now I can get the same class of netting, and netting of the same gauge, at £14 15s. a ton. That reduction has not been brought about by protection, because wire-netting has been admitted free throughout the States. Prices come down naturally as the demand increases. At first, when the supply is limited, prices are high. The honorable and learned member for Bendigo has shown us that the Victorian manufacturers of mining machinery can supply a better and cheaper article than outside manufacturers, and, therefore, I cannot see why they require protection. When a local manufacturer has obtained the control of the local market, and has established his connexion, he has a great advantage over the foreign manufacturer, because he has no freight to pay. The argument that the importer pays the duties, does not always hold

Mr Salmon

- Can the honorable member mention one item of machinery, not manufactured in this State, upon which there is a duty ?

Mr POYNTON

- The honorable member seems to think that all we have to do to create a manufactory here is to impose a sufficiently high protective duty.

Mr Salmon

- Is there any duty on pitchforks ?

Mr POYNTON

- No, nor upon sickles, or spades and shovels. But most of the agricultural implements used by farmers are taxed. Now that we export om- meat, and wool, and minerals, and grain, our primary producers cannot benefit by the imposition of duties upon those products, because they are forced to compete in the markets of the world against the cheap labour and the best machinery of other places, and they have to pay high freights. That being so, why should they be handicapped by having to pay heavy duties upon what are practically their tools of trade? The other day a gentleman twitted me with having voted against the salt duty, and in reply I asked him why he had increased the price of his salt. He said - "We divided

the duty. We cannot do with less than half of the 20s. per ton which has been imposed."

Mr Mauger

- And he explained that he had been underselling in order to do trade in Queensland and in New South Wales.

Mr POYNTON

- He told me that he had been losing 1s. 6d. per ton ; and yet, when a duty of 20s. per ton was imposed, he increased his price from 7s. 6d. to 13s. 6d. per ton. In justice to his firm, however, I should say that the moment the duty was put upon salt, the shipping agents increased their freights. What the manufacturers want is not so much to keep out the productions of other places as to increase the prices of their own manufactures. I should have no objection to giving an advantage to local men if prices were not increased to the consumer thereby. But whenever duties are imposed, prices are increased. I consider that agricultural implements should be placed on the free list.

Mr Salmon

- Will the honorable member be prepared to support a land tax ?

Mr POYNTON

- I have always been in favour of a land tax under which the taxpayer may know the exact amount of his liability. That cannot, however, be arrived at under a system of protective duties. A number of farmers in South Australia have told me that they would sooner pay the land tax than see heavy protective duties imposed. We have a land tax in operation in South Australia, and I am one of those who voted for a progressive land tax, and for an absentee tax. If the Government will not place agricultural implements on the free list, I hope they will see their way clear to considerably reduce the duty.

Mr KENNEDY

- A number of statements have been made in the course of this debate which ought not to go unchallenged. Instead of discussing the propriety or otherwise of imposing a duty on agricultural implements honorable members have indulged in a general discussion on the question of free-trade and protection, but the whole of the speeches directed against the proposal of the Government have departed very much from the original stand-point that protection enhances the cost of the article to the consumer. No honorable member has yet proved that the protective duty on agricultural implements has increased the cost to the farmers in Victoria, and it is now urged that implements should be placed on the free-list, because they are the tools of trade of the farmer, and are in the same category as other tools of trade which are exempted from duty. Many of the implements used by the farmer, and which are not made in Victoria are to be placed on the free-list. The honorable member for South Australia, Mr. Poynton, in attempting to prove that articles manufactured under protection are quoted at higher prices to the consumers in the protected States, than to customers outside, has established quite the contrary proposition.

Mr Poynton

- The Victorian pays more for his Lennon ploughs.

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Mr KENNEDY

- No, he does not. The honorable member demonstrated that a certain class of ploughshares made in South Australia cost more in New South Wales and Queensland than in either South Australia or Victoria, where the industry is protected. This state of affairs is brought about by the fact that in the northern States all local competition has been crushed out, and the importers have been able to keep the trade entirely in their own hands and fix prices to suit themselves. The price of Shearer's shares, the equivalent of the No. 2 Hornsby shares, in Victoria, has been quoted by the honorable member at 45s. per dozen, but I have bought shares from the very place from which the honorable member's quotation was obtained, at 40s. per dozen. The honorable member for Tasmania, Mr. Cameron, quoted from a price list of 1899 and produced a slip of paper in the form of a receipt for the price of a single share bought to-day, but the honorable member forgets that no farmer would ever dream of buying a single share. I have been using these particular shares for years, and they are undoubtedly very good and the cheapest in the market. There is something in what the honorable member for South Australia has said as to their special suitability for certain soils, and for use in the northern districts of Victoria they are simply unrivalled, even when compared with the Massey-Harris shares, which are the best product that the company put on the

market. It has been stated that the combination in connexion with reapers and binders has arisen from the operations of the patentees and manufacturers in the United States. If that is so, how is it that the manufacturer of one of the best classes of English reapers and binders is in the very same combination ? How is it that these machines sold in Victoria are subject to the very same conditions as those imported here from America? The high prices of reapers and binders have resulted from a combination amongst the importers in Victoria. A limited number of firms have imported them, and they have fixed their own price, which at one time was 100 per cent, above the imported cost price. We had a primage duty in operation -in Victoria at one time, and according to the declarations made in connexion with that duty, either the importers were perjurers or the cost of these machines was £22 each landed in Melbourne, and yet at that particular time they were sold to the Victorian farmer for £50 cash.

Mr Poynton

- Yet the agents gave them up, because they were not profitable.

Mr KENNEDY

- The agents gave up the importation of these machines because the manufacturers saw that it was worth 24 s their while to establish their own agents here. Another peculiar disadvantage under which the farmer labours in connexion with imported machinery is that if he attempts to build up a reaper and binder with duplicate parts he will find that the machine, instead of costing him £50, will involve him in an expense of about £200. This is owing to the exorbitant prices charged by the importers for the duplicate parts. The same conditions do not exist in connexion with machines and implements of local manufacture, because the local makers supply the farmers with duplicate parts at exactly the cost' price as put in the original machine. It has been stated that the development of the agricultural industry in Victoria gave rise to the establishment of the manufacture of implements and machines, but quite the reverse was the case. The improvements in agricultural implements and machinery have been the chief factor in developing the agricultural industry" of Victoria. The immense areas now under cultivation in the northern district of Victoria would never have been brought under the plough if it had' not been for the progress made in the local manufacture of agricultural implements.

Sir William McMillan

- That does not prove that the manufacturers need protection.

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Mr KENNEDY

- Yes it does, because when attempts have been made by local manufacturers to compete with imported goods, the importers have, wherever possible, brought down prices, in order to crush the local manufacturer out of the market. The same thing is an every day occurrence even in our stock markets. The man who wants to purchase stock will do anything that is legitimate to bear down the prices.. But some honorable members ask - " If this industry is established, what reason is there for continuing to afford it protection?" This question may best be answered by a simple illustration. In Victoria a harvester - a purely Australian invention - has; enabled the farmers to harvest their grain under certain climatic conditions at a very low cost ? What has happened with respect to that particular machine for which the patent rights were not taken out?. Two or three machines were bought up last year by an enterprising American firm which has taken them to America, and which, in all probability, will soon offer them to the Australian farmer at a reduced price. But the trouble is that these machines will not be consigned from America direct to the man who uses them. They will be consigned from, say, Brown, Smith, and Jones in America to Brown, Smith, and Jones in Melbourne. They will be invoiced at the firm's own price, and will pay duty only upon that amount. They will thus, perhaps, beat our local manufacturers out of the market. As soon as that result has been achieved, this firm will fix a price which will compensate them for whatever loss they may have sustained in gaining control of the Australian market, and thus they will eventually get our farmer under their thumb. Why is the old battle-cry - that the result of protection is to increase the cost of any article to the consumer - abandoned in this instance ? Because there is no proof whatever that it is justified On a previous occasion I stated that the implements manufactured under a protective duty in Victoria were sold at exactly the same price to the New South Wales farmer as they were to the Victorian farmer, and I repeat that statement. I would also ask my free- trade friends opposite how it is that under exactly similar conditions as to quality of land, climate, and facilities for transport of produce to market, the farmer in the protected State of Victoria has been in a much better position and

received a higher return per annum than has the farmer in New South Wales ? Positive proof of my statement is to be found on the Victorian border. Of my own knowledge, from Echuca to Albury, upon each side of the river, the quality of the soil is the same, the same climatic conditions prevail, and equal facilities are offered for getting the produce to market. Yet in every instance the Victorian farmer is ahead of the New South Wales farmer. I have been asked why Victorians are crossing over to New South Wales ? My answer is that farming lands are not available for them in Victoria. But if they are being driven away from home, they are quietly and peacefully buying up New South Wales. We have had a very great deal of talk from a theoretical standpoint upon this particular- item. I ask honorable members to reduce their theories to practice, and if those theories will not work out in practice to admit that it is so much the worse for them. In Victoria we do not find that the farmer objects to a duty upon agricultural implements. The man who objects is the agent, who wants to come between the, farmer and the importer. Were it not for the fact that the implement manufacturers are established here, both the farmers of New South Wales and Victoria would be required to pay considerably more for their implements than they have hitherto done. We produce an article which is admirably adapted to our requirements.

Sir William McMillan

- We hope that Victoria will continue to manufacture them.

Mr KENNEDY

- Why then does the honorable member so persistently object to it? The honorable member always considers the other side, and endeavours to insure that the trade shall go through the channel of the importer. He does not think it proper for the manufacturer to come into direct touch with the consumer. But the Victorian manufacturers are coming into direct contact with the farmers, and selling to them without the intervention of any middleman. We have heard the cry about the primary industries ad nauseam, and what does it amount to?

Sir William McMillan

- If the Victorian manufacturer goes direct to The farmer he does not need any, protection.

Mr KENNEDY

- I want the manufacturer to be always in a position to go direct to the farmer, and I know that in the United States and Great Britain, he cannot do so. There is no section of the community in Australia which is in a worse position to combine in their own interests than are the agriculturists. The whole trend of the speeches by honorable members of the Opposition has been in favour of pushing those engaged in our manufacturing industries into the primary industries

Sir William McMillan

- It would be a good thing if we accomplished that.

Mr KENNEDY

- It would be a splendid thing for a few gentlemen who are in a position to import goods in order to supply them. No man who knows the conditions of New South Wales will deny that 'her resources are far and away above those of any other State.

Sir William McMillan

- We have as many manufacturers in New South Wales as there are in Victoria.

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Mr KENNEDY

- I should accept that statement if it were borne out by the figures of the New South Wales statistician.

Sir William McMillan

- The import trade in Victoria is far larger and more remunerative than that of New South Wales.

Mr KENNEDY

- There are peculiarities in connexion with the import trade which are difficult for a layman to understand. There are more factors than freetrade or protection to be taken into consideration ; but the fiscal conditions form one of the -factors in the industry under discussion. All things being equal, and given reasonable natural conditions, it is possible in many of the lines to produce for our own requirements without increasing the cost to the consumer. It is a surprise to me that those who always argue from the latter standpoint as against protection, have abandoned their position in regard to this particular item.

Mr Conroy

- If the duty does not increase the price, the duty is of no use to the manufacturer.

Mr KENNEDY

- There are some items included in this division, in regard to which I am not prepared to support the proposal of the Government. The machinery employed in many manufacturing industries is admitted free, simply because the volume of trade to be developed is not sufficient to justify any sane person in laying down the necessary plant for its manufacture. It has been asked why the machines used in the woollen industry are allowed to come in free. But what amount of machinery is used in this industry throughout the length and breadth of the Commonwealth ? There are only eight or ten mills engaged in the industry ; and would there would be any justification for laying down plant for the manufacture of the necessary machinery ? I unhesitatingly say there would be no justification. The machinery cannot be made here, and there is no large field or scope for operations ; if a plant were laid down, it would lie idle for eleven and a half months in the year. The same argument applies to other industries. I am prepared to go so far as to admit free the patent and intricate machinery used in mining particularly in Western Australia and the northeastern parts of Victoria. ' But where the field of operations is sufficiently large to invite competition amongst the manufacturers, and there is a possibility of producing the article without increasing the cost to the consumer, I should give whatever 24 s i protective duty is justified under the circumstances.

Sir William McMillan

- A special department would be required to interpret the Tariff.

Mr KENNEDY

- We had a Tariff in Victoria for a number of years which gave us all the revenue we required, and there was very little confusion in its administration. I know that it is impossible under existing conditions to get anything like a scientific protective Tariff; but we ought to get as near to such a Tariff as we can. I fully recognise the necessity for revenue. What is hurting the farmer and the general populace is the high revenue duty which must be levied in many instances. Before I am asked to support a proposal to put on the free list all the machinery used in the industries which have been established under a protective Tariff, I require some proof that protective duties have increased the cost to the consumer. I have made inquiries in regard to the incidence of this Tariff, as compared with the Victorian Tariff, and it must be admitted that there has been a reduction all along the line. I have further made careful inquiries amongst trades-people, and I find that there has been no reduction in prices in consequence of the reduction in duties since 8th October.

Sir William McMillan

- That shows the curse of the system.

Mr KENNEDY

- It is the curse of the system. Notwithstanding the statements which have been made as to the beneficent results of free-trade to farmers, I challenge the acting leader of the Opposition to refute the statement that the cost of a household in New South Wales is not one cent, less than the cost of a similar household in Victoria, and that the implements and appliances which the farmer uses cost exactly the same in both States. The cost of transit to the farm and of sending the produce away to market is exactly the same, and in no single instance does the 'New South Wales farmer come out on the best side, the cost of his household keep being more than in Victoria.

Sir William McMillan

- If -the New South Wales farmer lives better, of course his household expenses are larger ; but if he lives on the same scale as1 the Victorian farmer, they are not.

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Mr KENNEDY

- There is not much difference in the manner of living on either side of the river. Until it has been proved to me that protective duties have enhanced the cost to the consumer, I shall oppose the free-trade proposals.

Mr A C GROOM

- The contention of the honorable member for Moira right through is that protection has made implements cheaper to the farmer. But if 15 per cent, has done that, why do protectionists not immediately propose a duty of 30 per cent., which, according to their argument, would make the article cheaper still. Not a single proof has been given that? protection has been the means of cheapening the articles under discussion ;

but the honorable member for Illawarra, Mr. Fuller, gave some figures which showed, according to the price-list he quoted, that Lennon's ploughs are £2 cheaper in New South Wales than in Victoria.

Mr A McLEAN

- That is not correct; Mr. Lennon has been here himself.

Mr A C GROOM

- The honorable member for Laanecoorie spoke of the free list as it affects the farmer, and several other honorable members made the statement that the farmer is deriving an immense amount of advantage in consequence of the enormous number of goods which come in specially for his benefit under the free-list.

Mr Salmon

- I never said anything of the sort.

Mr A C GROOM

- I say that that was a statement made by other honorable members, and the honorable member himself said that the farmer derived great benefit from the number of tools which came in free.

Mr Salmon

- I did not say that the farmer derived any benefit at all. I simply contradicted a statement frequently made by the acting leader of the Opposition, and made last night by the honorable member for North Sydney, that every single article used by the farmer is taxed.

Mr A C GROOM

- Then the honorable member for Laanecoorie went on to say that a large quantity of tools of trade-

Mr Salmon

- Is the honorable member going to apologize ?

The CHAIRMAN

- The honorable member for Laanecoorie has stated that the remark which the honorable member for Flinders attributes to him was not made by him. The honorable member for Flinders must accept that statement.

Mr A C GROOM

- I apologize with pleasure, but I certainly understood the honorable member to make that statement. The tools of trade which do come in free, and which are used by the farmer, comprise some 27 articles altogether, and include such insignificant commodities as augurs, adzes, awls, axles, chisels, drills, files and rasps, and garden shears. The value of these runs from 1s. up to 2s., and in some cases as high as 5s. each, and the total value of the 27 articles is under £3. That represents the benefit which the farmer receives from the free list in the shape of tools ; and there is no doubt that a large number of these tools would not be on the free list if they were not used in other trades by carpenters and people of that class. But the only agricultural machines on the free list are reapers and binders and cream separators.-

Mr McColl

- But fencing wire, bags, tools, and many other things are free.

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Mr A C GROOM

- I am speaking about machinery. 'With regard to reapers and binders, there is a proposal under Division 6a to tax them at the rate of 15 per cent. ; but I hope the committee will not agree to it. The discussion of the item before the committee involves the question : how ought we to treat the farming and producing interests of the Commonwealth ? Are the manufacturing interests to be bolstered up at the expense of the primary producers, who can get no protection? The farmers are perfectly willing to pay their fair share of taxation, but, as they receive no protection, they ask that the machinery which they use shall be admitted free. The agricultural implement manufacturers of Victoria, 35 years ago, asked for a fair measure of protection, so that they might be enabled to start their industry, and they hoped to be able after a time to do without support. But, notwithstanding the fact that they have been bolstered up for 35 years, they are still crying out for protection. Therefore, we have to consider whether we should pay attention to the claims of the manufacturers rather than to those of the farmers, and I range myself on the side of the farmers. Is it fair and right that the producers should be heavily taxed upon everything they use when they get no benefit from protection themselves ?

Mr McCay

- Why did the honorable member come in here as a protectionist ?

Mr A C GROOM

- I came in here, as I said in my first speech, and as I have repeated since, pledged to support duties of from 10 to 25 percent., and in every instance I have voted consistently with my election pledges.

Mr McCay

- The proposed duty upon agricultural machinery is between 10 and 25 per cent.

Mr A C GROOM

- Yes, but I also told my constituents that I should try to have agricultural machinery introduced either free of duty, or at considerably less than the duty now proposed. I defy any honorable member to show that I have departed in the least degree from my election pledges. How can we make this Commonwealth a great nation? Is it by bolstering up the manufacturing industries with high protective duties, or by encouraging our great natural producing industries? In every instance where we have to decide between the farmer on the one hand and the manufacturer on the other I shall take the side of the farmer, because I consider that our great natural producing industries are far and away more important than our paltry manufacturing industries. Coghlan has been quoted extensively during this debate by honorable members on the other side, from the Minister for Trade and Customs downwards, but if honorable gentlemen will turn to page 612 of that work they will find that, while our great natural producing industries are responsible for something over £83,000,000 each year, our manufacturing industries are responsible for only about £28,000,000, and from that £28,000,000 must be deducted £9,000,000 for the industries which have grown up in New South Wales, and a very large amount for the industries which have grown up in other States, without protection. The probabilities are that the protected industries of the Commonwealth do not produce more than £14,000,000 a year. Are we, then, to consider the interests of those who produce £14,000,000 a year, before the interests of those who produce over £90,000,000 a year?

Mr Sawers

- The largest producing industry in the country, the pastoral industry, uses practically no machinery at all.

Mr A C GROOM

- At any rate there is more machinery used by those who produce £90,000,000 a year than by those who produce only £14,000,000. I find that there are 1,580 persons employed in the manufacture of agricultural implements throughout the Commonwealth. Is the great farming industry to be taxed to the extent of 15 per cent. upon agricultural implements for the benefit of 1,580 persons? I acknowledge - and I am happy to pay this tribute to the general excellence of the agricultural implements manufactured in Victoria - that this industry produces very good and useful implements, and locally-made implements will be used by the farmer whether we have a duty or not. But if there is no duty, the fear of foreign competition will cause our manufacturers to improve their productions, and will force them to sell them to the farmers at lower prices, which is what we want. I should like to read an extract to show that Coghlan is much of the same opinion as I am as to the comparative importance of the manufacturing and natural industries of the Commonwealth. On page 597 of the Seven Colonies of Australasia 1899-1900, he says -

The progress of the manufacturing industry in Australasia has been slow and fitful, even in the most advanced colonies; and although the tabular statement given below shows an increase of 70,340 hands since 1885, about one-tenth of this number has been added by a change in the tabulation of the statistics in Victoria and New South Wales. The population of the continent is not sufficient to maintain industries on anything like an extensive scale, and even the Australasian field, such as it is, has been still further limited by the intercolonial Tariffs.

Those Tariffs have now been swept away, so that the field is a little larger. I find that in Victoria in 1885, 49,297 hands were employed in manufacturing industries, and that at the end of 1899, fifteen years later, the number had been increased by only 11,750, of whom 8,500 were women. During the last ten years there has been an increase of only 3,000. A good deal has been said about the Sunshine harvester which I believe is a very good machine. Mr. H. V. McKay, in the circular which he has sent round to honorable members, suggests that we should impose a duty of £15 per machine. He says -

The industry, though young, has made great progress in recent years, and it is within the mark to state that during the past five years its magnitude has increased tenfold. There are in the Commonwealth already, some fifteen establishments for the manufacture of complete harvesters and these employ

considerably over 2,000 skilled hands.

Against this we have the statement in Coghlan that the total number of hands employed in the manufacture of agricultural implements throughout the Commonwealth is only 1580., and in view of Mr. McKay's evident inaccuracy in this connexion we should place no reliance on his representations. Mr. McKay also says that the harvester does all the work of stripping, winnowing and bagging grain for the sum of ls. per acre. This statement is misleading, as Mr. McKay's intention is evidently to induce honorable members to believe that the whole work of harvesting the grain is performed at that rate, but as a matter of fact the cost of labour, and of maintaining or hiring the horses which have to be employed is entirely ignored, and the ls. really represents only the actual cost of the wear and tear of the machine. I undertake to say that no other machine costs any more. The honorable member for Melbourne Ports said he desired that protective duties should be imposed for the purpose of securing our own markets for our own people, and for the purpose of preventing, other machines from coming into the Commonwealth. I took down the honorable member's words.

Mr Mauger

- Then the honorable member took them down incorrectly, for I did not say that I desired to keep other machines out.

Mr A C GROOM

- If that is the policy of the honorable member we can understand why he wishes to see prohibitive duties imposed. If, however, we were to follow his advice the farmer would be entirely at the mercy of the local manufacturer, instead of being in a position to get the best machines possible in the cheapest market. If there is any restriction placed upon the farmers in this respect they will not be able to compete successfully in the markets of the world. I shall support the amendment of the acting leader of the Opposition, and if the majority of the committee are opposed to the free admission of agricultural implements I shall vote in favour of a lower duty than that now proposed.

Mr KNOX

- Although I believe in the principle which underlies the amendment proposed by the acting leader of the Opposition, I regret to say that I cannot give the honorable member my support. I feel that the agricultural interest deserves every consideration at our hands, but I cannot lose sight of the necessity for raising revenue sufficient to meet the financial requirements of the Commonwealth and of the State. Those who are engaged in the primary industries should be relieved of taxation as far as possible, and I hope the Treasurer will see his way to reduce the duty from 15 per cent, to 10 per cent. The rates adopted in this Tariff are assumed to represent a compromise based upon the duties previously levied in the various states, but the Victorian rate has been adopted by the Government, who have apparently overlooked the distinct advantages that the manufacturers will obtain from the wider market which will be opened to them under Inter-State freetrade. If a 10 per cent, duty is imposed it will yield a fair amount of revenue ; it will not impose any serious tax upon the consumer, and it will still afford reasonable and just consideration to the manufacturers under the improved conditions of a more extended market.

Mr PHILLIPS

- I cannot support the Government proposal, and I am equally unable to vote for the amendment proposed by the acting leader of the Opposition. I think that agricultural, horticultural, and viticultural implements and machinery should be subject to a duty of 10 per cent., and I intend to move in that direction if necessary.

Mr Mauger

- The honorable member will shut all the factories up.

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Mr PHILLIPS

- No, I will not. When I addressed the committee with reference to the proposed duty on galvanized iron, I said that I looked upon that article as forming part of the raw material used by the agricultural implement maker because it is largely employed in the manufacture of strippers, winners, and harvesters. I therefore voted against that proposed duty. I shall oppose any proposal to tax the raw materials of our industries. The honorable member for Bland stated that we were taxing the raw material of the agricultural implement maker, but I would point out that we have not yet decided to do so. We have to deal with screws, bar iron, bolts and nuts, paints and oils, and various other articles which are used by the implement maker. The

honorable member for Bland stated that the duties on the raw materials used in the construction of a machine costing £25, would represent £2 12s. 6d. I propose that all these raw materials should be admitted free of duty, and, assuming that the honorable member's figures are correct, that will give the implement maker an advantage of £2 12s. 6d. per machine. If the 10 per cent. duty is imposed, he will benefit further to the extent of £2 10s. I have a very large number of manufacturers of implements in my electorate, and one of them who occupies a leading position, has sent me a letter in which he states that he will be content with a duty of 10 per cent. upon machinery and implements, provided that the raw materials are exempted from duty. I will read what he says in connexion with this matter. The letter is dated Warracknabeal, 19th November.

Mr Mauger

- How many hands does he employ?

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Mr PHILLIPS

- I do not know, but he is certainly handicapped very much in competition with the manufacturers of Melbourne, because he has to pay freight for the carriage of his raw material for 250 miles, and subsequently has to send the manufactured article back over the same distance. Yet he does a big business with New South Wales. This manufacturer says -

Regarding the consideration of the Tariff in committee. There are several lines that we think ought to be adjusted, and if you would lend your influence in that direction, we think it would mean an improvement on the proposed rates of duty. We think raw material should be placed on the free list, particularly bar, sheet, and galvanized iron, and all bolts and nuts below, say, ½-inch diameter, inclusive, and Nettlefold's screws. If 10 per cent. duty on bar iron should come into operation, say, in a few years, it would mean that all Australia would be penalized 10 per cent. , or be compelled to use colonial-made iron, which it is very doubtful would be up to the quality required. It would be preferable to subsidize the company instead. If the raw material, bolts, &c. , were kept on the free list, we think it would then be fair to reduce the duty on strippers, winners, and ploughs, by 5 per cent. Ploughshares, we are satisfied, could not be reduced without injuring the trade, in that branch. It is quite a new industry here, and has to fight against big odds, and should be afforded protection for at least another ten years. The reason, we think, the duty on strippers, winners, and ploughs, could be reduced is, because the present duty is inoperative in many instances, and we feel sure if the farmers saw the duty down to 10 per cent., they would then feel the possibility of their having to pay the amount of duty to local manufacturers, as well as the price of the machinery would be minimized. We are fully satisfied that no duty on any goods whatever should exceed 25 per cent., and any manufacturer that cannot make headway on that should stop at once.

The writer of this letter is the representative of Johnston, Miller, and Co., of Warracknabeal, who are large manufacturers and exporters to New South Wales. I may also mention that in company with the honorable and learned member for Darling Downs, I recently interviewed one of the leading manufacturers of Melbourne. We put the case to him, and he unhesitatingly assured us that if his raw material were admitted free he could get along very well with a duty of 10 per cent. upon the manufactured article. I am perfectly satisfied that no fiscal proposal can increase the price of the farmers' produce, but we can do a great deal in the framing of this Tariff to lessen the cost of production. For that reason I intend to move that the duty upon these implements should be reduced to 10 per cent. That is a moderate duty, and according to the opinions of the two leading manufacturer's to whom I have referred, it will enable them to live, and will not exclude the imported article. My desire is to see a fair competition. I do not wish to absolutely exclude the imported article, but I desire to see the importer and the manufacturer come into competition, so that the consumer may get the benefit of that competition. Last night, the honorable member for South Australia, Mr. Batchelor, referred to the formation of rings. Within the last day or two we have read something in connexion with a very big combination, namely, that of the Standard Oil Company, with the " Shell " Transport Company. These two companies, which have hitherto been in competition with each other, have now come to terms, the result of which we cannot foretell. We shall shortly have to consider the duty to be imposed upon kerosene, and this combination will be an important factor in connexion with the determination of that duty. I have already notified my intention to move that seed and fertilizer drills be included in the list of special exemptions. The honorable and learned member for Darling Downs has also given notice of an amendment to place a large number of

other articles which are not manufactured locally upon the free list. The reason which prompted my action in connexion with this particular article is that it is not manufactured locally. I believe that one firm has attempted to manufacture it, but they have not been very successful. This is an implement which has come largely into use during the last few years. I suppose that almost 75 per cent, of the farmers in my district are about to use this machine. It has completely revolutionized fanning operations there, and although this has been an exceedingly dry season, the result of the use of the seed And fertiliser drill has been an increase in yield worth from 10s. to 20s. an acre. It has been said that the farmer only purchases a machine once in 20 years. My experience, however, is very different. It is just as necessary for the farmer to be up to date in his machinery as it is for a society lady to dress in the fashion. A farmer must have the latest improved machinery, otherwise he cannot compete with his neighbour. My experience of reapers and binders is that after using a machine for three or four years, it pays me to sell it for whatever it will bring, and to purchase a new one containing the latest improvements, irrespective of its cost. »Our local manufacturers, especially the manufacturers of strippers, winners, and -stump-jump ploughs, turn out the best implements in the world. They have nothing to fear from outside competition. The reason of this is that the bulk of them have been practical farmers, who know exactly what sort of machine is necessary to meet local requirements. These people tell me that they are perfectly satisfied with a 10 per cent, duty if their raw material is admitted free. For that reason, I intend to move that the duty upon agricultural, horticultural, and viticultural implements be reduced to 10 per cent.

Mr. WINTERCOOKE (Wannon).The present discussion has largely turned upon the question as to whether agricultural implements are made cheaper by protection. I do not think that any conclusive evidence has been offered that protection does cheapen those implements. I am free to admit that there may be cases in which it has that effect, but generally speaking I am confident that it has not. Let us take, for example, an article upon which a 25 per cent, duty is imposed, and another upon which a duty of 15 per cent, is levied ; and let us assume that the second article is part of the raw material used in the manufacture of the first. The manufacturer of the article which carries the duty of 25 per cent, will immediately say - " I have only a protection of 10 per cent., because I have to pay 15 per cent, upon the raw material which I_ use." But if, as is alleged by honorable members opposite protection cheapens goods, the manufacturer has not a leg to stand upon, because he should at once be told by protectionists - "Why, the 15 percent, duty has made your raw material cheaper ; you have got 25 per cent, duty to the full, and even more, because the duty on the 15 per cent, article which you use in your manufactory is reduced by the fact of the protection." Over and over again in Victoria manufacturers' have urged that duties had been put on an article which they used in their manufacture ; but if protection cheapens articles, the manufacturers in those instances were benefited, and, therefore, had no right to ask for an increase of duty because of the duty on an article which they used. Protectionists cannot get away from the statement which they make that protection makes articles cheaper. We have had to-night a very strong protectionist speech from the honorable member for Echuca. I am not one to say that a man should never change his views, but four years ago, the honorable member for Echuca, when a member of the Victorian Legislative Assembly, supported a proposal by the present member for Gippsland to include in the Federal Constitution a sliding scale for the reduction of the stock tax, so that the land-owners of Victoria should not suffer by its sudden removal. In supporting that proposal, the honorable member for Echuca said -

The stock tax was imposed in 1892 as a tardy measure of protection to the breeders of stock who have borne the burden of all the duties for the previous 25 years.

Tho honorable member has to-day stated that the farmer wishes moderate duties, and that, contrasted with his statement in 1897, shows a remarkable inconsistency. It is sometimes a comfortable weakness in human nature to forget the past, and the honorable member has afforded us a very notable instance. The honorable member for Echuca, on the occasion to which I refer, went on to say that if the stock tax were removed "the arch of protection would probably tumble to pieces." I can only hope that the honorable member's prophecy may prove correct. If these duties on agricultural implements were simply for the purpose of raising revenue, and money was really wanted, I should be prepared to support them. But we find a certain section of the community selected for special taxation - that section which we particularly want to encourage to remain on the land - and, though I do not say they have borne the burden of protection, it should be the duty of statesmen to endeavour to decentralize as much as possible, and

remove the aggregation of population from the large towns, with the object of inducing the people to live healthy lives in the country, and bring about that settlement we so much desire. It is for these reasons I shall vote that these articles be placed on the free list.

Sir MALCOLM McEACHARN

- It was not my intention to obtrude myself in this debate, feeling perfectly satisfied with the proposals of the Government as regards the rate of duty, and still more satisfied when they informed the committee of their intention to put on the free list a large number of articles which cannot be manufactured here. My object in rising is to challenge a statement made by the honorable member for Illawarra, and later, I believe, by the honorable member for Flinders, that Lennon's ploughs can be purchased in New South Wales £2 15s. cheaper than they can be purchased in Victoria. I am authorized by Mr. Lennon to deny that statement most positively ; and if any proof be necessary it is afforded in the price-list which I hold in my hand, and on which any person in New South Wales can purchase a plough at the same price as in Victoria.

Mr. JOSEPHCOOK (Parramatta).Having regard to this debate one is reminded of the truth of the statement of the honorable member for Melbourne Ports, when he declared protection to be a variable expedient. Protection varies, I fancy, largely with the electorates, and if a severe and conclusive argument were needed in condemnation of the theory, it is to be found in the absolute selfishness of honorable members who advocate it on the Government side of the House. Honorable members are prepared to limit their horizon to the particular industries in the districts which they represent.

Mr Mauger

- Hear, hear !

Mr JOSEPH COOK

- I am glad that the honorable member for Melbourne Ports approves.

Mr Mauger

- I do, thoroughly.

Mr JOSEPH COOK

- We are told by an honorable member that he thinks only of the particular industry in which he is interested, and does not care about other manufacturers elsewhere on the continent. During the debate honorable members have given votes against industries which are just as worthy as and employ as many men as do the industries they themselves represent. That is done for the simple reason that men in other parts of the Commonwealth are asking for the same consideration at the hands of this Parliament as has been meted out to the constituents of the honorable members to whom I refer. Nothing could be more condemnatory of the principle of protection and those who advocate it, than the absolute selfishness which characterises its advocacy.

Mr Ronald

- If it were true.

Mr JOSEPH COOK

- The honorable member gave a vote the other night he would not have given under ordinary circumstances.

Mr Ronald

- I do not think the honorable member is in order in making that statement in regard to myself.

The CHAIRMAN

- I have already intimated that honorable members must not reflect on any vote given by another honorable member.

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Mr JOSEPH COOK

- I incidentally referred to this vote as an illustration of the position laid down by the honorable member for Melbourne Ports when he declared protection to be a variable expedient. Not only is protection a variable expedient, but it has been shown to be a variable quantity altogether. One thing which has amused me since coming into this Parliament has been the easy way in which honorable members on the Government side have made for themselves definitions of protection. It is the easiest thing in the world to prove a case if the person who proves it can make his own statement of the case. For the first time in the history of the fiscal question we have been told that protection consists in making roads and bridges and

in giving cheap land. I have yet to learn that any economist has ever given so absurd a definition of protection. Surely we have come to Victoria to learn something when we are told that giving people moderately cheap land is the protection about which the world has talked so much for the last 100 years. This is all done to try to gull the farmer into the belief that he is getting some advantage to compensate him for the heavy charges which he is made to pay in order to bolster up the manufacturing industries of the country. But, in my opinion, the farmers of this and the other States will not be so easily gulled. They will be able to see through these subterfuges. I take exception to the provincial tone which has been adopted by the Minister for Trade and Customs and other honorable members on that side of the chamber. He gyrated along the floor in his usual Jack-in-the-box style, throwing out charges of selfishness and wrong-doing against every State except that in which he happens to be. The other night he went out of his way to tell a representative of Western Australia that Western Australia had to be paid to come into the union. That is nice language for a Minister, who is supposed to serve the whole continent, to use. It was in keeping with his statement at the town hall the other night that New South Wales had to be paid, and to be given special concessions, before she would come in.

Mr Salmon

-What has this to do with the proposed duty on agricultural implements ?

Mr JOSEPH COOK

- Will the honorable member hold his tongue? He is a perfect chatterbox. No one can say a word but he interjects.

The CHAIRMAN

- I must ask the honorable member to withdraw that remark.

Mr JOSEPH COOK

- I withdraw it ; but I ask you, sir, to keep the honorable member for Laanecoorie in order. It is time that the Minister adopted a different tone. His manner of referring to the other States is that of a man at the street corner rather than that of a man charged with high responsibilities. He was ready to pick up every stray interjection and throw it at the representatives of New South Wales, in proof of what he was saying. He purported to quote from Coghlan, though all he really did was to pick out a sentence which seemed to suit his argument. He told us that whilst more than 1,100 persons were engaged in manufacturing agricultural implements in Victoria, only 190 persons were similarly engaged in New South Wales, but he omitted to say that Coghlan, speaking of these figures, says that the " grouping is by no means satisfactory," and that -

The number of hands set down as employed in the manufacture of agricultural implements in New South Wales is only 193. Few establishments devote themselves entirely to this business, the manufacture of implements being usually associated with iron-working generally.

The Minister, knowing nothing whatever about the facts of the case, made up by his audacity, his abuse, and his obstinacy. I advise him, before he next speaks about the New South Wales industries, to try to ascertain the facts before making such an exhibition of himself. The Minister also picked up an interjection made by the honorable member for Bland, who, in referring to a New South Wales machinery firm employing 700 hands, said that they had secured several Government contracts. Of course, that firm have done some work for the Government, but not enough to keep their works going. If the Minister had taken the trouble to study Coghlan, he would have found that in the New South Wales Railway workshops £390,000 was paid in wages during 1900, while in Victoria only £253,000 was paid.

Sir George Turner

- But in New South Wales the Government have the tramways under their control.

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Mr JOSEPH COOK

- Not much is done to the trams in the Government workshops. The cars are made locally by Messrs. Ritchie Brothers. The Minister does not try to do justice to New South Wales. Why will he not be fair to that State for once ? He never has been fair to New South Wales. The statement he made about Western Australia was, in my opinion, a disgraceful one. Honorable members opposite seem to think that all they have to do to establish the case for protection is to point to the fact that an industry exists somewhere in Victoria. Last night, when the honorable member for Dalley was referring to the Mort's Dock Company, which employs thousands of hands, the honorable member for Yarra, in a cock-a-hoop style, interjected

that the pump used in Mort's Dock was made in Victoria. Ergo, I suppose, Victoria is the most prosperous State in the world. Did it ever strike the honorable member that an industry may flourish in a State which itself is not flourishing ? Of course, if all the industries of a State are flourishing under natural conditions, the State itself must be flourishing ; but a State which is not flourishing may coddle and bolster up an industry within its borders,, which may do harm to it rather than good. Any industry can be made to flourish if the money of the taxpayers is devoted to that object, no matter how untoward the circumstances. But freetraders maintain that that State is best off whose people can supply their requirements with the greatest facility. The Mori's Dock Company would not have sent to Victoria for a pump if they had not found that it paid them, and that it was to their advantage to do so. They were not worse off", but better off, by getting it in Victoria. Reference has been made to the fact that there has been a strike at Mort's Dock, but quite wrong inferences have been drawn from that fact. There was a strike, but it concerned only a section- of the employes. Figures have been quoted to show that the wages paid at Mort's Dock are higher than those paid in Victoria. None of the protectionists have shown that the wages of mechanics in Victoria are higher than those paid at Mort's Dock in Sydney. Where, then, is the sense or fairness of hurling these statements across the chamber, with a view to showing the decrepitude of the iron industry in New South Wales t The honorable member for Melbourne Ports says that we require protection for our manufacturers, because the conditions here are quite different from those which obtain in the countries with which we have to compete, and strangely enough he has gone to America and Canada, the homes of protection, for instances in which mechanics are required to work longer hours than are our own. The honorable member might have stated, when he was speaking about the eight hours working day observed in Victoria, that a similar limit to the day's work is fixed in New South Wales.

Mr Sawers

- The honorable member gave us all this before.

Mr JOSEPH COOK

- I did not hear any objection on the part of the honorable member whilst the honorable member for Melbourne Ports was making, the statements to which I am now replying. So many libels have been directed against New South Wales that we are obliged to enter on her defence. It would appear from the statements of some honorable members that New South Wales is on the high road to bankruptcy, and that we are fending our money away to foreign countries in preference to giving it to. our own people. When we are told that New South Wales is a large purchaser in foreign markets,, our reply is that that State makes its own bargains in the way that suits it best, and we can point to the fact that the wealth production in New South Wales is greater by £2 per head than in Victoria, notwithstanding all the devices which are employed to bolster up the industrial activities of the latter State. No one has explained how protection is going to do anything to assist in either increasing the wealth-producing power of the people,- or in securing a fairer distribution of our wealth. On the contrary, the honorable member for Melbourne Ports has told us that we require protection to secure certain advantages to our people, and in the next breath he informs us that our chief competitors are protectionist countries where the workers have not been able to secure such conditions as are enjoyed, by own people. Why do they not work for eight hours only in America, and why have they not wages boards there, if protection creates the opportunity for securing such advantages 1 It has been stated that the workmen in America are more highly paid than the workmen in Australia, but that they work longer hours. But if the workmen of America receive 9s. per day of nine hours, they are no better paid for their labour than our workmen at 8s. per day of eight hours. I deny, therefore, that the workmen of America receive any more pay than do those of Australia. Accepting the statements of the protectionists, however, we ought to be careful how we coddle up our industries, lest in the long run we should find ourselves under the necessity of working our people for longer hours and perhaps at a smaller rate of pay. I regard implements and machinery as the raw material of the farmer, and I hope that honorable members opposite, out of consideration for the great toiling masses of the country, will, fight down this duty.

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Mr O'MALLEY

- The honorable member who has just sat down has discussed every subject except the question before the committee. He went to the iron-bound coast of Nova Zembla ; he travelled to the flowery fields of

Africa;; he proceeded to the rock-bound coast of the Atlantic, thence to the golden sands of the Pacific, but I never heard him touch upon the subject before us. The honorable member said that a man working nine hours per day in America for 9s. was no better off than a man who received 5s. for an eight hours day in Australia. Following up that line of reasoning, a man who received 3s. for three hours work would be as well off as one who received 9s. for nine hours work, and the man who did no work at all, and received nothing, would be as favorably situated as the man who did get work and wages.

Mr JOSEPH COOK

- I said that the man who worked eight hours got as much for the number of hours he worked as the man who worked nine hours for a shilling an hour.

Mr O'MALLEY

- Free -trade is right in theory, but wrong in practice. If , we were to vote more and talk less we should have some hope of completing the discussion on this item tonight. We must extend a little protection to the legitimate industries of the country, and we must give the men who have invested their money in Australian factories an even chance with the people outside of Australia.

Mr. MAHON(Coolgardie).- I do not intend to delay the committee, but I. think there is a fact which should be made known before we proceed to a division, It has been stated that a Victorian pump is being used at Mort's Dock, Balmain, the inference being that the people of New South Wales were incapable of manufacturing a pump for themselves. I wish to show that an industry is being carried on in Melbourne in which exactly the same principle has been adopted. There are two firms in Melbourne manufacturing oil and gas engines. The motor power which they use to drive their machinery is not an engine of their own construction, or of the construction of any manufacturer in Australia, but is actually an imported Crossley engine. These manufacturers who actually palm off upon an unsuspecting public their own inferior goods, use an imported engine in their own factory I challenge the honorable member for Melbourne Ports to deny that statement.

Mr Mauger

- I do not hold a brief for every inconsistent manufacturer.

Mr MAHON

- There are so many inconsistencies in the creed the honorable member professes that I may be pardoned for assuming that he did. I am prepared to give the committee the names of the two manufacturers who, instead of patronizing their own product, import an engine from the other side of the world to do their own work. We are asked to impose duties of 15 per cent, on oil engines, and of 25 per cent, on gas engines to maintain manufacturers who have not the pluck to use their own products. Again they take the parts out of an old Cross ley engine which has been in use for ten or twelve years and which has run down, make patterns of them and use them in a new engine. The result is that while a Cross ley engine of 8 nominal horse-power gives 20 brake horse-power as against a locally manufactured engine of 8 horse-power giving only 13 brake horse-power. Tenders were recently invited in this city for a gas-engine, and will it be believed that after the payment of the duty operating, the manufacturer of the imported engine was able to put in a tender only 5 per cent, in excess of that of the local manufacturer? We are often told that protection does not increase the price of goods. But in this instance advantage was immediately taken of the duty imposed to increase the price. If there are any valiant honorable members upon the opposite side of the House who desire to draw a moral from the inconsistency of using a Victorian pump at Mort's Dock, I am ready to give the names and addresses of people in the city of Melbourne who have the gross effrontery to come to this Parliament and ask for a heavy subsidy on behalf of their twopenny - halfpenny manufactures, and yet who have not the pluck to use an engine of their own make.

Mr Tudor

- Give their names to the committee, as I did the other night.

Mr MAHON

- The names of the two men are Mr. Coulson, of a'Beckett-street, Melbourne, and Mr. Hampton, of Elizabeth street, Melbourne.

Mr Mauger

- What are they doing ?

Mr MAHON

- They are the manufacturers of engines who are running their own machinery with imported engines.

Mr Mauger

- Does the honorable member know the circumstances ?

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Mr MAHON

- I have the circumstance upon-sufficient authority to entitle me to get up in this chamber and give the information which I have supplied to the committee. If I have given any wrong information, it is open to the honorable member for Melbourne Ports to rise in his place to-morrow and correct my statements. I have heard that one of these gentlemen, hearing that his action was likely to be exposed, is actually engaged at the present time in taking out the imported article and replacing it by an engine of local manufacture. These are the facts as they were stated to me. What nonsense it is for the honorable member for Melbourne Ports to hint that I am not speaking from my own personal knowledge ! How is it possible for any honorable member to go to the various manufactories of Melbourne in order to verify the accuracy of every statement which is made to him ? Is there one honorable member who does not speak more from information received than from personal knowledge ? I have given the facts as they were stated to me, and if I am correct these persons have no right to ask the committee to tax the people for their benefit.

Mr FULLER

- During the Course of my remarks this afternoon, I made a statement in connexion with Lennon's ploughs, the accuracy of which, in my absence from the chamber, has been questioned by the honorable member for Melbourne. I desire to say that I have no object to serve in making a mis-statement in regard to these particular ploughs, or indeed in connexion with anything else. I am in a similar position to that occupied by the honorable member for Coolgardie, in that a lot of the information contained in my speech was supplied to me from what I believe is an authentic source. But it has been a matter of public comment in New South Wales for years past that the men on the northern side of the River Murray have been able to purchase Lennon's ploughs at a less sum than that for which they could be purchased in Victoria. This is not an unusual thing in connexion with manufacturers in protected countries. In Germany the manufacturers have two classes of prices, one for their home consumers whom they charge a relatively higher price, and another for foreign consumers whom they charge a relatively lower price.

Sir Malcolm McEacharn

- That is not so in the case the honorable member is citing.

Mr FULLER

- I object to the honorable member for Melbourne declaring upon the strength of a letter received from an interested manufacturer who has been lobbying all round the Chamber during the whole afternoon, that I am not speaking the truth. The honorable member ought to know better than to state that what I say is an absolute untruth. I have no ulterior object to serve in connexion with this matter. As far as I am concerned, I have stated what I believe to be the absolute truth. In confirmation of my statement I have only to mention the relative price of Harper's starch in Sydney and Melbourne. The price of that article in Victoria on 13th July of the present year was 36s. per cwt., whilst in New South Wales it was only 26s. per cwt.

The ACTING CHAIRMAN (Mr. V. L. Solomon). - I think that the honorable and learned member is travelling beyond the scope of the item in discussing another line which is so absolutely different.

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Mr FULLER

- I was merely giving another illustration in support of my statement. Certainly the difference between the price of Lennon's ploughs in Victoria and New South Wales has been a matter of public comment for years past.

Sir MALCOLM McEACHARN (Melbourne). - I am sorry indeed that the honorable and learned member has stated that I accused him of speaking an untruth. I did not accuse him of wilfully stating that which he knew to be untrue. I merely remarked that I had been requested to deny the honorable and learned member's statement. One can easily see the way in which the honorable and learned member has fallen into the error. If he is in possession of one of these catalogues which I hold in my hand he will see that there are two kinds of five-furrow ploughs quoted there. The price of the five furrow plough described upon page 46 is £31, whereas that of the five-furrow plough outlined on page 47 is £29. To any one

lacking experience they are apparently the same class of implement. That, I think, is the explanation of the error into which the honorable and learned member has fallen. I ask the committee to accept my assurance that, so far as Lennon's ploughs are concerned, there is no difference whatever made in the price to the purchaser, whether he buys in New South Wales, Queensland, or any other State, save the extra cost of carriage to their destination. That is the only explanation which I have to make. I hope that, so long as I am a member of this House, I shall never accuse any honorable member of wilfully stating an untruth.

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Mr KINGSTON

- I am sorry that -the experiment we made in allowing a general debate upon this item has not panned out so well as we had hoped. There is- a degree of liberality being exercised in this connexion which augurs ill for the conclusion of the discussion. However, I do not propose to occupy much of the time of the committee. First of all, I should like to say a few words to the honorable member for Parramatta. Although we have our differences of opinion, I am sure that honorable members mutually respect each other, and do not believe that any one of us would be guilty of wilfully making a misstatement for the purpose of deceiving the committee. Under these circumstances, I am sorry that the honorable member for Parramatta should have made the reference he did to my quotations from Coghlan. Those quotations were supplied by my officers. I quoted them as they were supplied. The very paragraph to which the honorable member referred, reads -

The number of hands set down as employed in the manufacture of agricultural implements in New South Wales is only 193. Few establishments devote themselves entirely to this business, the manufacture of implements being usually associated with iron -working generally.

I imagine that the honorable member referred to this paragraph for the purpose of correcting some wrong impression which he thought I had created, by reason of not having quoted it before. I did quote it before, and every line and letter of it will be found in Hansard. Consequently his remarks are altogether unjustifiable. We may use warm words here, but they are not words which ought to disturb the harmonious relationships which exist between honorable members. We may make a variety of references to our own States, but I believe that however warmly I may speak I enjoy a fair share of the good-will of honorable members. Let me assure them that I heartily reciprocate it. Any little discussion which we may have ought not to imperil our personal relations. But there is one thing which I do resent, and that is an endeavour to make it appear that I am at any time quarrelling with the people of a State. Nothing of the sort. Of course I am proud of my own particular State - so are we all. At the same time we are proud of Australia as a whole. When, therefore, some honorable members try to make it appear that I am attacking the people of a particular State I must resent the imputation. The representatives of Western Australia know full well my relationship with the people of that State, and how much I enjoy their friendship and hope to preserve it. I believe, too, that the honorable member for Parramatta realizes, in his calmer moments, that when I pitch into him and into the leaders of public thought in New South Wales it is not because I have any ill-feeling towards the people of that -State. I have every respect for them, and I believe they have a kindly feeling for me. It is not fair for the honorable member to charge me with making an attack upon the people of New South Wales. I do nothing of the sort. I hold them in the highest esteem. If I cannot hold all their public men in the same esteem I suppose it is my fault, but I trust that I shall be given more reason for agreeing with all of them in the future, by the absence in debate of anything approaching the spiteful remark which I venture to think the honorable member was making, on account of a jocular observation which was thrown at him yesterday, and which appears to have stuck to his ribs, and caused him to make remarks which in his calmer moments he will be ashamed of and apologize for. I was not going to bother about the question of the Clyde works but for the remarks of the honorable member for Parramatta to-night. There was some talk last night as to why these works, or Hudson Brothers, had "gone wrong," and whether they had Government contracts, and whether an agricultural implement manufactory could be established without protection. I hold just the opposite view to that held by the honorable member for Parramatta. About 6.30 to-night, altogether unsolicited and unexpected, I got some valuable information from Sydney on the subject, which I shall read for the edification of the committee, and to the confusion of the honorable member -for Parramatta. The communication, which is in the form of a telegram, addressed to me, reads as follows : -

Referring Mr. Willis's remarks re Clyde Works, this morning's paper, I beg to say in 1896 Hudson Bros, closed, under Reid's freetrade. The Clyde Engineering Company purchased the works in 1898 in view of federation, anticipating protection.

As to the bedsteads, I remember the picture which was drawn by the honorable member for Robertson, of all the artisans making wonderful bedsteads, and then I think there was also a reference to wire mattresses.

Honorable Members. - Not at the Clyde Works.

Mr KINGSTON

- If I recollect rightly the Treasurer interjected and pointed out that he believed the bedsteads were simply put together there. The telegram goes on -

No bedsteads made at Clyde any time.

Out go the bedsteads !

Mr Thomson

- They were never in.

Mr KINGSTON

- Then the idea that there were State contracts was repudiated with indignation ; but the telegram says - At present moment seven-eighths of our contracts are for this State Government.

Under these circumstances, knowing what we do in regard to State contracts, and their value, I venture to think that what I have -read is conclusive proof of the very mild suggestion I ventured to make yesterday, on the authority of an honorable member who knows the circumstances, that these works were highly protected by State contracts. The telegram concludes -

Agricultural machinery to be made here must be protected.

Sir William McMillan

- That is absolutely worthless, coming possibly from prejudiced people.

Mr SYDNEY SMITH

- Give us the name.

Mr KINGSTON

-I ask honorable members not to compel me to " give myself away." They may be sure that I would not read a telegram unless it came with authority. However, as honorable members press me, I give way, and state that the telegram is from Walter N. Noakes, managing director of the Clyde Engineering Co., Limited. Here ends the first chapter of a fiction written in connexion with these particular works - a fiction which I have exposed on an authority which can be questioned by no man. I wish to make the position as clear as the noonday sun. We propose to take the vote whether these goods shall be free on " agricultural, horticultural, and viticultural implements and machinery, n.e.i." If that motion be carried there is an end of the matter; but if it be decided that there shall be a duty, whatever it may be, it will be possible for any honorable member to move any line whatever as an exemption from the general principle of taxation in this particular class.

Let there be no doubt about it, our object is to protect manufactures which are established here. Our object is not to protect manufactures which cannot be established ; and, therefore, we shall welcome proposals for the exclusion from the system of taxation of goods which are not manufactured here. We shall be only too delighted to give and receive the fullest information. We hope that honorable members will place on the notice paper all the exemptions they desire, so that we may come down fully prepared to dispose of the matter at once. We do not desire to establish manufactures of a microscopic character which cannot hope to be successful, and which have been well described as manufactures in which it would not pay to go to the expense of the necessary machinery. That is the position ; those are our views. The way in which we propose to treat the committee is at least fair, and the best we can think of in order to give expression to the views of honorable members ; and I think the result will be that the committee will support the Government in the action they propose.

Mr. HENRYWILLIS (Robertson).The telegram read by the Minister for Trade and Customs is evidently in reply to some remarks made by myself yesterday. But if the Minister's memory serves him, he will know that what I said yesterday had no reference whatever to the Clyde Works being manufacturers of bedsteads; in that connexion I was referring to Hordern.

Mr Kingston

- Doubtless Mr. Noakes saw a brief telegraphic report of the" honorable member's speech.

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Mr HENRY WILLIS

- In all probability the managing director would like high protective duties put on his machinery. We find Parliament besieged by manufacturers in Victoria who desire duties, and probably duties are desired by many manufacturers in New South Wales. If the Minister for Trade and Customs is desirous of knowing the opinions of the directors of the Clyde Company, I should advise him to write to Mr. Rigg, who is a free-trader, and a member of the board. I took the opportunity last night of explaining to the committee that these engineering works, before being taken over by a limited company had, to my knowledge, Government contracts continuously from 1892 up to the time that they were closed ; and they, no doubt, have contracts at the present time. Indeed, the large plants were laid down for the purpose of doing Government work, and the agricultural department is only a branch. Possibly the gentleman who has telegraphed is " pulling the leg of the Minister," but no doubt if Mr. Noakes could get from 10 per cent, to 20 per cent, duty placed oh agricultural implements and all classes of machinery, he would be prepared to send another telegram. I think in all probability Mr. Noakes has read a condensed or inaccurate report of my speech, but I can show the Minister the record in Hansard, which is quite correct.

Mr WILKS

- We find the Minister for Trade and Customs in a very conciliatory mood this evening. He has paid a compliment to New South Wales, though he was afraid to call that the mother State or the senior State, and I think he must look on it as the step-mother State. The debate has drifted away from the question really before the Chair, but the Minister for Trade and Customs is answerable for that. Last night he went into the whole question of free-trade and protection, and from that time we have had speeches from both sides on those lines. I recognise that the Government are placed in a very strange position. This potentate of protection, the Minister for Trade and Customs, imagined he would have a strong body of protectionists at his back in this House, but he must have found that the expedients of protection are of such a character that the bulk of those on the Government side are only supporters of the policy as it applies to their particular electorates. The expression on the face of the Minister when honorable members behind him, while not proposing to take the duty off altogether, say they are prepared to go half way to that end, is that of political disgust. On this side of the House we do not find honorable members varying their fiscal opinions according to the districts they represent. We do not say, because we have a Mort's Dock or a Clyde Works within our constituencies, that we desire protection. Freetraders do not alter their policy to suit some particular portion of their electorates. But the protectionists, when certain interests in their districts are likely to be affected by the proposals of the Government, vote against protection. The Minister read with dramatic force a message in regard to the closing of the Clyde Engineering Works but he did not read a similar message in regard to the closing of Messrs. Cameron and Sons works, at Kapunda, South Australia, in 1887, when the Playford Tariff was brought in. The Minister for Trade and Customs said last night that it was not his duty to pursue the fortunes of any firm ; neither is it mine. Probably it would have been better if the Minister had not referred to these firms at all. Disaster may overtake a company through over-capitalization, bad management, or other causes quite unconnected with the fiscal policy. In 1898, the Clyde Engineering Works were employing 200 hands, under free-trade, and to-day they employ 700 hands, although they have had to compete with the manufacturers of the whole world. It is all very well to say that the company started in 1898 because they were then assured of federation, but in that year neither New South Wales, Queensland, nor Victoria had decided to federate, and even the Age - the organ of the protectionist party, and the chief supporter of the Ministry - had not made up its mind on the question. It is only natural that the Clyde Engineering Works should ask for protection. Although they have been doing well hitherto without it, no doubt if the Government are inclined to tax the people of the Commonwealth in order to increase their profits, they will be very glad of the arrangement, and, if necessary, would send 20 messages to bring it about. The precincts of this Chamber have been haunted for months by the agents of manufacturers.

Mr Watkins

- And of importers.

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Mr WILKS

- We are not here to look after either importers or manufacturers. Reference has been made to the fact that the Mort's Dock and Engineering Company purchased a pump in Victoria. At one time they used to import pumpkins from this State, but now we have got down to pumps. We are cutting down our importations, just as the Government are cutting down their Tariff. The Mort's Dock Company, which in 1893, under protection, employed only 700 hands, this year, under freetrade, employed 1,500 hands. How does that fact conform with the statement that free-trade destroys industries 1 We have had a number of second reading speeches upon this item, but I do not wish to say anything further than to again emphasize the fact that, while the protectionists are ready to modify their views according to the interests of their constituents, free-traders present a solid front to the Tariff, and have a clear-cut issue to fight, in the interests of the people. Our object is to secure the greatest good for the greatest number, and I am satisfied that the debate has opened the eyes of the Minister for Trade and Customs to the strength of the free-trade party, and to the weakness of the support given to him by the protectionists. What he thought was the rising tide of protection is not a rising tide, and the mutilated condition of the Tariff is due to efforts on the part of free-traders which we believe the public will indorse at the first opportunity. This should be a revenue Tariff.

Sir George Turner

- All the revenue items are being struck out.

Mr WILKS

- The Minister for Trade and Customs asks for a 15 per cent. duty upon agricultural implements, on the ground that it will protect those engaged in their manufacture, while the Treasurer asks for it in order to obtain revenue.

Sir George Turner

- It is both a revenue and a protective duty.

Mr WILKS

- It cannot be both. If the Ministry have introduced a protective and a revenue policy in one, it is little wonder that their supporters act as they do.

Mr KINGSTON

- I did not quote the information which I have received in regard to the failure of Cameron and Sons, because I thought it a side issue. But this morning I received the following telegram on the subject from the Premier of South Australia : -

Cameron failed in Kapunda on account of bad season and unwarranted credit, especially on Yorke's Peninsula. Tariff had nothing whatever to do with it. Cannot say number of men employed ; probably about 50. Cameron died and business subsequently carried on by his foreman ; premises now in occupation of Hawke and Company, ironfounders, employing probably 100 men.

Those are the facts, so that in his reference to that case as well as to the case of the Clyde Works, the honorable member for Dalley is utterly confounded.

Mr THOMSON

- I do not rise to prolong this discussion, but to enter my protest against the obstructive tactics of the Minister for Trade and Customs, who, while he blames the Opposition for delay, does more than any other man in the Chamber to prevent us from getting on with the Tariff. It is seldom that he does not get up, just when we are coming to a division, and make charges and attacks which demand an answer. I never saw worse assistance given to the passing of a Bill through committee than he is giving to the passing of this Tariff. Surely the right honorable gentleman could take some other opportunity to bitterly attack those on this side of the Chamber. He accused certain honorable members on this side of misrepresentation, and he could not expect his accusations to go without reply. If this sort of thing goes on, the acting leader of the Opposition will have to consider whether those on this side should not compel the Ministry to sit all night in order to get on with their business. Is the policy of the Commonwealth to depend upon the success or non-success of some particular firm? Are our discussions always to gather round these trifling matters - these mere straws on the surface of the commercial currents of Australia ? Are we to give all the strength of our minds - if we have any - to these little matters, and allow such things to determine the policy of the Commonwealth of Australia? What does it matter to us whether Cameron Bros., of Kapunda, or Hudson Bros., of Sydney, have failed for this cause or that ? As regards Hudson Bros., their failure was not due either to free-trade or protection. They had done well as a firm under

free-trade conditions, and made money. But those at the head of it launched into a very large affair, and either through unfortunate circumstances altogether independent of the Tariff, or through mismanagement, the firm drifted to the bad during free-trade years, and to the bad during certain protectionist years, until it finally closed at about the time of the introduction of the Reid Tariff, which was carried at the end of 1895. The exhaustion of capital in the concern and its misfortunes for a considerable number of years, which may have been due to mismanagement or to over capitalization, were the cause of its failure.

Mr Kingston

- Is there no such thing as the "last straw"?

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Mr THOMSON

-If Hudson Bros. had exhausted their capital before that, how could the introduction of the Reid Tariff have been the deciding factor? It was simply the fact that misfortunes followed the company for years, until finally they had to close up. The Minister produced a telegram, and thought it sufficiently important to occupy our time, although it does not contain a word that was not admitted by honorable members on this side of the chamber. At any rate, there was no statement made by honorable members on this side contrary to anything contained in that telegram. What does the telegram say? It states that Hudson Brothers closed in 1896, after the passing of the Reid Tariff. Mr. Noakes is no better authority on the subject than is any honorable member in this chamber, because he had no connexion with the firm at that time. It was only in 1898 that he came into connexion with it. The Minister went on to say that bedsteads and wire mattresses were not made in that establishment. There was no statement that they were. Every one in Sydney knows that they were not, and the Minister only showed his ignorance in stating that they were not. I do not say that it was not justifiable ignorance, because he cannot be expected to know all about these works. But what of the statement that the managing director desires protection? Would he not be foolish, apart from his principles on the fiscal issue, if he did not, as a business man, take the extra profit if he could get it? When protection is offered is it not an opportunity for the manufacturers to obtain extra profit? If managing directors and shareholders can swell their dividends by means of protection, they will naturally do so. That point, indeed, is almost too ridiculous to mention. The Treasurer interjected just now to the acting leader of the Opposition that we were proposing to rob him of his revenue by taking away £35,000. But what did the Minister for Trade and Customs say two minutes before? He said that if there are any articles in the item under discussion that cannot be made in Australia, they may be struck off. Those are the items that would be imported, pay duty, and raise revenue. If this Tariff is to be got through within a reasonable time, Ministers will have to give some guidance to the committee. There will have to be some oiling of the wheels and no obstruction by Ministers in charge. There must also be unanimity amongst the right honorable gentlemen in charge of the measure.

Sir George Turner

- There is perfect unanimity. \

Mr THOMSON

- Where was the unanimity when the Treasurer accused the acting leader of the Opposition of trying to rob him of his revenue, whilst the Minister for Trade and Customs told the committee that if there was any article that could not be made here and would have to be imported - and which consequently would give revenue - he would be willing to have it put upon the free list?

Sir George Turner

- Quite right; only it is too late at night to try and explain it to the honorable member.

Mr THOMSON

- I am afraid that the lateness of the night would be the only thing that would cause any possible explanation to be accepted. I hope that Ministers will assist the Opposition in getting the Tariff through. I am quite in earnest when I say that.

Mr Kingston

- The remark is really a proof that some people "joke wi' decficulty."

Mr THOMSON

- The Minister's way of joking is to set up bogus arguments which have never been advanced from this side, and to knock them down again. I, however, am in earnest in appealing to the Government to assist

the Opposition getting the Tariff through. We shall be ready if the Government will give us a lead to take advantage of it, and to get on with business. But in order that that may be done, the Minister for Trade and Customs should show the committee some of that amiability which he really does possess, and should refrain from making attacks which lead only to further discussion.

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Mr G B EDWARDS

- I rose three times to express what the honorable member for North Sydney has said very much better than I could have done. I cannot refrain, however, from supporting what he has stated as to the way in which the Tariff is being conducted through committee. Ministers have throughout shown lamentable want of tact. I have refrained from speaking on this item right through the two days that were given to its discussion, and I have also held my peace regarding many other items, in the false hope that I would thereby assist in bringing business to a conclusion. On this occasion,, however, as on others, just as we were on the point of going to a division, the Minister for Trade and Customs, with great want of tact, has thrown a bone of contention amongst members, and resuscitated the debate. Not only so, but, after a general discussion, we are left in such a position that we do not know what to do because of the way in which Ministers have presented the Tariff to us. The consideration of the duties on tea and kerosene have been deferred, and, while these items are left in abeyance, honorable members do not know what to do with regard to many of the proposals which they are called upon to consider. The Minister for Trade and Customs has, with much dramatic force, read a telegram from Sydney, as if it afforded a conclusive answer to very much that was stated last night ; and yet there is very little indeed in it. The correct statements in the telegram had been previously admitted to be true, but the message contains a great deal that is incorrect. It is stated that the business of the Clyde Works was bought from Hudson Bros. because it failed owing to the introduction of the freetrade Tariff. I happen to know something of the circumstances connected with the sale of that business, because two years prior to that transaction I was consulting with others with reference to the purchase. The business was known to be on the market under such conditions that it could be secured very cheaply and it offered a good opportunity for some speculator to make a bargain. I was engaged in this consultation fully two years before the introduction of the Reid Tariff. Shares in Hudson Brothers Company were then quoted at a ridiculous price - something like $\frac{3}{4}$ d. a share - and the whole enterprise was utterly broken and ruined before the free-trade Tariff was ever spoken of. Moreover, the man who played the most prominent part in the purchase of the works was a member of the free-trade party in the New South Wales Parliament, and is still a free-trader. These facts show that one statement, at any rate, in the telegram is quite incorrect, and what I have mentioned is known to any one acquainted with the circumstances and can be substantiated by reference to the files in the Library. Another statement that is manifestly inaccurate is that the business was purchased in anticipation of the advent of federation. Now, Mr. Rigg, who was the chief purchaser of this business was a notable opponent of federation. He stood as an anti-federationist candidate for the representation of the district of Newtown St. Peter's in the Legislative Assembly of New South Wales, and I opposed him in the interests of federation. Therefore, the purchasers could not have regarded the success of the business as being contingent upon federation. The Minister has simply set up a man of straw, whom he could dramatically knock down, and the didactic lesson read to us by the right honorable gentleman as to how we should conduct ourselves, has been followed only by the utterance of something more bitter than anything for which he had previously expressed sorrow. Worse than all the "stonewalling" on this side of the House has been the want of tact on the part of Ministers, and the sooner a change takes place and we determine what the customs duties are to be the better will it be for the country. We ought to settle the duty on tea as soon as we possibly can. We shall then know better what to do with regard to other duties. If we have to sit all night, and even on Saturday and Sunday, let us get through the business.

Sir WILLIAM McMILLAN

- I hope Ministers will now really try to come to a vote upon this question. I have been waiting here all day without saying a word, and as I only spoke for five minutes yesterday I think I may be fitly described as an angel of patience.

Mr SYDNEY SMITH

- I had intended to speak on this question, but in view of the wish of honorable members to go to a

division, I shall not take up the time of the committee.

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Mr CONROY

- I had intended to dwell at some length upon this subject, because I regard it as a very interesting one. I only wish now to point out some of the extraordinary arguments that have been brought forward by the honorable members on the Government side. I have selected a number of arguments and have put them together. These arguments do not all come from the same speaker, but I will now show honorable members how they read. The first statement reads -

Infant industries need protection . . . but the older they are the more protection they require.

That is a combination of expressions from the honorable and learned member for Corinella, and the honorable member for Melbourne Ports. The next statement is -

There is no doubt whatever that the imposition of a duty upon an article makes the article itself much cheaper in the protected country.

Then comes another remark -

And, being cheaper, it enables the manufacturer to pay higher wages.

Could we have had two more extraordinary statements than these. With regard to agricultural machinery, I desire to point out that during the last fifteen years the number of men engaged in the industry in Victoria has increased from 1,023 to 1,107; that is to say that only 84 additional men, or at the rate of 5½ men per year, have found employment in the industry, in spite of all the protection and encouragement that has been given to it. We are asked to impose duties to the amount of £355,000 per annum for the purpose of maintaining this industry, and I would remind honorable members that such a sum would permit us to give from 4,500 to 5,000 men amounts equivalent to the wages that they are now receiving. Those who are engaged in the primary industries should be relieved from the payment of duties, and they certainly should not be taxed to support others engaged in subsidiary occupations. I shall support the amendment of the leader of the Opposition.

Sir LANGDON BONYTHON

- I have been waiting for an opportunity to speak, but, as honorable members are anxious to go to a division, I will not detain the committee. I only wish to make one remark. The honorable member for Robertson, Mr. Willis, referred to the wealthy manufacturers of South Australia. I should not so describe them. If the honorable member means that they deserve to be wealthy, then I entirely agree with him. As to their deserts, I will quote a fact. Last year South Australia sent to Western Australia mining machinery of her own manufacture valued at £73,797. This is an eloquent tribute to the enterprise of the machinists of South Australia.

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Mr PAGE

- I desire to say a few words in reply to the honorable member for South Australia, Sir Langdon Bonython. How does it come about that Queensland has been exporting mining machinery to South Australia, where a duty which I regard as almost prohibitive has been operating?

Sir WILLIAM McMILLAN (Wentworth). - I am willing to amend my amendment in accordance with the suggestion of the Minister for Trade and Customs, with the object of taking a vote upon the first two lines of the item. I therefore move -

That, after the letters " n.e.i.," the following words be inserted : - " 15 per cent., and on and after 12th December, 1901, free."

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

20

AYES

27

NOES

Majority 7

AYES

NOES

Question so resolved in the negative.

Amendment negatived.

Sir WILLIAM McMILLAN (Wentworth). - I now beg to move -

That after the letters " n.e.i," the following words be inserted " 15 per cent., and on and after 12th . December, 1901, 7½ per cent."

I think that 7½ per cent. is a fair duty to impose, seeing that we have failed to secure the inclusion of these articles upon the free list. In this connexion we have a right to demand the vote of every moderate member of this Chamber. Some honorable members have been willing to deal fairly with these matters. They may not have gone to .the same extremes as we have done. We took up the position, as regards free admission, that it was a matter of compensation to the people in the interior in view of the heavy burdens which had been imposed upon them by previous divisions. We hold that 7-J per cent, is the highest duty which should be imposed, because, practically, it means 20 per cent. protection.

Sir William Lyne

- Why provoke another debate ?

Sir WILLIAM MCMILLAN

- We have some control over our side. I can guarantee that nobody else will speak. Nearly the whole of the speaking has been done from the Ministerial side in this debate, not that I say that, honorable members had not the right to speak. After to-day and yesterday we must not be accused of prolonging debate.

Mr. SYDNEYSMITH (Macquarie).I do not wish to break faith with the statement made by the acting leader of the Opposition, but just to tell honorable members that they are doing a wrong to the agricultural community by taking a division at this hour, when moderate men paired on the item, who are prepared to vote for a lower duty are absent. A division at this hour will not give a fair index to the opinions of honorable members.

Mr Watkins

- They have a right to be here.

Mr SYDNEY SMITH

- That may be, but they left the Chamber not knowing that a division would be taken on this amendment. Although I am as deeply interested in this question as is any honorable member, I have refrained from speaking, because I was anxious to get to a vote.

Sir WILLIAM McMILLAN (Wentworth). - I told an honorable member some time ago that I intended to ask for an adjournment after this vote was taken, so that the division on an amendment, which I believe will be moved by an honorable member opposite, should not be taken until to-morrow morning.

Mr. Watson.- Why?

Sir WILLIAM McMILLAN

- Because I do not think it is fair under all the circumstances that it should be taken to-night.

The debate has lasted since 7.30- last night until this hour. I have not spoken for more than five minutes, . and the discussion has been prolonged entirely by honorable members on the Government side of the House. I am willing to allow this amendment to go to a vote, but after the division, is taken, I think it will be better to test tomorrow the amendment which will probably be moved. .

Mr. SYDNEYSMITH (Macquarie).I wish to make a statement in the interests of the class I am here to represent with others. I am as well aware as are most honorable members of the voting which takes place. Only the other evening,, when a vote was to be taken, two honorable members were paired on the main question. One of them, who was on the opposition side, happened to be absent, and the honorable member on the other side came to me and said - " I am in favour of the amendment, but I have paired with one of your side," and I replied - " You can. vote." Supposing that both honorable members had been absent. at the time, we should have lost two votes in favour of a reduction. I could refer to a number of other cases of that kind. A number of honorable members who are opposed to the free admission of this item would be in. favour of a modification of the duty. I only wish to obtain a fair expression of opinion. I warn the committee against taking a division in the absence of honorable members who have paired on a certain amendment, when we know that many of them are in favour of a modification of the proposed duty.

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Mr CONROY

- I thoroughly agree with the statement made by the honorable member for Macquarie. It is a very grave

question whether, after honorable members had paired on the 15 per cent, duty, we should take a vote on another proposal. The difference between a 15 per cent, duty and a 7£ per cent, duty is very considerable, but in view of the statement made by the acting leader of the Opposition I shall not pursue that point at the present time. A very long discussion might ensue on the question whether we should impose on the farmers extra taxation to the amount of £75,000, especially when we learn that the money is to go into the pockets of five manufacturers. After this division is taken, I think it will be high time for the committee to report progress.

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

19

AYES

26

NOES

Majority 7

AYES

NOES

Question so resolved in the negative.

Amendment negatived.

Amendment (by Mr. Phillips) proposed -

That, after the letters "n.e.i.," the following words be inserted : - " 15 per cent., and on and after 12th December 1901, 10 per cent."

Sir WILLIAM McMILLAN (Wentworth). - Several honorable members who thought that the committee were not going beyond testing the question of whether these articles should be placed on the free list, have left the chamber. I am not saying that these honorable members had a right to leave, but I ask the Government, under the circumstances, to adjourn, and take the vote to-morrow.

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Mr BARTON

- The Government have a right to appeal to the reason of honorable members. If the committee were fit to take a division on whether this line should be free of duty, and to take a division on the question of whether the duty should be 7½ per cent., honorable members ought to be quite fit to divide on the question whether the duty should be 10 per cent. It is no answer to say that some honorable members have gone away. If honorable members go away without asking what the intent or desires of parties are - the acting leader of the Opposition, on the one side, and I on the other, cannot help that - it does not bind the Government, or warrant the honorable member in preventing a division being taken on a question which has been the subject of two days' debate. This question was discussed yesterday, and has been discussed for nine hours to-day ; and it would be absurd to say that the matter of the rate of the duty has not been dealt with in the course of the debate, or that everyone does not know what rate of duty he prefers. All that is required now is that honorable members should express their opinion by vote, unless, of course, the matter has not been adequately debated. But if two days do not suffice, when does debate become adequate?

Mr. SYDNEY SMITH (Macquarie). I claim my right to speak on this question, because I look to the interests of my constituents before the interests of a few individuals. This is an important matter, affecting the producers of the country ; and it must be remembered that every pound of duty placed on agricultural machinery renders the farmers less able to compete. We are endeavouring to build up a large export trade in butter and other agricultural produce, and it is wrong that attempts should be made to close the debate and prevent honorable members from expressing their views on a question of such vital importance. There are about 170,000 people employed in the factories of the Commonwealth, less than 1,500 of whom are engaged in the manufacture of agricultural implements. Yet for the sake of the employers of these 1,500 people it is proposed to place a heavy tax on all the producers of the Commonwealth. In Germany, France, England, and the United States, with their immense populations, there are numbers of men engaged inventing machinery to help the primary producers, and are our people to be debarred from taking advantage of the fruits of their labour ? Even if we impose this duty it will be impossible for our manufacturers to make much of this machinery, because they would not be allowed to infringe the rights of the patentees. When I see an attempt made to secure a catch vote upon a

question affecting the interests of a great number of those whom I represent, I cannot restrain myself from entering a protest. In taking a division at this hour, there is always a risk of losing the votes of moderate men who have paired and gone home.

Mr Watson

- Those who have paired knew that a reduction to 10 per cent. would be moved.

Mr SYDNEY SMITH

- They did not know that the division would come to-night.

Mr Watson

- They had a pretty good idea it would.

Mr SYDNEY SMITH

- The member for Barrier has paired with the honorable member for Corangamite, and I should like to know whether the honorable member for Corangamite would not, if he were here, vote against a duty of 10 per cent.

The CHAIRMAN

- The honorable member must confine himself to the question before the chair.

Mr SYDNEY SMITH

- I have hitherto taken no part in this debate, and have heard the honorable member for Melbourne Ports, and other honorable members, speak for half-an-hour at a time in favour of the manufacturers.

Mr Page

- That is no reason why we should be kept here.

Mr SYDNEY SMITH

- Surely the honorable member will give me the right to express my mind on the subject ?

Mr Page

- No one denies the honorable member's right.

Mr SYDNEY SMITH

- I rise merely to enter my protest. On one occasion we lost four votes by dividing at this time of night. I believe that by imposing a duty of 10 per cent. upon the producers of the country, we shall render them less able to compete with the producers of other places in the markets of the world, and do a serious injury to the credit of the interests of the Commonwealth.

Sir WILLIAM McMILLAN (Wentworth). - As the Government will not yield to our request, there is no reason why a vote should not be taken, but I have made a calculation, and I think that if the division were taken to-morrow morning, we should have a majority on this question.

Mr. CONROY (Werriwa). - I protest against a division being taken at this hour.

Mr McDonald

- The Opposition has lost one vote, and they will lose another if they continue this debate.

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Mr CONROY

- I rise merely to protest against the division being taken at this late hour. In my opinion we should wait until to-morrow, when more honorable members will be present.

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

21

AYES

24

NOES

Majority 3

AYES

NOES

Question so resolved in the negative.

Amendment negatived.

Sir WILLIAM McMILLAN (Wentworth). - I think that under all the circumstances it would be a fair thing now to adjourn.

Mr Barton

- Are we to understand that this matter is decided as far as the 10 per cent. is concerned !

Sir WILLIAM McMILLAN

- I do not say that. I do not intend to press the point, because I know that under parliamentary usage the matter is in the hands of the Government, but, considering everything, it would be better if there was an adjournment now, so as to give an opportunity to any honorable member to speak upon the main item if he desires to do so. I shall offer no factious opposition, because the business is in the hands of the Government, and not in our hands. I have no desire to delay honorable members, but I think that the Government, as they have got the victory so far, might reasonably adjourn, leaving it till to-morrow to take a vote decisively upon the item proposed.

Mr. BARTON(Hunter- Minister for External Affairs). - I hope it is not within the knowledge of my honorable friend that there are one or two supporters of the Government who find it difficult to attend morning sittings.

Sir William McMillan

- I never thought of that.

Mr BARTON

- I might as well out with it, and when we hear appeals made from the opposite side that it is inconvenient to deal with a question because members cannot be present to vote, I may say that it is sometimes difficult to deal with a question because certain Government supporters are unable to be present in the morning. That is an argument which I do not wish to press upon my honorable friend, except in so far that it shows that there is no time like the present. The proper time to take a division is when the committee has debated a matter and has thoroughly thrashed it out. This matter has emphatically been thrashed out, and though there maybe a dozen honorable members who have not yet spoken upon it, the arguments upon the question may still have been thrashed out. The limit of common sense in parliamentary proceedings is reached when debate has been adequate, and that is the time for a division. We have reached the point of adequate debate, and what difficulty is now raised against a division following? I do not wish to urge business unduly, nor do I wish to go beyond this vote. After two days' debate upon this matter, without any charge of obstruction, surely it is time now to divide, unless there is to be a principle laid down that after full time has been spent in adequately discussing a question, the decision upon it is to be put off? I am quite sure I can appeal to my honorable friends opposite to say that as an assembly we have gone into this matter fully. Where there is no obstruction it does not matter whether one side has spoken more than another. I am not going to condemn the Opposition in cases where they have spoken a little more, and where there has been no obstruction. One side will always speak a little more upon a question than the other, and that is no reason why there should be any recrimination amongst us. The question is whether there has not been sufficient debate, and no reasonable man will say that there has not been reasonable debate upon this matter. That being so, why not go to a division? We should decide this one matter to-night, and then I shall be satisfied to adjourn.

Sir WILLIAM McMILLAN (Wentworth). - I have not said much as to the conduct of business during the consideration of this item, although it has been referred to very strongly, and properly so, by honorable members on this side. At a time when there was every reason to come to a vote, the Minister for Trade and Customs - acting no doubt within his right - made a strong and aggressive speech which caused four or five honorable members to rise.

Mr Kingston

- It was a most conciliatory speech.

Sir WILLIAM McMILLAN

- It was conciliatory at the beginning, but very aggressive at the end. There is some reason for our chagrin over this matter ; for we believe that if we could have taken a vote either earlier in the afternoon or tomorrow we should have won. What I find fault with is this : We have blamed the Government for trying to force a division, and force business at a late hour, but if delay was ever caused mainly by honorable members on the other side, it has been caused by them during this debate.

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The CHAIRMAN

- I hope the honorable member will not pursue this subject any further. I am sure that the honorable member, occupying the high position that he does, must see the difficulty in which he would place the Chairman and every other honorable member of the committee by doing so. I have allowed the acting

leader of the Opposition to make his request to the Prime Minister, and I have permitted the Prime Minister to reply. I would now ask the honorable member to deal with the item before the Chair.

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Sir WILLIAM McMILLAN

- I could deal with the item, and put myself in order very easily ; but I do not desire to do that. The position which the Government are taking up to-night will not conduce to the good feeling between the different parties. The business, however, is in the hands of the Government, and I do not intend to do more than protest against it.

Mr. SYDNEYSMITH (Macquarie).- I cannot allow this vote to go without entering my protest. I feel that a decision will be given which would not have been arrived at if we had had a full attendance of honorable members. It is a matter of great importance to the producing interests of the country, and I regret exceedingly that, even at the present time, a majority can be found prepared to tax the producers in this way, and render them less able to compete in the markets of the world. As one who has taken a deep interest in agriculture all my life, I feel that anything that has a tendency to hamper the operations of the farmers will be detrimental to the best interests of the country. Honorable members, representing manufacturers, have tonight expressed themselves in favour of this high duty, in order that the manufactories may be kept going. Owing to the existence of patent rights, it would be impossible for us to manufacture many of the agricultural implements that are brought into Australia. Even when the State Tariff was going through the Victorian legislature, staunch protectionists pointed out the hardships involved in preventing new machinery, which had been patented, from entering Victoria. They realized rightly that it was impossible to manufacture the machinery here, owing to the existence of patent rights ; and that any duty would, therefore, raise the price of the article to the farmer. Under this Tariff duties are imposed upon agricultural products which will be of no benefit to our farmers. They have already many difficulties to contend with. Denmark is competing with them for the butter trade ; America is also a competitor, and there is also the disadvantage of the great distance which separates us from the home markets.

Thousands of people are inventing new classes of machinery in order to lessen the cost of production, and unless we are able to do the same, a very heavy handicap will be placed upon our producers, which will very likely result in great loss of trade. In view of the promise made by the acting leader of the Opposition, and the fact that honorable members are desirous of going to their homes, I do not wish to prolong the discussion. I feel very strongly on this matter, however, for I believe that in a full House the duty of 10 per cent. would have been carried. Personally, I should like to see these articles come in free. Much has been said to-night about the manufacturers, but I have heard very little said in favour of the farmers by the manufacturers' representatives in this chamber. I should like to know what the country would be without them? I enter my protest against this proposal.

Mr. CONROY(Werriwa). - I desire also to add my strong protest against this duty sought to be imposed upon the agriculturists of the Commonwealth.

Amendment (by Mr. Kingston) put -

That, after the letters "n.e.i.," the words " 15 percent." be inserted.

The committee divided.

24

AYES

19

NOES

Majority 5

AYES

NOES

Question so resolved in the affirmative.

Progress reported.

ADJOURNMENT

Judiciary Bill

Motion (by Mr. Barton) proposed -

That the House do now adjourn.

Mr V L SOLOMON

- I take advantage of the opportunity to ask the Prime Minister a question with reference to the intentions of the Government concerning the proposed Judiciary Bill. I do this in consequence of the complications which have arisen lately in a case which has resulted in an appeal to the Privy Council. When the Constitution under which we are now working was framed, it was understood that amongst the high functions to be carried out were those by the High Court of Australia, sitting as a Court of Appeal for the Commonwealth. Complications have already arisen in connexion with our Customs. Other complications may arise in connexion with Customs matters at any moment in any part of Australia. It is of the highest importance, therefore - and the matter is so regarded by commercial people - that the question of the establishment of a High Court should be decided at an early date. Have the Government drafted the necessary Bill, is it in hand, or what do they propose to do in the matter?

Minister for External Affairs

Mr BARTON

. - The Government recognise, with the honorable member for South Australia, Mr. V. L. Solomon, the anxiety that prevails in the commercial community with reference to the necessity of there being some supreme tribunal for the Commonwealth. The Bill for that purpose is drafted, and it is the intention of the Government to ask honorable members to deal with it in the present session. Of course it cannot be introduced before Christmas, but we hope and believe that honorable members will see the necessity of dealing with this important matter before the prorogation takes place.

Question resolved in the affirmative.

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00:48:00

House adjourned at 12.48a.m. (Thursday).