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1901-10-15

House of Representatives.

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

DISTINGUISHED VISITOR

Mr SPEAKER

- I wish to inform the House that Mr. McArthur, a Member of the British House of Commons, being in the city, I have, anticipating the wish of honorable members, invited him to take a seat on the floor of the chamber.

Honorable Members. - Hear, hear.

SUPPLY BILL (No. 4)

Royal assent to this Bill reported.

QUESTION

FIFTH VICTORIAN CONTINGENT

Mr PAGE

- I wish to ask the Minister for Defence if he has taken any action to get evidence from Major McKnight, of the Fifth Victorian Contingent, in regard to the sentences imposed upon Australian soldiers at Pretoria a few weeks ago ?

Minister for External Affairs

Mr BARTON

- May I explain to my honorable friend that, with a motion of censure pending, it is the constitutional practice to suspend the answering of questions by Ministers, but that I have not the least doubt that my right honorable colleague has the matter referred to in view.

MOTION OF CENSURE

Mr SPEAKER

- My attention has been called to the form of the motion which stands first on the notice-paper to-day. I had some doubt as to whether I could permit the motion to be moved in the House, seeing that it refers to business which is before the Committee of Ways and Means, and which has not yet been reported. After careful thought I have concluded that I shall best be promoting the progress of public business and the public interests by permitting the debate to proceed in the House, with such reference to the business of the committee as may be required from time to time to make matters clear.

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Mr REID

- I beg to move -

That this House cannot accept the financial and Tariff proposals submitted by the Government -

Because they would place the finances of the Commonwealth and the States upon an unsound and extravagant basis.

Because they fail to adjust the burdens of taxation and the advantages of the free list in an equitable manner, revealing a marked tendency, which this House regrets to observe, to press upon necessities of life and appliances used in our farming, mining, and pastoral industries more heavily than they do upon many articles of luxury.

And because they would, in their operation, destroy the stability of the revenue by making imposts for national purposes a source of undue profit to a few individuals, and a few favoured industries, at the expense of the whole community.

That the foregoing resolutions be conveyed, by address, to His Excellency the Governor-General.

I make no sort of apology for the course which I have taken. I believe there has been an attempt in some directions to complicate this issue by a reference to certain measures which are upon the paper, notably the Immigration Restriction Bill and the Pacific Islanders Bill. Thanks to the precise statistics of the Attorney-General, in reference to the Immigration Restriction Bill, we now know that it was practically decided upon many months ago. And considering that it was the most vital of the whole list of Government measures - the one calling for promptest action - I do not feel that I am to blame, because- it stands on the business paper in an incomplete state. It was entirely within the power of the Government to have had the measure passed into law long ago, and also to have had the somewhat more

complicated measure connected with the kanakas put through long ago. But inasmuch as the House is solid as to the necessity for legislation in each case, although we differ radically on certain matters, I do not see that I am to be blamed because I am performing my duty in reference to the fiscal, policy of the Government at the only time when I can perform it, that being when they submit their proposals to the House. They have fixed for me the time at which I have to deal with this matter ; I have not fixed it for myself. Although I think their proposals are a sufficient challenge in themselves, I should like to say that the Minister for Trade and Customs, in a manner that was the reverse of conciliatory, challenged this side of the House to assert their principles, and to bring this conflict on. I do not at all say that any challenge was necessary, and that is generally the time when such challenges are offered ; but still, there it is. I suppose there is no one throughout the length and breadth of Australia who will not admit that I am taking a proper constitutional course. I also have the belief that it will, in the result, save public time. I believe that' this discussion will prevent a great many speeches being made in committee, and if it have that result that in itself will be a .saving of time. Now, coming to the performance last Tuesday of the Treasurer and the Minister for Trade and Customs, a task that required their united efforts is one of a somewhat serious character, and I feel sure that the House will show me a considerable degree of patience and' courtesy in dealing with their statements. The Cabinet have made no secret of the fact that their energies have been almost exhausted in the task of preparing this Tariff and financial policy. Although they have had all the skilled assistance which the Government service could afford, T have to deal with their proposals without that assistance, but whether it is a source of congratulation or not, the fact remains that it is not at all difficult to deal with them. In the first place, I cannot congratulate the Treasurer upon his share in this financial statement. I have lost no opportunity of expressing my admiration of the great service which the Treasurer-has rendered to the State of Victoria inputting her finances upon a sound basis. Therefore it is not , with any desire to disparage the right honorable gentleman that I make these remarks. But I regret to find in the Treasurer of the Commonwealth a very different Minister from the Treasurer who so successfully steered Victoria through a difficult crisis, the honorable gentleman takes up a position - with reference to the Estimates of expenditure which he has " submitted to which I shall refer later on. Now, as to the Minister for Trade and Customs, I think it was an unhappy decision which introduced him into the arena at so early a stage in the proceedings. No one denies the fighting powers of my right honorable friend, but the usual result of a first-class display from him is the creation of an enormous amount of dust, and at the beginning of an historical debate of this sort the less dust we have the better. Therefore, I should very much have preferred the simpler methods of the Treasurer to those of the Minister for Trade and Customs, who always seems to me in his peculiar elocution and effects like a lion-tamer in a poultry yard. The methods of the right honorable gentleman are magnificent, and would be appropriate if he were dealing with some wild kings of the forest in a menagerie, but when he has only tame and docile Members of Parliament to speak to, it seems to me' that his methods are somewhat above the situation. The right honorable gentleman was never more magnificent than he was in his speech on the Tariff, and the only thing the right honorable gentleman never referred to during the several hours occupied by his speech was the Tariff. Now, if the Treasurer had given us the main principles upon which this fiscal policy was founded, or if he had given us some information as to the Tariff, that might have been passed by ; but the fact remains that whilst this House and the country were anxious to have a clear exposition of the effects of this remarkable Tariff, it was the last, thing the Treasurer offered us. He told us he had prepared a return which had classified the items in the Tariff into sixteen divisions ; but even those who are familiar with Tariffs must have found it very difficult to follow the arrangements of the right honorable member. However, there the Tariff is, and we have had some time to look at it. One of the chief merits the Minister for Trade and Customs claimed for this Tariff was that-there was no insidious drag-net about it, but that it was a plain, straightforward document. Now this Tariff contains more drag-nets under the mysterious initials of " x e.i." than any Tariff I am acquainted with, and some of the duties which are buried under these initials are of a somewhat remarkable character. I 'shall refer to them presently ; but, I think, since I have to deal with the whole matter in as brief a form as possible, that before I come to the Tariff it is only right that I should make some reference to matters which we should not forget upon an occasion of this sort. I think honorable members will forgive me in the first place if I have a word or two to say with reference to the State I represent. - It is well known that the people of New South Wales - free-traders as they are - to a certain extent sacrificed their fiscal belief in order to help on the

great enterprise of federal union. They were prepared to take what fortune had in store for them, believing from the many assurances they had received, that whatever the fiscal policy of the Federal Government might be, there was very little probability that it would be of an extreme character. That is the belief under which the people of New South Wales entered this union. They also entered the union the most lightly taxed people through the Customs - or even, taking the whole of our taxation, the most lightly taxed people in the world. They entered this Commonwealth with all the industries in the State in a thoroughly free and healthy condition. Even their manufacturing industries showed none of that ominous dependence upon those principles of fiscal policy from which some people in other parts of Australia hope so much ; and as a result we had manufacturing industries which were able to face the world, and to increase the number of male operatives at a much faster rate than was possible in Victoria under the other policy. We had that broad set of facts before us. Now, in New South Wales we should be paying, under this Tariff, 36 per cent. of the whole of the taxation of the Commonwealth. I think that is a matter that is not altogether unworthy of notice on a great occasion of this sort. The people of New South Wales came freely and generously into this Commonwealth, believing, at any rate, that they would be called upon to pay a fair amount towards the revenue; but now, through the length and breadth of that State there is a universal strong feeling of indignation that the men whom the people had intrusted to safeguard their interests should have acted in a manner to excite the astonishment of their closest political supporters. There is no part of Australia where that feeling is stronger than in that portion represented by the Prime Minister, because the strongest free-traders, not only in that part of the State, but throughout the length and breadth of New South Wales, relied on the Prime Minister to insure that whatever changes were made should be of a thoroughly moderate character. That was the feeling of reliance that was placed in the Ministry. But we know to-day how the Tariff has been received in that part of Australia. There is one manufacturer who has already sent a testimonial to the Ministry - who has congratulated them - and I think his action is explained by the fact that he is expecting to make a fortune out of this remarkable Tariff. I am afraid, however, that congratulations of that sort will not carry much political weight with them. I should like to give the Prime Minister's words, so that there may be no inaccuracy. In the Maitland speech the people were told by the Prime Minister -

Our protection must be moderate, because prohibition or excessive protection will lead to the prevention of that access of revenue which is. absolutely necessary for the proper government and security of the Commonwealth.

I think I shall be able to show, and I am sure experience will show, that this Tariff has been so constructed that Ministers have exhibited an absolute disregard of the interests and stability of the public revenue - that their proposals are artificial to the highest degree, and are fatal to anything like a stable, increasing, and elastic Customs revenue in this Commonwealth. The Prime Minister said -

What is the issue, then ? Shall we raise revenue without regard to the effect ?

I say that is exactly what the Government have done in the Tariff before us. They have submitted proposals ostensibly for revenue, without any regard for the effect which they will produce. It will not be difficult to show that even the largest lines of revenue, which free-traders and protectionists alike almost agree to put outside the pale of fiscal controversy, are most dangerously imperilled by the proposals of the Government. There was another remarkable statement made by the Prime Minister on that occasion :

-

Shall we pile all the duties on the cottager and the artisan ?

That is exactly what the Prime Minister has done, as I shall be able to show. Honorable members will understand that I am at present making general observations, which I propose to prove at a later period of my address. I quite admit it is not enough for me to make a statement of that sort, but I shall satisfy honorable members later on that my statement is absolutely correct - . that the Prime Minister has piled the burden of these duties upon the cottager and the artisan. But I always speak with reservation in reference to the Prime Minister, because no one has ever accused him of any knowledge or study of matters of this sort. This is not the Prime Minister's Tariff. I believe that, with the most careless attention from the Prime Minister, he would have been more successful than those who have been the master minds in the construction of this Tariff. We know the master minds of this Tariff, although they come under the initials of " n.k.i." We know the master spirits who have been framing this Tariff ; and I need not go further than the Minister for Trade and Customs. We all know his great ability ; but I do not suppose there

is a man in Australia who would pick this distinguished public man out to ask his advice on a matter of industrial concern on which any one would risk a £5 note. There is no business man in Australia, who is studying the interests of the smallest industry, who would stake, on that Minister's judgment, the smallest amount of currency. I shall not insult the Ministry by saying that they have been open to improper influences ; I shall not, for a moment, impute anything of that sort. Ministers had a very delicate task to perform, and I hope they will be able to say that they have kept men who have a personal interest in this Tariff at as great a distance as they possibly could. I feel sure, at least I hope, that is so ; because if persons interested in the Tariff were admitted to the counsels of Ministers, I think a few people who are interested in paying the taxation ought also to have been admitted, in which case, I guarantee, the result would have been highly beneficial. Now we come to the proclamation made by the Treasurer - a proclamation of free-trade. It came slowly and heavily from the lips of the Minister for Trade and Customs, did this proclamation of free-trade. What does it mean? It means that, so far as all Australians are concerned, their one ambition and desire was that there should not be the slightest obstacle thrown in the way of their commercial freedom, and upon that part of freetrade we have our friends, who bring down this remarkable Tariff, joining with us in the applause which greets the beginning of free commercial intercourse throughout the length and breadth of Australia. But to rejoice in an instalment of free-trade of any kind and to place this Tariff of the Ministry on the table, argues an elasticity of political principle which is without precedent. The fact, of the matter is that Ministers went before Australia on this basis - "Our main anxiety will be the production of revenue, and that the burdens levied on the people of Australia shall go into the public Treasury to defray the expenses of government j we shall regard protection, ' but not as protection was regarded by some honorable members and distinguished men ten or twenty years ago. Ten or twenty years ago they fought for protection as if it were the one influence that would carry prosperity and industrial greatness throughout Australia. Twenty years ago people were asked to take these burdens on themselves, assured that if they did so, the future industrial destinies of Australia were placed on a stable, progressive, and flourishing basis." But now, with the experience which has been borne in on Australians, and with the vicissitudes of hard times, we see a different attitude upon the Ministerial benches and in the Ministerial manifestos with reference to protection. It is no longer the conquering principle that is to make Australia great. No ; the Prime Minister speaks of protection as if she were a shivering mendicant to whom some sort of charitable feeling must be shown. That is the change which has come over the advocates of protection - I do not say in some parts of Australia, but I think in nearly all. The position that protection can make a country great has been abandoned, and now protection figures on' the list of charitable objects - she has become an object of charitable concern. " Shall we strangle these infants that have been struggling for 30 years in an attempt to become manly and strong 1 Shall- we not save them - shall we not, to some' extent, do something to prevent the pattering of bare feet along the streets of Australia" 1 The highest ideal of the mission which the Prime Minister had in reference to protection was to save the little feet of Australia from pattering bare along the streets in front of deserted factories. I am happy to say that our cause stands upon a much stronger footing. We do not ask for a sound revenue Tariff on the basis of charity. We ask for it as a right of the people of all classes and of all industries, and we say as to charity - " We are as charitable as you, but we help, instead of entangling, the industries of the people in similar restraints and similar disastrous expedients, which lead to mendicancy, and destroy self-reliance and individual life ; our assistance will be of a strictly charitable character." Charity is a grand thing, which, whether in political life or - private life, dignifies human existence. But the most charitable men as a rule are those who make charity a different thing from business management and business enterprise. Men who mix charity up in their business are men who never have money to give away in charity. Too sharp a line can never be drawn between the business interests and business concerns of the community and the cause of charity. Yes, we are all charitable ; but none of us wish to tie burdens on the young industries of Australia in the name of charity. None of us wish to strangle our great pioneer industries in order to keep alive some of those who cannot assert their right to live. It is impossible to extend charity unless you draw on some one's pocket, and it is the worst form of charity which draws upon the pockets of the farmer, the miner, and the pioneer settler in order to maintain a number of artificial industries, which are surrounded by all the comforts and enjoyments of life. The Treasurer, with that superficial assurance of language, which imposes so much on gentlemen who are disposed to agree with him, proclaimed in triumphant terms that " Free-trade is with us." This was a

glorious announcement to some of us. It was highly theatrical, but still it was a noble pronouncement - "Free-trade is with us !" We cheered that announcement, and my right honorable friend saw some significance in those cheers. It occurred to him that there was something supremely ridiculous in the statement of a man who was about to table this Tariff, talking of freetrade, as productive of national benefit. Thereupon he made this qualification. He added - " Free-trade amongst the people of States subscribing to the same conditions- of life." A very fine platitude ! An able, a broad, an equal pronouncement ! Do we not know, Mr. Speaker - not we, perhaps, but do not the people of Australia know - the variety that exists in the conditions of life prevailing in this young Continent of Australia ? Do we now know the difference there is between enjoying the comforts of life, and the shorter hours of labour, in these protected industries in the great cities of the sea-coast, with their trams, their theatres, and their gin palaces - do we not know the difference between those conditions of life and the conditions of life 17 s 2 which surround the men who are building up the true greatness of Australia in the interior districts of this continent 1 There is an idea amongst men of shallowness in politics that once you have a political constitution that gives to every man, and perhaps to every woman, a vote, the conditions of life are made equal. But do we not know, in this young country, as also in the great republic of the United States, even though the Constitution speaks in language which seems to point to an equal share of rights and advantages, that in the working out of the great development of Australia there are hundreds of thousands of people living upon the sea-coast of this vast Commonwealth who do not have the same burdens upon them as are cast upon others in the wilds of the continent? There are no crops to fail in Melbourne and Sydney. There are here none of those vicissitudes which make one feel that men who go out upon the soil of the interior and make homes for themselves, not only have not the same conditions of life as those in the cities, but are men whose lot in life and whose lot in labour we should make' as easy as we can. What is the use of a free and equal franchise if men have not free and equal treatment in all those things which make the money they earn less or more valuable to them 1 What is a man's toil, after all, but that which is represented in coin at the end of his week's work 1 For money is the medium by which he buys for himself and his family the necessaries of life. Unless we make a man's coin and his wages go as far as they honestly ought to go in the battle of life, we do not treat that man fairly - we do not treat him equally. My indictment against this Tariff - an indictment upon which it -will be condemned throughout the length and breadth of Australia; because this is not the end of the battle in the Commonwealth - this is the beginning of the battle - is upon this ground. I see no mark of deformity and of injustice upon this Tariff greater than the- way in which artificial industries are treated, as compared with the manner in which the pioneer industries of Australia are treated. When I speak of artificial industries, I speak of industries which notoriously have to come to the Treasury for money to keep them alive. I do not care what the industry is so long as it pays its own way. And surely 30 years of this benevolent policy in Victoria might have made more self-reliant some of these industries which are supposed still to require such strong nourishment ? Do not let it be thought for a moment, Mr. Speaker, that I have any feeling or desire to bring suffering upon the artisans of this great city of Melbourne. The strength of my belief in the policy I advocate stands upon the best of all foundations. It has been tried amongst the artisans of Sydney. Will any one say that the artisans of Sydney are more intelligent, more industrious, than those of Melbourne? Victorians will not say so. Yet these artisans who are the objects of derision on the part of some Victorian authorities on protection, are asking for no Tariff protection. They are asking for none of your benevolence. They ask to be left alone. I have received a letter, Mr. Speaker, which came to me without the slightest knowledge on my part that such a letter was to be addressed to me. I am going to read it in order to draw a contrast between a manufacturing industry which has had to fight its way under natural conditions, and the same industry which has been drawn to its position of mendicancy along a dreary path of benevolence. Sometimes benevolence is a thing that corrodes a man more than anything else in the world. Sometimes the receipt of the pauper's dole does more to demoralize a man or an industry than competing with the cheap labour of the world. As I have said, Mr. Speaker, I have received a letter, not from some political economist, but signed by the three largest manufacturers in Australia in an industry which is a free-trade industry in New South Wales - the manufacture of boots and shoes. It is an important industry in Victoria ; it has become an equally important industry in New South Wales, employing a very large number of hands. I received this letter yesterday, signed, as I say, by the three largest boot manufacturers of Australia, employing close upon 1,000 hands between thorn. One employs

303 hands, another 345 hands, and the third 320 hands ; and the letter is also signed by the largest manufacturer of slippers in Australia, Mr. S. Solomon, who employs, in that small line of industry, 95 hands. This is the letter they have addressed to me : -

Sydney, 11th October, 1901

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Sir, -We, the undersigned boot manufacturers, desire to enter, through you, a strong protest against the duties now sought to be imposed by the Federal Government. Our reasons are briefly : - Each of our businesses has been successfully established under free-trade, and we wish to emphasize this very important fact, that under this policy we have developed the three largest boot factories and one largest slipper factory in the Commonwealth.

Should information be needed to confirm the above statement, we should be most happy to forward it, but we do not think what has been stated will be controverted.

Under federation we recognise there must be a Tariff, and in our opinion 1 5 per cent. ad valorem is the maximum that would be revenue producing on boots and shoes.

Now, there is a clear issue. Here are manufacturers in New South Wales paying the same wages - without a wages board, without any scientific appliances to force something out of the manufacturers for the benefit of the workers - as are paid in Victoria, and here are men getting the same wages by their own strength. They do not need to beseech Parliament to give them strength to fight their employers. They fight them in the open, and beat them. I suppose that to the average man that simple fact has more political philosophy in it than any other fact in the world. In what countries can men fight capital in the open? They can fight them in the open in England ! The great trades unions of England can stand up against the great capitalistic combinations of Great Britain and win. When the workers of America - behind the enormous barricades which were to make them prosperous and strong and self-reliant - strike, some of them are shot down and others are fined for contempt of court. They have a remarkable contrivance in the United States for dealing with labour troubles. An employer has only to go before a Judge and declare on affidavit that he apprehends some trouble with his workmen, and an order is pronounced by the Judge forbidding the workmen to make that trouble. If the difficulty comes along, then the workmen are guilty of contempt for disobeying the injunction of the court. Such are the benefits and blessings which labour gets behind the giant barricades erected in the United States of America. But in New South Wales, in the very trade I have mentioned, the men receive maximum wages without any compulsion except that of their own strength and manhood. I will read to honorable members an explanation of some of the duties proposed by this Government, which professes to have some regard not only for revenue, but for the ordinary humanity of taxation. What is the principle of humanity that should underlie taxation as far as possible 1 It is that the burdens of the State should be made to press upon the different classes of the community, in proportion to their ability to bear those burdens. That is the rule which lies at the root of every sound principle of taxation ; and that is the principle which is flouted again and again in the tariff proposed by this Government. I take now the difference between the manufacturers of New South Wales, who only wish to be let alone, and the position of the industry under the duties which this Government propose upon men and women's boots and shoes. I have obtained this information from one of the largest business houses in Melbourne, and it is the result of actual working. A duty of 20s. a dozen and 15 per cent, ad valorem on men's boots and shoes, sizes above 5, ranges, according to my authority, from 33 per cent, to 61 per cent. The worst of it is that the 61 per cent, duty is on the boots of the poor, and the 33 per cent, is on boots worn by the well-to-do. If that is a principle of taxation which this House is going to establish, we shall become a first-class conservative body right away - a first-class old tory protectionist body. We shall have the old tory policy of England blossoming again upon young Australia. There are twelve grades of value in boots, ranging from 3s. 9d. per pair, up to 10s. The boots at 3s. 9d. a pair, and those a little above that price, are the boots which the masses of the people wear. It is the 61 per cent, ad valorem duty which is to be imposed upon them, while the 33 per cent, duty is to be put on the boots that cost 10s. per pair. I ventured to predict, a day or two before the tariff was published, that the true iniquity of it would be concealed under some disguise ; that the Government would not have the courage to come forward and put on advalorem duties, and let the public know what they had to pay. Hence this discovery of what the Treasurer calls a composite rate. There is no composite rate for silks and velvets and gloves. Twenty per cent, is thought to be quite enough for gloves and 15 per cent, for

silks and velvets. There is no complication in those cases. Straightforward ad valorem, duties are fixed. But the boots of the masses of the people must be caught on a specific duty of 20s. a dozen pairs first, and then the Government clap on the duty - which is payable on silks, velvets, and gloves - of 15 per cent, ad valorem. I come now to women's boots. Their prices range from 3s. 9d. - I mean the average quality that are sold in the shops - to 9s. 6d. a pair. On the boots at 3s. 9d. per pair the duty is 50 per cent, ad valorem ; on the 9s. 6d. boots it is 30 per cent, ad valorem. If the Prime Minister in his speech at Maitland had told the people of New South Wales that he was going to put 60 per cent, on the cheap boots and shoes of the men and women of New South Wales, he would not have been here to-day ; he would not have been in his present position to-day. He would be scouted as a public man. This, however, is a composite rate, and it is hoped that the public will not see what that means. Twenty shillings a dozen pairs ! How cheap that seems. Why, it is dirt cheap ! And yet beneath it there is this monstrous inequality. Let us contrast the position of manufacturers and their men fighting the world with good machinery - good machinery is necessary in order to do that; but any sort of old machinery will do when there is a fence put round the people - with that protection which appals the champion of the industries of Victoria, the honorable member for Melbourne Ports, with its absolute insufficiency. This sort of thing absolutely shocks him. The people of Victoria are accustomed to take protection neat, and this Tariff is a sort of blend. But blend as it is it is too strong for the people of Australia, and proceeds on a wrong principle. " Oh," it may be said, "but just look at the difference. The people who come in and buy a pair of boots at 10s. pay 15 per cent on the difference between the 3s. 9d. and the 10s. boots, in addition to the specific rate." I think it is a simple fact, which no honorable member will deny, no matter on what side he sits, that, once a man gets above a certain basis of income, it is absolutely impossible for the Customs duties to seriously affect him. A man with £1,000 or £2,000 a year can look upon duties on boots and shoes with absolute contempt. What are the boots which he wears in a year, and how much more do they cost him 1 Practically nothing ! But the mass of the people of the country are those to whom the price of men's, women's, and children's boots is a very serious matter of concern, because they have to pay out of a fund which goes every week. Their capital goes each week. It appears and vanishes from week to week. It may excite the ridicule or laughter of the honorable member for Melbourne Ports, because it has been a source of good capital to him.

Mr Mauger

- I wish it had.

Mr REID

- It has been the very best investment the honorable member has ever made, or is ever likely to make, and I point to him as a gentleman who can afford to laugh at these little matters of detail. They are sources of profit to him.

Mr Watson

- Did you mention the names of these manufacturers ?

Mr REID

- Yes. Enoch Taylor, John Hunter and Son Limited, McMurtrie and Company Limited, and S. Solomon.

Mr Mauger

- But who is the Victorian informant ?

Mr REID

- I obtained these facts from one of the biggest firms in Melbourne, and I do not suppose that they would invent them. I obtained the rates of the incidence of the Tariff upon men's, women's, and children's boots from one of the highest authorities in Melbourne, who guarantees their accuracy. I wish to point out a matter which honorable members who represent other States will probably find of more importance than do those who represent New South Wales. . The Treasurer laid upon the table of the House a list showing the duties hitherto operating in the other States. That list would induce honorable members who come from Western Australia, Tasmania, Queensland, and South Australia to think - " Oh, this is very much what we are accustomed to in our own States." But they will see the vast difference which comes over the Tariff - the Victorian Tariff - as a subject for criticism, when it was a Tariff for Victoria and the Victorian Tariff now that it has become a Tariff for Australia. There is all the difference in the world. These duties in Queensland, Western Australia - certainly in Tasmania, and even to some extent in South Australia - were imposed for revenue producing purposes, and they produce large amounts to Tasmania,

Western Australia, and Queensland. But these States will now become a shooting preserve for the manufacturers of Melbourne and Sydney. The Tariff as it affects the other States is crinkled up into ashes. Australia will now become a preserve for the manufacturers of these two great overgrown cities. We have not asked for it upon our side, but if it is forced upon us our business men will take full advantage of it. We cannot blame them for that. But these young States with their pioneer industries had this satisfaction - that if the miner had to pay a high price his money went into the Queensland Treasury, in discharge of his duty to the country in which he earned his living. But a Tariff of £9,000,000 for Australia which is built up in this way means £9,000,000 for Australia and £9,000,000 more for Melbourne and Sydney.

An Honorable Member. - More than that.

Mr REID

- More than that, I believe. The business men assure me that for every £1 which goes into the Treasury under this Tariff more than another £1 will disappear in a hundred other mysterious directions.

Sir Philip Fysh

- Nonsense.

Mr REID

- My honorable friend is a merchant and does not care what is the policy, because he will make money out of it.

An Honorable Member. - I hope he did not get anything out of bond.

Mr REID

- No, he would not do that. He is a merchant and he must know that what I am stating is correct. He must realize that under this Tariff the great bulk of the benefit will go to the large manufacturers of the great cities of Australia.

An Honorable Member. - Quite true.

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Mr REID

- Does it not appeal to common sense? We shall have an enormous amount of money taken out of the pockets of the people, which will go to others better off than themselves. Is not the artisan of Melbourne and Sydney better off than is the bush boundary rider, or, at any rate, the average miner in Victoria? If we look over the lines of labour in Australia we shall find that, if we ought to stretch a point at all, we ought to stretch it on behalf of those men who are out in the bush. I believe in fair play all round. But this Tariff does not only not give fair play, but it makes the preponderance of benefit go to those who already have the bulk of advantage. Honorable members from the other States must see that in dealing with this Tariff they have to face a very different question from dealing with a Tariff upon the same lines when the States were separate and independent. I wish to deal with the question of the sugar duties. That is a matter which I admit is entangled with a number of other subjects which are not questions of ordinary fiscal concern. I am prepared to follow the Government upon the question of the advantage of having sugar grown by white labour if we can only work out that problem. I will not go more fully into the matter now, but I have a very strong suspicion that, unless there is a bounty given direct by the Government to the farmer, the wrong man will get it. There is a vast monopoly in Australia known as the Colonial Sugar Refining Company which makes enormous profits out of the Victorian fiscal philosophy. That company admires the Victorian Tariff. They have made hundreds of thousands of pounds out of the people in Melbourne, though the latter do not grow sugar cane. They have established a mammoth monopoly in Australia. I desire to see all these profits go to the farmers. I am prepared, in order to promptly settle the question of the employment of kanakas, to accept the proposals of the Government upon that subject. But in doing away with kanaka labour we are imposing a great burden upon the people of Australia.

Mr Page

- They are willing to bear it.

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Mr REID

- I believe that they are, otherwise I should not support the Government proposals. But this is a matter which will have to be revised after the kanaka has gone, and after a fair interval of time has elapsed. When Ministers try to entangle the kanaka question with this great question I think that they get below the



level of high-minded politics. Surely the kanaka question need not be entangled with a matter affecting the industrial destiny of this country ? Surely when we have driven the black man out of Australia we are not going to poison our own system of industry ? It was said over and over again that the Kanaka Bill was intertwined with the Tariff, and it was brought on ostentatiously just before the Tariff was introduced. Surely we can do an act of justice to Queensland in this matter, and do our duty about the kanaka without mixing up with it matters of high national concern that affect the people for all time 1 I think we might, and I propose to do it. Now I come to another matter which must be of great importance to members of this Chamber, and again apart from the fiscal question. Let us again remember those solemn assurances that were directed to the tax-paying people of Australia when this enterprise of national union was recommended to them for acceptance. Was it not with unrivalled force and ability from the leading journals and leading public men of Australia pointed out to them that by establishing this Commonwealth, by giving to one central power a multitude of functions of government, which six independent powers were at the time discharging at great loss and inconvenience, instead of adding to the burdens of the people their burdens would in that way be lightened ; that the atmosphere would be cleared and that we should have established in this Commonwealth an orderly system of government - things national under the national Government, and things provincial under the provincial Governments - which was to place the finances of the Commonwealth and the finances of the States upon a fair and economical foundation ? Was not that the assurance of our public men to the people of Australia? Are we going to carry it out? Are we going to feel in this Chamber some sort of lingering consciousness of the solemn obligations into which we entered with the people who sent us here ? Now, I test the financial policy of this Government on the question of extravagance, and I denounce it. I shall now show the different gentleman with whom we have to deal in Sir George Turner, the Commonwealth Treasurer, and the Treasurer who earned so much proper credit in administering the finances of Victoria. Who could have expected that he would stand at this table, as he did, and submit to us estimates of expenditure running up to large amounts, which he was at pains to tell us had been inflated by the States for several years past, which he was at pains to tell us by returns in the matter of defence had been increased in three or four years from a total of £522,000 for all Australia, to a total, which he submits, of £882,080, an increase of 70 per cent. ! We know it is not the Treasurer. He stands there as a Minister, and has to take his share of responsibility. I do not see him in that, 1 see the extravagance of the Cabinet in it. It was not a man of his calibre who should have come to this table and have said he was submitting inflated estimates of public expenditure, but that he hoped with our assistance to reduce them, It was a question, he said, of whether he should wait until the Commandant came, and he decided in favour of waiting till the Commandant came. I say we may have a procession of commandants through all eternity, and they will not lighten our military expenditure. I say again that these estimates of expenditure are admittedly inflated and admittedly extravagant, and yet the Government put them before us for our acceptance. So that, out of their own mouths, I convict them of submitting extravagant estimates of expenditure. I go now away from expenditure to revenue, and here we find a singular difference of treatment, which has, I think, a clear motive in it. We have the Treasurer putting his estimates of expenditure on the basis of the year 1900, which, he says, was an abnormally inflated year, and then he points to the year 1899 as supplying the right basis for a revenue year. When we come to consider imports and exports, the Treasurer says that there were imports to the value of £41,000,000 in 1900, but that we must take a number of millions off that, and get back to the year 1899. Why? Because the smaller the amount of estimates, the nicer high duties will look, and the more absolutely they will impress themselves upon us. I quite admit that there was an inflation to some extent, but I regard the amount at which the right honorable gentleman has fixed the inflation - £4,000,000 - as absolutely ridiculous. Now there was a process of unloading going on at the same time, and no allowance seems to have been made for that. There was a very large Amount of unloading going on in Australia in connexion with these proposals. I look upon the allowance of £4,000,000 for inflation as extravagant, and I also point out that no allowance is made for normal increase in three years. We know that the history of our trade for the last six years has shown strong increases year after year, but no allowance for normal increase is made, and we are taken back to 1899 to make the basis as narrow as possible for imports in order to make the high duties seem more absolutely necessary. I think that the Treasurer's estimates, whoever prepared them, are inaccurate in that respect. I shall mention one or two matters which, I think, show that the reductions made by the Treasurer were excessive. He allowed £4,000,000 for inflation of

values, and £2,500,000 for loading up. Well, I have said there was an unloading process, and I believe that the loading up did not amount to so much.

Mr Watson

- I think it did amount to a little in New South Wales.

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Mr REID

- So far as I can learn the loading up has been in connexion with a few items, and has not been general. The best information I can get is that the amount stated is excessive. I pass the gold and specie and Government goods, as I take the Treasurer's estimates for them. I now come to the allowance for the free list of £6,500,000. I appeal to the common sense of this Chamber, in view of the facts I have referred to, as to the condition of our industries in the interior - because, do not forget that they have not 61 per cent. to protect them. They have to fight against India, against the Argentine Republic, and against Russia, in the markets of the world. Their prices are made for them thousands of miles away, in the desperate conflict with the cheap producing countries of the world. They cannot help themselves - and are these the men upon whom we are going to put more handicaps? Are the men who are struggling to keep your great farming industry alive, the men on whom you will pile up burden upon burden for the rice and the starch of Melbourne - for the hats, the boots, and the shoes, and a thousand and one things here? There is no clap-trap after all about referring to the farmers. My honorable friends opposite have spoken about them often enough when they wanted to put duties on. When they wanted to reconcile them to the bitter dose, they dosed them enough with attention. I am going to give them a little attention with the honest desire to lighten their burdens. I take this free list, and what do I find? There is a special return which looks more like a page in a scientific encyclopedia. One or two healthy items in it would do a world of good. Where are agricultural machinery and implements? They are in the 15 per cent. ad valorem list - the duty on silks, velvets, and furs. Agricultural implements and machinery is a little item which might stand among that six million pounds of imports which the Government set aside for the free list. ; The same with the appliances used in a hundred other industries in the interior. And then, under the "n.e.i.," some of the heaviest duties are imposed - duties which are being discarded by the common sense of Victoria.

Victoria found out the exquisite absurdity of putting duties on the refrigerating machines which are used to keep the temperature of the butter factories steady, so as to increase the value of the product. Victoria had a duty, and abolished it some years ago. New Zealand had a duty, and abolished it a little time ago. The Federal Government bring it in as a new duty - 25 per cent, under "n.e.i." I am not going to take up the time of honorable members with details just now. They will pardon me for mentioning one or two illustrations. There is one, which is brought in in that way. Surely, in that wonderfully constructed free list there might be room for the agricultural machinery of Australia, because remember, although agriculture was once Victorian, we are now dealing with the agriculture of Australia. We are trying to speed the plough over hundreds of thousands of fertile acres in all parts of this continent. That is the broad prospect before us. That is the field on which these proposals will work, and surely the Government might have put these things on the free list - not to be touched by the tax-gatherer. I, of course, shall be told that the farmers of Victoria will derive an enormous amount of benefit from these duties. I should like to mention what was the position of the Victorian farmer in the year 1888 on the authority of the highest protectionist publication here. This is the statement thirteen years ago-

The greatest consideration which can be given to the farmers is to protect them in whatever department their produce has yet to compete with imports in the local markets. About the only item in which this competition takes place is stock, and it is only natural that, in respect to this, the farmers should demand and receive effective protection.

There was nothing that could be added to the benefits which protection could confer upon them thirteen years ago but the stock tax. Their stock tax has been taken away from them by federation. I would ask honorable members - because this is a test of policies, and we are in a position to compare them in two adjacent States - to listen to this picture drawn a few days ago by the leading protectionist newspaper in Victoria - and it may be accurate sometimes - of the farming industry -

There has been, during the last twenty years, an increase of our rural population, and a multiplication of agencies for dealing with the products of the country, but has there been a corresponding development of

production ? Agricultural statistics give us a startlingly unsatisfactory answer to this question. As comparatively little as possible in the way of taking up new lands, expansion depends to a great extent upon securing larger returns from those already under occupation. It is precisely this kind of agricultural improvement that there is no evidence of in our statistical returns. On the contrary, startling proofs are available of a retrograde movement. Of the 36,500,000 acres of land under occupation in Victoria, only 3,824,898 acres is cultivated. In 1881 the area was 1,997,943 acres, so that we have taken twenty years to double the area of cultivation. That we have now reached a period of still slower progress is shown by the fact that the cultivated area was 3,877,922 acres three years ago. While the acreage increased last year, there was a falling-off of 329 in the number of cultivated holdings. The returns of last season showed an increase of oats to the extent of 91,409 acres, and hay to the extent of 61,910 acres ; but there were decreases on all other important crops - wheat, 148,372 acres ; barley, 20,715 acres ; maize, 1,648 acres ; peas and beans 4,421 acres ; potatoes, 16,992 acres ; onions, 1,621 acres ; with a falling off also in rye, mangolds, beet, other roots, hops, and tobacco.

The last argument was, " Well, it is true things are disappointing, but wait until we get Inter-State free-trade ; wait until the Victorian farmer has the run of the Australian continent, and then you will see the giant strides he will make." But in the very dawn of this great change, when this free Australia is about to be opened to the enterprise of manufacturers and farmers of Victoria, what is their position, their attitude ? Do we find a trace of buoyancy, excitement, enterprise ? Do we find a single wing being added to a Melbourne factory, a single brick being put on another brick to reap this rich harvest from the simple free-traders of Australia ? No. Farmers, according to this, the chief protectionist paper, a day or two ago, are in a retrograde condition, manufacturers any thing but jubilant. On the other side we find factories, houses, rents going up - not that that is a good thing in itself, but still it is a sign of prosperity : it is never a sign of ruin, at any rate. We have the empty houses filling up, great factories in course of erection. The big men from Adelaide and Melbourne are putting up factories in Sydney after reaping the harvest in those two States for twenty years. When the Australian harvest comes, Sydney is going to get it after all. At any rate, if we do get it we shall have earned it, because we shall not have paid anything for it. AVE shall have got it by our own enterprise.

But it is a remarkable thing that now that the great opportunity for Victoria has come, there is nothing but stagnation. This is another disappointment for the protectionists, I am afraid. I should like to pass on to the question of the revenue, as I want to show the extravagant basis upon which the Tariff is framed. The Treasurer asks the people to submit to a Tariff which will raise £8,900,000. That is a pretty big Tariff, and it is about as high an amount of revenue as any one could ever dream of getting from imports ; especially if the Treasurer's calculation be correct. But now, let us see whether the Treasurer pursues a prudent course by going not upon an inflated year, but upon a normal year. Surely, in laying the foundations of the finances for this great Commonwealth, we should build upon something solid. The Treasurer goes to the year 1899 for solidity, when he puts his duties oh, and why should he not go to 1899 for solidity when he estimates his revenue ? According to his own statement, the revenue for 1899 was £7,437,000, and adding £300,000 to that for the Federal expenditure, in a normal year we should get a total revenue of £7,737,000. But the Treasurer proposes now to put on £1,200,000 more than that. He asks the people to pay £9,000,000, although the revenue in a normal year, 1899, came to only £7,437,000, and the sum now expected to be derived from duties will be nearly £1,000,000 more than was received during the abnormal year that has just closed ; so that on the revenue basis an abnormal basis has been chosen for taxing the people, although according to the Minister, 1899 was a normal year. If Australia could live on that money, and all Australia did live on it, in 1899, we should be able to live on it now. The Treasurer puts £9,000,000 of taxation upon the people of Australia, and still two or three of the States will be short of the amount they formerly received from the Customs. The total that I have given for 1899 includes £1,000,000 of intercolonial duties, and I am assuming that the Treasurer has taken another £1,000,000 of taxes in Order to make up for that. I should like to point out that in all these Tariff arrangements there is a marvellous amount of attention paid to the industrial tendencies of a man who makes glass bottles or barbed wire or corks. The profound statesmanship that has been exhausted by this Federal Ministry in the interests of the man who makes glass bottles is something marvellous. We find that there is a duty of 7s. per cwt. proposed to be imposed upon horse-shoe nails ; that is equivalent to 33 per cent. Now, here we have the statesmen of Australia sitting in Cabinet, discussing the momentous question as

to how the horseshoe nail industry is to be dealt with, and the assembled intellects of Australia coming to the conclusion that the matter is one that really requires some attention. They find that in the enlightened State of Victoria there has been a 14s. du tj' on horseshoe nails, and if they had made other inquiries they would also have found that they can get the iron made to the requisite sizes in cheap labour countries, and that when they get the iron into the colony all that they had to do is to use little clinches to cut pieces to certain lengths, and give them a little tap On the top, and there is an Australian nail. There is the Australian horseshoe nail industry - there is a triumph of manufacturing enterprise. This is an industry that we must clip a little, because X understand that 14s. per cwt. is equal to 66 per cent., and that 7s. would be equal to 33 per cent. The Ministry say - "As we are for revenue without destruction, we must take a little off this, and we will reduce the duty on horseshoe nails to 7s. per cwt." Barbed wire, which is to be subject to a duty of 20 per cent., represents another great Melbourne industry. The wire is made in the countries where labour is cheap, and is then brought into Melbourne, where little bits of metal are snipped off and twisted round the wire at decent intervals - and there we have the product of the Australian barbed wire industry, which reflects such enormous credit on the enterprise of the people of Melbourne. It does not occur to the Ministry that that barbed wire is bought by settlers all through Australia, who are fighting against pioneering troubles in the bush. It does not occur to them that these horseshoe nails are wanted, in those districts where the people have not a locomotive to draw them to their work every morning. Oh, no ! These industries must be cared for. Since there is no industry too small for the statesmanlike interest and ingenuity of the Ministry, is it not a pity that they could not devote some little consideration to the great industries of Australia upon which we all depend for any prosperity we have? I do not want to underrate the immense advantage of producing as much as we can in our own country, but I give to the industry in the barbed-wire shop and in the horseshoe-nail shop no higher value than I attach to all labour throughout Australia. To my mind every honest worker throughout Australia is engaged in colonial industry - whatever he is doing. That is the broad line on which I float the flag of colonial industry ; but according to this Tariff the industry of the man who is solving national problems from the rising to the setting of the sun in the heart of this droughty land is not of sufficient importance for this Cabinet to consider. I do not say that we should give him a duty of 33 per cent, to protect him, but we might put his machinery on the free list. Every one knew that the throwing open of the markets of Australia could bring no gain to the farmer of Victoria. As a matter of fact it has brought him a loss, because the stock tax was alive to the very last, as people found out only recently. I say that the great industries of Australia are not treated fairly, and that everything that is used by these pioneer\* - the farmers and the miners - should have been placed on the free list. There has been an attempt made to put something on the free list for the miner, but nothing that is worth much. Is not mining machinery one of the most vital things for the development of mining in all parts of Australia, now that the best of the alluvial is gone, and gold is so hard to get ? Yet we cannot find a line among these £6,000,000 worth of untaxed imports for mining machinery. These lines have been referred to with sufficient prominence in the newspapers, and I need not refer to them more fully here. I want now to bring before the notice, of the House a statement which will throw a great deal of light on the real protection which Commonwealth manufacturers enjoy. When Ministers quote the Tariff rates, and say - "That is the protection we are giving this or that manufacturer," let me point out to the House the natural protection which most of these manufacturers have before the customs reach any-one of them. I will mention a few lines. In soft goods, which, I suppose, are most easily imported, the natural protection ranges from 1\ per cent, to 27\ per cent., but in addition to this 27\ per cent, on cheaper goods, there is a duty of 20 per cent, on blankets. In furniture, there is a natural protection ranging from 40 per cent, to 120 per cent., and another .20 per cent, is added. In glassware, the natural protection ranges from 65 per cent, to 93 per cent., and another 40 per cent, is added. On bottles, the natural protection is from. 75 per cent, to 100 per cent., and a composite duty of about 75 per cent, is added. On household pottery, the natural protection is 75 per cent, to 100 per cent., plus a duty of 65 per cent, to 112 per cent. On blue, there is a natural protection of 15 per cent., plus 60 per cent.; on candles, 12 per cent., plus 32 per cent. ; corn-flour, 33 per cent., plus 66 per cent. ; safety matches, 25 per cent., plus 50 per cent. ; preserved milk, 12 per cent, plus 35 per cent. ; rice, 8 to 10 per cent, plus 66 per cent, to 100 per cent.; salt, 100 per cent., plus 66 per cent. ; starch, 18 per cent., plus 80 per cent. ; and sago, 10 per cent., plus 50 per cent. We thus see that there is an enormous advantage, owing to our geographical position, which the Commonwealth manufacturer enjoys, apart altogether from the

Tariff. But instead of this protection being thought - I shall not say enough - but a fair instalment, Ministers are actually piling on these necessities of life additional heavy burdens. I will mention the way in which Ministers seem to have apportioned the burdens of the people. If there is a principle which is universally accepted in matters of taxation, it is that luxuries shall be taxed more heavily than the necessities of life. That principle is followed in connexion with narcotics and stimulants, which are luxuries of life. To some people, perhaps, they are necessities ; but we know there is an enormous amount of duty put on narcotics and stimulants. Going away from this special list, let me show, in contrast, the way in which the Government have dealt with the luxuries and necessities of life. Woollen material is, I suppose, a necessary of life, especially in this part of Australia in winter. Woollen garments have to pay a duty of 20 per cent, ad valorem, while silks and velvets, which I do not call necessities of life, pay 15 per cent., or 5 per cent, lower than the woollens, which have to be worn by the mass of the community. Gloves pay 20 per cent. ; and in regard to hats, the cheaper these are the higher the rates. Cheap hats range from 79 per cent, up to over 115 per cent., while cheap boots are 61 per cent, for men's, and 50 per cent. for women's. Perfumery has to pay 20 per cent., and medicine 25 per cent. The Prime Minister spoke in tones of some levity about the item of medicine ; but, as a matter of common sense, there is no item in the world which probably ought to be more leniently treated than that which has to be used in cases of illness by people of limited means. Medicine may save the lives of children who are as dear to their poor parents as are the children of the rich to their parents ; and yet sometimes the lives of these children cannot be saved, because the people have not in their pockets the money with which to purchase that medicine. I see nothing in the item of medicine to form the subject of amusement, except to persons who are well fed and stand pretty well in the world. Carpets are 20 per cent., and it might have been thought that the Government would have put a little lower duty than 20 per cent. on tents, in which thousands of men have to spend their lives. China and porcelain pay 20 per cent., and earthenware 6d. per cubic foot, and 15 per cent., or from 45 to 55 per cent. ad valorem. It seems tome that that is monstrous. Let us think for a moment of the hundred and one articles that are in use in the home of the poor man, under the head of earthenware and glassware. China and porcelain pay 20 per cent.; earthenware 45 per cent. to 55 per cent. ad valorem; glassware, 8d. per cubic foot, and 15 per cent. ad valorem. That comes to 85 per cent. on cheap table glass, and 55 per cent. on the common tumbler. The Victorian Tariff was only 25 per cent. Is that not a marvellous rise - a monstrous rise ? I want to show in a general way, without going too much into detail, what, on the statement of the Government themselves, has been their method of treating our imports in the way of taxation 1 Here is the statement of the Government, and I feelingly appeal to the House whether this is a moderate Tariff - whether it can by any possibility be called a moderate or a revenue Tariff. Taking narcotics and stimulants off, the estimated total imports which form the basis of this Tariff, are £19,100,000. Listen how, according to the Ministry, this burden is divided. Imports that pay 20 per cent., 25 per cent., and 30 per cent., amount to £14,767,000, out of the £19,100,000. I want to hear any man say that this comes within the category of a moderate Tariff - of a Tariff that was to aim at revenue, and was only to assist protection in a mild and moderate way. On the Minister's own division of the values of the imports, we see that whilst only £1,040,000, will come in under the 10 per cent. duties, and only £3,306,000 will come in under the 15 per cent. duties 20 cent., 25 per cent., and 31 per cent., will be levied on £14,767,000 of imports. How can this be regarded throughout Australia as a moderate Tariff? Regarded as a revenue Tariff, it is destructive of revenue. Regarded as a protectionist Tariff, it is a red-hot Tariff ; and, if that be so, it is a fraud on Australia. There was no one point more emphasised out of Victoria than that there was to be no red-hot protection for Australia, but that there was to be a revenue Tariff with incidental and moderate protection.

Mr Macdonald-Paterson

- That is correct.

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Mr REID

- On that basis, faith is not kept with the public, when out of £19,000,000 of imports, £15,000,000 pay 20 per cent., 25 per cent., and 31 per cent. That is on the averages, and it only shows how enormous some of the duties must be in individual cases. On the Minister's own statement that is the character of this Tariff, and I cannot speak too strongly about it, in the light of the assurances which were given to the people - at any rate, of the colony from which I come, and which, I believe, were given generally

throughout Australia. I believe that honorable members, who came from all parts of Australia, assured their constituents that they would follow these lines. Victoria, of course, is an artificial market ; but in one sense it is a pretty good test for our purposes, because, if a thing will advance in price in Victoria, it must be something stiff, and it must be something new. I think I may fairly say that of a protected and artificial market such as that of Victoria undoubtedly and admittedly is. On the best authority I can get - one of the biggest houses in Melbourne - I am assured that in dealing with groceries and matters of that kind, there has been a general advance right along the line. In fact, one merchant in Melbourne told me that ever since the introduction of the Tariff he has been busy increasing the price of the articles in which he deals, and that in no less than 100 lines of trade in his business he has had to advance prices. That is in "Victoria, and we know what must be the effect in other parts of Australia if that is so here. He tells me that in 100 lines the price has been advanced. Now I want to deal, as I think I ought to deal, with a few lines. I referred to the benefit this Tariff would confer upon a few individuals - a few favoured individuals and a few favoured industries. I think that this is an aspect of the case as to which the House will bear with me while I bring it before them ; because I suppose there are many honorable members sitting opposite to me who, perhaps, have not the remotest intention of voting with me upon this motion, but who probably have a desire to remove abuses. I have no doubt there are some of my honorable friends, who, although they cannot vote with me upon this motion, yet cannot swallow every thing the Government has put before them. If they can, they deserve unlimited credit from a party point of view. I must now, as I have said, deal with a few of these favoured, petted industries, and show how necessities which are used to an enormous extent in every household, are to be taxed for the benefit of two or three individuals in Australia. I will begin with rice. There are two kinds of duties imposed by this Tariff upon rice. There is a duty upon dressed rice - that is, cleaned rice - and a duty upon uncleaned rice. It has been thought by the Treasurer, in order to keep a great Australian industry upon its feet, that there should be these two rates of duty. Now, any one who knows the methods employed in cleaning and dressing rice, is aware that it involves a very simple machine, with a man at one end, and a boy or two at the other. There is, nevertheless, a higher difference than £2 a ton between these two items. There is a difference of £2 a ton under the Victorian Tariff; but there is no allowance for waste under this Federal Tariff, so that we may fairly say that although there appears to be a larger difference there is not, and that the difference is practically the same as under the Victorian Tariff - £2 per ton. For that £2 a ton the enterprising rice manufacturer who brings rice into Australia, runs it through his little contrivance, which, no doubt, is full of mysterious expensive methods for getting the rice to the other end. Then we have cleaned rice, with this great benefit per ton. There are three firms in Melbourne which indulge in this exercise of manufacturing rice - Messrs. Harper Limited---

Mr Crouch

- A gross impertinence !

Mr REID

- A gross impertinence? That is a remark I protest against, Mr. Speaker.

The SPEAKER

- The honorable and learned member for Corio must withdraw the remark.

Mr Crouch

- I withdraw the remark, sir.

Mr REID

- It only shows the sort of product we get out of Victorian protection, when, while we are dealing with a national matter affecting the interests and the pockets of the people of Australia, we are told that it is a " gross impertinence."

The SPEAKER

- The remark has been withdrawn.

Mr REID

- All I can say is this leaving that matter alone - that if there is one thing we are sent here to do, it is to take the hand of the individual out of the pockets of the people. It may be " a gross impertinence " all the same. But I venture to think that there has been a " gross impertinence " going on against the people who eat rice. That is where the "gross impertinence " comes in.

The SPEAKER

- The right honorable and learned member must not refer to the matter now that the remark has been withdrawn.

Mr REID

- I am referring to something else now, Mr. Speaker. There are three firms that engage in this pastime in Melbourne, and who will profit from the £2 a ton derived from the mild little process they pursue. In stating this I am giving the view of an independent man - an expert. I can only take the best opinion, and this is the opinion of a person of high standing in the business community of Melbourne. I am not venturing to give an opinion of my own, because I am not in business ; but, as I say, I have the very best authority for my statement.

Sir Malcolm McEacharn

- Max Hirsch's authority.

Mr REID

- That is untrue.

The SPEAKER

- The right honorable and learned member must withdraw that remark.

Mr REID

- Still it is untrue.

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The SPEAKER

- I cannot help that. The right honorable and learned member must withdraw the remark.

Mr REID

- I withdraw the remark. Then it is not untrue, but it is con foundedly inaccurate. On that one item,, there are three firms who from that difference in duty on rice will make a profit of something over £10,000 a year out of the people of Australia.

Mr Conroy

- No wonder they ask us to champagne luncheons !

<page>6026</page>

Mr REID

- I do not want to refer to those expeditions to the establishments of some manufacturers, which honorable members are invited to, winding up always with a champagne luncheon. The pioneers of Australia are not in a position to extend such hospitalities to honorable members. But I hope they will not be forgotten, though they are absent. Now I come to another item, about which there has been a great dispute. That is with reference to starch. Starch is manufactured in Melbourne by two or three firms. Some time ago, Mr. Speaker, there was a controversy in which one of the gentlemen engaged in this industry is said to have made a remark that the price of starch in London was 5d. per pound. On the strength of that remark, some one else was accused of gratuitous falsehood in reference to a statement he made about this industry. But I hold in my hand a price list from a London firm of' grocers, which has 50 retail shops, and I find that this celebrated article figures therein in this way : -  
Starch (Coleman's) in 1-lb. boxes, 4d. ; in packets, 3jd.

A business firm here has been advised by letter from London that 28-lb. lots of Coleman's starch can be got at 3d. per lb. There is the refutation of the remark that was made outside as to this statement about starch. .We were told that the London price of starch was 5d. per lb., and that the people here ought to go down on their knees and thank these three firms for their kindness in supplying them with this necessary article at such a ruinous sacrifice. What is the manufacture of starch, Mr. Speaker? Starch is something, no doubt, that is " fearfully and wonderfully made." Again I can only trust to expert authority. All the rice produced in the East that is not good enough to sell to human beings to eat - that is to say, the rice that is not marketable - goes from Singapore to various starch manufacturers in London. Coleman, who is one of these manufacturers, has to take it right through the Suez Canal to London, and then he has to take it to Norwich by railway. After' manufacturing the rice into starch, he has to send it back by railway to London, and to send it out here. One of these enterprising firms has a factory on the water side, and the rice goes from Singapore and other places in the East direct. The wonderful process of making starch is about to begin. Some cheap chemical is used, and this discarded rice assumes at once a solid consistency, in which it can be cut up into slabs and pieces. Two or three experts are required, but I believe that the main

labour involved in the manufacture of this article is that of the youths and boys and girls who put it up into those beautiful packets that we see, and which must cost a considerable amount. We have now the starch. Let us look at the gap between the price of the raw material and the price at which it can be bought here. I want to put the matter liberally, so as to prevent any offensive statement. The raw material for starch can be purchased in the markets of the East at something like £8 per ton, and it can be brought from Singapore to Melbourne, and dealt with, I am told, for something like £7 per ton. The price of starch in Melbourne to-day is 40s. per cwt. ; that is, £40 per .ton. My honorable friend the member for Mernda shakes his head, but the other head from which I have obtained this information is just as experienced as his. I do not know what mysterious rebates my honorable friend gives ; but as the result of this Tariff, starch has gone up 1d. per lb. The quotation lists were out on the 10th inst., and starch has gone up a full penny since the publication of the Tariff. Thus we see that the Tariff has added another little advantage to the manufacturers of starch here, except that they have now to pay a duty on the raw material, from which the starch is made, of 6s. 3d. per cental, and no allowance is made for waste. That duty on the raw material has been imposed by the Federal Government, while the duty is kept at 2d. per lb., and the net price to the wholesale dealer has gone up 40s. per cwt., . or thereabouts. This is a hardship which makes itself felt among people in whom I am somewhat interested. These Melbourne firms used to send their starch to Sydney, and, in competition with the starch makers of the whole world, they, cut greatly into our trade - greatly to their credit be it said. One firm, Harper and Co. Limited, fighting the whole world in New South Wales, has made a most creditable and successful onslaught on our trade. It does a very large amount of trade in Victorian starch, without one penny of protection to assist it there. I do not mind the Victorians going on and paying more for their starch for all eternity, if they insist on doing it, but they have now got New South Wales into the ring, and all the people of New South Wales who used to get this starch at 26s. per cwt. wholesale, have now to pay 40s. per cwt. I believe starch is an article which is used by a very humble, hard-working class in the community, who are not altogether deserving of severe measures, that is to say, the washerwomen and laundresses of Australia. It is not a matter of gloves or velvet, but this duty on starch raises the price about 60 per cent, or more. I come now to a third item which I think is one of the worst of all. In the bush one can do without his dressed and starched linen, but we do not want to be too rough upon the man in the far-away bush, when it comes to a question of putting a little milk into his tea. ' Nevertheless, the man in the bush with his pannikin, who has not got a cow within 500 miles of him, is to be compelled to put his hands in his pockets for the benefit of these limited firms. Surely, the Federal Ministry could have put preserved milk on the free list, considering that it is one of the few necessities of life that can be conveyed into the interior. This may be a matter for amusement to some people, but it is not amusing to the man who has to pass his life in the back blocks.

Mr Cameron

- It is not a matter for amusement to the miners on the west coast of Tasmania.

Mr REID

- No, it is not. It is something to be compelled by a mysterious decree of the mighty Commonwealth to deal with Harper and Co, Limited, instead of having the whole globe from which to make a selection. That is something in the way of legislation, and it has to do with real life, although some people outside may think I have been guilty of gross impertinence in referring to it. There is another aspect of this matter which touches more closely the people of the other States. The preserved milk produced by Harper and Co. Limited, under the

Victorian Tariff, used to be sold to the Victorians at 6s. per dozen tins, and to the New South Wales people at 4s. 6d. a dozen. I do not mind the Victorian people using Harper's preserved milk and paying more for it, if they choose to do so, but what have we done in New South Wales that they should be able to knock off that advantage of 1s! 6d. per dozen to us % That is the result of this duty. We are all put up now to this artificial level on articles of necessity in every man's life ; we are all compelled to take a share in this burden. I want to show now the different treatment extended to a very humble person in Melbourne. He is not a limited firm, but he possesses a foreign name. I refer to a gentleman who announced to me very indignantly the other day, that " If this is the way native industry is to be dealt with I am going to be a free-trader." This gentleman does not deal in the hats and caps for summer and winter wear to which I made reference a little while ago, but he put in a tender for the supply of 7,941 caps for the service of the Railway department of New South Wales. The duty in this case is 3s. per dozen, and



that on the 7,941 caps - the cost of which amounts to £1,200 - would give him a benefit, if he got it, of £99 5s. The Ministry present him with £99 5s. in the shape of the federal duty of 3s. per dozen on these caps. He points out, however - and he gives me all the lines - that while they give him this protection, some of his raw materials and trimmings, amounting to £800, is taxed at 20 per cent, ad valorem, and £10 worth of trimmings at 15 per cent, ad "valorem, meaning that he has to pay under this Tariff £181 13s. as duty on his raw materials. He has to pay £181 13s. upon the raw materials, and he gets a benefit of £99 5s. upon the finished article. His name is a foreign one, and perhaps that may account for it, because we feel strongly upon these matters.

Mr Page

- That is revenue producing, is it not 1

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Mr REID

- I think it is, but I fear that it would kill the revenue too, because the manufacturer could not go on for long at that rate. This gentleman says that if this is the sort of protection which the united talent of the Federal Government can get for him he will become a free-trader, It is remarkable that such a gross mistake should be made in that case. There is not any mistake made in a number of other cases. Now I come to items like "timber". and "corrugated iron." The Minister for Trade and Customs was simply immense upon a policy which he hopes to introduce at some future date in reference to the iron industry. I have always been one who would like to see the iron industry firmly established, but my method of effecting this would be by giving it direct encouragement from the national exchequer. My reason for so doing would be that as it is a national industry the nation should pay the expense of encouraging it. The man who uses the iron ought not to be compelled to do that. A national benefit should be paid for out of the national funds. Why should not the whole community pay this bonus to the iron industry if the establishment of that industry confers a national benefit? Why should the man who is encouraging the industry, and who is buying the material, be the only person to pay for this national advantage? The Government proposal puts the burden upon the wrong shoulders. That is one of the radical fallacies of a policy of protection. A national advantage should be paid for out of the national exchequer, and not out of the pockets of the particular individual who happens to encourage the production of a particular article. Such an individual is encouraging trade. He is buying what others produce. Why should he be the only man to bear the burden? To establish a national iron industry by all means let us give a national bonus, but do not let us run up the price of iron all over Australia. By so doing we should accomplish two things: we should cripple our manufacturing industries, and cripple the people who have to buy machinery for those industries. In opposition to the view of putting duties upon iron the moment an iron industry is established, I say, "No, I encourage the industry out of the national pocket." But the Treasurer could not wait in order to put a duty upon galvanized iron and a higher duty upon corrugated galvanized iron. Here, again, there is some little process gone through; some wonderfully mysterious process known only to the manufacturer is proceeded with, and as a result we get out of the iron sheet, galvanized iron. Then corrugated iron is produced by some other mechanical appliance. I put it that if there is any one kind of iron which is used throughout the interior of Australia it certainly is galvanized and corrugated iron. But the Government will not place these things upon their list of £6,000,000 worth of free imports. That is not all. I come now to the item of "timber." From a free-trade point of view all this would be very idle, but I am dealing with the proposals of a protectionist Government. The proposals in reference to timber duties contain some extraordinary features. For example, there are certain kinds of boards which it is well known cannot be produced here. The material which goes to build a cottage cannot be imported free. There is a duty upon weatherboards. A statement was made by the Treasurer that the boards used in packing our butter - I suppose this is another insignificant item, but still some people take a great interest in it - were free of duty. On further inquiry it transpires that they are not free. A certain sort of log or piece of timber out of which these boards can be made is free of duty; but unfortunately - it is really a piece of perversity on the part of these trees - they are so small that the rate levied makes it impossible to obtain these butter boxes without paying what would be equivalent to this duty. The people interested in the butter industry have already represented this fact. Surely this is a class of people whom we all wish to encourage. I suppose that the butter industry is one of the most promising in Australia. It has done a great deal for Victoria - almost as much as the man who puts the barbs on the wire. Upon cement there is a nice little

duty of 60 per cent, ad valorem. Now, we have large cement works in New South Wales, which employ hundreds of hands. These firms are doing an enormous business without being protected by a penny of duty. Now, however, 67 per cent, is to be put upon building operations all over Australia in the way of cement. I now come to the item of twine. It is astonishing how some items acquire a wonderful significance. The item of " twine " refers particularly I presume, to the twine used by farmers. The Government are not satisfied with imposing a duty upon reaper and binder twine, but they have included the twine which binds the fleeces on the stations, and the sewing twine for the bags containing agricultural produce. This twine is to be taxed. Hitherto it was free in Victoria. Now, however, 8s. a cwt. is to be charged on reaper and binder twine. There are three firms in Australia which make this class of goods - Miller and

Donaghy in Melbourne, and Forsyth in Sydney. I particularly sympathize with Mr. Miller. He is a straight-out free-trader. In principle he is one of the best free-traders in Australia. But a paternal Government will force this fortune upon him. He is acquiring a large fortune, because, although he is a good free-trader, the Government will insist upon imposing this enormous tax upon a twine which is used largely upon the farms of Australia. In New South Wales the farmers have hitherto been able to obtain this twine 2d. per lb. cheaper than the Victorian farmer could get it from Mr. Miller (a genuine freetrader) and Mr. Donaghy, and I believe that about 5 lbs. are required for every acre carrying a fair crop. The duty will therefore represent a difference of 10d. per acre to the New South Wales farmer, and this amount would nearly pay the deposit and interest upon his free selection. He pays off the principal and interest on his selection by instalments of 1s. per acre per year, and there will now be 10d. an acre a year on that one item of which he had the advantage. Now he will get no more of that.

Mr Kennedy

- Will the right honorable gentleman repeat those figures?

Mr REID

- Certainly. I have them on very good authority. It is estimated that 5 lb. weight of this twine is required per acre for a good crop.

Mr Watson

- 8s. per cwt. will not pan out 2d. per lb.

Mr REID

- It does I am told. They are behind the fence here, and they make the farmers pay accordingly ; but we were outside the fence, and they let our farmers have the twine at 2d. per lb. less.

Mr Watson

- 8s. per cwt. is less than 1d. per lb.

Mr REID

- I am told that that is the difference absolutely, and that Mr. Miller, in New South Wales sold the article at 2d. per lb. . less. We have a rope factory in New South Wales which has been working double time for years under free-trade, and without any duty.

Mr Kennedy

- I did not catch those figures.

Mr REID

- They are given to me as correct, and the estimate is that 5 lbs. weight of reaper and binder twine would be used per acre for a good crop. We come now to deal with the reapers and binders upon which the Minister for Trade and

Customs broke down. There was a duty of 22 per cent. on reapers and binders in Victoria up to the 30th of July, 1879, which, on the then price of £90, meant a difference of £15 on a reaper and binder. The day after that duty was repealed, the price went down £15. There is a pretty solid result from the repeal of a duty. The price went down from £90 to £75 the next day, and the present price of these reapers and binders is from £30 to £40.

Mr Watson

- Is that retail?

Mr REID

- That is buying one.

Mr Watson

- I do not think that is the price.

Mr REID

- What is the honorable member's quotation ?

Mr Watson

- About £50.

Mr Cameron

- They can be bought for £40.

An Honorable Member. - They can be bought from the Massey-Harris Company for £32.

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Mr REID

- The honorable member for Tasmania, Mr. Cameron, speaking from knowledge, says they can be bought for £40; and I have made the statement that the price is from £30 to £40. I want to direct the attention of honorable members to another little article, salt. Salt is an industry which flourishes in South Australia. I am sure every one will be delighted to know that it is an industry which, so far as that can be said of a protected industry, has been a flourishing industry. In spite of the duty in Victoria, the South Australians have been able to cut into the market here to a tremendous extent. I believe that they have practically secured the Melbourne market in spite of a duty of 20s. per ton. The price has gone up only 10s. per ton, on the declaration of the Minister for Trade and Customs. This company, which was cutting into Victorian trade, against a duty of 20s. per ton, will now have that protection equally with the rest of Australia. The producers of this article, who have been able to come into Melbourne against a duty of 20s. a ton, will now have the same protection, although they do not require it. That is a very large advantage to that industry.. It is an enormous duty, and comes to a considerable amount to the consumer. One would think there would be natural protection enough in the case of this article because the freight and charges upon English salt amount, I think, to about 100 per cent. There is a natural protection for salt of about 100 per cent., and we are being asked to add to that, what I suppose on the value of salt in England is another 100 per cent., by this Federal Tariff. I think this is a highly unnecessary item. There is another duty which will press very hardly upon the manufacturers of Tasmania and other places. We have a duty on candles. Under the Victorian Tariff we have a duty on stearine, but we also have now a duty upon paraffin wax of 1½d. per lb., the same as the duty on candles. There are two or three people in Melbourne who have stearine plants, but there are other people who do not manufacture, in Melbourne, and have no stearine plants. They manufacture from this paraffin wax, and this duty of 1½d. per lb. on that material will have the effect of shutting up a number of factories that have not the plant which a few manufacturers in Victoria have got. This is a raw material which one would think Ministers might have allowed to escape. Those are items which are in universal consumption, but they are not of so much importance to the revenue as are the articles I am now about to mention. I want particularly to draw the attention of the House to the probable operation of the duties on spirits, tobacco, and cigarettes. These are very important lines, and the question as to how the proposals of the Government will work out is a matter which will greatly affect the stability of the revenue. I think it is pretty well known already that under the old Tariffs in New South Wales and Victoria affecting tobacco and cigarettes, enormous fortunes have been made out of the Custom-house. I do not hesitate to mention the names of firms. I do not suppose I shall be blamed if I do, and I think it is better to do so. There is one large firm - Cameron's - which has a large capital, and I am informed that their profits amounted every year to a sum equal to the whole of their capital, under the tobacco duties as they existed in Australia under the separate Tariffs. So far as I can see and learn, this Tariff will add a second fortune to the fortune they have been making under the old arrangements. It is right to look at the items for a moment. In New South Wales the imported manufactured tobacco was subject to a duty of 3s. per lb., and imported leaf to a duty of 1s. per lb., and there was an excise of 1s. 3d. per lb.

The duty on the imported leaf, and the excise in the case of imported leaf manufactured made 3s. 3d. per lb. - a difference of 9d. per lb. as against the imported manufactured tobacco. That was the position in New South Wales. In Victoria the duty was 3s. on imported manufactured tobacco, 1s. on imported leaf, and an excise duty of 9d. per lb. That is a difference of 1s. 3d. in favour of the imported leaf, and 2s. 3d. in favour of the colonial leaf. In New South Wales the difference in favour of colonial leaf would be the difference between 1s. 3d. and 3s., or 1s. 9d. per lb. In Victoria the difference would be the difference

between 9d. and 3s. - 2s. 3d. a pound. The Commonwealth proposal is to increase the rate of duty which is enormous at present, on the manufactured article to 3s. 6d. a pound. That increase of 6d. on the imported manufactured article will, I am informed by merchants whose opinions I take, gradually destroy the revenue from imported tobacco. There will always be a certain amount imported under any duty, but the duty now proposed will gradually destroy the revenue, and the calculation is that in the course of the year the increase will cause 1,000,000 lbs. of tobacco which would otherwise be imported to be made within Australia. The difference which the Treasurer proposes is a difference of 1s. in favour of the imported leaf, and 2s. 6d. in favour of the Australian grown leaf. The House will see that it splits the difference between the difference of 1s. 3d. in Victoria and the difference of 9d. in New South Wales. But I am assured that the effect of that extra 6d. will be what I have described. There are 3,411,000 lbs. of imported tobacco consumed at 3s., 3,159,000 lbs. of leaf imported, and 1,680,000 lbs. of local leaf being used. The total consumption in Australia in 1900, 8,250,000 lbs., at 3s. per lb., would yield a revenue of £1,237,000. The difference of 1,000,000 lbs. would, it is estimated, be divided in this way : 750,000 lbs. more of imported leaf, and 250,000 lbs., more of colonial leaf would be used. So that on this calculation on 1,000,000 lbs., at 3s. 6d., the Customs would get £175,000, on 750,000 lbs. of imported leaf at 2s. 6d., £93,000; and on 250,000 lbs. of local leaf at 1s., £12,500. Therefore, out of a total of £105,500 there will be a loss to the revenue of £74,500. The total additional consumption of local leaf, 250,000 lbs. weight, would only be worth from £3,000 to £4,000. Most of this leaf - the best leaf - is grown by Chinamen; so that it is a class of industry which we are not supposed to look at with too affectionate an eye - a Chinese industry. We lose £75,000 a year on that one line. These are the great central lines of revenue production that I am referring to, and I cannot see the object of altering the rates in the way the Government have done, because it is not as if the whole of the local leaf was a colonial industry. Under any system, a large mass of it will be brought in from abroad. Even from a protectionist point of view the encouragement is too great, and it will lead to an enormous destruction of revenue which might be saved by putting on the free list a great number of articles used in the agricultural industries. The effect of the Government proposal will be practically to kill the importation of cigarettes, and about £30,000 will probably be lost to the revenue in the year. We must remember that persons are making enormous fortunes out of this industry as it is, and that one-half of the sum which that big company of Cameron's draws - I am afraid to mention the amount, so enormous is it - goes straight away to New York every year. Half the capital is in the hands of Mr. R. W. Cameron, of New York ; he takes an enormous sum out of Australia every year, and it is calculated that on these proposals, as to tobacco especially, his enormous revenue from Australia will be doubled. I regret very much that the Government have made a mistake in these lines, because these are amongst the most important in the tariff. Now we come to spirits, the chief revenue-producing line on the Tariff. Honorable members, I hope, will have some patience with me in mentioning these things, because it is well that they should be brought out at the earliest possible moment in order that they may be properly tested. I wish every statement I make to be properly examined and discussed, and I think it is only right that I should in these matters give the Government straight away my view, on the best information I can get, of the effect of their proposals. The Commonwealth definition of the spirits which are to be allowed to be produced in Australia at 11s. a gallon - that is a difference of 3s. below the duty on the imported spirit - is spirit produced from grape wine, barley, malt, molasses or maize. That is very nearly the same as the Victorian definition, except that the latter had grain instead of maize. The wheat or potato spirit would come under the 12s. 6d. per gallon charge n.e.i. ; but the bulk of the spirit would probably, and could easily be produced on the 11s. per gallon basis. The consumption of spirits in Australia in 1900 was 2,800,000 gallons, and there is this remarkable fact that Joshua Brothers, the Melbourne manufacturers, were able to send their brandy into New South Wales - the duty here being then 12s. per gallon, 2s. less than ours, and paying 14s. per gallon, it entered largely into consumption in that State. So far as I can gather the total production of Joshua Brothers was about 269,000 gallons of which they were able to export 75,000 gallons. It is estimated that the production of spirit locally under this Tariff will be 700,000 gallons for all Australia, and that, at 3s. per gallon, would yield £266,000, which is lost to the revenue. The Government estimates of excise contemplate the payment of £266,000 in the form of excise on spirits. Now, there again, a very large amount of money will be lost to the revenue, owing to the arrangements in connexion with the excise duties. The wages paid in connexion with this industry are comparatively small ; it is an industry which does not employ a very large number of persons, and even

from the protectionist point of view I think it was a great mistake to have so adjusted these lines as to lead to a great injury to the public Treasury. I am very much obliged to the House for having allowed me to take out from the Tariff a few of the more noticeable items, because I feel that the sooner public attention is drawn to those items the better. The producers of these articles in Australia begin with an enormous amount of natural protection ; and, in addition to that, the Government propose a rate of protection for a number of these industries, which seems to me extravagant and beyond all reason, and as likely to prove most fatal to the stability of the revenue. The experience of New South Wales is a very fair and instructive guide in connexion with a large number of these matters. The notion which prevails in some quarters is, that if you have a free port your markets will become thronged with the products of the cheap labour of the coloured races of the world. It used to be predicted in New South Wales that if we endeavoured to throw our ports open all white men would be crushed beneath the overwhelming avalanche of goods which would be poured in from China and Japan and dumped upon our wharfs, to the destruction of our industries, the ruin of our factories, and the distress of our working population. Now, we have thrown open our ports for the last five years, so that no one can say that that is a policy which has not been tried in Australia and under Australian conditions. We have had one of the finest ports in the world thrown open to the lust of trade of all the coloured races of the world. It was one of the very few ports in the world where commerce had free course. It has free course in Great Britain, but there was no inundation of products of coloured labour there. The answer was, however - " We are here at their very door - we are within the circle of their influence, and what might pass by without disaster to the mother country would out here expose us to universal distress." We have had five years of this free-trade, and I was anxious to ascertain from the statistics of New South Wales during last year what was the value of the imports of the products of these coloured races - the products of this cheap labour. What did I find ? I found that out of the total imports, amounting to £27,500,000, sent to us by the whole of the nations of the world, the white nations accounted for the whole amount except the sum of £1,500,000. Thus £26,000,000 out of £27,500,000 worth of goods were the products of white countries. From Australia we got £10,000,000 worth, from the United Kingdom nearly £10,000,000, from the United States £2,500,000, and from Europe and the rest of the world £3,500,000, whilst from the East we received £1,500,000 worth. Where was the ruin and desolation which was expected to take place ? The articles that are imported from the East are absolutely necessary for Australia. Take the case of tea, which accounts for an enormous amount of this £1,500,000. That is an article which is imported just as freely into Victoria as into New South Wales. Our factories, as I have said, have a larger number of male operatives than have the Victorian factories, which have existed for too many years at such a large expense. The honorable and learned member for Indi the other day, during the speech of the Minister for Trade and Customs made reference to the "Song of the Shirt" in connexion with free-trade countries--

Mr Isaacs

- It was during the right honorable member's own speech.

Mr REID

- It did not occur to me at the time, I confess ; but the expression remained in my ear, and after reflecting over it for a little, I began to think that the exclamation of the honorable and learned member was not so happy as his interjections usually are, because that cry of human misery came out of the wretchedness of the protected period in England.

Mr Isaacs

- Are the people not paid less now than they were then?

Mr REID

- My honorable and learned friend will have an opportunity of speaking presently. He must remember, and he does, no doubt, remember, that that wail of wretchedness arose as the climax of the protectionist period in England.

Mr Isaacs

- It is worse now.

Mr REID

- It was at the climax of this protected period in the mother country ; when the misery which animated the wretched females in the garrets of London was characteristic not only of the sempstresses but of the miners and of every class of English labour. The masses of the British people were then in a state of

misery and degradation, and the policy of Victoria would have reduced her people to the same sweated condition if an Act had not been passed to endeavour to extract a fraction of the profits of the monopolists for the benefit of the working classes. The Wages Act of Victoria is a confession of the utter impotence of protection in Victoria, and the people are getting sick of it.

Mr Watson

- There is similar impotence in New South Wales.

Mr REID

- We have done as well, at any rate, without the policy.

Mr Watson

- We have done no better.

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Mr REID

- If the honorable member will admit that we have done as well I am content, and that would be a very fair and candid admission for my honorable friend to make. In Victoria millions and millions of pounds sterling have been paid out of the pockets of the masses of the people in order to establish this policy. And for what purpose? To make labour self-reliant and prosperous? It was not said then that the wages boards would do that, but that it would be done by protection. And when protection made a hideous failure - when the importers of Flinders-lane became the sweaters of Victorian labour--

Mr Isaacs

- The importers, yes.

Mr REID

- Yes, the protectionists forced the importers. The protectionists of Victoria - not the honorable and learned member who was a great free-trader - forced the Victorians into this line of policy and industry, and told the importers - "No, you are the enemies of the colony whilst you import, but if you will only employ white labour, then you will become first-class protectionist benefactors." The importers became first-class protectionist benefactors, but every first-class protectionist I ever knew, has striven for as much as he could get for himself. This is what they tried to do, and that is what the public of Victoria found they were doing. Then it was that the public properly stepped in to endeavour to ensure a fair distribution of money between the manufacturer and the wage-earner. To a system of protection, a wages board is an absolute corollary.

Mr Poynton

- That is the new protection.

Mr REID

- Under any system of protection.

Mr Higgins

- Is the right honorable and learned member against wages boards in New South Wales?

Mr REID

- I am not talking of that at present. We have no wages boards in New South Wales.

Mr Watson

- There will be one very shortly.

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Mr REID

- What I say is, that under protection a wages board is, I believe, an absolute necessity. If the Government will take the money out of the people's pockets it is the Government's duty to follow that money as far as they can, and get it put into the pockets of the workers in the industries, leaving a fair margin for the manufacturers. But we manage in New South Wales to get on as well as they do in Victoria, without these extraordinary devices. The result is that our machinery is very much newer, and much more efficient, and, altogether, the state of our manufacturing industries is such as to have quietened down the protectionist feeling in New South Wales. Protection is in a very weak state in the mother colony now. The ocular demonstration afforded by the experience of five years has so utterly discredited the predictions of the protectionists, and those who were left at all in doubt have been so convinced that they were wrong, on discerning what was going on over the border, that protection in New South Wales is now in a very humiliating condition. But I admit that there are still lingering traces of

protection in Victoria. I have no sort of animosity to the industries of this State ; but my earnest belief is that those industries would be better and stronger under the other system. I may be wrong, but that is a belief I honestly entertain, and as experience has shown that my belief was right in the case of my own State, I may be pardoned for expressing the opinion that all that is wanted in Victoria now is a little fresh air. Unfortunately, according to the Government, we are not going to get fresh air, and every one else in the Commonwealth is to be deprived of it also. That is too great a concession in the interests of charity. I honestly believe that the Victorian industries would be ten times more self-reliant and vigorous, if these artificial methods were destroyed. There are one or two other facts which I think I am entitled to bring under the notice of the House. I suppose honorable members will admit that the statistics of the movements of population bear very strongly in favour of the view which I express. I do not wish to take a limited period, but a fair period representing the last 30 years - from 1871 to 1900. During these 30 years, the population of New South Wales has increased, owing to excess of arrivals over departures, by a total of 282,000, whereas in Victoria the arrivals have been fewer than departures by 16,000. Is that not a marvellous difference between the two countries ? I admit that New South Wales is larger than Victoria, but much of the former State is dry and arid; and if we take the eastern division of New South Wales, which is about the size of Victoria, these figures remain substantially the same, and the contrast is as sharp and as vivid as it is in relation to the people of the whole State. But there is the remarkable state of things that, in contrast with this artificially constructed paradise of labour, every other country in the world has proved more attractive than Victoria. That in itself is marvellous proof that there is something wrong about this policy,, which some honorable members want to fasten on all Australia. If. the policy of protection had made Victoria attractive to any human being - to a workman of any kind - there might be some enthusiasm shown in trying to extend that policy all over Australia. The 20 per cent, duties began in Victoria in 1871, following on duties which were more moderate ; so that this State has been 30 years under the influence of the policy of protection. It was stated over and over again, in the early days, that protection was to make Victoria attractive to the best artisans of the world, but the result has proved that Victoria is the one country which men avoid. When do we find, a New South Welshman coming to Victoria, unless he is a "deadbeat " - a waif and stray or a derelict ? In Victoria it is impossible to produce, except in a few odd cases, any men who have come from New South Wales, whereas New South Wales has had the benefit of a large influx of highly useful colonists from Victoria; and we are very glad to welcome them. But there is the broad test for 30 years. I am told that Victoria is becoming a ruinous-place even for lawyers\* and when a country is in' that state,, it is about near its end. Stagnation is. the picture that the policy of protection presents in Victoria,, while in New South Wales there is nothing, but progress, and the very industry which is afraid to face competition in Victoria, is the industry which is strong and self-reliant in the mother State.

Mr Sawers

- Will the right honorable and learned member give us the. average numbers of the unemployed 1

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Mr REID

- That is not always a fair test, because in some- countries people are so well off that more can afford to remain unemployed than in other countries. One little fact which has. struck me shows that there is a. striking, resemblance\* from one point of view, between the habits- of our Victorian friends, and the habits of our friends in Ireland. The- relative consumption of beef and mutton is,. I believe, a- very good, if homely, test. In New South Wales I find that the average consumption, per head of beef and mutton is 2S1 lbs., and in Victoria 205 lbs.; and now I begin to understand the pressure of the stock tax. on the people of Victoria. But in the matter of potatoes, the average of Victoria is wonderful. In New- South Wales, the people consume per head 195 lbs. of potatoes, whereas in Victoria the consumption per head is- 258- lbs., so that in the latter State we are approaching the industrial anxiety which prevails in Ireland, where people can get little else but potatoes to live on. The protective policy of Victoria has forced many worthy and promising people to- a potato diet. We know that Australians thrive best on a meat diet, and that is why so many Victorians have forsaken the potatoes of Warrnambool to enjoy the beef and mutton of New South Wales ;; and I do not wonder at it. Here is- another fact which embodies a striking truth, and it is a great thing, to get admissions of this sort from our protectionist friends - Nations do not exchange coin. They always pay in goods. For every pound of butter, bushel of. wheat, or

bale of wool that goes home payment is made in merchandise, and in nothing else.

That is from the highest protectionist authority in Melbourne in the way of a newspaper. That embodies a great principle of trade - a sound principle - but it cuts clean against that selfish, deluding policy of keeping money in the country. Let us apply that principle. Since the products of our great pioneer industries will not bring back sovereigns from other countries but must bring back goods, we see the close relationship between the prosperity of the producing industries and some method or policy which is not protective. What is the object of protection? Protection looks at these goods which are merely our own produce converted into another form, as if they were accursed - as if they should be shut out - as if we should have nothing to do with them at any price. Ten, 15, 1.00-per cent., are the duties which these protectionists would put upon such goods. But in doing so we impose taxes, upon our own Australian industries. We do not get sovereigns for our wool, sovereigns for our wheat, sovereigns for our butter. We get something, better. We get something, which is worth to us more than the sovereign. But then the State steps in and puts its hand upon these goods in the way of taxation. If that were all, the mischief would not be so great. But the State puts its hands upon these goods, not for the sake of the public Treasury, but to enable some man standing by to make a profit out of the national system of taxation, out of the produce of Australian industry. We can never have in Australia a great producing industry if we put upon the tilings which that industry buys heavy burdens of taxation. This is the position taken up, as I have said, by the highest protectionist authority in Melbourne, which sustains the view that I have put before the House. If that is the case we find another reason for placing our revenue system upon a sound basis. As I think honorable members will admit, our farmers and wool-growers have a bitter fight as it is in disposing of their produce. But here again a wonderful remedy is provided by the Minister for Trade and Customs. He would solve the whole trouble affecting our Australian industries in this way. He exclaims; with astonishment - Why do we not make up our own woollens? Why should our wool go out of the country to be made up? Why do we not make it up ourselves?" His way of turning Australia into a great manufacturer of woollens is to put a duty of 20 per cent, on the few woollens the people of Australia can consume. If my right honorable and learned friend were not a tyro in investigations of this sort, we might ask him another question. It is this: "Why is it that Great Britain can send into the United States of America millions and millions of pounds' worth of cotton goods?" The cotton is grown, in the United States. It is taken to Liverpool, and is then sent to Manchester and other places and manufactured into cotton goods, whence it is sent out into the markets of the world to the tune of £66,000,000 a year. The United States is a great protected country, with enormous duties upon imports - enormous duties upon cotton goods and goods of all kind that interfere with the trade of their own manufactures. But in spite of those enormous duties the cotton trade of the world is in the hands of a few people in Manchester and the surrounding towns. It only shows the value of such suggestions. Mr. Murray, the manager of the Australian Woollen Factory - a Melbourne firm - has written a very startling letter to one of the papers upon this subject. We know the struggles there have been in Victoria to set the woollen industry upon its feet. Mr. Murray says he can get on very well without protection; that most of his troubles at the start were due to bad machinery and bad management; and that now he has got good machinery and good management he does not care for protection. There is a striking statement! It is thoroughly in support of the views I have expressed. Now, I feel deeply indebted to the House for the kind way in which honorable members have allowed me to go over the matters involved in this resolution. It is a subject which involves a large number of considerations, and I hope the House will pardon me for having taken up its time as I have done. I should like to recall to the House the terms of the resolution which I have submitted. I think I have proved clearly enough that the proposals of the Federal Ministry, if effected, will place the finances of the Commonwealth and the States upon an unsound and extravagant basis. I think I have shown clearly enough that the burdens of taxation are not "fairly adjusted" by the proposals of Ministers, and that there has been a conspicuous failure on their part to show any sort of consistency with regard to the principles which should be observed in framing a great policy of finance. As to the free list, I feel sure that, regardless of party differences, there must be a large number of honorable members in this House who are resolved that it shall contain upon it appliances which are necessary to the proper development of our agricultural, farming, pastoral, and mining industries. I believe that whatever the effect of my motion is, the free list will not be allowed to remain in the unsatisfactory state in which it is. Then as to the necessaries of life, the high duties upon them are to be denounced upon two



grounds. They are destructive if they are intended to produce revenue from the people. If they are not intended for that national purpose, it is an outrage upon every principle of fairness and humanity to subject the people to these enormous duties upon the necessities of life for the profit of a few individuals. It shocks the- common sense of ' humanity.. When I speak' in this way honorable members will understand that I am not addressing men whose minds have been so de ned with a long course of these outrages on. humanity and sound finance. It would' be idle for any one to- talk to them, for their ears are dulled. I am talking to Australia in all its conditions as represented by this House. Those who have been accustomed to run a country on these lines are not likely to listen to anything which I may say. I speak, however, beyond them to those who, unlike them; have not become inoculated with- the poison. I speak to those who have been accustomed to regard to some extent the interests of the public revenue ; who have not been accustomed to regard the people as a flock of sheep to be used for the benefit of politicians and manufacturers, but who have paid some regard to the interests of the great industries upon which the Australian community must stand. Great as the fight for vested interests will be ; great as the fight will be to maintain tottering concerns which might cease to totter if they were placed upon an honest, sound basis, I feel sure that the interests of the great industries of Australia will triumph in the end. I feel sure that the suggestions of private advantage, and of looking so critically into the affairs of some exotic industry, instead of studying the interests of the great natural industries of the soil, is a process that will be reversed. My feeling with reference to this question has been always one of intense earnestness. I have watched the effect of such a policy as this in other countries. I have seen right through the history of every other country in the world that, looking at the oldest of them, this process of legislation has not lifted up the masses of the people ; that it has made the gap between the well-to-do and the necessitous classes larger than ever it was before. When honorable members direct my attention to America, I find in that young country, cursed with this antiquated policy, that in 50 years the gap between the rich and the poor has become greater than the accumulated inequalities of centuries in the countries of Europe. Look where we will, the result is always the same. There may be a majority in this House that may for a time succeed in pushing this young Australian Commonwealth off the path of sound progress, and off the sound tracks of legislation, on to the path which has ended in all other countries in evil and in loss. The result has been always the same. In this young continent the result will be just the same as it is in the freest democracy the world has ever known, and as it is in countries where tyranny is open and undisguised. In all these countries we see that the outcome of this policy is the same. In the mother country we find the huge chasm between the higher and the humbler classes narrowing down. We find the aristocracy of centuries past coming down to the limits and activities of trade and industries, as we find the labour of Great Britain during the past 30 years rising from a pitch of misery and degradation to manhood, and more than to manhood, to strength and prosperity. This evil policy which is fastened upon us in the name of a revenue Tariff works the same mischief all the world over. It will, in its result here, as everywhere else, add another measure of prosperity to those who have wealth, and a new measure of hardship to those who earn the right to live only by a daily and constant tax upon their fleeting powers of physical endurance.

Minister for External Affairs

Mr BARTON

. - It is far from my purpose to complain that the right honorable the leader of the Opposition has brought forward this motion of censure. I suppose that he could not very well resist doing so.. In any case it is said of it that it will clear the air. I hope it will. I hope it will save discussion in committee. It ought to save a great deal of discussion there on the part of the right honorable and learned gentleman, because he has made at this stage a succession of committee speeches upon the Tariff which might better have been reserved until the details are reached. I cannot complain, of course, for the right honorable and learned gentleman is entitled to deal with this subject in his own way.

Mr Reid

- I should think so.

Mr BARTON

- And in the way in which he chooses to deal with it, we cannot do otherwise than welcome an attempt to test the position which he takes up in his assault upon the Treasury benches.

Mr G B EDWARDS

- The time will come when we shall test the country.

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Mr BARTON

- The time will come! We have tested the country, and the country has answered to the test. Let it be understood that I have heard the right honorable the leader of the Opposition from end to end without interruption, and let that same fair play be accorded to me for once. Since I have been appealed to on the point, let me repeat that the question has been tested in the country, and the country has answered the test. I shall proceed to show that the proposals which we have laid before the committee are such as answer to the principles and the policy upon which we went to the country, and therefore justify us in our present position. Of course, there never was a Tariff produced in this world that was not at once greeted with shouts of universal ruin. The experience of everyone in regard to the Tariffs' of these States, whether they were free-trade or protectionist, or merely revenue Tariffs, has been the same, namely, that those who are interested one way or the other rise in a chorus of denunciation. Of course we know that we are going through the normal and usual experience of those who frame Tariffs. A great many of the objections raised to the items in our Tariff are such as would have been raised whatever that Tariff had been. If I had come down here with a Tariff averaging 5 per cent., the party which follows the right honorable and learned member for East Sydney, in New South Wales, would have accused me of sneaking in protection. Fourteen years ago ad valorem duties were brought down in New South Wales at the rate of 5 per cent. My right honorable friend, and that great man, Sir Henry Parkes, with whom he was then seated, joined in a chorus of denunciation. It was said - " These duties are mild enough. They are not too much. They will yield the necessary revenue to meet an impending deficit." But the Government of the day were accused of sneaking in protection, with the result that the\* Parliament of New South Wales was subjected to a 56 hours' sitting, at the end of which time - because 12 o'clock on Saturday night had been reached - the Opposition walked out in a body as a protest. If Sir Patrick Jennings - who resigned unnecessarily, when he had a majority of 33 - had held his place, as he had a light to do if he chose, those duties would have stood. But my purpose is to show that the party which opposes us, would have opposed us if we had brought down a 5 per cent. Tariff. Had they not done so they would not have been consistent. We have, therefore, the ordinary outcry about the Tariff. Does anybody who raises this outcry give a moment's credit to those who framed it for the immense labour and toil they have bestowed upon the solution of an intensely difficult problem? What was that problem? We found six States, all with differing rates of revenue, and different rates of consumption of dutiable articles - different Tariffs. They ranged from a Tariff which touched nothing save narcotics or stimulants to one which reached most of the articles either by enumeration or by a drag-net clause. It was a necessity for us to evolve order from this chaos, and to frame a Tariff which would yield the revenue that is absolutely necessary to enable us to make the returns to the States demanded of us by the Constitution, and at the same time to prevent the destruction of industries. That is what we set out to do. That is what we have endeavoured to do; and that is what I claim we shall succeed in doing if this Tariff be passed. First, then, this Tariff is an honest attempt to fulfil our election pledges; secondly, it deals fairly with the States; and thirdly, it does not impose any burden, except what was inevitable, upon the people of Australia. I shall take these propositions one by one. First, we cannot claim - nor can any one claim - that the Tariff is perfect. No Tariff is ever perfect, even with the amendments which Parliament makes in it. The fewer the articles which it lays under contribution, the more imperfect it may be. We do not claim any impossible or absurd standard of excellence of that kind, because it was impossible for any body of men to discharge with perfect success the task which we had before us. But we do say that this Tariff fulfils our election pledges. I wish to quote from my Maitland speech, which has so often been referred to, the following passage: - a business Tariff" which will yield the sums we need without discouraging production. I am a protectionist, and so are nearly all of my colleagues; but if we are to raise the great revenue which has been the security of the federation, then we cannot be prohibitionists, and our protection must be moderate. We are bound to fill our Treasury without emptying out our industries.

In the Town Hall, Melbourne, I said -

Whether we are protectionists or free-traders, if we consider the problem carefully we must come to the conclusion that, as between the six States comprising the Commonwealth, with their varied Tariffs, the spirit of compromise must have some sway. You in Victoria cannot have your Tariff. That is out of the

question. We in New South Wales cannot have ours.

Honorable members have before them a tabulated statement of the duties operating in the several States. I cannot pretend, since notice of this motion was given, to have gone through the printed papers and to have contrasted every one of the duties contained in this Tariff with those hitherto operating in the different States. But I may tell honorable members that I went through the first four pages of that long list, and I found that there were very few duties which tallied with the Victorian duties. A large number tallied with the duties of Queensland and Tasmania, and some of them with those of South Australia. There cannot be many duties which tally with the duties in New South Wales, except those in regard to narcotics and stimulants. If revenue was to be raised, it could not be raised on the New South Wales basis. What therefore, was the task before us ? The Constitution lays it down that we must return to the States in regard to the transferred departments the amount of revenue raised within them less the amount of expenditure in those States, and that after debiting that transferred expenditure, we must also debit each State with what has been spent in it upon the new necessities of the Commonwealth. An estimate has been made of the revenue which it would be necessary to raise, taking each State by itself, in order to return to it the amount which it has been in the habit of receiving. To do that it would have been necessary in the case of New South Wales - I am speaking of the net revenue - to formulate a Tariff which would yield £4,973,000.. I wish honorable members to observe that the amount in the case of New South Wales would have been under £5,000,000. The same process would have required us in the case of Victoria to raise £7,350,000; in the case of Queensland, £11,846,000; South Australia, £6,642,000; Tasmania, £10,684,000; and Western Australia, £19,500,000. The amounts, therefore, which would have been sufficient to enable us to return to each State what it was accustomed to receive, upon a fair and liberal computation, and taking the revenue for 1900 as the basis, varied from under £5,000,000 to over £19,000,000. The task before us was to adjust that difficulty in some way which would raise the amount necessary to be returned to the States without landing any of them in serious financial embarrassment, and in such a manner as not to destroy production, because that we had engaged not to do. Now, it is one thing to indulge in airy criticisms of items in a Tariff, to make little farces about starch, and to indulge in acrobaticism about twine - that is one thing, but it is another thing to frame a Tariff which will meet the required purposes ; and where is the sign of that in the right honorable gentleman's speech 1 What attempt has he made to deal with this question from the stand-point of a practical statesman?

Mr Conroy

- If the right honorable gentleman will go out we will frame a Tariff for him quickly enough.

Mr BARTON

- I have not the slightest doubt the honorable member for Werriwa could frame a Tariff in a quarter of an hour, with the result of his own eternal condemnation.

Mr Conroy

- He could twist twine with the right honorable gentleman.

Mr BARTON

- I have not the slightest doubt that the honorable member could twist anything, but he had better hold his tongue just now.

Mr Conroy

- We know the right honorable gentleman intends to take the Chief Justiceship.

Mr BARTON

- Will the honorable member kindly say that again ?

Mr Conroy

- It is perfectly clear that the right honorable gentleman never intends to go back to Maitland again.

An Honorable Member. - The honorable member did not say that.

Mr BARTON

- No, the honorable member said clearly that I intended to take the Chief Justiceship

The SPEAKER - I cannot allow the honorable member for Werriwa or any other honorable member to continually interrupt the speaker.

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Mr BARTON

- An interjection has been made upon which I shall say no further than that there is nothing I have ever

said or done during the whole of my career which should have subjected me to such an insult. But let us get on- with the business if the honorable member will allow us to do so. I was saying that the range of the necessities of the States, as indicated from their previous position, was from £5,000,000 to £19,500,000. How is it possible to deal with a problem of that kind by criticism such as we- have listened to this evening? Where- was the indication of the manner in- which this problem should be dealt with ?' If the right honorable gentleman means to reserve that for his reply, I would ask in what sort of way is he treating this Parliament ? Is- that the duty the right honorable gentleman owes to the House to- make his alternative proposition at a time- when others will not have the opportunity for' that criticism upon it which the right honorable gentleman- so liberally bestows upon their efforts ? That tse surely not the right honorable gentleman's idea of criticism or of courage? Fair play requires something more ; and I assume, in the interests of fair play, that if the right honorable gentleman had a proper Tariff to propose, we should have heard something about it. But, sir, the problem that is involved is one which, at the time of the declaration of our policy, depended for its solution upon the closest possible investigation, and if the right honorable gentleman has no Tariff to propose then I can quite sympathize with him, for this reason : that the difficulties of framing, under such new circumstances, a thoroughly fair and workable Tariff are well nigh insuperable, even to those who have the advice and the opportunity of daily consultation with experts; and for one who sits on the other side, without such advice and without such consultation, whatever his political experience may be, I freely concede it would be an injustice to expect him to frame a Tariff. But we are entitled to know in what way it is proposed some things should be done. I am not going into the items as the right honorable gentleman did, because those are matters for discussion in committee ; but I will give an illustration. Let us take the item upon which the right honorable gentleman so much delights to dwell - that sticky product, starch.

Mr O'Malley

- It will stiffen the right honorable gentleman's motion.

Mr Reid

- The honorable member is quite right; there is too much in it.

Mr BARTON

- Let us see how the right honorable gentleman's methods would work out. He does not want to tax the starch of the poor laundry woman. He does not want to raise the price on her. The right honorable gentleman says that that is what we do, but a revenue Tariff, such as he would propose, would, of course, have nothing to do with that. Before this Tariff was brought in the duty upon starch was 2d. per lb. There was no duty upon rice for manufacture into starch. That rice was free in bond. Since the time of that freedom this Tariff for revenue purposes. - and I admit for revenue purposes -has placed 3/4d. per lb. on it or 6s. 3d. per cental. My right honorable friend says that the result of that is that the price of starch went up 1d. per lb. But that was a revenue duty, and how can the right honorable gentleman reconcile that with this state of things : that before the revenue duty was put on - because we have to turn to these things for revenue under the circumstances in which Australia is placed - the price of the starch made here was less than that of the imported starch? The nearest quotations I can get are these - Coleman's starch, the principal imported starch, was sold at 47/8d. per lb., less discount of 2 1/2 per cent.

Mr Reid

- Duty paid, though.

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Mr BARTON

- Yes; duty paid, and the local starch was sold at 31/2d., less 10 per cent, which would be 31/8d., and with a further reduction of 2 1/2 per cent, the local article was sold at a rate cheaper than the imported article by 13/4d., or by almost the extent of the duty. The difference is just 1/4d. per 1 lb., and that 1/4d is all that the gentleman, against whom so many insulting remarks have been directed, derives from the whole process, since the Tariff duty of 6s. 3d. per cental, or 7s.. per cwt., for that is what it comes to, is equivalent to 1 1/4d per lb. added to the price of the manufactured article. This is a pure revenue duty, and it acts, of course, in the same way as if starch had been made subject to an excise duty. What follows? This 1 1/4d. more per lb. has been added to the former price, as above mentioned, and the price now of local starch is 31/2d., plus 1 1/4d., or 43/4d., less 10 per cent., which is 41/4d. net, as against 47/8d. for the imported article, so that even now the local starch is 5/8 of a penny cheaper. That is the way the thing

works out, and the local article is cheaper than the imported article, the price of which has been added to by a class of duty used where necessary in this Tariff, but which would be the very backbone of the right honorable gentleman's Tariff. No other class of Tariff was contemplated if there be any truth, in election speeches. And then we should have had in connexion with duties of that sort a flourish of trumpets upon the beauty of taking something out of the Chinamen. There is an instance of the result, and a sample of the effect, of the right honorable gentleman's criticisms. What was further demanded of us in making this Tariff? Let me look at it in the light of idle right honorable gentleman's criticism. The first branch of his complaint is that the Government did not take the responsibility of reducing the estimate - because, of course, the question of estimates is intimately related to that of the Tariff - and that we, ourselves, admit them to be extravagant. We do not admit them to be an extravagance upon our part, but we do admit that, in a way which it will take some time to rectify by way of retrenchment, these departments were handed over to us in some cases overloaded. But we do not turn men into the street at once; we do not turn them into the street at all if we can help it, either with our estimates or with our Tariff, or by means of a Public Service Board. The Treasurer has used his pruning-knife upon these estimates, and that to a considerable extent - to an extent visible at once to any one who chooses to refer to these figures, about which as I have said I am not going into details. So far as the Customs revenue is concerned we rightly tried to meet the necessities of the States as shown by last year's Customs receipts, and the Federal expenditure. The last year's Customs' receipts were, as stated, £7,762,000 for all the States. That was a liberal allowance for Federal expenditure to meet anything unforeseen - placing the federal expenditure at the rate estimated four years ago in Adelaide, when federal needs would not have been nearly so heavy as they are now, owing to the increase of population and the resources of the country. It would come, with that £300,000, to £8,062,053. The estimated yield from this Tariff for the remaining nine months, together with the income which has come in for the three months just passed, comes to £8,009,000, which is a very close approximation. Honorable members will see that the Treasurer and the Minister for Trade and Customs have estimated pretty closely to federal requirements; in fact, if we were to spend the whole £300,000 for new expenditure, then the addition of that sum to the estimated net receipts from customs and excise would make us fall short by £53,000 a year. We have not allowed ourselves much margin, but we have practically allowed ourselves a new expenditure not exceeding £247,000 a year up to the 30th June next. Let us see what would happen if the year 1899 were taken as a basis. A difference would then occur of about £360,000. The customs and excise receipts for that year in the various States were £7,402,602, and putting on to that the new federal expenditure - and at the full figure of £300,000 - that would necessitate a revenue of £7,702,602, and the figures for 1898 would show about £263,000 less. In 1898 customs and excise yielded £7,139,201. If we add to that the additional cost of £300,000 we get £7,439,201, so that the further we went back the less revenue would have been required. Let it be understood that that in all cases includes the collections from Inter-State traffic. It was estimated at Maitland by me that by the time the first Federal Tariff had to be brought down - that is to say in the middle of this year or a little later - there would roughly be about £800,000 collected from excise and customs in the States, taking the Inter-State traffic. In addition to that, it was thought that the other needs would amount to £500,000 or more. I said that at least £8,500,000 would be required, and perhaps it would be nearer £9,000,000, so that I was not very far off the mark. And why? Because there is another factor still to be considered, and that is that we cannot give back what is necessary to each of the States by simply raising the revenue which all the States had before and adding it to the federal expenditure, because the bookkeeping clauses in the Constitution force us into what is, as among a cohesive nation, in the nature of an equality; although the principle of justice was at the bottom, perhaps, of making that class of division for five years - to give back to each State what was collected in it, less what was spent in it, so far as the federal departments were concerned. But the necessity of the occasion was the fact which arose out of the Constitution, and which cannot arise out of anything we may do on this side or that side - that a very much larger sum would necessarily have therefore to be returned to two or three of the States than they had been receiving before, and a much less sum to the others. What necessity does that force upon us? At the outset we stated not only that we must make such returns as would meet the requirements of the States as far as possible, but that where we could not meet their requirements, we should prevent them from having serious financial embarrassments. What have we done then? None of the amounts mentioned obviously would give a sufficient total, or if they gave a sufficient total, as I have

just put it, would never give a sufficient sum to each and all of the States, and the reason is, first their different necessities, and next their different revenue-producing powers. We have striven to adjust these matters by a Tariff which in the present year will, as I have said, approximately raise £8,009,000 by the combined operation of its own collections for nine months, and the receipts which the States have had from customs and excise for the past three months. We must not only do that, but we must provide for the federal expenditure, and we felt that if we were wise we should have to leave a margin for that very purpose to try to ease off the financial exigencies of the States ; that is to say, to give them back a little more than would be got by the bare sum which they had raised before, together with the federal needs. And why % One has only to look at the rate of- consumption of the various States to see the reason of it. May I point to that rate of consumption? In the year 1900 the rate of consumption of dutiable articles was indicated by the amounts which they severally paid to the Tariffs so far as we can derive such a calculation from varying Tariffs. The net revenue per head from customs and excise was £1 7s. in . New South Wales ; £1 19s. 10d. in Victoria; £3 4s. 2d. in Queensland; £1 16s. in South Australia; £2 17s. 10d. in Tasmania; and £5 5s. 7d. in Western Australia. It is seen that what they had been accustomed to by way of customs and excise ranged from £1 16s. 11-Jd. a head up to £5 5s. 7d., in the latter case no doubt through the greater preponderance of adult males in Western Australia, and a very large consumption consequently of stimulants and narcotics as compared with the States where the proportion of females to males was larger. There was another problem that we had to deal with. In a normal year this Tariff will produce £2 7s. 5d. a head, let us say £2 7s. 6d., according to the calculations of the Treasurer and the Minister for Trade and Customs. What does that mean ? It means that it will produce a larger sum per head than the Tariffs of three of the States and a smaller sum per head than the Tariffs of three other States, and no human ingenuity could, by any means, have prevented that. What is the result of that again? The Tariff, in order to meet the difficulty raised by the average of £5 5s. 7d. per head, would have produced £19,500,000, whereas, in order to place it on the same footing as the former New South Wales Tariff, at £1 7s. per head, the revenue from our Tariff would have amounted to less than £5,000,000. That is where the trouble - as the vernacular puts it - bumps up against us. How was it possible to frame a tariff to meet these varying conditions without taking into account the staring fact that to give back all that was required or asked for or expected would have meant a tariff that would yield more than twice as much as that now proposed, whilst to give back the least that was expected by any of the States would have called for a tariff only fiveninths as large as that we are now proposing. We had to endeavour to take the middle course, and we knew that in taking it we should have to pour into the Treasury of New South Wales an enormous sum of money.

Mr Cameron

- They can reduce their taxation in other ways.

Mr Wilks

- The trouble is that they will not do it.

Mr BARTON

- They could do many things with the money, but it is not for us to suggest the way in which they should spend it. Many courses are open to them, such as selling less land, the reduction of taxation in other directions, the- application of the money to the purposes of a sinking fund for the extinction of the public debt, or the appropriation of the money to local Government purposes ; and there are many other things that they might do. I do not think it will be found that, notwithstanding the large accession to its revenue, either the Treasurer or the people of New South Wales will have any complaint to make when the Tariff has operated for a few years.

Mr Wilks

- They complain now.

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Mr BARTON

- Of course the statement on the other side is that they will find cause to complain ; but there are some people who think that if they say a thing often enough in this world, it must be .true. We are fixing a limit, to which we should strive to adjust matters, the total in a normal year being about £9,000,000, although the current year will only bring us in a little over £8,000,000. That must be either approved or condemned by my right honorable friend. If he approves, well and good, but if he does not approve - and he does not

- and if he suggests anything else he must add to the difficulties of the States, which are left with deficiencies under the present arrangement ; and how he can be supported in that course by any one elected from Tasmania, Western Australia, or Queensland, is a Chinese puzzle.

Mr Cameron

- The money will remain in the pockets of the people.

Mr BARTON

- Of course, the less we tax the people, the more they will have in their pockets, as far as taxation is concerned, but does not my honorable friend see that it is of no use to the citizens to have a lot of money jingling in their pockets if the public Treasury is bankrupt, and the public credit is gone.

Mr Cameron

- It will simply shift the incidence of taxation.

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Mr BARTON

- It will do more than that, because there is a great deal of difficulty in imposing any more direct taxation in Tasmania. That is a matter of common knowledge to any one who has studied the subject. I was dealing with the possible adjustment of a total of £9,000,000 in a normal year, the total, I think being, as exactly brought out, £8,942,000. Of course that is a high Tariff ; and we cannot meet these difficulties without a high Tariff. That, as I shall show presently, is the price paid for Inter-State free-trade. But was not the high Tariff expected ? Did not the leader of the Opposition expect a high Tariff himself ? If he did not, why did he say in the New South Wales Legislative Assembly, on the 21st February, 1899, that there was bound to be a very high Tariff, and that that was the price we were about to pay for federation, or, in other words, that that was the price we were to pay for intercolonial free-trade ? Surely that utterance of his is sufficient in itself to shatter any attempt to say that the burdens of the Commonwealth can be borne so as to do justice to the States by a low Tariff, ordinarily known as a revenue Tariff. There must be a Tariff which, to those who have been accustomed to a free-trade Tariff, appears to be highly protective. But we must recollect that this is largely a question of standpoint. The question of whether a Tariff is regarded as high or low, or is a revenue or a protective Tariff, depends very largely on the condition of things which has prevailed in the several States, of which my own, or that from which I come, is only one of six, although I am happy to say that in natural resources and in population, I believe, it leads the van. That eminent abundance of resources and that superiority of population have been a great stand-by to that State in the past, and have enabled it, with liberal sales of land, the proceeds of which have been treated as revenue, to go on from year to year - that is, together with the additional means derived from loans into which everything was crowded which bore the least semblance of being not merely reproductive but a permanent work, even it were only a wooden bridge. If, as I was saying, the leader of the Opposition does not approve of a Tariff which in a normal year would approach £9,000,000 the exact figures being £8,942,000, and if he attempts another plan, he will add to the difficulties of the States which are left short at present. Let us examine this statement. The figures I quote are all extracted from the Budget papers which accompanied the Budget and the Tariff. Queensland, as we stand with this Tariff, supposing it to be carried, will be nearly a quarter of a million short, or, to give the exact figures, £246,979 as estimated. If we knock off Queensland's share of the extra million, out of which is to come not merely the new expenses of federation but all further effort to meet the difficulties of the States which will otherwise experience a serious shortage. If we knock off the difference between £8,000,000 and £9,000,000 her proportion of the deficiency will be increased 50 per cent. If we say the deficiency will be increased by £150,000, or, to be exact, by £123,000 the shortage of Queensland will then be about £370,000, or approaching £400,000 a year. In the case of Tasmania the deficiency will be increased by nearly £40,000, so that instead of being short £149,000 - at first, of course, for these things tend to equalize later on - that State will be short nearly £190,000. Honorable members who follow me will find the verification of these statements in the public figures. Western Australia will have her position made worse by nearly £80,000 or, in other words, will have her deficiency increased from £251,000 to £330,000. In South Australia the surplus estimated of £16,199 will disappear, and be replaced by a deficit of about £60,000, or, in other words, that State will be worse off by £76,000. Victoria, to come nearer to where we are, instead of having a surplus of £175,271, will have a deficiency of about £100,000 ; that is to say, she will be worse off by £275,000. I am still speaking of a normal year, and I put it to honorable members whether

these results would not be simply intolerable ? It is very easy to say that the taxpayer will save, but, as I said before, if we for one moment put alongside the saving to the taxpayer, the condition of the impaired national credit, it will be seen that the taxpayer's position is not improved, because he suffers in all his avocations by the loss of credit. The figures showing the results in a normal year are given, and these rough computations are given by the officers on a basis of £9,000,000 ; that is, on the supposition that a Tariff of £9,000,000 total will give certain results to each State, and that a Tariff of £8,000,000 will, as a mere matter of arithmetic, give one-ninth less. Therefore, I take it, that the contention against us that we are raising too much, must fail in view of the disastrous results to five out of the six States. If anything else were attempted the only State whose Treasury would be in the semblance of a sound position, would be New South Wales, and the disaster and suffering in all the other States would be enormous. It was not for that we entered into federation. We have been charged with failing to adjust the burdens of taxation fairly. We have been charged with pressing on the necessities of life, and on the farming and pastoral industries, more than on luxuries. As to the farming industry, about which so much is said, agricultural machinery, is made here which is pretty well as good as any that can be got elsewhere. It has not been by the duties to which agricultural machinery has been subjected that Australia, or any part of it, has been bled - and we must look at six States, and not at one - but it has been by something else. There have been combinations to which protected manufacturers have been strangers, but with which certain importers have been familiar. One of the cases was hinted at in an interjection by the honorable member for Bland, namely, that of reapers and binders. I do not know whether it is a fact, but it may be, that in anticipation of the Tariff to be enacted here, the price of reapers and binders has dropped from £55 to £32. But with a price of from £16 to £20 for reapers and binders in the United States and in Canada, how came it that, until that Tariff loomed in the distance, a reaper and binder was charged for in Victoria at the rate of £55 ? 1. Reaper and binders were free - they were not subject to duty. What protectionist machination was it that took an article worth from £16 to £20 and charged for it at the rate of £55 ? No manufacturer in a protected industry had anything to do with that. Who had to do with it? The importer. There is now a reduction - of nearly 100 per cent, on that very article. But what has protection to do with that? There is a typical instance. Who can say that the tricks of trade are confined to one class or another? Who contends that every protectionist and every protected manufacturer is an honest man ? Nobody ! Who says that every free-trade importer is an honest man ? Nobody, either, who is sane ! The fact is that, while there are black sheep in every flock, abuses of this kind are possible just as much under free-trade as under protection. There are some who would say more ; I will leave it at that. But I will say "that these abuses are just as much possible under one regime as under the other. It is shown from an instance of that kind that agriculture generally is not likely to thrive while - certain people can rig the market, and charge more than three times the value of an article, though there is no duty upon it. As to the pastoral industry, it seems to me that that has been thrown in only as a makeshift. The right honorable and learned member has not given instances that are worthy of attention with regard to the pressure upon that industry. But it is quite true - undoubtedly true - that we cannot protect the production of wool, if that is the point of the contention. No one says that we can. No one has urged it on this side, or will urge it. But still there is this to be recollected - that with a reasonable protection, which declines to let down into the dust any established industry, which does not profess to raise mountains of Tariff walls but only to prevent destruction, it is possible to have such a production of woollen material in this country as will assure the making up of our own product in our own land and at no loss to our own people. While, as I have said, I do not wish to follow my right honorable and learned friend through the numerous intricacies wherein he wriggled among the Tariff papers, yet I would point out that he has complained among other things that silks are not taxed as highly as blankets. Let us take that as another instance. How does my right honorable and learned friend bring about that contention? By taking the duty on the finished article on the one side as against the duty on a comparatively raw product on the other. Silk under the heading of apparel - that is to say, the finished article - is charged 25 per cent., which is the highest ad valorem rate on textiles. It is the same rate as is charged for all apparel, whether made from woollen or silk. To say that we have treated silk more leniently than blankets is grossly incorrect on this comparison, because when we turn to blankets in the finished state, we find that this Government has specially taken them out of the 25 per cent, list, and has included them in the 20 per cent, list, though in the case of blankets the wool and the finished article are produced here. See how an instance of that kind, elaborately worked up,



disappears immediately one takes the two articles according to the rate of advance in manufacture which they occupy ! Take them both as unfinished articles, and then take them both as finished articles, and it will be found that it is not the poor man's blanket that is the more highly taxed, but the rich woman's silk. Then take silk piece goods, that are not capable of production here, but are the raw material for silken apparel to be made here. They are admitted at 15 per cent., as being, comparatively speaking, raw material. Criticism on this point must be silent if the right honorable and learned member is going to admit that, when he produces his Tariff, if he gets the opportunity, he is going to have one uniform ad valorem list for articles, no matter in what state they are as regards their advance towards being finished products. If he is going to set forth a 5, 10, and 15 per cent, list instead of an average of 20 per cent. - because that is the line, except on a very few articles - and if he taxes the finished product under his Tariff more highly than the raw material, then to that extent he is a protectionist.

Mr Thomson

- Not at all.

Mr BARTON

- If my right honorable and learned friend discriminates between those two things, and says that he makes an advantage in favour of one of them because it is a finished product - an advantage, that is to say, to the manufacturer and the employe - and does the opposite with regard to another, which is either actually or relatively a raw product, by that act of discrimination he confesses himself a disciple of protection. If that is not so, it seems to me to be hard to see what does constitute protection on any article. It is easy to talk of duties at 10 and 15 per cent., but when one has to face the responsibility of raising such an amount of revenue as will relieve these States from financial distress, one finds that one has to have a Tariff very much like the one submitted to honorable members. As to the case of boots and shoes, of which we have heard a great deal to the effect that under this Tariff they are taxed to an enormous rate, I have had an estimate made to show what it amounts to. There is a great art in instancing matters of this sort. It is an art easy to accomplish, by taking out certain lines, and putting them forward as the ruling rate, without saying anything about the average. The question is the average. What is the average ? The average of taxation on boots and shoes - which is a composite rate - reduced to the terms of ad valorem rates, is this. On men's boots, size above fives, which the right honorable and learned member instanced, instead of the rate being 60 to 61 per cent., the average is 30. On women's boots above twos, the average is 35 ; and in the matter of slippers, concerning winch my right honorable and learned friend was so eloquent, the average is 30 per cent. That is enough to show how easy it is to take out certain items, and try to base a general statement upon them which is most dangerously misleading. I have had a return prepared to show the extent to which this Tariff injures mining machinery and supplies, regarding winch certain telegrams were published a day or two ago, and were sent to me and other honorable members, from Western Australia. One would think that in these lines there was some ; enormous amount imported from outside. I have here a return of the imports of mining machinery into the State of Western Australia ; also timber capable of use for mining purposes, during years 1899 and 1900. We shall see how far the figures of these returns make out the total for the wholesale ruin spoken of.

Sir John Quick

- Do they refer to imports from outside Australia or within ?

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Mr BARTON

- They deal with the total imports, because we have to take those from other, parts of Australia as well as those from the outside world. I have had them calculated in regard to mining machinery, the produce of British and foreign countries, and also in regard to articles produced in Australia. In 1899 the value of mining machinery produced in Great Britain or foreign States and imported into Western Australia was £96,614; while the Australian produce of the same kind was £73,948, or within nearly £23,000 of that from outside. Honorable members must recollect, when I read of articles the produce of Australia, that those will be free of duty from now, except sofar as Western Australia chooses, intercolonially, to render them subject to duty under section 95 of the Constitution. In 1900, the British and foreign mining machinery amounted to £169,844 - and see how closely that from Australia comes - while the Australian produce amounted to £152,452. That makes a total of £170,562 for 1899, and £322,296 for 1900. The

total for the two years was as follows : - British and foreign produce in mining machinery, £266,458 ; Australian ditto, £226,400. Total, £492,858. Now we come to parts of machinery. In 1899, the British and foreign produce in parts of machinery brought in amounted to £27,551, while that of Australia amounted to £27,985 ; a total of £55,736. In 1900, the British and foreign produce in parts of machinery was valued at £61,252; and that of Australia at £49,861, a total of £111,113. The sum of the two years in each case was : British and foreign, £89,003 ; Australian, £77,846. Total, £166,849. These figures will show that except so far as Western Australia herself chooses to keep out mining machinery and parts of mining machinery, it is open to her, under this Tariff, to resort to a market which she has found in the past practically as good as the British.

Mr Poynton

- Yet the right honorable and learned gentleman estimates that he will get £80,000 from these lines.

Mr BARTON

- Suppose we do. I should like to know what my honorable friend thinks he is proving when he says that.

Next we come to timber. The British and foreign unworked timber imported into Western Australia in 1899 amounted to £20,435, and that of Australia to £6,753, making a total of £27,188. British and foreign timber in balk, rough and hewn, amounted to £2,962, and Australian to £271 only; making a total of £3,233. In the following year, 1900, we see how the two sources of supply in unworked timber begin to approximate. The British and foreign unworked timber for that year was £13,970, and the Australian £8,332, making a total of £22,302. In balk, for the same year, the figures are : British and foreign timber, rough and hewn, £2,547 ; Australian, £461. Total, £3,008. So that the absolute total importations of timber for the two years were as follows : - British and foreign, £39,914; Australian, £15,817; making a total of £55,731.

Mr V L SOLOMON

- That relates only to Western Australia.

Mr BARTON

- Yes. But these figures have some relation to the outcry about the absolute destruction of the interests of the miner - and also of the mining company, which is carefully omitted from newspaper paragraphs - in regard to the importations of machinery on the one hand, and of timber on the other. The return is illustrative as showing that there is an ample market for the supply of all these products in Australia. The fact that the local products have been imported into Western Australia to such an extent shows that they can be imported to advantage.

Mr V L SOLOMON

- Broken Hill is a much larger proposition.

Mr BARTON

- I shall be happy if my honorable friend will give us the figures relating to Broken Hill. I have had this return prepared as an example. I do not wish to conceal anything. If the honorable member will produce the figures relating to Broken Hill, I shall be as pleased as if I were able to quote them myself.

Mr Chapman

-It is a well-known fact that most of that machinery can be manufactured here as cheaply as anywhere else.

Mr BARTON

- Now, as to the duties on necessities, particularly as regards food. There is one thing which we have to notice, namely, that these duties are mainly in the interests of the agriculturist, whom we are said to have neglected.

Mr Cameron

- They will not benefit the farmer a penny.

Mr BARTON

- That is a matter of opinion.

Mr Cameron

- I am a farmer, and I ought to know.

Mr BARTON

- There are some farmers whom nothing will benefit.

Mr Cameron

- They will not benefit under the Government Tariff proposals.

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Mr BARTON

- These duties are mainly in the interests of the agriculturist, who is said to have had no consideration shown to him under this Tariff, and they are on articles which have been and are being produced here, or on articles which displace articles of local production. The argument on the other side is based on the fallacy that duties on articles which may be produced here permanently increase prices. That is not correct. So far as some of the items challenged by my right honorable and learned friend are concerned, he will find, if he will take the two betes noir of his party - boots, shoes, and hats - that those grades of boots and shoes in respect of which he says workmen are so heavily taxed, are sold in the markets of Melbourne as cheaply as in the markets of Sydney. Not only is that the case, but plenty of Victorian boots and shoes are sold in the Sydney market.

Mr Reid

- At very different prices.

Mr BARTON

- No. I can quite understand statistics coming from men who call themselves boot manufacturers, such as the "T Company," and the "Fitwell Company," who mention that they are manufacturers, and employ a number of hands. But they employ a much larger number of hands elsewhere, by reason of their importations. We must remember, if we are to set up statistics that come from interested sources on either side, that we must be impartial, and deal with them as we would deal with others, and investigate the extent to which these people depend upon importations, when they decry the Tariff.

Mr Poynton

- They employ 1,000 people.

Mr BARTON

- The total given is 1,063, including those employed in the manufacture of slippers. Now the complaint is made that the article of "jewellery" is not taxed sufficiently, because it is a luxury. It is placed on the highest line of the ad valorem list, and should be so. It is as high, if not higher - and in this respect I admit that the Tariff goes high - than it has been in any of the States or in New Zealand, although 5 per cent, below that of Canada. It is an article which lends itself to smuggling, and if, as suggested, we were to tax it higher than we propose to do, the extreme rates would provoke smuggling. The comparative rates in regard to Canada and New Zealand are set forth in a tabulated statement which has been put before honorable members. I am not going to weary the House by going through them, but I will make one comparison which is instructive. First of all I have a word or two to say about the Canadian Tariff. It will be within the recollection of honorable members - and this is on the point of whether ours is relatively a higher Tariff as compared with the sister Federation or that of other countries - that some seven or eight years ago Sir Wilfrid Laurier acceded to power, and proceeded to make alterations in the Tariff. He and his party are what are called "free-traders" over there, but I really suppose that they may now be put down under the fashionable term of "revenue tariffists." I have here a quotation from the Argus of 10th February last, which was the day after I addressed an audience in the Melbourne Town Hall during the progress of the federal campaign. It reads as follows :-

Mr. Barton repeated the statement which he made at Maitland, and on which, indeed, he founds many of his remarks that to raise the required revenue there must be "a high Tariff."

That is precisely what my right honorable and learned friend said in the "Legislative Assembly of New South Wales, on 21st February, 1899. The report continues :-

Mr. Barton added that a low Tariff is a delusion.

I did not say that. The Argus knows what I said. I said that a low Tariff which would not return to the States what was necessary in order to keep them solvent was a delusion. The Argus further says - Here we have a long standing controversy as to the revenue effect of low and high duties, which it is unnecessary to-day to discuss. However, there is a present case directly in point. Writing on the Tariff reduction effected by the Laurier Government, the Toronto Globe says :- "The change effected by the liberal Ministry removes unnecessary taxation, so that the revenue was increased at the same time that the burdens of taxation were lightened. That was regarded as an impossibility by the conservative Government, and its members are still mystified by the appearance of an increased revenue from a

lowered rate of taxation."

What was that Tariff? It was the freetrade Tariff. In the tabulated statement it appears side by side with the Tariffs of all the States. Let any one read it, and ask what the free-trade party would have said if we had dared to propose such a Tariff.

Mr Reid

- It is a mongrel Tariff like that proposed by the Government.

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Mr BARTON

- The Tariff may or may not be a mongrel one, but it comes from the party to which the right honorable and learned member belongs.

Mr Reid

- No, not that sort of Tariff party.

Mr BARTON

- It comes from the party to which the leader of the Opposition belongs, and which, perhaps, better recognises than does he the difficulty of raising a sufficient revenue for a number of aggregated States without a high incidence of taxation, unless an impossible rate of direct taxation is resorted to. By the way, we have heard nothing of that to-day, notwithstanding that we have seen - besides being informed of the fact by the newspapers - that a figure so directly associated with the single tax, as that of Mr. Max Hirsch, has been haunting the precincts of this House for the past week.

Mr Reid

- He is not running a factory, at any rate.

Mr BARTON

- Yes; he is running a factory. He is running a factory of fabrications upon the Tariff, and we have had some of them to-night. He is running a factory which gives employment to himself, but which tends to take away employment from others.

Mr Reid

- I should like to know of the manufacturers who have been haunting the Cabinet during the last few weeks.

Mr BARTON

- I knew that before I finished my speech, my right honorable and learned friend would indulge in his usual habit of manufacturing interjections.

Mr Reid

- The right honorable and learned gentleman kept the Ministerial members very quiet?

Mr BARTON

- Yes, I did. I kept my party quiet because I thought the leader of the Opposition would like to be treated with a little respect, and because whether he deserved it or not it was our duty to respect him. It seems, however, that I am not to be allowed to bring forward any obvious facts without encountering a running fire of interjections which seem to be based on the notion that my tongue can be stopped. I come now to the Canadian Tariff. Without going through it, I ask honorable members to compare the highest rate in the Federal Tariff with the highest rate in the Canadian Tariff. The highest ad valorem duty in the Federal Tariff is 25 per cent., whilst in the Canadian it is 50 per cent. The number of such duties in the case of the Federal Tariff is 47, and in the case of the Canadian Tariff 212, or more than four times as many.

Mr Reid

- What does that prove? Mr. BARTON. - It proves that there is in existence, under the guise of free-trade in a sister Federation, a Tariff which, when compared with those of any of the Australian States, or with the one under discussion, is a perfectly mountainous Tariff. Nevertheless the newspaper upon which the right honorable and learned member depends for support in Victoria has pronounced an eulogium upon that Tariff, either knowing or not knowing the facts, but in either case its action was reprehensible.

Mr Glynn

- It did not do that. Mr. BARTON. - The honorable and learned member for South Australia will find food for thought in the article referred to, which will make him talk less. These are instances and incidents which give food for thought in regard to the effrontery of the claim that when one takes into consideration

the task which was imposed upon the Government, this is an extravagant or an improper Tariff. Let us look at it in another way. This Tariff is defensible by an Australian, whether he be a freetrader or not, upon the ground that the average incidence per head is less than it has been hitherto. If we take the figures which have been laid upon the table of the House we find that the average contribution per head under the proposed Tariff in a normal year is £2 7s. 53/4d., or practically £2 7s. 6d., whilst the average per head actually paid throughout Australia in 1899-1900 was £2 8s. 5d., or 1s. more.

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Mr Reid

- Six different States? Mr. BARTON.- It is the six different States, and that is where the trouble of the right honorable and learned member comes in. He talks about six different States, but he cannot realize that they are one indissoluble nation. If he would only look at this matter from the standpoint of an Australian, instead of supposing that the Tariff in one State can rule the Tariffs in the other five States, if he would realize that not only has revenue to be obtained, but that we must not allow industries which support our people to be so impoverished as to make our people poor, he would not always be harping upon New South Wales. That State is quite as dear to me as it is to the right honorable and learned member. It is a country of which I am as proud as he is, and to which, I believe, in regard to this question of federation, I have rendered as much service as any other man. One cannot harp either upon Victoria or upon New South Wales. There are people all over Australia who are wondering when federal legislators and public men are going to discontinue talking about the relative positions of New South Wales and Victoria, and commence to talk instead about Australian interests. That is the talk that we want to hear. Upon that Australian basis, which is a fair basis to take, the average taxation per head for 1899-1900 was £2 8s. 5d., whilst the average proposed under this Tariff is, roughly speaking, 1s. per head less. This average, as compared with that paid by the various States last year, is, of course, vastly different. We get, I admit it, an increase of £1 0s. 6d. per head, according to the statistician's computation in New South Wales ; but I have still to add to that, as I mentioned many times before the referendum, that it is a fallacious statement to say that taxation is so much per head without having regard to the fact of who pays the taxation. In this case, where the abandonment of the taxation would mean destruction, we should have to console the working men by telling them that they would have to get things very much cheaper out of nothing. Apart from that, take the ad valorem basis of taxation in this Tariff, and what do we find ? If a man wants a £2 dress, piece for his wife, and the rate of taxation upon that is 10 per cent., he pays 4s., and the man who wants a £15 dress piece for his wife pays 30s., because he buys a superior material ? Do we require to be told at this time of the day that, whatever objections are held against it, taxation by ad valorem duties - to be avoided in some cases, I admit - is nevertheless, where it does exist, a taxation according to means ? Taking into consideration facts of that kind, let us look at this list. The proposed Tariff for all the States is £2 7s. 6d. per head. In New South Wales the former Tariff was £1 7s. per head, in Victoria £1 19s. 10d., in Queensland £3 4s. 2d., in South Australia £1 16s., in Tasmania £2 17s. 10d., and in Western Australia £5 0s. 7½d. New South Wales has to pay £1 0s. 6d. per head more per year, taking the taxation at per head ; Victoria, 7s. 8d. more; Queensland, 16s. 8d. less ; South Australia, 9s. 6d. more ; Tasmania, 10s. 4d. less; and Western Australia, £2 18s. 1d. less.

Sir William McMillan

- What has that got to do with the mode of levying ? That is only the amount required.

Mr BARTON

- Perhaps the honorable member will allow me to finish my argument. I do not see that that interjection is at all relevant.

Sir William McMillan

- It is exactly relevant.

Mr BARTON

- No, that is because the honorable member does not understand. The cry is about the burden of the taxation, and the cry as regards New South Wales is about the burden of taxation, and not the incidence and mode of levying. These figures are relevant to this fact : that the taxpayer, in order to be levelled up, has to pay more in three of the States, and less in the other three, and that then the Treasurer, in order that we may approximate to a level as the years go on, is worse off in the three States where the taxpayer will be best off, and best off in the three States where the taxpayer will be worst off. Where we have to

strike a line is this : We are liable to fall into serious danger and to cause injury to the whole of the Commonwealth unless some middle line is drawn which, without making the burden of taxation too high upon the people, nevertheless takes care and secures that not one of the States shall be landed in any helpless condition.

Sir William McMillan

- How does that affect the equality of incidence 1

Mr BARTON

- The honorable member, if I may say so politely, can talk about the equality of incidence until he is black in the face, but I am working up to another point, and if the honorable gentleman does not see it I cannot help him. What I am driving at is this : If the people of Australia were taxed as high per head as they were formerly, the Federal Tariff would yield £9,126,541 in a normal year. That is, if the people were taxed at the average of £2 8s. 5d. per head ; the average being, as proposed by this Tariff, £2 7s. 6d., accounts for the difference between £9,126,541 and £8,942,000. That is the difference under this Tariff if we take Australia as a whole. Hence the result of it is - what many would like to conceal - that the people of Australia get Inter-State free-trade at the price of the saving of 1s. per head all round.

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Sir William McMillan

- The only thing is that the wrong fellow pays.

Mr BARTON

- If honorable members opposite had any confidence in their own case they would be content with addressing themselves to it according to parliamentary order and regulations. These attempts to interrupt and prevent a reasonable, friendly discussion of the matter are typical of the sense they have of the exposure of the fallacy of their arguments. Let me contrast this condition, with regard to the burden per head, with the only Tariff of a considerable revenue character which New South Wales ever had - the Dibbs Tariff, which was brought in at the end of 1891. It took effect just about the end of that year, and a normal year of that Tariff was 1892, because, so far as regards its operation in 1893 and 1894, those were panic years, as we all know. The operation of the Dibbs Tariff in 1892 was that the average burden of taxation on the people was £2 8s. 11d. per head.

Mr Wilks

- And it operated only for two years.

Mr BARTON

- It operated for three years certain and for part of a fourth, but I am not taking in any more than the year which supplies a fair comparison, because the others were panic years. In that year 1892 the Dibbs Tariff yielded £28s. 11d. per head. The result, therefore, is that, as regards New South Wales and the rest of Australia, the average payment per head under this Tariff being £2 7s. 6d., the burden upon the people is 1s. 5d. per head less under this Tariff in a normal year than it was in New South Wales under the Dibbs Tariff in the normal year of 1892.

Sir William McMillan

- The Dibbs Tariff did the whole of that at 10 per cent.

Mr BARTON

- The Dibbs Tariff did not do it at 10 per cent. It was 10 per cent. and 15 per cent., and my honorable friend will recollect that there was a large number of fixed duties, and, in addition to that, the Dibbs Tariff covered a very large range of the field of taxation. It is only fair that a revenue tariffist should be allowed to make an uninterrupted speech.

Mr Reid

- That was not to help me.

Mr BARTON

- Nothing will ever help the right honorable gentlemen. A man who stands in my position should not be subject to constant attempts to prevent him from saying what he has to say. If that is fair then I congratulate those on the other side. I congratulate them upon their tactics which ought to appeal to every quarter of the House.

Sir William McMillan

- Surely the right honorable gentleman does not object to a friendly interjection?

Mr BARTON

- I object to a friend being so friendly in his interjections as to try to make my speech instead of leaving me to make it myself, and that is what the honorable member is doing. Of course, I am accustomed to this sort of thing, and one always knows from it the state of feeling in the quarter from which it comes. It is a barometer. The leader of the Opposition had something to say about wages. Since the right honorable member spoke I have had a comparison made of the wages in Victoria and in New South Wales.

Mr Reid

- Ananias?

Mr BARTON

- I do not know whether we can call Coghlan Ananias ; most of the figures are his.

Mr Reid

- No ; I stand by him.

Mr BARTON

- The remainder are taken from the reports of the Victorian wages boards, and I do not know that we should call any one of them Ananias.

Mr Reid

-I do not know them.

Mr BARTON

- But this is what comes out of that little comparison. I do not say it with pleasure, because I would rather that it was more in favour of the worker in New South Wales. This is the comparison for good and all, and my right honorable friend can ransack the official sources, and see whether it is not true. I shall take some of those employed in the principal industries. In bread-making in Victoria the minimum wage is 50s. for 48 hours. In New South Wales the minimum paid is 27s. 6d., and the average 43s. 6d. for an unlimited number of hours. In the boot and shoe trade in Victoria the general average for males is 44s. 9d. for 48 hours ; in New South Wales the average for males is from 35s. 6d. to 36s. 6d. In Victoria, in the same trade, the minimum for females is 20s., and the average 22s. In New South Wales the average for females is 1 6s.

Mr O'Malley

- Why, it is a sweater's paradise.

Mr Conroy

- Living is cheaper over there.

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Mr BARTON

- If you sell enough land, and borrow enough money, and at the same time give a good time to the importer, there is nothing that you cannot do. In the clothing trade in Victoria the minimum for females is 20s. or 30s., and the average 22s. In New South Wales for females the minimum is from 8s. to 10s., and the average from 11s. 9d. to 16s.

Mr Wilks

- One schedule includes improvers.

Mr BARTON

- In the co ope ring trade in Victoria the minimum for adult males is 56s. for 48 hours. In New South Wales the minimum for adult males is 20s., and the average 37s. 3d. In the bedding trade in Victoria the minimum for adult males is 46s., and for females with four years' experience 20s. In New South Wales the minimum for males is 30s., as against 46s., and the average 45s. 9d., which is pretty close. The minimum for females is 16s. 6d., and the average 21s. 3d., which in this case is actually higher than it is in Victoria. For cabinetmakers,&c., in Victoria the minimum is 48s., and the average 50s. In New South Wales the minimum is from 25s. to 35s., and the average from 40s. to 48s. In the jam trade in Victoria for adult males the minimum is 30s., and for females over eighteen 17s. In New South Wales the minimum for males is from 15s. to 17s. 6d., and the average from 23s. 9d. to 31s. 9d. For females the minimum is 7s. 6d., and the average 8s. We can understand why there are not so many women employed in certain trades in New South Wales as there are in Victoria.

Mr Wilks

- Because they are better employed.

Mr Reid

- You call all girls of 10 women.

Mr BARTON

- In the shirt-making trade - the Song of the Shirt ! - in Victoria the minimum for females is 16s., and in New South Wales from 9s. to 10s. In Victoria the average is 20s., and in New South Wales from 12s. 9d. to 13s 3d. And yet this question of the Song of the Shirt belongs wholly to protectionist places.

Mr Reid

- Wonderful ! Try that in the Town Hall.

Mr BARTON

- In the tanning trade the minimum for fleshers is 45s. in Victoria, and 36s. in New South Wales ; for general hands, 34s. in Victoria, and 20s. in New South Wales - the averages being 42s 6d and 32s.

Mr Reid

- It is a wonder they do not rush over here.

Mr BARTON

- As my right honorable friend spread himself out so much in trying to draw a distinction about occupations and wages in the States, it is just as well to bring him face to face with the Australian view of tilings. If he will pick out one State, he must expect to be confronted with another, and until he abandons his idea of trying to decide everything by selected instances with regard to one State, he will never get that Australian view which he has been striving in vain to add to his vision. I do not want to take up much more time on this matter. There is much more material in these printed papers, and there is a deal of what my right honorable friend said I might follow him in, if he had not made, as I ventured to say, a committee speech, instead of discussing the principle of the matter. I want to add that he did not forget the sugar. There is in this Tariff a proposal that there . shall be charged on sugar an import duty of £6 per ton, an excise of £3 a ton, but a rebate of £2 a ton in favour of white-grown cane sugar, so that the white grown cane sugar stands in relation to the imported article as one to six, paying in the result a balance of £1 excise duty, while the imported sugar pays £6 a ton. My right honorable friend said that he was prepared to adopt these rates. I do not doubt him, but what became of the rest of his speech once he was prepared to adopt that difference ? That is a scheme no doubt protective, but for the purpose of carrying out a high national object : it is for the purpose of preventing certain legislation from being felt too harshly or too injuriously, and of enabling our own people to be preferred in work on their own land. That is the object of it, and it cannot be disguised either by my right honorable friend or by me. But if he wants to be chosen as a free-trader, and says I am to be rejected as a protectionist, where is the difference between us according to his own showing?

Mr Reid

- Only the difference of the kanaka.

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Mr BARTON

- My right honorable friend will have a reply which may possibly be more effective than these interruptions. If he is prepared to make a difference of £3 a ton on sugar, no matter how grown, in favour of the local producer, and a difference of £5 on other sugar locally grown, if the producer is white, then how can he justify that except by saying that there are occasions when protection is a good thing ? But we can go to history for that. When my right honorable friend made his Tariff he dealt with the sugar duty, which was, I think, 5s. a cwt. in New South Wales, with an allowance in favour of refined sugar.

Mr Reid

- Against refined sugar.

Mr BARTON

- With regard to the £5 a ton duty, my right honorable friend proposed to abolish it altogether, but did he do it? He was to take it off at the rate of £1 per year, but when he got through two years he knew that the industry was about to be destroyed, and therefore he stopped in the career which, if you believe him, he wants to begin here. The cry of the sugar producer touched his heart, I believe, and rightly so, but the Australian producer to-day can make no appeal to him. Is it because he does not exist in New South Wales?

Mr Reid



-I draw the line at 70 per cent.

Mr BARTON

- Is it not as much our duty to take the course we are now doing in regard to a great Australian industry and stop its destruction - because these great and substantial industries are now the assets of the State under Inter-State free-trade - us it was the duty of the right honorable gentleman to stop the destruction of the sugar industry some years ago. He did stop it, and I say it is to his credit. He yielded to the representations that were made to him, and he showed the spirit in which we say that we are acting at the beginning of our national career. We are extending our action to cover the cases of substantial industries because they all belong to Australia; but the right honorable gentleman will not do it because his heart, although once touched, is no longer open. And it will always be so with gentlemen who are protectionists at one time and free-traders at another- not one time free-traders, who afterwards become convinced of the benefits of protection, but who talk free-trade and act as protectionists by turns, as my right honorable friend does.

Mr Reid

- I do not think I deserve this from the Prime Minister after what I did in New South Wales.

Mr BARTON

- I think the right honorable gentleman does deserve it - he deserves that I should quote the instance I have given. He said that he put on the sugar duty for revenue purposes, but he re-introduced some of the Dibbs duties some years ago. He said then that those duties were intended to produce revenue, but he imposed duties not on articles that would produce revenue, but on those that were being made in New South Wales another slight aberration. If those duties were proposed for revenue purposes: - if my friend's heart was touched to the point of stopping the reduction of the sugar duties after they had reached £3 per ton - why was not the ordinary free-trade complement of import duties adopted? Why was not the tax supplemented by an excise duty upon sugar? If the object was revenue, then a £1 or £2 excise upon the £3 import duty would have been all right, or even a £3 excise ; because, according to the doctrine which we have by the grace of Senator Pulsford, when you put an import duty on material you can make within the State it is your bounden duty for the sake of the revenue to clap on an excise duty just as big. That was not done with the sugar duties, and what was the reason why it was not done ? If the object of the duty was to obtain revenue it would and should have been done ; but the object was a continuance of protection, however much my right honorable friend may try to disguise that fact With regard to the sugar duties under this Tariff, my right honorable friend stands convicted, not of the disease, but of the crime of protection. He would give this money to the bloated sugar grower - as he would express himself if he reverted to his old style of denouncing protection - he would have the bloated sugar grower make heaps of money by the export duty and the rebate, and gobble it all up and not give anything to his white workmen.

Mr Reid

- I never said that.

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Mr BARTON

- No, my right honorable friend never said that, because he knows that the object of these proposals is to provide a fund out of which the sugar grower can pay his white workmen, and it will not suit the right honorable gentleman to say that, because if he laid too much stress upon it he would be contradicting what he said in the rest of his speech about the profits going into the pockets of the manufacturers. We hear very much talk about inconsistency, and surely I may be forgiven for drawing attention to these little aberrations of my right honorable friend, who expects a perfect Tariff, and is ready to swallow at one gulp what, according to his theory, is the most protective item in it. The prohibitive, or almost prohibitive, duty on sugar, as it has been described by the free-trade press, which with the excise will give the grower an advantage of £5 where the sugar is produced by white labour, would, according to the right honorable gentleman all go to the bloated planter, and not one penny to the white workman. That is the free-trade theory that the right honorable gentleman preaches, but how, if he sustains it in this case, could he support a sugar duty.

Mr Wilks

-As a means of getting rid of the kanaka.

Mr BARTON

- Now I can pin my right honorable friend to that, because the sugar duty is no means of getting rid of the kanaka, if the proceeds go into the pocket of the employer, and not into the pockets of the wage-earners.

Mr Reid

- The Government will have to see to that.

Mr BARTON

- We shall see, if the right honorable gentleman comes into office, whether it will suit him to abolish the duty or whether he will have his heart touched. I need not go any further into the details of this Tariff. As I have said, it is far more convenient to discuss these matters when we are in committee. I must, as my right honorable friend did, thank the House for having so patiently listened to me. Notwithstanding the interjections that have been made, I am sure that we shall all be as good friends as before. I believe that nothing I have said has gone beyond the rules of parliamentary courtesy. I think I have sustained the propositions with which I started out, first that this Tariff is an honest attempt to fulfil our election pledges, second that it deals fairly with the States, and third, that it does not impose any burden, except what was inevitable, upon the people of Australia. Those are the three points which I considered were the real substance of my argument, and I believe that I have established every one of them, and that I have established, in addition, the fact that so far from this Tariff having imposed an inordinate burden on Australia it has been exceeded by the burdens which the people have borne without any injury whatever in the State of New South Wales, from which the right honorable gentleman and I come ; which State will, under the Tariff, get intercolonial free-trade and a leading position in the union at a saving of 1s. fid. per head of its population.

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Mr WINTER COOKE

- I feel somewhat diffident about rising to address the House immediately after the Prime Minister, but being the only Victorian - unfortunately - sitting on this side of the House, perhaps I may be excused for thus early taking part in this discussion. I do not propose to enter into the details of the Tariff at all, because I think, with the Prime Minister, that the details can much better be left to the committee stage. I do not think that the reflections the Prime Minister has passed upon the leader of the Opposition were quite just, because it was incumbent upon him to show by examples from the details of the Tariff in what respect the Government proposals do not carry out the pledge made by the Prime Minister, at Maitland. I admit at once that I did not expect anything but a protectionist Tariff, because it was clearly stated at Maitland that the policy of this Government would be protectionist, but the Prime Minister said it would be moderately protective. Now, I think the dispute really turns on what we mean by "moderate." The opinion held by another member of the Cabinet, the Minister for Customs, is that the Tariff was a moderate Tariff and a compromise. In the word "compromise," the Minister for Customs used the word which the Prime Minister introduced into his speech at Maitland, and which he quoted to-night, when he said that the spirit of compromise must have fair play. I think the committee the other night, and certainly some honorable members on the Government side of the House, observed with amazement, or rather with consternation, the manner in which the Minister for Customs spoke of moderate protection. One would have thought that the Minister for Customs was making a rally for the high Tariff party of Victoria. What he said was - "This is a protectionist policy, make no mistake ;" and then, turning to those sitting behind him - "Do not be afraid." I was reminded of that play which most of us have acted at school, entitled *Bombastes Furioso*. Bombastes, it will be recollected, nailed his boots on the wall, and then said -

Who dares this pair of boots displace,

Must meet Bombastes face to face.

On this occasion the Minister for Customs was Bombastes, and the Tariff policy was nailed to the wall of this chamber, not to be touched, he making his appeal to honorable members sitting behind him. We have been told that this is a compromise Tariff, but I should have thought that when we entered the Commonwealth, and were making a compromise between the varying Tariffs of Australia, we should have looked to the highest Tariff and the lowest Tariff, and tried in a measure to bring them together if possible. If we look to the list of goods which entered New South Wales free, we find among them apparel, boots, hats, and furniture. Those articles were taxed heavily in Victoria, the duties ranging from 35 per cent? to 15 or 20 per cent. The Commonwealth proposal is that there shall be a reduction from 35 per cent, to 25

per cent, or a difference of 10 per cent., and from 20 per cent, to 15 per cent., or a difference of 5 per cent, so far as Victoria is concerned, whereas in New South Wales the duty jumps from nothing to 15, 20 and 25 per cent. What kind of compromise is that ? It seems to me that if a man came to me and said I owed him 35s., and when I urged that I owed him nothing at all, he offered to arrange the matter by making the debt 25s., it would be an extraordinary kind of compromise to suggest. I cannot consider this a compromise Tariff at all, or even a moderate Tariff. I come from the pastoral and agricultural districts, and represent here the primary producers of a portion of Victoria. I do not mean to say that I represent these producers of Victoria only, because I represent producers throughout the whole of Australia, but I endeavour to look at the question from their point of view. The Prime Minister seems to have looked at the question from only the Victorian manufacturers' point of view, and has been extremely sensitive as to his treatment of them. He accuses the leader of the Opposition of not taking an Australian view, but surely when we find the Victorian Tariff reduced to the small extent I speak of, and when we see the great rise in duties in New South Wales, we can fairly retort on the Prime Minister that he is looking at the matter from the Victorian manufacturers' and not from the Australian point of view. The so-called moderate duties I shall refer to presently. I now wish to draw attention to the fact that what is called the farmer - the land-owner living in the country and getting his living out of the land - does not wish to evade his fair share of taxation. He is prepared to pay his proper proportion like any other citizen. Under the proposals of the Government the farmer will have to pay on such things as sugar, biscuits, candles, cocoa, tea, rice, sago, starch, apparel, blankets, hats, caps, woollen goods, lamps, oils, paints, earthenware, furniture, boots and shoes, leather, and many other items, in addition to having to pay the increased duty on ale, spirits, and tobacco, which may, I suppose, be considered as luxuries. Though I admit at once that many of the farmer's tools of trade will be free from taxation as they are in Victoria at the present time, I hold that if possible all his tools of trade should come in free. As the Victorian manufacturer claims that his tools of trade should be free in the town, so in the country should the farmer's tools of trade be free. What is proposed in the Bill 1 It is proposed that tents, tarpaulins, galvanised iron, agricultural, horticultural, and viticultural machinery, nails, engines, boilers, bolts, nuts, barbed wire, all leather manufactures, and various other items, shall be taxed. The tendency at the present day, no matter what the fiscal policy may be, is for population to centre in the towns. That arises from a variety of reasons - the desire for a pleasanter life, the opportunity of seeing one's neighbours and friends, and of enjoying all the pleasures which town offers - and surely it should be the duty of the statesmen to aim at making country life as attractive as possible, which can only be done by making country life pay. I am not an advocate for protecting the farmer at all, but I say that we should give him all the freedom we can in the matter of earning his living, and not impose a fine on him by means of duties on the goods he has to use.

Mr Kennedy

- Put him in the same position in regard to all his agricultural machinery and implements, as he is in in regard to reapers and binders and cream separators.

Mr WINTER COOKE

- Protectionists are always bringing forward reapers and binders, which are like to them "King Charles' head." Have no "rings" ever been formed amongst protected manufacturers ?

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Mr Kennedy

- "Rings" are not the monopoly of protectionists.

Mr WINTER COOKE

- A ring can be formed by protected manufacturers quite as easily as by importers. The worst of these rings formed by protected manufacturers is that the people first of all call the protected industry into being by putting their hands into their pockets and enabling the industry to be established, and when they have done that the manufacturer turns round and says - " Now, then, we will make you pay what we think proper for your goods.\*" The importer has never acted in that way, and as a rule, it will be found that these importers' rings break down. The reaper and binder ring broke down, I believe, considerably before the introduction of the Federal Tariff.

Mr Harper

- Only after the exposure of its operations.

Mr WINTER COOKE

- If a man wants to make money, I do not think any exposure will stop him as long as there is nothing dishonest about what he does. There is nothing dishonest in getting the highest price possible. If we have anything to sell - cattle or sheep or anything else - we get the best price we can for it. It might just as well be said that because some people have the good fortune to have fat cattle and fat sheep in Victoria just now, and are asking high prices for them, thus causing people to pay high prices for their meat, they are doing something improper. The reaper and binder is the only instance which has been mentioned. The Minister for Trade and Customs brought it forward with a great flourish of trumpets the other night, and the Prime Minister has referred to it again to-night. In speaking for the farmer I am not advocating protection. I do not believe that protective duties on the articles produced by the farmer will be for his benefit; at all events they will be only very slightly for his benefit. It is true that for some little time, possibly, produce may come in from New Zealand, and compete with what is produced here, and tinned meat may be slightly protected; but, speaking for Australia generally, our great industries of wool, wheat, and frozen meat cannot be protected to any large extent. Some of us hope to see the day when New Zealand will come into the Federation. Certainly, none of us desire to shut out New Zealand. In that event, the Australian farmer will cease to be protected against New Zealand products. It is impossible, except to this limited degree, and for a short time only, to protect the primary producers of Australia. Therefore, I hold that this Tariff is a wrong Tariff, because, in addition to trying to get revenue, it checks revenue, whilst at the same time it injures the primary producer. Moreover there is the point which, I think, is almost worse - my honorable friends representing labour will think it far worse - that the working classes will, under these proposals, be very severely taxed. I do not think - I never have thought - that what we call the working classes - that is the artisans - who earn the lowest wages, should be free from all taxation. They should be taxed. But the taxes should bear upon them with fairness. Any man who has a vote to return a Member to Parliament should be taxed to some extent. He should bear his fair share.

Mr Page

- Would the honorable member tax him for having a vote 1

Mr WINTER COOKE

- If he did not pay any taxes at all I would not give him a vote, which comes to the same thing. The Tariff taxes arrowroot, bacon, and biscuits, which are things which the working man uses.

Mr Crouch

- Biscuits are taxed in New South Wales.

Mr WINTER COOKE

- I am not finding fault with any particular item, but with the aggregate. Other items taxed are - blue, candles, cocoa, currants, raisins, honey, matches, rice, sago, soap, starch, tea, apparel, blankets, hats, woollens, mangles, kerosene, earthenware, furniture, boots and shoes, not to mention ale, spirits, and tobacco. On each of these items separately the amount of taxation will undoubtedly be small.

Mr Poynton

- There is £9 6s. 8d. a ton on some of these articles.

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Mr WINTER COOKE

- The aggregate of the taxation on the working man is, it seems to me, enormous. Take a man earning wages from £2 to £3 per week. Suppose he is married and has a family to keep. In that case the aggregate amount of taxation is simply enormous, as compared with what will be paid by those who are fairly well off in the community. I say that if possible wherever the duties on these goods are for protective purposes they should be considerably lower. We have heard much of the Victorian industries. I believe there are some such industries in the other States though Victoria seems to be always mentioned. It is said that, having built up those manufactures, having capital invested and labour employed in them, they must be dealt with very gently indeed. I admit at once that if a case could be shown of undue harshness to any industry, I should say - "Do not touch it at present; let it have the same duty for some years, but gradually reduce it." I would gradually reduce the duty to the revenue-producing stage and ultimately wipe it out altogether. I did not expect that the Government would propose a Tariff of that kind, because they said they wanted a protectionist policy. But now we are at the beginning of our Australian life, and we are starting the Commonwealth with practically Victorian Customs duties.

Mr Deakin

- Nothing like it ; I wish it were so.

Mr WINTER COOKE

- Well, the duties are very high even as compared with the Victorian duties.

Mr Deakin

- Oh !

Mr WINTER COOKE

- At any rate, they are sufficiently high to keep those industries in existence.

Mr Deakin

- That is not correct.

Mr Mauger

- I am afraid it is not so.

Mr WINTER COOKE

-The Prime Minister says so. The right honorable and learned gentleman has stated in this House to-night that this Tariff is not going to kill any industry, but that if any lower duties were imposed some of the industries would suffer and possibly die.

Mr Deakin

- Hear, hear.

Mr WINTER COOKE

- Very well. We have had these duties in Victoria for I do not know how many years. Fresh industries will grow up under this Tariff in the other States.

Mr Deakin

- They are there already.

Mr WINTER COOKE

- Under this particular Tariff they will grow up.

Mr Deakin

- The South Australian Tariff is higher than this.

Mr WINTER COOKE

- So much the worse for South Australia.

Mr Poynton

- But the incidence of it is not as bad;

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Mr WINTER COOKE

- All I contend is that by keeping up this protective Tariff we shall bring into existence or keep in existence throughout Australia a number of vested interests. As population increases these industries will become stronger and stronger, and when Parliament endeavours to touch any one of them we shall have, as I said in my speech on the Address in Reply, those interested in the industries coming and interviewing Members of Parliament. We shall actually create for the new capital of Australia the very evil which has grown up at Washington - a profession of lobbyists, men whose time is spent simply in interviewing Members of Parliament, and influencing them when a Tariff is proposed to be touched. As Bryce, in his American Commonwealth, has told us, that is the state of things that exists at Washington. I do not say that we shall have here a wholesale corruption of the Legislature, but I am convinced that if we carry out proposals of this nature, for the protection of industries throughout Australia, we shall have the same corruption when questions affecting the Tariff arise, as they have had in the great United States of America. This question of the Tariff is the only question upon which I really feel strongly. I believe it is of far more importance than anything else which we are likely to have before us in this Commonwealth Parliament. As the Attorney-General told us, it was the one question which the people of Australia had to decide at the ballot-box. I have taken the greatest interest in it, and I deplore the fact that the Government have not seen their way clear to come down to the House, not with a farewell to protection, but with a statement showing what industries no longer require protection. We know that boots and starch and candles of local manufacture, which have been protected in Victoria, are selling in New South Wales in the open market, and the protection on such articles should be lessened or removed altogether. I have not very much more to say, but shortly stated, I object to the Tariff proposals of the Government for these reasons : First of all, they are not a compromise. Surely it is not fair that we Victorians should seek to

raise so largely the Customs duties of New South Wales, while we reduce very slightly those which have ruled in Victoria ? That cannot be called a compromise. Then I say the Tariff proposals are not moderate. The leader of the Opposition has shown pretty clearly tonight that, in addition to the ordinary ad valorem duties, there are some which run up to a very high percentage indeed. They bear with undue harshness on the farmer, inasmuch as, while he pays his fair share of taxation, under the long list of articles which I have read, he has also to pay more for his tools of trade. Then they bear with undue harshness on the working classes. I have put before the House a long list of items the duties on which, while they may press lightly on individual lines, must be enormous in the aggregate. Lastly, to repeat what I have said already, the Government are proposing to saddle Australia with a protectionist policy, which it will be very difficult for us to remove, and which I am firmly convinced will lead to the corruption of the future legislators of this country.

Mr SYDNEY SMITH

- I rise at this early period of the debate because I find that there is a conspiracy of silence on the other side of the House.

Mr Reid

- Plunderers should keep silence.

Mr SYDNEY SMITH

- There is a conspiracy of silence on the other side to prevent the possibility of this question being debated, and I have risen, therefore, unprepared as I am to speak to-night, although I had intended to devote a considerable amount of attention to this question, which is of more importance, particularly to the people of the State that I have the honour to represent, than any other matter that is likely to claim the attention of the Federal Parliament for very many years to come. To a certain extent I feel some pity for some of the honorable members opposite. I pity them because of the educational process that has been going on in Victoria for so many years, and which has induced them to adopt a system of protection in preference to that system which has made New South Wales as powerful as it is to-day.

Mr Harper

- On borrowed money.

Mr SYDNEY SMITH

- The honorable member has done well ; he has thrived under the protectionist policy of Victoria at the expense of the great mass of the workers of this State. The honorable member has accumulated wealth, in the firm which he represents, by extorting higher rates under this iniquitous system of protection than he had any right to expect from consumers.

Mr Deakin

- What about land sales in New South Wales ?

Mr Sawers

- Where would New South Wales be without her land revenue ?

Mr SYDNEY SMITH

- The manufacturers of New South Wales will stand on their own feet without the aid of that system which has caused so much misery to the people of Victoria.

Mr Deakin

- Where ?

Mr SYDNEY SMITH

- I think that fact has been pretty clearly demonstrated. I am speaking to-night at a great disadvantage because I understood that some other honorable member on the Government side of the House would have taken up the debate.

Mr Kennedy

- They have nothing to answer.

Mr SYDNEY SMITH

- In the interests of Australia, I am not going to allow this question to go without full and proper ventilation. I have risen at this stage because certain honorable members on this side of the House desire to put off their remarks until to-morrow night, and think it would be inconvenient for them to speak at this juncture. The Government have arranged, as far as they can, to prevent honorable members on their side of the House from continuing the debate. The Government are afraid to have the light of day thrown on their

policy, and some honorable members behind them are in the same position. They thought that by some subterfuge they would be able to close this debate at once. The Prime Minister told his constituents that he was going in for a revenue Tariff, and even with all his deception he only obtained a majority of about 100 votes after weeks and weeks of canvassing against a gentleman who had been in the field only a few days. If the Prime Minister had been honest to the people of Australia and told them exactly what he was going to propose would he have been on the Treasury benches today?

Mr Reid

- He would have been branded as a Victorian.

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Mr SYDNEY SMITH

- When in Victoria he spoke with one voice, whilst he spoke with another in New South Wales. The right honorable and learned gentleman has often said that he is misrepresented in the press. I do not think that any man in politics has to thank the press so much for his position as he has. There are honorable members in this House who heard him make the distinct statement to the people of New South Wales that a Tariff capable of raising £5,000,000 would provide the Commonwealth with all the money necessary to get over the Braddon blot trouble. That was a deliberate statement made by the Prime Minister, who was then leader of the Federal party in New South Wales. That statement was reported in no less than four different journals ; not by free-trade or by protectionist journals alone, but by journals representing different shades of public opinion in New South Wales. The right honorable gentleman never contradicted it. He allowed it to go forth that a £5,000,000 Tariff would give all the revenue necessary and would enable the Government to have £1,000,000 more than was necessary to get over the Braddon blot.

Mr Harper

- Where was that statement made ?

Mr SYDNEY SMITH

- The statement was made in the Town-hall, Sydney, and at several meetings held elsewhere. It was fully reported in the Sydney Evening News, the Sydney Morning Herald, the Sydney Daily Telegraph, and by his own journal, the Australian Stan: The right honorable and learned gentleman intended at first to stand for the constituency which I have the honour to. represent. He was invited to a banquet there, and accepted the invitation no doubt in the full belief that he would be asked by the free-traders of Macquarie, combined with the protectionists, to stand for that electorate. When he found that he could not get the free-traders to support him, as they had supported him on a former occasion, he elected quietly to go for another constituency. He represents to-day one of the strongest free-trade constituencies in New South Wales. X. claim to know as much about this matter as does any honorable member of this House. The chairman of his committee, Mr. Thompson, asked the Prime Minister to contest the seat, because he believed Mr. Barton was going in for a revenue Tariff, and not for protection. What do we find Mr. Thompson saying now ? He says that the Prime Minister has not been true to his hustings pledges ! In point of fact, he declares that if he had known that the Mr. Barton, who was standing for election at that time, was the same Mr. Barton who is the present leader of a protectionist Government, he would not have supported him.

Mr Sawers

- When did he say that ?

Mr SYDNEY SMITH

- Mr. Thompson admits that the Tariff is opposed to what the Prime Minister promised the people when he was seeking election.

Mr Sawers

- Quote his words.

Mr SYDNEY SMITH

- I should have been able to do so, but, unfortunately, I have not the advantage of having my notes with me to-night. I am here, free and untrammelled, to vote as I think best in the interests of Australia. I am not like some honorable members, who speak one way and vote another. We pity some of our friends in Victoria, and entertain no feeling against them. We are all one people, anxious to do the best we can to advance the interests of Australia.

Mr Kennedy

- But to do it in the honorable member's own way.

Mr SYDNEY SMITH

- We are anxious to do it in what we think is a fair and honorable way. We do not wish to resort to dishonest practices in order to secure the votes of any body Of electors. We are anxious that the people should be given full information regarding the questions to be dealt with by this Parliament. I think it will be admitted that a certain journal here exercises such a powerful influence over honorable members opposite that they dare not vote other than in the way dictated by the leading columns of that journal. That was proved in connexion with the Immigration Restriction Bill.

Mr O'Malley

- Is it the Argus to which the honorable member refers ?

Mr SYDNEY SMITH

- No, it is not the Argus. I was very much struck the other day upon reading an article in a journal which is supposed to educate many of my honorable friends opposite.

Mr Mauger

- It is a good thing that we have such a journal.

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Mr SYDNEY SMITH

- It is a bad thing for the great bulk of the workers of Victoria that we have such a journal. I will show presently that this newspaper will not tell the truth. It hardly ever states the truth. It recently published an article which was nothing but a tissue of misrepresentations. In its endeavour to show the great advantage of this Tariff as it affects the farmers, that journal referred to the enormous quantity of farm produce imported into New South Wales. I will show honorable members opposite how they are misled by these statistics. The writer of the article in question pointed out that during 1899 - he was careful to take that year, although the statistics for 1900 were available - New South Wales imported 3,437,000 lbs. of butter, which was valued at £136,805. The great bulk of this produce, he asserted, came from places beyond the Commonwealth. What are the facts of the case ? The total value of the butter imported into New South Wales was £136,000, but the actual value of the imports from places outside of the Commonwealth was only £31,390.. It is true that this newspaper took its figures from " Coghlan." But the writer had evidently taken the whole of the imports, irrespective of the places from which they came, and had calmly stated that the great bulk of this produce came from places beyond the Commonwealth.

Mr Kennedy

- Does that represent the imports into New South Wales for its own consumption, or also imports for reexportation ?

Mr SYDNEY SMITH

- Nothing was said about re-exportation. The writer further pointed out that New South Wales imported wheat to the value of £151,000, instead of which it imported from outside of the Commonwealth only £30,218 worth. The same article affirmed that that State imported bran and pollard to the value of £58,253, whereas it imported from beyond the Commonwealth only £20,200 worth. The writer also declared that New South Wales imported flour to the value of £335,000, whereas the actual amount represented by imports from places beyond the Commonwealth was £119,000. It was further stated that New South Wales had imported 6,800,000 lbs. of preserved beef, whereas, in point of fact, she had only imported 564,000 lbs. Can any one wonder at the ignorance of the people of Victoria, when such misrepresentations appear in the newspapers?

Mr O'Malley

- Is that the War Cry ?

Mr SYDNEY SMITH

- It is enough to make the workers of Victoria cry, to have statements of that kind published, and then to find that they are incorrect. Unfortunately they have great difficulty in finding that out. Now, take onions. £41,652 worth was imported, and of this amount, £19,086 worth was all' that was imported from outside the Commonwealth. Strange to say no reference was made in this article to hay, chaff, poultry, honey, cattle, sheep, or pigs. The writer pointed out that there was a duty of 20 per cent. on this article, and 20 per cent. on the other, and so much a lb. on another, but he made no mention of the quantities imported. Why ? We have only to look at the figures to ascertain that. What do we find? Taking straw first, it was



stated that there was an import duty of 5s. per cwt. to help the poor farmers of Australia, and especially of New South Wales, and yet we find that the total value of straw imported into free-trade New South Wales was £126.

Mr O'Malley

- No doubt New South Wales is strong in chaff.

Mr SYDNEY SMITH

- We have something solid besides the chaff. Of hay and chaff, importations to the value of only £694 were introduced into our free-trade State of New South Wales, which has been open to the whole of the producing countries of the world. No mention was made of that, but only of the fact that there was a duty upon those products of 1s. per cwt. for the protection of the farmers of New South Wales. Again, take poultry. It was pointed out that there was a great protection and help afforded to people raising poultry, but we imported only £220 worth of poultry, and nearly all were prize poultry imported from the old country in order to improve our breeds. ' Then take honey. It was said with great glee, "Look what the Government propose to do. They propose to place a duty of 2d. per lb. on all honey imported. See what a great thriving industry that will become." Yet free-trade New South Wales imported only £8 worth of honey.

Mr Mauger

- How many eggs ?

Mr SYDNEY SMITH

- I know my honorable friend is familiar with eggs. I believe he visited one of the States and came into contact with a good many of them. We imported into free-trade New South Wales 32,000 dozen of eggs, and there is to be a duty of 6d. per dozen on eggs in order to help the people of New South Wales. Is it not a farcical thing to talk about helping the farmers with protection of this kind.

Mr Sawers

- Take oats.

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Mr SYDNEY SMITH

- I shall let my honorable friend make his own speech. Take cattle; they were introduced into New South Wales to the value of £1,264. There is a duty upon cattle of 20 per cent. Sheep were imported to the value of £6,500, but they were all sheep introduced to improve the flocks in New South Wales. Then if we take pigs, I believe the Government are going to help the farmers in that line also, and I find that we imported only £30 worth. To sum up this article what do we find? «It said that the total imports into New South Wales of butter, cheese, eggs, wheat, bran, pollard, flour, bacon, ham, extract of meat, preserved meat, onions, potatoes, and straw for 1899 amounted to £1,236,000, and that the great bulk of those importations were from places beyond the Commonwealth. No mention was made of hay, chaff, poultry, honey, cattle, sheep, or pigs for 1899 for the reason I have already mentioned. The writer also omitted to make any reference whatever to the re-export of goods imported into New South Wales. The re-exportation of goods imported into New South Wales amounted to £221,000 in value. Taking the figures given, £1,236,000, without any reference to the matters to which I have referred, we find that according to Coghlan - and the writer quoted Coghlan in the first article, but did not quote him correctly, because it would not do to let the people of Victoria know the truth of this matter-

Mr Mauger

- Does the honorable member really think the people of Victoria are so easily led astray as that ?

Mr SYDNEY SMITH

- I am sorry to think that they have been led astray by men like my honorable friend and others in the past, but I am glad to think that there is a better time coming for Victoria. Coghlan points out that instead of £1, 236,000, as quoted by the Age, the imports into New South Wales, from places beyond the Commonwealth, for 1899, were only £369,126.

Mr Reid

- Out of how much ?

Mr SYDNEY SMITH

- Out of £1,236,000.

Mr Reid

- This is what was called the "great bulk."

Mr SYDNEY SMITH

- Yes; it was said that the great bulk of it came from places beyond the Commonwealth, whereas, in point of fact, imports only to the value of £369,126 came from places beyond the Commonwealth. Of hay, chaff, poultry, honey, sheep, pigs, and cattle, the total imports from beyond the Commonwealth amounted to £377,842, or about £900,000 less than the Age tried to make the people of Victoria believe was the case. But if the writer had gone to the year 1900, as he should have done, because he had the statistics for that year before him, what would he have found? He would have found that the imports of the farm produce mentioned had been reduced from £377,842 to £182,962, or by one-half the figures for 1899. It did not suit the Age to refer to that. The exports of the same goods to places beyond the Commonwealth amounted to £1,023,817, so that the exports of farm produce mentioned (a) and (b) were in excess of the imports to the extent of £840,000. And that was under freetrade. Could any one ever believe that any reasonable journal would endeavour to deceive the electors of Victoria in the way the Age has done in this matter? Of course, the farmers in New South Wales, I am glad to say, have realized the hollowness of the whole system of protection. They realize that Australia is going to be an export country so far as farm produce is concerned, and that if we were only to have our own markets open to us, we could not utilize all the produce that would be grown here. In wheat we have a surplus, and we must find a market for it outside Australia. The protection we give will not therefore help the wheat growers. The only way in which we can help them is by assisting them to get markets abroad. The same with our flour, preserved meats, and butter. Instead of importing, as the Age wants to make out, what do we find? In New South Wales, under our free-trade Tariff, we exported last year over 10,300,000 lbs. of butter, or about 10,000,000 lbs. more than we imported. In other words, the value of our exports over imports was as follows :- Butter, £426,000; wheat, £139,000; flour, £69,000; preserved meats, £219,000; and cattle, £24,000. On the principal lines of farm produce our exports over imports amounted to £840,000. I believe the farmers in Victoria are just as intelligent as ours, and we have had evidence of that from the fact that a large number have gone over and settled there, and I am happy to say adopted free-trade. I may add that a number of them voted for me on the last occasion.

Mr Reid

- They are a good lot when you get them under a fair system.

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Mr SYDNEY SMITH

- They are all right, but they were gulled by reading articles in the newspapers here, day after day, until at last they began to believe that there was something in the contentions.

They are coming now to realize that it was all moonshine, and that the farmers of New South Wales are go-ahead people. The dairying industry, the wheat industry, and the meat industry - all those great industries which help to build up a country - have got to that stage when they are exporting more than they import. And what they look forward to getting is a market for their surplus produce. We cannot help the farmer by any system of protection, because we cannot raise the price of his article in view of the fact that he is in a position to export his produce. Can we help him by putting a heavy duty on his agricultural machinery, his clothing, his kerosene oil, &c. 1

Mr Kennedy

- How is it that the New South Wales farmer buys so much of his agricultural machinery from the Victorian manufacturers 1

Mr Reid

- Because they sell it more cheaply to him than they do to the farmer here.

Mr SYDNEY SMITH

- I expect that it is sold on the same principle as Starch. They take it out of the Victorians, and sell it to us so much cheaper. Our farmers are sensible men. They buy if you send them over some goods which are, perhaps, 20 per cent, less in price than the farmers in Victoria pay. I do not know whether that is the case or not. But it is proved that they are selling starch for less in New South Wales than in Victoria.

Mr Kennedy

- No machine has been bought by a New South Wales man for a cent less than a Victorian farmer can get it at.

Mr SYDNEY SMITH

- I doubt that.

Mr Kennedy

- We have the men who pay for them here.

Mr SYDNEY SMITH

- Can we help the farmer by raising the cost of the necessities of life ? Can we help him by putting a heavy duty on his agricultural machinery, and by that means raising the cost of production? For the more we increase the cost of living to the farmer the more we increase the cost of his machinery, and the more we render him less able to compete in the markets of the world with his surplus produce. It is all humbug to talk to the farmers in that way. And when my honorable friends go into any farming constituencies, they will find that the farmers are not to be gulled into that belief.

Mr Kennedy

- No, they are an intelligent section of the community.

Mr SYDNEY SMITH

- I am glad to say they are; and I have had as much to do with them as most men.

Mr Reid

- Hear, hear ; and done more good for them than most men.

Mr SYDNEY SMITH

- For seven years, as Minister for Agriculture, I had a lot to do with the farmers of New South Wales. Therefore I ought to know a little about them.

Mr Deakin

- Buying stud stock with borrowed money?

Mr Reid

- It was much better than buying your magazine rifles with borrowed money.

Mr SYDNEY SMITH

- My honorable friends have been endeavouring to make the farmers believe that they will benefit by a system of protection. And the Attorney-General has thought fit to take exception to the action of the Government of which I was a member in purchasing stock, with a view of helping the producers of New South Wales

Mr Deakin

- I did not take exception to it.

Mr SYDNEY SMITH

- But the honorable and learned gentleman took exception to our buying the stock with loan money.

Mr Reid

- The most reproductive work in which my honorable friend was ever engaged.

Mr SYDNEY SMITH

- That is what I thought.

Mr SPEAKER

- Does the honorable member think that this has anything to do with the question before the House ?

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Mr SYDNEY SMITH

- I was drawn off the track by an interjection, but it has to do with the question, in that it involves an expenditure of money, and there may be an endeavour on the part of the Government to undertake the same kind of work. In such a case they would have my hearty support. I believe magazine rifles were bought out of loan money, and I am not quite sure but that ammunition was also purchased in the same way. At any rate, as far as the matter to which honorable members have referred is concerned, before a penny of that money was expended the whole question was submitted to the Auditor-General, who signed the necessary authority, because he thought the expenditure was a very proper one. I think I have shown pretty clearly that, as far as the farmers are concerned, they are not going to benefit by this system of protection. We cannot increase the prices of the articles grown by them, because they have surpluses of dairy produce, -wheat, and meat, which have to be exported, and we cannot help them by increasing the cost of living and of the machinery, twine, &c, which they have to use. Every increase in the cost of production renders them the less able to compete in the markets of the world. Some honorable

members seem to think that this Tariff is going to benefit the miners. I have read some excellent speeches, delivered by several honorable members of this House, notably by the Attorney-General, and the honorable and learned member for Indi, on this question of the protection of the miner. These honorable members have pointed out, and very properly so, too, that no system of protection could be devised which would help the mining interests of the country. We cannot increase the value of the gold or silver, or copper by any system of protection ; and we are certainly not going to help the miners by putting taxes on all the necessities of life, and upon machinery. A telegram received from Western Australia dining the last two days points out that some of the mine-owners who contemplated erecting extensive and modern machinery in order to cope with the difficulties in that far western country have had to cancel orders for machinery that would have cost a quarter of a million of money simply owing to these iniquitous duties. This will have the effect of throwing out of work hundreds of miners, and of seriously hampering the mining industry of Western Australia, and the duties will also operate prejudicially to mining enterprise in all the other States. I should like to know how honorable members are going to account to their mining constituents for this iniquitous Tariff. Those who are interested in mines not only have to undertake the importation of expensive machinery ; but, in many cases, machinery has to be conveyed for long distances by railway or other means of transit, and the cost thus involved is such as to heavily handicap the industry. Now we are adding to all these drawbacks by imposing an iniquitous duty.

Mr Reid

- The miners will have to pay taxes on other things afterwards.

Mr SYDNEY SMITH

- Yes, of course, and I do not see how anything can be put forward to show how this Tariff is going to benefit the miner. The Government have tried to catch the farmer's vote by the scheme which I have just revealed, but they cannot show any reason why the Tariff should have the support of the miners. When the miners have an opportunity of speaking they will make their feelings known most decisively, I have no doubt.

Mr Chapman

- They have spoken once or twice already.

Mr SYDNEY SMITH

- When the Prime Minister went to Maitland and to Bathurst and to other places in the State of New South Wales, he told the people that both free-traders and protectionists could come on to his platform, because his Tariff would be a moderate revenue Tariff. He was not going to have every protective duty" in his Tariff, or, as he used to call it at one time, a Chinese system of protection.

Mr Chapman

- The honorable member was a member of the Government which gave us the finest protection we had in New South Wales.

Mr SYDNEY SMITH

- We gave you the freest Tariff to be found in any part of the world. We carried out the free-trade - system there because we were prepared to do what other Governments had advocated, but had been afraid to undertake, namely, to impose direct taxation which would relieve the people of taxation on the necessities of life through the Customs.

Mr Chapman

- But the honorable member was in a Government before that.

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Mr SYDNEY SMITH

- I was, but I will defy any honorable members to point to any speech or vote of mine which had any semblance of protection in it. I have always been a free-trader because I believed in it. I was consistent in my belief in free-trade. When I went up for election whilst I was a member of the Reid Government the honorable member for Eden-Monaro was one of those who told me that I was committing political suicide by going against the Federal Bill ; but the correctness of my attitude has been proved since. I believed that unless the Bill were altered in the way I advocated there would be a danger of the people I represented being misled, and that has been shown to be correct. That was only because I wanted certain amendments in order to safeguard our State and the Commonwealth. I was not against federation, because I can claim what very few federalists can claim, namely, that. I was a member of the

Parkes Government when the first practical step was taken towards the consummation of federation in Australia. I supported Sir Henry Parkes in his desire to bring about federation, but because of that it is not to be supposed I was in favour of every line in the Bill. I wanted a Bill that was fair and just, and I took my part in voting and speaking against the measure which was presented to the people. Of course, when the people accepted the Bill, I was one who loyally abided by that vote, as I believe every honorable member should. I feel sure, however, that if the people had had an idea that they were being deceived, a very different result would have followed the elections. The Prime Minister, no doubt, succeeded in obtaining a seat for a free-trade constituency, and in securing supporters in other places by the misrepresentations made while the election was going on. I have no hesitation in saying that if the Tariff, as now proposed, had been submitted to the people of Australia at that time, there would have been no Barton Government to-day ; and, further, if the people had an opportunity of deciding now, we should soon see a different state of affairs. The people have been deceived, and none more than those the Prime Minister represents. But the Prime Minister did not deceive me, because I had had experience of him before in connexion with this very question. I was a member of the Parkes Government when the right honorable gentleman moved the adjournment of the debate and brought about the defeat of that Administration. The right honorable gentleman was then pledged not to alter the Tariff - and he has made some reference to that matter tonight - and said that he would have nothing to do with the Dibbs party. But within ten days of our defeat he joined the Dibbs Government, and a few days afterwards brought forward his protectionist policy. I believe that a result will follow the debate to-night, similar to that which followed the debate to which reference has been made by the Prime Minister. The fangs of protection were fastened on the State of New South Wales by misrepresentation, which misled the people, and when the Government went to the country with their protectionist proposals, the Barton Government became a thing of the past.

Mr Chapman

- Nonsense !

Mr SYDNEY SMITH

- No protectionist Government has ever appealed to the people of New South Wales on the fiscal issue and won at the polls.

Mr Chapman

- What about the last election ?

Mr SYDNEY SMITH

- The last election was the only election for twenty years in which I was not an active member of the election committee, and it was the only election during that time which was not fought on the fiscal issue. I may be wrong, and I know I differed from many members of my party, but my own opinion is that the election ought to have been fought on that issue. Unfortunately, we had difficulty in making a number of freetraders believe that there was any danger of a system of protection being proposed. They took the word of the Prime Minister, and I am sorry to say they have been deceived. I am sorry for the people of Australia, because I believe this Tariff is an endeavour made by the Government to fasten on the community a policy which the people do not believe in and do not want. I am sorry that I did not hear the whole of the Prime Minister's speech tonight, but in the short time I was in the Chamber, I heard him refer to the benefits of protection. As to that, I have heard the right honorable gentleman make strong speeches on the benefits of free-trade. I have heard the right honorable gentleman time after time tell the electors of East Sydney, one of the strongest free-trade constituencies in the State of New South Wales, what a great thing free-trade is. I have heard the Prime Minister refer to a Chinese system of protection. Would he apply that term to the proposals before us to-night ?

Mr Chapman

- It is a long time since the Prime Minister advocated free-trade.

Mr SYDNEY SMITH

- I do not want to say anything personal, but it is difficult to find out what the Prime Minister does advocate. It must be admitted, however, that he has been free-trader, protectionist, and free-trader again; now he has come back from free-trade to protection again.

Mr Chapman

- That is not true.

Mr SYDNEY SMITH

- The honorable member knows very well that what I say is correct.

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Mr Chapman

- The honorable member knows that when the Prime Minister joined the Dibbs Government, he joined on the stipulation that he was to have a free hand in regard to federation.

Mr SYDNEY SMITH

- And for two years the Prime Minister did nothing, though Sir George Dibbs did give him a free hand.

Mr Chapman

- And the honorable member moved a vote of censure every week.

Mr SPEAKER

- I must ask the honorable member for Macquarie to confine himself to the motion before the House.

Mr SYDNEY SMITH

- I am endeavouring to do that, if honorable members will allow me. What I am saying, however, is important, because we are called upon to trust the affairs of this Commonwealth, and the policy of a free-trade Tariff, in the hands of the Prime Minister ; and I think I am justified in pointing out reasons why it is undesirable for Parliament to trust the Tariff in such hands. I have heard honorable members opposite, time after time, twit the leader of the Opposition with something he said or did five years ago.

Mr Reid

- That was done to-night.

Mr SYDNEY SMITH

- I do not wish to transgress the rules of Parliament, but I think, Mr. Speaker, you will admit it is only fair that the House should know the man who is now claiming the support of honorable members in order to fasten the fangs of protection on the Commonwealth. Mr. SPEAKER. - The motion relates to the financial and Tariff proposals submitted by the Government, and anything dealing with these proposals will be in order. But reference to the conduct of some member of the Government, or some honorable member of the House, in connexion with some State Ministry six years ago, is not, I think, in order.

Mr SYDNEY SMITH

- Is it not in order for me to show, as has been done over and over again, the opinions of different public men on the fiscal issue? This is an important question, and we have to base our arguments to a large extent on the experience of other places, and, in some cases, on the opinions of honorable members who represent those places.

Mr SPEAKER

- I did not call the honorable member to order so long as he was following that course. The honorable member has a perfect right to quote the opinions of an honorable member at any time in reference to free-trade or protection, but the matter with which he was dealing, when I called him to order, was the conduct of the Prime Minister some years ago as to federation in connexion with the Dibbs Government.

Mr SYDNEY SMITH

- That, I submit, is intimately connected with the question before the House, seeing that the Prime Minister was a member of that Government, though at one time he advocated free-trade. In fact, he was a supporter of the Government of which I was a member, but afterwards went over to the other side, because there was a portfolio available for him. I have heard the Prime Minister to-night urge the advantages of protection, but I have seen no evidence of such advantages so far as New South Wales is concerned. The leader of the Opposition clearly showed to-night that three of the largest manufacturers of boots in our State are strongly against any system of protection.

Mr Mauger

- They are large importers also.

Mr SYDNEY SMITH

- They are large manufacturers. They employ over 1,000 men, so that they must not only import, but also manufacture.

Mr Tudor

- It is not stated that they employ 1,000 men; the term "hands" is used.

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Mr SYDNEY SMITH

- The honorable member cannot point to Victoria in regard to the employment of men. The manufacturers here are increasing the number of women they employ, and that is what has caused the trouble in Victoria. They are not increasing the number of male hands in their factories. A good many of the males employed in the Victorian factories are boys. They have had protection for about 30 years, and, speaking from memory, I believe there are fewer males by a good many employed in the factories to-day than there were many years ago. There is a far larger proportion of men employed in the Sydney factories. I do not know to what extent these Sydney manufacturers import, but I know that they have the most modern machinery, and employ about 1,000 hands. They do not require any protection. It is only the boot manufacturers of Victoria, who have had protection for 30 years, who require to be protected now. They are crying out against the competition from free-trade New South Wales', and asking for some alterations. I join with them in desiring to bring about an alteration, but not in the way they want.

Mr Isaacs

- They are not crying out against New South Wales.

Mr SYDNEY SMITH

- But they make out that after 30 years they still require this protection to continue. They admit, in point of fact, that they have not succeeded under the protection system, notwithstanding the high rate of duty that has been imposed.

Mr Isaacs

- What about the Prime Minister's point as to the wages paid ?

Mr SYDNEY SMITH

- My honorable and learned friend must admit that the employees in New South Wales have shown that they are able to look after themselves, and to insist upon proper wages being paid to them. In some instances the wages are higher than those paid in Victoria. What a different picture we have between the position of the manufacturers of boots and shoes in Victoria and in New South Wales. The four largest manufacturers in New South Wales-

Mr Clarke

- And importers.

Mr SYDNEY SMITH

- I dare say they are importers ; but they are also the largest manufacturers in our State, and have the best machinery. They employ 1,000 hands, and have no protection at all. They say that they are prepared to live on without any protection, whereas the manufacturers of Victoria say that they will die without protection.

Mr Crouch

- Is it in one factory that they employ 1,000 men?

Mr SYDNEY SMITH

- No; three boot manufacturers and a slipper maker employ 1,000 between them. The three are McMurtrie and Company, Taylor and Company, and John Hunter and Sons.

Mr Crouch

- Are not the Hunters retailers also ?

Mr SYDNEY SMITH

- I suppose so.

Mr Crouch

- Does the number of employees include their salesmen ?

Mr SYDNEY SMITH

- No ; only the men employed in factories. That is what they say in their letter. In Victoria the manufacturers have been protected against imports, the unfortunate consumers have had to pay a higher price for their boots, and the cost of living has been increased to that extent, whilst in some cases the little ones have had no boots to their feet in consequence of the high price charged for boots. The Victorian manufacturers have had the advantage of our free market, whilst their local market has been conserved for their benefit ; whereas we in New South Wales are thriving without any such restrictions, and do not want any protection for our industries at all. Wherever one looks in New South Wales one finds prosperity attending our industries. We employ men in our factories. Take the male hands in Victoria by way of comparison. I have pointed out that there is no increase in male hands.

Mr Reid

- 2000 as against 10,000.

Mr SYDNEY SMITH

- And there are about 8,000 or 9,000 females employed in New South Wales, and double that number of females employed here.

Mr A McLEAN

- What about the female employment in free-trade England?

Mr SYDNEY SMITH

- I will come to that presently. Honorable members talk of England. I am sure they are very proud to live under the British Crown. They are glad to look to the old country for help and assistance, and proud to enjoy a measure of freedom which does not exist in any other country. If we compare the United Kingdom with any of the great countries of Europe, it will be found that the agricultural and manufacturing industries, per head of population and per square mile of territory, are wonderful. I take the area as well as the population, because my honorable friends opposite are fond of comparing the area of Victoria and New South Wales in this respect.

Mr Isaacs

- As long as the honorable member admits that, it is all right.

Mr SYDNEY SMITH

- I do not admit it ; I am saying that, compare the condition of England as honorable members like - per head of the population or per square mile of country - her success will be proved. It will be found on these comparisons that England can hold her own against any of the other countries.

Mr A McLEAN

- In agriculture ?

Mr SYDNEY SMITH

- In agriculture and manufactures. We know that some parts of England are more suitable for manufactures than for agriculture, and capitalists go in for what suits them best.

Mr A McLEAN

- England stands third rate in comparison with the States of Europe so far as agriculture is concerned.

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Mr SYDNEY SMITH

- I had some very interesting calculations prepared, showing the difference in all the main lines - in agriculture, manufacturing, wealth, and commerce.

Mr Ronald

- It has all been worked out,, and to the disadvantage of England.

Mr SYDNEY SMITH

- My honorable friend may have got the Age to work it out in their usual way ; but I cannot accept the Age statistics in this matter.

Mr Ronald

- I do not go to the Age for my statistics. I have not seen the Age for months.

Mr SYDNEY SMITH

- All honour to my honorable friend for showing that he is able to stand against the Age ! If my honorable friend will compare the progress made in other countries, he will find that there is no country so prosperous as England, considering her area and the population that she has to maintain per square mile. We must remember that, compared with the other great powers, England has to maintain a very large population per square mile.

Mr Reid

- Forty millions in a place not much bigger than Victoria.

Mr Mauger

- Who is making this speech ?

Mr SYDNEY SMITH

- That fact is admitted. We have read the opinions of great men and of what took place under a system of protection in England in the forties. We have only to look back to those dark days - for they were dark days - and to compare the conditions of the people then with those of the people at the present time--



Mr Mauger

- Hear, hear.

Mr SYDNEY SMITH

- My honorable friend says "hear, hear." If he would only take away his attention from the Age statistics, and give heed to reliable figures, there would be some chance of his being educated in the right direction. So long as he continues taking his education from statistics as prepared by that journal, I have no hope for him. As the right honorable the leader of the Opposition has said, the only hope for him is that he will go over to New South Wales and take a little fresh air for a time. Then there will be a difference in his views.

Mr Mauger

- I will give the honorable member some English statistics to-morrow.

Mr SYDNEY SMITH

- The honorable member may do so, but he will not be able to tell me much about England that I do not know already. I look upon this question as the most important that is likely to be dealt with by the Federal Parliament, and therefore I think it behoves every honorable member to prepare all the information he can secure to support his opinions. We do not object to other honorable members putting forward their view of the question. We would have the public decide between us; but we have a right to expect what we do not get in Victoria, and that is a fair chance of placing our views before the Victorian people through the medium of one of its leading journals. We do not object to criticism. I do not care how the newspapers criticise me. All I desire is that statistics and reports of speeches should be prepared, and published in a fair, straightforward, and honorable manner. I would leave the public to judge of those statistics for themselves, and permit them to be criticised in the leading columns in any way that is thought desirable. That is the rule which ought to be followed. It is common talk that neither the leader of the Opposition nor any other honorable member on this side of the House has had a possible chance of obtaining a fair report of our proceedings as they affect the State to which we belong.

Mr Mauger

- The Argus devotes columns to honorable members on the opposition side.

Mr SYDNEY SMITH

- I am talking about the honorable member's newspaper. We know very well that the honorable member must be guided by the statistics and the advice given by that journal. He admits that.

Mr Page

- To what journal does the honorable member refer 1

Mr SYDNEY SMITH

- To the Age. When my honorable friend the member for Melbourne Ports gives us the marvellous statistics about Great Britain that he has indicated, we shall find probably that they have been quoted in the Age at some time or other, and if we look at Mulhall for confirmation we shall find, probably, that the same misrepresentation has taken place as that which, as I have pointed out, has occurred in regard to New South Wales.

Mr Mauger

- Is it true that Sydney newspapers will not report a protectionist speech 1

Mr Reid

- No.

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Mr SYDNEY SMITH

- So far as I am concerned, I do not think such a practice would be fair journalism. Honorable members on the Government side of the House might as well say - "We shall not let any one on the opposition side speak, because they are all free-traders over there." We do not want any favoritism.

Mr Ronald

- We want a new newspaper.

Mr SYDNEY SMITH

-No, we only ask for fair play.

Mr Mauger

- The honorable member wants an Age in New South Wales.

Mr SYDNEY SMITH

- We do not care a snap of the finger for the Age, but we do object to the people of Victoria being misled by a system of misrepresentation which brings discredit on the State.

Mr Bamford

- What about the little duty on printing paper ?

Mr SYDNEY SMITH

- I think the proposed duty on paper has had a cooling effect upon the Age. Lately that journal has been finding something wrong with the Tariff. It is said that the Government ought to have done this thing or that,, but that we are not likely to get anything better from " that fellow Reid."

Mr Mauger

- - That is because revenue duties are proposed, and the Age desires protective duties.

Mr SYDNEY SMITH

- The Age does not know what it wants, save that it does not want that duty on paper. It is a pity that the people of Victoria do not get a fair opportunity of having the facts- pieced before them. The honorable member for Southern Melbourne had to bear a good deal of the Age criticism and to submit to a good deal of misrepresentation. Notwithstanding that I do not agree with my honorable friend on the question of free-trade or protection, I was very glad to see that when he got an opportunity of going before the people, he was able to convince them that the Age statistics were incorrect.

Mr Ronald

- Jj got it from both of the morning' newspapers.

Mr SYDNEY SMITH

- Then the honorable member's return was all the more creditable to. him.

Mr Crouch

- - The Age seems to be a sort of nightmare te the honorable member.

Mr McDonald

- Some1 honorable members cannot speak without the Age.

Mr SYDNEY SMITH

- The right honorable the leader of the Opposition has moved a motion- which should commend itself to honorable members. It is a motion which. I feel sure will receive the indorsement of the great bulk of the people of the

Commonwealth when they have an opportunity of speaking upon this question.

Mr Willis

- They have spoken, out pretty well already.

Mr Page

- What about reapers and binders 1

Mr SYDNEY SMITH

- I have heard that matter discussed in Victoria for the last twelve or thirteen years. It seems to furnish a stock argument.

Mr Mauger

- A good argument, too.

Mr SYDNEY SMITH

- I think we shall hear something about that matter before the Tariff goes through. At all events the farmers will not be gulled by the talk in regard to the reaper and binder business, although they were gulled once. That question has been brought up at every election, and they are beginning to see that it is a little stock argument.

Mr Page

- Is the statement true which has been made in regard to it by the Minister for Trade and Customs 1

Mr SYDNEY SMITH

- The right honorable and learned' gentleman says that it is.

Mr Page

- But the honorable member was Minister for Agriculture in New South Wales. Is the statement true %

Mr SYDNEY SMITH

- Honorable members on the Government side of the House- have referred to some late quotation for

reapers- and binders,, showing a great drop in prices.

Mr Ronald

- Yes ; from £55 to £32..

Mr SYDNEY SMITH

- I feel sure that the people of the Commonwealth will favour the proposition submitted by the right honorable the leader of the Opposition,, whatever may be the decision arrived at by honorable members of this House.. There is no doubt that - as is pointed out in this resolution - the Tariff will press heavily upon the producing interests of this country. After all, the prosperity of the people of the Commonwealth largely depends upon these great industries. We cannot help the miners or the agriculturists by any system of protection. If we increase the cost of 1 mining machinery, the employment of which is necessary to enable men to properly develop the mineral resources of Australia, we shall add to the price of living without giving any compensating advantage in the shape of higher wages. No system, of protection will help our agricultural or mining interests.

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Mr Ronald

- We will try it.

Mr SYDNEY SMITH

- My honorable friend will admit that when the farmer has reached that stage at which he is able to produce all that he requires for his own consumption and to have a surplus for export, no system of protection will help him to secure an enhanced price for his produce. I regret that the Government have brought down, contrary to the implied intention of the Prime Minister, a policy which does not meet with the approval of the State which I have the honour to represent. I feel sure that it does not meet with the approval of Western Australia or Queensland, or of a majority of the people in Tasmania and South Australia. The only State in which the Government can hope to secure the support of a majority of honorable members upon this iniquitous Tariff is that of Victoria.

Mr Isaacs

- Then honorable members on that side ought to win upon this motion.

Mr SYDNEY SMITH

- I am talking about the opinions of the people, and not of the opinions of individual members of the House, because, with all due respect to my honorable and learned friend, I repeat that the Prime Minister secured his seat for one of the strongest free-trade constituencies in New South Wales by misleading the electors, and by making them believe that he would not submit a protective Tariff to this Parliament.

Mr Page

- The people who go down always think that they have been misled. Australia's noblest son !

Mr SYDNEY SMITH

- That was all very well before the Prime Minister had to express his opinion, and to prepare a policy for submission to the people of Australia.

Mr Page

-Did he not do that at Maitland?

Mr SYDNEY SMITH

- He submitted one policy, and is endeavouring to carry out another.

Mr Page

- He has not carried it out yet.

Mr SYDNEY SMITH

- The honorable member may be sure that if I can prevent it, the Prime Minister will not carry out his policy. I shall do all I can to prevent many of the gross acts of injustice that would be perpetrated to the discredit of the Commonwealth Parliament if this Tariff were carried through in its present form. My justification for taking this course is that all that could be done by the Government has been done to conceal the real reason which has prompted the introduction of this protective Tariff. As I shall take some considerable time to complete the remarks which I have to make, I ask that leave be granted to me to continue my speech to-morrow.

Debate adjourned.

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22:31:00

House adjourned at 10.31 p.m.