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1901-12-03

House of Representatives

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

QUESTIONS

CUSTOMS ENTRIES

Mr GLYNN

- I found yesterday, upon enquiring at some of the warehouse's, that in one case thirteen separate papers had to be signed to pass an entry, and that in another case fourteen had to be signed where formerly only four were necessary. I ascertained also that, in connexion with the importation into Adelaide and exportation to Broken Hill of a parcel valued at 5d., there had to be an entry at Adelaide, and another at Broken Hill, whereas formerly one announcement that the duty had been paid was sufficient. Another matter to which I wish to refer, is that warehousemen used to be allowed to make clearances from their warehouses at - Adelaide, but they are now obliged to make their clearances at Fort Adelaide, and, in order to do so, they have to employ an agent. I ask the Minister for Trade and Customs if he will endeavour to facilitate the work of passing entries, and reduce the number of papers which it is now necessary to sign.

Minister for Trade and Customs

Mr KINGSTON

- The desire of the Government is to remove all inconveniences which are not absolutely necessary for the security of the revenue, and we are reconsidering our regulations in view of the experience which we are getting of their working, in order to their simplification and to the removal of any unnecessary trouble. I shall be very glad to be advised of any difficulties which may exist in the direction to which the honorable and learned member has referred, or in any other direction, so that they may be taken into consideration.

AMMUNITION

Mr PHILLIPS

asked the Minister of

Defence, upon notice-

What is the reason a notice was posted at the Williamstown Rifle Ranges on Saturday last that '303 ammunition was not available ?

Was this order given in consequence of a shortage of supply, and would it not curtail the efficiency of that most desirable arm of our military service, the rifle clubs ?

Minister for Defence

Sir JOHN FORREST

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

The notice was not posted by order of the Defence department.

No instructions to stop the sale of ammunition at the rifle ranges have been issued by the Defence department.

TARIFF

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In Committee of Ways and Means : -

Consideration resumed from 2nd December.

Item 64. - Piece Goods, viz. : -

Woollen, or containing wool, n.e.i., ad valorem, 20 per cent.

Shirtings (fancy), n.e.i., coatings, vestings, trouserings, si. e. i. , flannels, and flannelettes, ad valorem, 20 per cent.

Silk, or containing silk or having silk worked thereon, 15 per cent.

Velvets, velveteens, pushes, ribbons, galloons, lace, lace flouncings, millinery nets, and veilings - all kinds and materials, ad valorem, 15 per cent.

Cottons and linens, viz., blue frocking, batter and cheese cloth, calico, white and grey, drills, cluck, dungaree, jeans, moleskins, oil baize, leather cloth, sheetings (including forfar, dowlas, and flax), shirtings, white, and Oxford, Cambridge, and Harvard, ticks, towellings, window nets, and hollands, ad

valorem, 10 per cent.

Cotton and linen piece goods, n.e.i., ad valorem, 15 per cent.

Special, Exemptions -

Felt sheathing, bunting.

Milling silk.

Cotton and linen piece goods, viz. : - Italians, silesias, linings, n.e.i., pocketings, flax paddings, buckrams, French canvas, wick, lamp and caudle.

Hair cloth and hop cloth.

Canvas, hessians and brattice cloth.

Mr HUGHES

- I propose to ask the Government to place cottons and linens, and cotton and linen piece goods, not elsewhere included, upon the free list. I do not intend to deliver a lengthy speech in support of my proposal, because I am persuaded that no set of men such as are here assembled can be ignorant of the very great importance of the articles which are enumerated under the headings to which I refer. They enter very largely into the daily consumption of all classes of the population, and represent some 20 per cent, of the expenditure of the people of Australia. I am very glad that the revenue receipts are exceeding the Treasurer's estimate. The right honorable gentleman, of course, discounts the fact by saying that last month was a very heavy one, and that next month the returns may not be so good ; but no doubt if the returns had been below his estimate, he would have been told by us that it was, therefore, so much the more necessary to keep every item on the Tariff exactly as it stands. Every person in this country must use cotton goods whether they are taxed or not, and, therefore, to put duties of 15 and 10 per cent, upon them is an infamous imposition. We find that under the Victorian Tariff, these articles were admitted free. The Treasurer estimates to receive something like £338,000 from these goods, and whether that is or is not an over-estimate, he should be in a position, in view of the increase in the revenue, to remit that amount. I am sure he is not one who wishes to levy a tax upon the people merely for the sake of taxing them. It cannot be said that there is any chance of growing cotton here. It has been grown experimentally in Queensland, but it has not been a success, nor is it likely to be successful within our time. But the making up of cotton goods from piece goods is an industry which has attained some degree of importance in some of the States. The only objection that can be raised to my proposal is on the ground that it will diminish the revenue. Honorable members opposite are as ready as we are to strike these articles off the list, because the duty on them is really a duty upon raw material. I trust that the Treasurer will regard my proposal in that light.

Mr WILKINSON

- I have an earlier amendment to move. I propose the removal of butter and cheese cloths, white and grey calico, sheetings, and towellings from the 10 per cent rate, as I think they should come under the 15 per cent, ad valorem duty imposed upon cotton and linen goods not elsewhere included, since these particular articles can be manufactured and are manufactured in Queensland. With the measure of protection afforded by a 15 per cent, duty, I think that the industry could be re-started and fostered in Queensland.

Mr. HUGHES(West Sydney).- May I point out to the honorable member for Moreton that I have moved the omission of the two items " cottons and linens " and " cotton and linen piece goods n.e.i." One was differentiated from the other, because the duty proposed was 15 per cent, in one case and 10 per cent, in the other,, but now it is proposed to make the duty 10 per cent, in each case, and therefore the; two items make one line.

Mr Wilkinson

- I quite understand that.

The CHAIRMAN

- It will be necessary for the committee to give their concurrence to the taking of the item " cotton and linen piece goods, n.e.i.," at this stage.

Honorablemembers.-Hear, hear.

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Mr WATSON

- I would suggest to the honorable member for Moreton that if the amendment of the honorable member

for West Sydney should be defeated he would then have an opportunity to move for either a transference of the items he speaks of or for an alteration of the duty on cotton goods. I think that the Government and the committee might very well consider the propriety of consenting to the amendment of my honorable friend. It is true that a large amount of revenue is involved in the duty on cotton piece goods. But I am one of those who do not think it is necessary that the Commonwealth should raise the amount of revenue which the Government have set out as their objective. They represent that it is necessary to raise nearly £9,000,000 in order to safeguard the interests of the State Treasuries. In the debate on the motion of censure, a number of us attempted to show "that the interests of the State Treasuries were not identical with those of the State taxpayers, and that it was a mistaken kindness on the part of the Government to seek, by means of these duties, to raise an inordinate sum from the State taxpayers, who tire least able to bear the burden, while allowing to go comparatively free of taxation those who are better able to bear the burden of the State finances. If the people who are wealthy, and who in many of the States escape with a comparatively small measure of direct taxation, or none at all, cannot bear an increase of taxation, how can we vote for a degree of taxation such as is involved in this Tariff 7 In the duty on cotton piece goods and articles of apparel made therefrom, it is the poor people who are mostly concerned. It is asserted that in suggesting these alterations our desire is to allow the working man to go free of taxation. What utter nonsense it is for any one, here or outside, to talk in that "way, as though the man at the bottom of the ladder could, if he wished, escape taxation ! Whatever kind of taxation is imposed he will have to bear more than his share in proportion to his ability to 'pay. Even if the Tariff were amended in the direction proposed by the members of the party to which I belong, the poor man would .still have to bear a very large proportion of the taxation, and compared with his means to pay, the greater proportion of it. I presume that none of us would prefer to wear cotton apparel, if we could afford to wear woollen apparel, except in the case of one pr two articles. There is hardly a person in the Commonwealth who would not, if he could afford it, prefer to wear woollen goods, especially in the variable climate which obtains in the greater part of Australia. Mr. Piesse. - What about ladies' dresses ?

Mr WATSON

- It would be a good thing if the people were encouraged to wear woollen, rather than cotton articles, next to their bodies, in cases where they are subject to variation of climate.

Mr Tudor

- Eighty-five per cent, of ladies' dresses are made of wool.

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Mr WATSON

- They are largely made of wool or woollen mixtures. I am willing to vote for a duty on woollen goods, because we are manufacturing from our own wool a very large proportion of the commoner kinds of clothing which the people wear. I do not know whether I can appeal for ratification of this statement to the honorable member for Wentworth, but I believe that nearly, all the wholesale houses of Sydney have their slop goods made out of colonial tweeds. It is a good thing that they do, because although in the majority of instances the tweeds have not the high finish that distinguishes English or New Zealand tweeds, they possess a good wearing quality, and being all wool are likely to give general satisfaction. We should recollect that it is the poor people principally who are compelled by circumstances to wear the commoner and cheaper varieties of cotton clothing. It is a question, not of allowing them to escape taxation, but of adjusting the burdens under which they would be compelled to stagger if the Tariff were carried in its complete form. There is hardly an item of ordinary consumption that is not taxed under the Tariff, and therefore there is the more reason, in my opinion, for removing the duty from items such as cotton piece goods, tea, kerosene, and articles without which the people cannot do. I trust that the committee will see the propriety of eliminating this item. Later on, we can consider what relation the duty on the made up goods should bear to the duty on the raw material. If we should omit the duty of 10 per cent, on cotton piece goods, it would not be necessary I should imagine, to retain such a high duty as 25 per cent, on the made-up article. There is a disposition, I know, amongst some honorable members to place a fairly high duty on cotton piece goods, but I would ask those who have been fulminating against the Tariff throughout the Commonwealth. who have been pointing out its drag-net characteristics, and the fact that it bears so harshly on the great mass of the people - to consider well "before they vote against this amendment, which would undoubtedly have the effect of largely relieving from taxation a class of people

who, I think, are the most deserving of our consideration, because of their inability to bear a high impost.  
Treasurer

Sir GEORGE TURNER

- This is a very important item from a revenue stand-point, and as the honorable member for Bland has just mentioned, it is only one of a number of items that are to be attacked, simply because they are revenue items, and are therefore sought to be struck out. It was only the necessities of the case that induced me to propose a dirty on these articles. If I could have seen my way to allow this class of items to come in free, I should have been only too glad to do so. The honorable member for Bland holds a view entirely different from that which I, as Treasurer, hold with regard to the duty of the Government and of this Parliament towards the States. He seems to think it is not material that we should raise a sufficient sum to keep the States in the position in which they ought to be kept : I do. I believe that the States entered into this Commonwealth on the faith of promises which were made in the convention, and which are practically embodied in the Constitution - that we should take such steps in framing the Tariff as would enable them to be kept in as good a position as they had been in previously. It is all very well for honorable members to say it is the duty of the States to raise whatever may be short in their revenue by some means of direct taxation. In one of the States, the senior State, as my honorable and learned colleague calls it, there is no difficulty. They have plenty of money, plenty of land.

Mr Watson

- They are spending all we can give them.

Mr JOSEPH COOK

- I desire to know, sir, whether the Treasurer is in order in discussing the relation of the Commonwealth to the States in its broad financial aspects, under cover of this amendment 1

Mr Watson

- It is almost impossible to consider a large item of revenue without giving some consideration to that point, and I do not think it can be out of order, sir, for an honorable member to say what effect a reduction or an increase of taxation would have on the finances of the States.

Mr Barton

- I should like it, sir, to be made clear that there is no intention on the part of the Government to run into any kind of debate which will insure that any and every proposal for a reduction of duty shall be debated from the stand-point of its effect on our obligation to sustain the finances of the various States. This is an exceptional case. It is a line which involves some hundreds of thousands of pounds, and the broad question whether large reductions or omissions, of such lines will affect that obligation which the Government has always held to, and in which it expects the support of the committee, is one which I think may be considered in dealing with large items of this sort, while it would have no relation to debates on items which involve only small fluctuations of revenue. There, I think, is the dividing line, and if you, sir, agree, the matter may be easily settled.

Mr McDonald

- If, sir, you allow a discussion to take place in this case I do not see how you can legitimately prevent one from, taking place upon similar items of the Tariff I certainly think no exception should be made. There are a number of other items to which the arguments used in this case might be applied, and if the Treasurer is to be allowed to make a general statement now, we shall establish a practice which will have to guide us throughout the whole discussion of the Tariff, and which will prove very inconvenient.

Mr Conroy

- For once I agree with the Minister. We recognise that a certain amount of revenue has to be derived ; that the bearing of this and some other items upon the financial position of the Commonwealth and of the States is a very important one; and that therefore every latitude should be allowed in the discussion.

Sir William McMillan

- The general rule in matters of this kind is to allow a certain amount of latitude to the Minister in charge of a measure. No hard-and-fast rule can be laid down as to what is to be regarded as relevant or irrelevant, and I am quite willing, so far as I am concerned, to leave it to the Chairman to decide to what extent latitude shall be permitted. I should be very sorry if the Treasurer felt himself in any way cramped in explaining to the House the full effect of any proposal.

Mr Wilks

- I find that there are fully fifteen or sixteen items in the Tariff each of which will probably involve revenue to the extent of £100,000, and in connexion with which a wide range of discussion should be allowed. I hope, Mr. Chairman, you will bear this in mind in giving your ruling.

Mr Glynn

- I agree with the suggestion that we are entitled by the rules of debate to consider what will be the effect of the excision of a particular duty on the general financial proposals of the Government. It is the privilege of the members of the committee to deal with every item from- the point of view of its effect upon the revenue generally, and to consider whether the object of the Government could not be met by the variation of other duties- in the case of an alteration of the duty under discussion. I would remind you, Mr. Chairman, that we are not only exercising the functions of a Committee of Ways and Means which deals with the annual Budget, but that we are really dealing as a Committee of the Whole House with fixed duties which will be permanent taxes upon the community. So far as the Committee of Ways and Means is concerned, it is quite competent for any honorable member when proposing to reduce a duty to refer to his intention to increase some other duty, or to show that if one duty is excised, Supply may be met by increasing another. We have that right according to English practice, and also according to the colonial practice.

Mr McCay

- It is absolutely impossible to avoid reference to the effect upon the revenue of many of the items in the Tariff, and if - the Chairman were to rule as has been suggested, and the Treasurer is not able to make such a statement as he was entering upon, the limits of discussion would be seriously restricted. It rests largely upon members to refrain from unnecessary discussion, so that our debates may not be unduly lengthened, or that the privileges accorded to us- may not be abused. The Treasurer was pursuing a perfectly connected line of argument in pointing out that if certain duties were excised we should lose a very large amount of revenue and seriously embarrass the States. The item now before us is eminently one upon which a general discussion of its effects upon the revenue can be raised without any suggestion of irrelevance.

Mr Hughes

- I think it would be unfair if the Treasurer were to be prevented from pursuing the line of argument upon which he has entered. We are pointing out the injustice of taxing the manufacturers' raw material, and the only argument that can be used on the opposite side is that the abolition of the duty will seriously affect the revenue. I think, therefore, that reasonable latitude should be allowed,- and that every member of the committee should have an opportunity of traversing the arguments of the Minister.

The CHAIRMAN

- There is no doubt as to our standing orders, which state that no honorable member shall digress from the subject before the Chair ; but I take it that it would be most inconvenient if the committee were to request the Chairman to give a strict ruling on that point, so far as Ministers in charge of business are concerned. I have endeavoured in the past, with the concurrence of the committee, to allow the Minister in charge of the business to make a general statement, and I have also extended that latitude to the acting leader of the Opposition, to enable him to reply to statements by Ministers. At the same time I have tried to restrict the discussion by other honorable members to the item before the committee. I think that that would be the most convenient course to follow. If I am requested to rule strictly that the Minister is not in order in digressing from the subject before the Chair, I shall be compelled to so rule in every case ; but it has been the practice to allow a certain amount ' of latitude to the Minister in Charge of the business and the leader of the Opposition. If the committee give their concurrence to a general debate they are their own masters, and their decision must guide me. I do not know whether the honorable member for Parramatta desires me to rule strictly now, because if he does I am afraid it will prove most inconvenient.

Mr JOSEPH COOK

- I do ask for your ruling, Mr. Chairman.

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The CHAIRMAN

- According to/ay-

No member may speak except when there is a question before the House, or the member is about to

conclude with a motion or amendment. These are the only exceptions which are admitted : Questions put before the commencement of public business, to Ministers or other members of the House (see page 236) ; personal explanations (see page 303) ; and statements made by the Ministers of the Crown regarding public affairs.

I would, therefore, suggest that the committee might give its concurrence to the Minister making the statement which he desires to deliver, and that members of the committee should then confine themselves to the subject before the Chair.

Mr SYDNEY SMITH

- What course would be followed in the event of the leader of the country party or of the labour party desiring to make a statement 1

The CHAIRMAN

- I am bound by the practise of the House of Commons, which recognises only two parties, namely, the Government and the Opposition, and any general statement should be confined to the leaders of these parties.

Mr Glynn

- I quite appreciate the position in which you are placed, Mr. Chairman, but I should like to ask if you rule that it will not be competent for any honorable member in proposing the excision of an item to make a suggestion - so as to discount opposition from the point of view of a shrinkage of supply - that the amount that would be lost might be recouped by varying other items 1 I contend that individual members of the committee have a perfect right to make such references, even though the items to which they may refer have no direct relation, except from the point of view of revenue, to the item under discussion.

Mr Page

- Do I understand, Mr. Chairman, that you will not recognise the labour party, but that you know only two parties, namely, the Government and the Opposition 1 If that is your ruling, the sooner we know where we stand the better. You will be very quickly made aware, Mr. Chairman, that there is a third party in this House. A third party is recognised . in the House of Commons, and I should like to know whether the Government support the Chairman in his ruling, or whether they recognise the existence of a labour party in this Chamber ?

Mr Watson

- We will see that we are recognised.

Mr Page

- As the leader of the labour party says, we shall see that we are recognised.

Mr Wilks

- The Chairman has said that he had a long parliamentary experience in New South Wales, and I should like to refresh his memory by mentioning the fact that the late Speaker of the Legislative Assembly in that State, Sir Joseph Abbott, who was well versed in parliamentary law and procedure, some years ago took a similar view to that now taken by the Chairman. \* But Sir Joseph Abbott did not long adhere to it, and three parties were subsequently recognised. The idea that there are only two parties in Parliament is a fiction which does not apply to Australia, and if you, sir, are guided by parliamentary experience, you will bear in mind that the recognition of three parties has been found wise, prudent, and useful. I trust you will reconsider your decision.

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The CHAIRMAN

- It would be better to clear up any misconception there may be. I made no such statement as that with which I have been credited. The honorable member for Dalley asked me whether I would recognise the labour party, or the "country" party, and he was about to proceed to mention some other party. I then said I had to follow the practice of the House of Commons, and recognise only two parties - His Majesty's Government, and His Majesty's Opposition. I have not declined to recognise the labour party. I have always given to the leader of that party, whenever I could do so, the earliest opportunity of taking part in all debates ; and beyond that I cannot go. I ask the committee to consider for one moment the position in which I should otherwise be placed. If I departed from the usual parliamentary practice, I should have to deal with half-a-dozen different parties ; and that would very soon bring the committee into an absolutely unworkable condition. %I have no desire that the committee should spend any more time in discussing a

question of this kind. I have given my ruling, and I ask the concurrence of the committee to the course proposed. They may, if they choose, prevent either the Minister or the leader of the Opposition from speaking. I certainly do not care about taking the responsibility at this stage of breaking through the old parliamentary usage of the British House of Commons, as laid down in May, and giving to any honorable member not occupying an official position a privilege hitherto restricted to those I have mentioned the right to make at any time a general statement. The ruling I have given indicates the most convenient course for the committee to follow,<sup>1</sup> and I ask the concurrence of the committee to the Treasurer continuing his statement as to the relation of this particular item to the revenue.

Mr FISHER

- In your ruling, sir, you stated that it is the practice of the House of Commons and of the Australian State Parliaments to recognise only two parties in the House. . But from my own knowledge I can tell you that that statement is altogether erroneous. In the Queensland Parliament three distinct parties have been recognised for a long time. For five years the so-called labour party, which was two-thirds larger than any other party in the State, was recognised ; but in spite of its numerical strength that party was modest enough to allow the so-called leader of the Opposition to take precedence. I tell this Chamber that if we are not allowed to take a reasonable course, we shall claim our rights as a party, and" if we fail to get them by petition, we shall get them by means of the inherent power of the party. "That is the position which we occupy. There will be no begging and praying on behalf of the labour party in this House while I am a member of that party. It is just as well, now that the question has been raised, that it should, be clearly and definitely laid down what position we occupy. The business of the House cannot proceed without a coalition of both sides, if the labour party is to be ignored. I do not think, sir, that your ruling is well founded, and I deny that it is practicable in a Parliament of this kind. When in Australia a member of the labour party has been called by the constitutional representative of the Crown to form a labour Government, it is rather too late in the day to give a decision of that kind.

Sir George Turner

- Perhaps I might end this discussion by saying that I shall make no further reference to the question as it affects the States, but shall deal simply with the effect on the revenues of , the Commonwealth of removing this item.

Mr Watson

- I should like to say a word before this discussion is finished. The whole idea underlying the granting of permission with concurrence, whether in committee or in the House, to a Minister or to the leader of the Opposition - or, for that matter, to any other representative person - is that the business may be facilitated - that we may ascertain, in a broad general statement, from one individual, what otherwise we should have to spend hours in ascertaining from individual speakers. That idea I do not think is derogated from in the slightest degree by the course suggested, whether the speaker represents the labour party, the country party, the Opposition, or any other body of honorable members. I conceive, with all respect, sir, that it is your duty, so far as the standing orders, will permit, to allow that method to be followed which will conduce to the expedition of business generally. As instancing my feeling in the matter, I may say that the other day, when it was suggested that the acting leader of the Opposition might be allowed to make a statement, I was very strongly in favour of permission being given, because, by that means, we were able approximately to ascertain the opinions of his party, and what then action would be in relation to certain matters. I believe that it will tend to the expedition of business if members, whoever they may be, who .speak on behalf of any section of the House, are allowed a similar latitude. If there is any disposition not to concede this latitude to any other section of the House except the Ministry and the direct Opposition, that will in effect mean that no other party will be allowed similar latitude. I certainly object to the leader of the Opposition speaking for the section of the House with which I am associated. While he very properly is the mouth-piece of those with whom he is directly associated, it would not be proper to take as authoritative what that gentleman may say, so far as honorable members in this section of the House are concerned. I only desire to say that, in my opinion, any person who can speak on behalf of a number of honorable members of the Chamber should, with concurrence, be allowed, equally with the leader of the Opposition, to make a general statement on any matter of importance.

The CHAIRMAN

- There is no question before the Chair ; and it will be necessary, if the debate is to continue, for an

honorable member to conclude with a motion.

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Mr SYDNEY SMITH

- I can see that a difficulty may arise, because when a Ministerial statement was made the other evening, objection was lodged against any reply by the leader of the Opposition. I thought it my duty, although some honorable members tried to prevent me, to ask what course you, sir, would follow if the leader of the country party or the labour party wished to make a similar explanation. I thought it wise that the question should be settled on some definite basis.

Mr Conroy

- I think, sir, you would be perfectly right if you allowed some reference to be made to the' question of revenue, in the same way that on clauses of Bills, references are permitted to general principles, not for the purpose of taking up time, but of explaining how a particular provision may be in contravention of the general proposal. If, however, the procedure were ruled by party considerations only, it would only be necessary for a man, in order to be entitled to speak, to detach himself and claim to represent a fifth or a sixth party.

Mr Piesse

- So far as I can understand, there seems to be a tendency to discuss these items of taxation, without regard to the object for which they are proposed. Are we to understand that in considering the items we are not to consider the revenue which is to be raised 1

Mr HUME COOK

- This is a Committee of Ways and Means.

Mr Piesse

- Exactly ; and in considering every item, I think we should ask ourselves whether we are going to get so much money, and how?

The CHAIRMAN

- I have not attempted at any time to prevent an honorable member, Minister or otherwise, from making incidental reference to subjects connected with that under discussion, or expressing an opinion as to the effect of an item on the revenue as a whole; "nor do I intend to do so in the future ; In reply to the remarks of the honorable member for Bland, I desire to point out that I occupy a very high and responsible position, and I have to follow the precedents which have been laid down for my guidance. It is not for me to make new precedents ; that is for Mr. Speaker and the House. This is merely a section of the House. We are in Committee of Ways and Means, and the question of the recognition of certain parties is a matter which should be determined when the Speaker is in the chair. In calling upon the Treasurer to resume, I would again point out that the practice of the House of Commons, as clearly laid down in Man/, is that the Minister in charge of a Bill has a certain privilege which other honorable members do not enjoy in regard to making a general statement. I shall, therefore, prevent upon an item of the Tariff anything like a general debate upon the whole question of the Commonwealth finances.

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Sir GEORGE TURNER

- We have not considered this item from a protectionist point of view. It may be that in some parts of Queensland cotton can be grown, and cotton and linen goods can be manufactured. But while a successful attempt has been made in that State by the granting of a bonus to cultivate cotton, the industry may perhaps be looked upon from a stand-point similar to that of the iron industry. There is no certainty that the mere imposition of a 10 per cent, duty would enable it to succeed, and - as in connexion with the iron industry - it would \_ not be right to attempt to establish it simply by a protective duty. It should be dealt with in a manner somewhat similar to that in which we are dealing with the iron industry. Therefore we regard this item merely from a revenue standpoint. Honorable members will realize that the Government have no desire to impose revenue duties for the mere pleasure of doing so. It is no pleasure to any Government to take more money out of the pockets of the taxpayer than they consider is absolutely necessary, for the purpose of enabling them to carry on their administrative functions. This is one of the items which the Government, with some reluctance, have included in the Tariff from revenue considerations. When honorable members look at the large amount which it is proposed to derive from it, they must realize the seriousness of striking it out altogether, and thereby depriving the Treasurer of,



probably, £300,000 - an amount which I believed at the time the Budget was made, and still believe, will be necessary to properly carry on the services of the Commonwealth. We have heard a good deal in regard to the immense amount which the Tariff is going to yield. We have been told that it will yield us £12,000,000 annually. If honorable members hold that view, they will be very much disappointed when the Treasurer makes his financial statement next year. I defy any man to accurately calculate the revenue which this Tariff will produce. It was difficult to correctly gauge the revenue of any particular State under a Tariff in connexion with which the Treasurer and his officers had had many years of experience. Much more difficult is it to calculate the revenue for the whole Commonwealth, containing as it does six States with varying circumstances, and working under conditions which are entirely new. The Government have agreed that the value of the imports upon which duties can be levied, will represent a certain amount. I have been accused of largely reducing that amount in order to enable heavy protective duties to be levied upon certain goods, and at the same time I am told that the heavier the duties the less will be the revenue received from them. Honorable members, therefore, will, acquit me of any desire to mislead the committee by stating anything which I do not believe to be absolutely accurate. I say, unhesitatingly, that we cannot take the revenue of any two months as a guide to what this Tariff will produce. The circumstances at the present time are quite abnormal. We cannot take the receipts for a month under any Tariff, multiply them by twelve, and say that the amount thus produced represents the probable revenue for the year. Time alone will tell, whether any mistake has been made in the calculations which have been submitted to the House. But a grave responsibility rests upon the Government, and particularly upon myself in the capacity of Treasurer, to see that a fair amount of revenue is derived - an amount which we believe will enable us to meet all the demands that are likely to be made upon us. ' We must look not merely to the obligations which we have to meet immediately. If we do our duty to the Commonwealth we must have an eye to the future, and realize the responsibilities which face us. We must not only provide sufficient revenue for this year, or even for next year, but it is our solemn duty to recognise the position in which we shall find ourselves if we do not raise an amount sufficient to meet all our obligations. This morning I endeavoured to jot down a few items of expenditure which are not included in the Estimates for this year, but which within two or three years at the outside will have to be dealt with. I feel bound to place these matters before honorable members before they decide to take away from the Government this large sum of money which it is proposed to collect by way of a revenue duty. Of course, I freely admit that it is within the province of the committee to say that they will not grant the amount required, or will provide it by some other means. But, if they decide that the money is not required, the responsibility must rest with them. It is my duty, however, to place before them the information at my disposal, so that they may be able to do what is right and proper in the interests of the Commonwealth. In addition to the provision which has already been made in the Estimates, large sums of money will require to be provided by the Commonwealth within a very brief period indeed. The first large expenditure has reference to the properties which have been transferred by the various States to the Commonwealth, or which have become vested in it under the Constitution. In this connexion a claim has been made on behalf of the States, and strongly supported, that the Commonwealth, having taken over these properties, is bound to pay for them. If we have to pay upon them the amount of interest which is thought to be fair, namely, 3£ per cent., we shall have to provide each year a sum of £350,000, setting down the value of the properties at £10,000,000.

Mr Watson

- How much would it be under the Government proposal 1

Sir GEORGE TURNER

- The Government made a ' certain proposal which has been met with a howl from all the States. They have protested that our action is tantamount to taking away from them their assets, leaving them with a debt, and compelling them to pay the interest upon it out of their State funds. Our proposal would perhaps not involve more than one-sixth of the amount mentioned.

Mr Poynton

- But if the Federal Parliament takes over the properties, the States will be relieved of that amount of interest.

Sir GEORGE TURNER

- But the Commonwealth has to raise the money for the purpose.

Mr Watson

- We have to pay it out of our one-fourth.

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Sir GEORGE TURNER

- Exactly ; we have it to pay it out of the one-fourth of the Customs revenue which the Commonwealth under the Constitution is allowed to retain. That one-fourth must be sufficient to cover all expenditure - transferred as well as new. But if the desire of the States is carried out under the item I have mentioned we shall have to meet a liability of £350,000 annually. Then we must proceed with necessary works, for which we must borrow money. I have limited the borrowing for the next few years to £2,000,000. No honorable member will say that that amount is too much. To provide for interest and a sinking fund in connexion with that sum would mean £80,000 a year.

Mr Watson

- Is all that borrowed money to be spent upon unproductive works?

Sir GEORGE TURNER

- When we come to deal with that matter we shall see whether or not the works are unproductive. The buildings erected will be buildings within the States, and whatever the interest upon them may be it will have to be charged against those States as part of the transferred expenditure. No doubt most of it will be upon reproductive works, but that will not help us, because the money has to be paid by the Commonwealth.

Mr Watson

- Still we shall get the rents.

Sir GEORGE TURNER

- That will not help us. We have also to take over quarantine, light-houses, and various other matters, which will probably cost us £50,000 a year in excess of any revenue which -we may collect Then, again, an Act has recently been passed by the State Parliament of "Victoria which will impose upon the Commonwealth the payment to postal officials in this State of an amount of at least £25,000 a year.

Mr V L SOLOMON

- That is to be paid by the State itself.

Sir GEORGE TURNER

- It is Commonwealth expenditure, and not State expenditure. I desire very briefly to outline the expenditure which will fall upon the Commonwealth within the next two or three years.

Mr Thomson

- What does the £25,000 refer to?

Sir GEORGE TURNER

- That is for extra pay which transferred officers in the Post-office in Victoria are entitled to get in consequence of an Act of Parliament which gives them a salary equivalent to the highest salary paid in any other State for a similar class of work.

Sir William McMillan

- That is a Victorian Act.

Sir GEORGE TURNER

- That is a Victorian Act, but those officers were transferred with that condition as one of their rights, and it must remain unless we say that we will not carry it out. Then we have ourselves determined to largely increase the expenditure in that particular department by providing that officers shall not receive less than £110 a year. That is estimated to cost us at least £40,000 or £50,000 a year. We have taken over or propose to take over, with the sanction of Parliament, the management of New Guinea, at a cost of £20,000 a year. Then the railways are making a claim, which has been recognised in some State by the payment of the money out of their defence votes, for carrying the men in our defence service, and if that claim can be substantiated, and the State Railways Commissioners say they are not bound to carry any of our men unless the Commonwealth pay for it, the cost will amount to at least £50,000 or £60,000 a year added to the cost of the defence force.

Mr Watson

- We shall cut down the cost of the defence force in other respects.

Sir GEORGE TURNER

- Then the Post-office has been rendering services in connexion with the departments transferred, and under the Postal Bill which has been passed all correspondence must be prepaid. In this connexion an expense of £25,000 a year will be involved.

Mr Watson

- That is extra revenue which we shall get from the States.

Sir GEORGE TURNER

- I am not dealing with the States. This is expenditure which will have to be met by the Commonwealth. I take it we shall receive an extra amount over and above this which will be revenue paid by the States to the Post-office, and will go to the credit of that department, and so lessen the amount of the deficiency which will have to be provided for ; but this particular item does not refer to what the States will have to pay, but to what the Commonwealth will have to pay.

Mr Watson

- The payments by the States will more than Valance that£20,000. The abolition of franking for the States will more than balance that amount.

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Sir GEORGE TURNER

- It may be so, but the Commonwealth will have to pay this amount out of the one-fourth we shall receive, and we shall have to provide the money as part of our expenditure. Then very shortly we shall have to meet expenses in connexion with the Pacific cable, and our liability in connexion with that may come to anything between £30,000 and £50,000 a year in the payment of interest, and any loss upon working of the cable. Then we have been pressed very strongly to take over the Northern Territory.

Mr JOSEPH COOK

- I rise to a point of

Order, and in doing so I am protecting the privileges of honorable members, if they only knew it. I ask whether the right honorable gentleman is in order in making an elaborate financial statement in the middle of a debate in committee upon an item in the Tariff. I could understand the right honorable gentleman making an incidental reference to its effect upon the revenue, but when he goes into an elaborate financial statement, as he is doing, I claim that this is not the time or the place for making a statement of that description. There will be plenty of other opportunities if the right honorable gentleman wishes to impress the committee with the way in which the expenditure of the Commonwealth is piling up, but I submit that it is not in order, and is subversive of every parliamentary rule, that the right honorable gentleman should be pursuing the matter now in this elaborate, comprehensive way.

Sir GEORGE TURNER

- In view of the objection taken I shall not proceed.

Mr Hughes

- It is very unfair to us that the right honorable gentleman should go half-way through, and that we should not be allowed to know the rest.

Sir GEORGE TURNER

-We have arrived now at a very important position, and I have considered it my bounden duty to place the facts before the committee from my point of view, in order that they may be able to judge whether they are justified in taking from the Treasurer the large amount which it is proposed to take from him by striking out this item. I can only say that while at the present time we have ample revenue to carry us on, we must not shut our eyes to the fact that, sooner or later, we shall have large amounts to provide for, which, in my opinion, will come to from £1,000,000 to £1,250,000.- This is merely a revenue item, and I could understand an objection to it from the point of view of the manufacturers. It is one of the duties that we have felt bound to impose on the manufacturing industry, while at the same time reducing the measure of protection which they have had in this and perhaps in some of the other States. However, from a revenue point of view, we considered that we were bound to try and raise this money. We admitted the difficulty of dealing with this particular class of goods at duties of 10 per cent, and 15 per cent., and we then proposed to make the duties 10 per cent, all round, leaving out some exemptions which we had previously desired to provide for. That would make some difference in the revenue to be derived from this particular class of imports. I can understand that honorable members might desire to somewhat reduce our proposals. We are all anxious to give a fair measure of support to those industries which have already

been established. We can injure an industry by reducing the amount of direct protection to it, and by increasing the amount which the manufacturers have to pay for their raw material. With regard to this particular class of goods and manufactured articles, we are probably doing both ; but, as I have said, it is only a sense of necessity that has compelled us to impose these duties. Realizing as I do the responsibility of my position, nothing I know or have heard of has removed from my mind a sense of the necessity of raising a considerable amount of money from these and similar revenue duties. I consider I have done my duty. I have proposed them, and I have endeavoured to place before the committee such facts as are within my knowledge, to show that these duties should not be altogether removed. With regard to this particular item, while I could not agree to the removal of the duty or to the suggestion that it should be 5 per cent., I have been willing as in connexion with previous items to try and meet the difficulties which manufacturers complain of, in not having a sufficient margin of protection, and to meet also the statements which have been made with regard to this duty bearing too hardly upon many amongst us. I am prepared, therefore, if the committee entertain the suggestion that there should be some reduction upon the present proposal of the Government, to accept a reduction ; but I do not think that the duty should be removed altogether, because I think all classes of the community ought to pay something towards the revenue we must raise.

Mr Watson

- They will on the other items.

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Sir GEORGE TURNER

- No doubt they will, but we all have to pay something. I propose a duty of 7£ per cent, as a compromise, and I think that would not be too much to ask as a contribution from those who use this particular class of goods, while it possibly may give a better measure of protection to those who manufacture the made-up Article. I have felt bound to place . before honorable members the seriousness of the position. I quite admit that no man can foretell the effect of the Tariff from a revenue point of view, but I repeat what I said in my Budget statement, that we must be extremely cautious - that if we are to err we ought to err on the side of caution. If, after the experience of a year or two of the operation of the Tariff, we find from practical knowledge that it is producing more money than was anticipated, or is necessary, no one will be more willing than I to assist in removing these mere revenue duties. Holding the position I do, and viewing the other items which have yet to be considered, I cannot consent to all the reductions proposed in connexion with this item. I have placed the matter from my point of view before the committee, and it is for honorable members to decide whether they will be guided by the Treasurer, or whether they will refuse to give him what he considers to be a reasonable amount of money with which to carry on the business of the Commonwealth.

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Sir WILLIAM McMILLAN

- I am very glad that the right honorable gentleman has made this very elaborate exposition of his policy. He is now pleading for revenue, but we have passed a division involving £1,141,000, and on nearly every item of that division I cautioned the Government that the duties proposed were prohibitory, and that they were recklessly throwing revenue to the winds. I told the right honorable gentleman that the prohibitory character of the Tariff was absolutely killing his revenue resources, but we never heard a word about revenue before. It is only now after these duties have been passed involving taxation to the extent of £1,141,000 that we hear a word at all about the revenue aspect of the case. When we said we agreed to raise revenue without destruction we were simply jeered at. I tell my right honorable friend that I do not feel inclined to support a duty of 'this kind pressing so hardly upon the whole population of Australia, and especially upon the labouring population, when no consideration has been given to the other items to which I have referred. Besides that, those of us who demanded certain reductions may take the credit of swelling the revenue under this last division, for every item we reduce means thousands and thousands of pounds extra revenue to the Treasury. We have not yet finished with these items, and it is very hard to say whether a very considerable portion of the revenue which the right honorable gentleman expects to receive from these items will not now be received, in consequence of the reductions we have made. If there is not a larger revenue to be obtained from the previous division, it is the fault of the Government for not keeping their compact to introduce moderate protection, for attempting to carry prohibitive duties, as

honorable members on the other side have candidly admitted, to keep out the importations. We do not get any fair play at all from a certain section of the committee, and perhaps the members of that section will be able to justify the Government in this proposal. According to the comparative statement placed before us I find that these linen and cotton goods were free in Victoria. ' Perhaps those honorable members will be able to justify the position of the Government in that respect. The duty upon them was 5 per cent in Queensland, in South Australia they were free, and in Tasmania the duty was 20 per cent. New South Wales has one- third of the population of the Commonwealth, Victoria another third, and there is South Australia with her proportion. According to this comparative statement, the larger populations of Australia have followed a policy which is against any duty upon these goods. There are one or two other considerations I would like to place before honorable members. If we put a high duty on these cottons we must put a correspondingly high duty upon the manufactured articles, and if we begin high at the base we shall be absolutely committed to the higher duties later on. If we put an extensive duty upon cotton "goods, which cannot be manufactured in Australia, where will be the scientific protection, and where will be our sense of equity when we come to deal with the woollen goods ? If we impose heavy protective duties upon the goods of one manufacturer, we must level up all the others, and I am anxious that in dealing with this matter we should commence upon a proper basis. I admit that the revenue aspect of the duties must be considered, and I have been divided in opinion between the expediency of placing cotton goods upon the free list, and imposing a 5per cent, duty upon them ; but in view of the character of the Tariff so far - a great many of the duties which have been imposed having been intended to shut out all importations of the articles upon which they are imposed - and as I shall be very glad if the Government have to review it and go back upon their work, I shall vote for the amendment, and the placing of these goods upon the free list. In coming to this decision I am also guided by what I must consider the public opinion of the States in regard to the treatment of these articles, and, as I have shown, they have generally been on the free list. While I admit that under ordinary circumstances they would be fairly open to the imposition of a revenue duty, we must remember that we are dealing now with a highly protectionist Tariff, and that the proposed duties are duties upon raw material. If we begin by putting duties upon raw material, we shall be forced, when we come to the consideration of duties upon made-up material to impose higher duties than are reasonable. The policy , of Victoria has been to relieve these goods from taxation, and, seeing that we have hitherto heard so much about the Victorian Tariff, we should require very strong reasons from the Government for, in this instance, departing from the policy of Victoria. It might be said by honorable members in favour of these duties that it is impossible without them to obtain the necessary amount of revenue. But it should be borne in mind that there will be no difficulty in making up the revenue without them.

Mr L E GROOM

- How?

Sir WILLIAM McMILLAN

- By imposing reasonable duties upon other articles with which we have yet to deal, and upon some of those which we have postponed. I should like to see a review of the Tariff if sufficient revenue cannot be obtained under it. If we cannot get sufficient revenue, the best thing to do will be to recommit division 4, and go back upon the protectionist policy under which, in breach of the compact made, by the Government, prohibitory duties have been imposed in certain instances.

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Mr SPENCE

- I think it is very unfair for the Treasurer to tack on to an item of this kind expenditure which will probably have to be met during the next five or ten years, as though the £338,000 which it is estimated that these duties will return is to be ear-marked to meet that expenditure. I am rather surprised that the right honorable member should admit the inability of the Government to obtain the necessary revenue without a tax upon these goods, seeing that, although he took charge of the affairs of the State of Victoria when it was nearly insolvent, he was able to pull the State out of that condition without a tax upon cotton goods. From the three States under whose Tariffs these goods were formerly admitted free, he expects to obtain from the proposed duties about£254,000 of the total£338,000 of revenue, which he expects to get from the whole Commonwealth. Therefore, new taxation to that amount is imposed - I submit unnecessarily - upon the people of those three States. I do not wish to repeat the arguments of the acting leader of the

Opposition as to the probable increase of revenue to be obtained by the lowering of the duties which has already taken place, and the changes which may occur before consideration of the Tariff is concluded. Neither the Treasurer nor any one else has said anything in favour of these duties. The right honorable member admitted that they were undesirable, but he did not prove that we could not do without them. The argument that they will produce a large amount of revenue is one which should induce honorable members to vote for the amendment, because it is a proof that the tax will press upon the great mass of the people, and will have to be borne chiefly by those who can least afford to bear it. The Treasurer spoke about the necessity for providing for the needs of the States. If any of the States are left short of revenue, they must resort to direct taxation to make up the deficiency, and if they do that, the taxation will press upon a class which is able to bear it. The Treasurer, however, would have us save that class by putting the taxation upon those who are least able to bear it. Poor people will have to buy cotton goods, because they are cheap, although they may not be the most desirable articles of wear, and by imposing a duty upon these goods the Treasurer practically reduces their wages, and makes life harder for them, in order to save the richer classes from direct taxation, which they would be able to bear. Of course, the Treasurer must be on the safe side in regard to the probabilities of obtaining revenue, but the proposals of the Government are not the best for raising revenue, and the particular items which have been referred to this afternoon are certainly items which should be placed upon the free list.

Mr HUME COOK

- I wish to know whether, if anything is done in regard to cottons and linens, we can afterwards go back to shirtings. I desire to move an amendment in regard to fancy shirtings.

The CHAIRMAN

- The honorable member will be able to do that. The committee gave its concurrence to the taking of those articles afterwards.

Mr HUME COOK

- I also wish to know, sir, if we can take any order we please in this division, or what order you intend to prescribe 1

The CHAIRMAN

-The honorable member for "West Sydney sought the concurrence of the committee to take the item " cottons and linens " and the item " cotton and linen piece goods n.e.i.," before the items woollens, shirtings, silks, velvets ; and it was given.

Mr HUME COOK

- How shall we get back? Where shall we start from next time 1

The CHAIRMAN

- As soon as the committee has disposed of those two items, the item of woollens will be submitted, then the item of shirtings, and so on.

Mr PIESSE

- The amendment to omit these two items is defended on several grounds. First, we are told that the revenue is exceeding the estimate to such an extent that there is occasion for us to shorten the source of supply so that we shall not have too much, but we have not had the least evidence submitted to justify that assertion. In a ' Melbourne newspaper yesterday there was a statement made which to-day it has practically withdrawn, and unless there is some better ground than that to go on that argument may be dismissed. The honorable member for Darling argued that because the State Treasurers have not resorted to this item, therefore there is no need for the Commonwealth Treasurer to do so. Several States have not resorted to the item lately, but the fact of the matter is that owing to our inter-State freetrade and to other policies which have been carried out in this Tariff, there is a necessity to resort to goods "which have not hitherto paid taxes in order to raise the necessary revenue. And when we find that this line is estimated to yield £330,000 - and in Tasmania it means about one-twentieth part of the estimated revenue - willing as I should be to relieve those least able to bear taxation, I am utterly unable to vote for the amendment. We are also told that it is most improper to tax these articles, because they are used by every one. I should have thought, from a free-trade stand-point, that an article which was used by every one must be the fairest source from which to get a revenue. Then we are told by a right honorable member that no one who could afford to use wool would use cotton. But if he had looked at the shop windows in Bourke-street he would have seen plenty of evidence that it is not the poorer classes alone who wear

cotton goods, but that cotton and linen enter very largely into the clothing of those who are quite able to pay, and should pay, a good share of the taxation under this item. For these reasons I am unable to vote for a reduction of the proposed duty of 10 per cent. I think, looking to all the facts, we shall need this revenue ; we shall certainly need it in Tasmania. I do not think that this Parliament ought to take up the position of directing a State's policy in regard to taxation. We have to do what is right for the Commonwealth, but I do not think we ought so to act as to force on the State Parliaments any policy of taxation. In Tasmania, without a reduction of £15,000 as is proposed, the position is such that the Treasurer has been seriously considering whether he should not bring in income tax proposals which would reach as low down as those receiving only £80 a year. There is a serious position for us to face if this revenue is very much interfered with.

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Mr GLYNN

- I certainly shall support the amendment to admit these articles free of duty. If I did not do so I should be recreant to the position I took up in the State Legislature in relation to a proposition I made to strike off the duty on apparel and articles of attire. I cannot see how any one who poses as a democrat can introduce a duty which, in respect to four States, is practically new. In some States these articles have been admitted 'free of duty. In one State they bore - I believe, up to the inauguration of the Commonwealth - a mistaken protectionist duty of 5 per cent. And in timid Tasmania, where they are always afraid of \_ fl\_ getting bankrupt, they bore a duty of 20 per cent, for revenue purposes.

Mr Piesse

- They want to pay their way and be honest.

Mr GLYNN

- A man can be honest in more ways than one. The honorable and learned member is too timid, and if he will look at the statistics of any federation he will find that the Customs revenue from year to year is always an increasing one, that as the population increases automatically the productivity per head goes down although the total revenue goes up. Unless we involve ourselves in ridiculously extravagant habits, the Customs revenue we have had for the last three or four years ought to be ample to suffice for the needs of the States and of the Commonwealth. If we do not check, through a limitation of supply, the great tendency towards federal and State extravagance, we shall be mistaking our duty. The honorable and learned member is simply pandering to some ridiculous ideas of the dignity of Australia in financial matters by refusing on lines like these to limit supply. That is the true course to take. A duty on linen and cotton goods is, speaking generally, principally a tax on the poorer classes. There is no doubt that the bulk of the linen and cotton lines enters largely into the consumption of the working classes. The honorable and learned member talked about an honorable member going down Bourke-street and looking at the shop windows. Will he find there an effigy of a " masher " in a tall hat, a frock coat, and moleskin trousers ? I defy him to say that most of the items under the head of cotton and linen enter largely into the consumption of the well-paid classes. The bulk of this revenue of £330,000 will be levied on the hard earnings of the poor, practically the only class that gives thorough compensation for every penny it receives, and, therefore, the class in respect of whose earnings we ought to be most considerate. At the opening of the session the Ministry displayed a wonderful solicitude as regards the mother country. They were anxious that in no imposition should we strike hard against the country from which we sprang. There was an idea to enter into a sort of reciprocal trade arrangement with England.

Mr Kingston

- Where was that made ?

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Mr GLYNN

- Did not the Prime Minister state at Maitland that reciprocity was part of the Government policy, and confess that he had not considered, although he did not discountenance, the idea of a sort of one-sided reciprocity, if I can be guilty of a " bull " - that is of allowing consideration in our import duties to imports from England, although we did not ask for any compensation in return. That policy was also mentioned in the Governor-General's speech, but now we have a line which affords an opportunity of differentiating to some extent in favour of English imports, not the slightest advantage is taken of it. In fact we are trying to strike at England, because statistics show that hitherto there was practically a free list. As regards

productivity of revenue, I have not had an opportunity of examining the Australian statistics, but from the South Australian Statistical Register I find that in 1900 the cotton imports into that State were valued at £282,000, that we got £248,000" worth from the United Kingdom, and that practically the whole of the linen piece goods were imported from England. The Ministry are forgetting their little plausible declaration made to catch the ears of the groundlings at Maitland, and at the opening of the session, that the Tariff would be so framed as to display some regard for what they considered to be the weakening exports of England. The honorable and learned member for Tasmania is very anxious about its revenue. Why does he not suggest, as an alternative, that this sum of £330,000 should be obtained by a resort to excise duties? Does he not know that excise taxation in Australia is not a fourth of what it is in Europe, England, or America? On prior items we have wasted an immense amount of revenue. If we brought the excise duty on narcotics up to the limit of the import duty, we should get a revenue of at least £50,000 more on that line alone. The revenue from the import duty on stimulants amounts to about 47 per cent, of the total receipts from import duties in the six States. In New South Wales, where they had a revenue Tariff, they received 81 per cent, of their revenue from the duties on stimulants and narcotics. In South Australia the receipts from such duties are as low as 32 per cent, of the total imports. In face of the marvellous disparity between the productivity of excise and import duties on these articles, how can honorable members say that we are sacrificing revenue here by declining to attack the pockets of the poor? "What we are doing is, in a Committee of Ways and Means, to suggest the, most just method of granting to the Government all the Supply for which they can reasonably ask. There is no proposition to vary the total amount of Supply, but we are seeking to find out the best method of granting that Supply. If we refuse to impose duties on certain classes of goods, there is nothing to prevent us from increasing the imposts on others, and it is a mere subterfuge on the part of honorable members who object to the reduction of these duties to say that we are unduly restricting the opportunities of the Government for raising revenue. These honorable members are shirking their moral responsibility by imposing direct burdens on the poor, instead of substituting less oppressive duties. It cannot be forgotten that these duties are fixed duties. We are imposing what amounts to a permanent tax, whereas in Committee of Ways and Means in the House of Commons they never impose fixed duties, but deal only with the financial necessities of one year, and pass the annual Budget. We know that the duties fixed in this Tariff will be permanent until the Tariff is revised, and we are aware further that there will probably be no revision for the next ten years. We should therefore be cautious how we impose burdensome duties, which are to endure not for one year, but until some courageous Ministry, years hence, proposes their repeal.

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Mr THOMSON

- I shall not allude to the figures put forward by the Treasurer, because I do not think that they quite place that responsibility on this committee which the Treasurer desires to impose upon us. Some weeks ago I was one of those who expressed the opinion that we should be content with some £800,000 or £900,000 less revenue than the Treasurer was asking for, and the only way in which I can emphasize my opinion is by reducing duties in some direction or other. The Government have successfully resisted all attempts to reduce the duties imposed for protective purposes, but even if we had been able to effect reductions, no loss of revenue would have resulted, but rather the contrary. I have already stated that this Tariff presses too heavily in several directions upon the poorer classes, and upon the primary industries of the community, and whilst I cannot go so far as some honorable members desire in giving relief in one direction only, because I wish also to afford it in other ways, I can join with them to a considerable extent in lightening the burdens of the poorer classes, as we shall not minimize the revenue by lessening the protective duties. That must be done by reducing some of the revenue duties. It then rests with us to make a selection of the revenue duties upon which reductions should be made. I cannot go as far as some honorable members would wish, because I think they are proceeding to an extent that would not be justifiable in view of the financial requirements of the Commonwealth. I am ready, however, to support the amendment, because by abolishing the duty on cotton goods we shall not only give relief to the poorer classes, but also get rid of a lot of Custom-house complications, and help those who largely use cotton materials in industrial operations. If we were to abolish the duty on tea we should probably give no greater relief than by placing cotton and linen goods on the free list. Tea presents no difficulties to the Custom-house authorities, and is not used in any industrial operations, and, therefore, stands upon an



entirely different footing to cotton goods. For these reasons I shall support the amendment of the honorable member for West Sydney.

Mr. BATCHELOR(South Australia).It has been urged in support of the duty upon cotton and linen goods, which have hitherto been admitted free into most of the States, that a much larger amount of revenue is required than has previously been necessary. The incidence of customs taxation has been bad in the past, and has pressed unnecessarily upon the poorer classes. Such a duty as that upon cotton and linen goods, which is a purely revenue tax, would be specially felt by those who earn only very small wages, and, as very often happens, have large families. Unfortunately, we frequently find that the greater the necessities of the people, the larger the amount of taxation they have to bear, especially in connexion with revenue duties of this kind. I have always opposed such imposts, and I certainly will not be any party to allowing the cost of federation to be thrown entirely upon the working classes. I admit the difficulties which the Government have to contend with, but I think the alterations which have already been made in the Tariff will result in our receiving a larger amount of revenue than if the original proposals of the Government had been adopted. Unlike the honorable member for South Australia, Mr. Glynn, I have always contended that the first duties of which the public should be relieved are the purely revenue taxes, which do nothing but increase the cost of goods to the consumer. Cotton and linen goods are used to a much larger extent by the wage-earners who receive £2 or £3 per week than by those in receipt of much higher salaries, and as I regard this as a sort of poll tax, I shall vote against it. I am glad to find that in this matter we are to have the support of the revenue tariffists, and I hope they will discountenance all taxes which have an oppressive tendency so far as the working classes are concerned.

Mr O'MALLEY

- It gives me great pleasure to be able to vote for the relief of the working men and women of the Commonwealth from what I consider a limited amount of persecution. I firmly believe that these duties are nothing more nor less than whips and spurs for the hips and backs of the democracy of Australia. The working people frequently have large families, and are developing the country; and they pay heavily through the Customhouse, while the rich, who generally have small families, pay less. I admit that this taxation will affect Tasmania, but the question arises whether I am here as a special pleader for the Government of that State. If the Government of Tasmania are incapable of meeting their responsibilities without salting the backs of the workers on the west coast, they ought to retire, and allow abler men to undertake the re-adjustment of the incidence of taxation. The whole financial system in this country is rotten to the core ; but when we have a proper system of taxation, based on the equality of sacrifice, those who have much shall pay much, and those who have little shall pay little. A similar trouble arose in the States of Canada, where the cry was - "Will you persecute the States " ? But when the States realized their responsibilities and re-adjusted their systems of taxation, the burden was spread over the whole of the people in proportion to their wealth. It is the poor man who pays all. He buys in the smallest quantities, and has, therefore, to pay the highest price, which may amount to 25 per cent., or 30 per cent, more than , is paid by the rich man, who buys in large quantities.. It is the working man who keeps going the small towns, because, unlike the rich, he is unable to get to the big cities and buy his goods wholesale. Whenever I have an opportunity, protectionist as I am, I shall, consider the stragglers and endeavourers who are developing this country.

Mr KINGSTON

- Honorable members have discussed this question as if the whole of the items proposed to be struck out referred to goods exclusively consumed by the poor or poorest classes. But that is not the case. In framing our Tariff we originally provided for two classes of cotton goods, one, the more valuable, to be taxed 15 percent., and the other, the less valuable, to be taxed at 10 per cent.

Mr Hughes

- But the rate was reduced afterwards.

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Mr KINGSTON

- We afterwards reduced both classes to an equality of 10 per cent., in order, amongst other reasons, to arrive at that convenience of administration which has been so often referred to. Originally we specified the poorer articles at 10 per cent., allowing all others to come in as "n.e.i.," at the higher rate. The poorer articles comprise blue frocking, butter and cheese cloth, calico - white and grey, drills, duck, dungaree,

jeans, moleskins, oil baize, leather cloth, sheetings (including Forfar, dowlas, and flax), shirtings - white, Oxford, Cambridge and Harvard, ticks, towellings, window-nets and hollands. I think those who have any practical acquaintance with the trade will see that in this group are fairly described the lower classes of articles. When the Government were discussing this matter I received a memorandum from an official expert in confirmation of the view which we took of the Tariff. The memorandum stated -  
Apart from "calicoes, white and grey," and "cotton sheetings," and "Forfar dowlas and flax sheetings," also "corduroys," which are largely used by the poor, I think it may be truly said that people in good circumstances are the principal consumers.

There are honorable members who have a trained knowledge of this subject, and we are advised by experts elsewhere, whose reputation is at stake if they advised wrongly. Do honorable members think for a moment that we would put a position of this sort before them when we knew that inquiry outside would reveal the fact if we were making misrepresentations? There are poor cottons and linen, and, on the other hand, there are cottons and linens which are consumed by the fairly well to do, who ought not to be exempted from taxation in this connexion.

Mr Hughes

- But a differential rate is not proposed.

Mr KINGSTON

- There was a differential rate in the first instance.

Mr Hughes

- Then why did the Government not stand to their proposal?

Mr KINGSTON

- Because of the reasons urged in regard to the inconvenience of administration; and there was a good deal of force in those reasons.

Mr Thomas

- That is class legislation.

Mr KINGSTON

- This is not a question of class legislation. Honorable members are blindly grasping at a proposal for relieving the poor - whom the Government are equally desirous of relieving - when, at the same time, in view of the necessity for revenue, and our duty to the public generally, they are content to lose sight of the fact that they are also relieving to a large extent those who stand in no need of relief, but who ought to be called on to pay a fair contribution to the public revenue.

Mr Poynton

- Will the Minister explain how he can get at these well-to-do people without taxing the poorer people?

Mr KINGSTON

- There are two classes of goods.

Mr Poynton

- But there are not two classes of taxes.

Mr KINGSTON

- Honorable members, if they like, can make one scale for one class, and another scale for the other.

Sir William McMillan

- Which is the greater amount?

Mr KINGSTON

- I cannot state at the moment which will produce the greater amount.

Mr Poynton

- Is the Minister prepared to let the first-class go free?

Mr KINGSTON

- What we are prepared to do, as the Treasurer has already stated, is to consent to a reduced amount on the whole line.

Mr Poynton

- That is only 2½ per cent.

Mr KINGSTON

- It is 25 per cent, of the tax.

Mr Poynton

- That does not differentiate.

Mr KINGSTON

- No ; the proposal to differentiate was put aside owing- to the inconvenience of administration. But rather than make a wholesale sacrifice of the revenue, we would prefer to encounter and overcome the difficulty of administration. Of two evils, I venture to say we should properly choose the least.

Mr O'Malley

- Will the Minister let cottons go free?

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Mr KINGSTON

- There are cottons of various characters, and it is a question of classification in order to arrive at a fair thing. The Government have never concealed in the slightest degree from honorable members their desire to avoid taxes which can be fairly avoided, particularly those which press too hardly on the poor. There are three or four rates of duties provided for in the Tariff in connexion with which we should be only too glad to afford relief if we could do so ; and not once or twice, but several times has the Government put that position before honorable members. Speaking on the 14-th November, the Treasurer said - There are a number of items, such as tea, rice, kerosene, and cotton goods, which are looked upon as practically only revenue duties, and it will be a matter for our consideration whether we shall not ask the committee to deal first with, the rest of the Tariff, in order that we may see how it is finally settled, allowing these four large revenue-producing items to stand over. In the meantime we shall have some experience of the revenue-producing power of the other items, and that will guide us in asking the House to take a certain course in regard to the purely revenue-producing items I have mentioned.

That is the way the matter was put by the Treasurer, and I had the honour, on the 20th November, to give expression to practically the same sentiments. I said -

We propose also to strike out the exemptions mentioned in the third column, so that the cotton and linen piece goods there enumerated will also be imported under a duty of 1d per cent. I think. It is very probable that the revenue from these goods will remain about the same, notwithstanding the alteration of duty. We recognise the importance of the question as to what rates should apply to these goods, and if circumstances permit we should like to see an even lower duty than 10 per cent, imposed upon them. We gain information as to the working of the Tariff as time goes on, and it may be that when we come to finally consider the matter, it may be seen that there is room for even more lenient treatment of the goods in question.

It has always been the wish of the Government, in regard to these items, particularly kerosene and tea, which are purely revenue producing lines, to do what we can to relieve the poorer classes from the burden which will be cast on them. We deliberately postponed the consideration of tea in order to let honorable members have the fullest information on the subject. Honorable members would be sorry if by a hasty dealing with any one of these items, without considering it in connexion with others, we decided on a certain course which prevented or raised difficulty in the way of our dealing with other items as liberally as we might wish. There are various claims for consideration in connection with these rival items, and the claims in connexion with tea, have much to recommend them. Tea is admitted free into America.

Mr Poynton

- Tea does not come in as an article of manufacture.

Mr KINGSTON

- But I am talking on the question of dealing with some considerable line in the Tariff for the purpose of relieving the duties which fall on the poor. Tea is consumed by rich and poor, and the poor man's tea, unfortunately, will pay the same rate of duty as that of higher quality which is used by the rich. But taking the three items of tea, kerosene, and cotton goods, are we prepared to say at this moment that we will entirely abandon taxation on cotton goods, knowing full well that as a result it will be more difficult to deal with the other items as liberally as we might desire? If we remit or remove a large amount of taxation here, we cannot to the same extent remove or remit when we come to the other items. It would be wise for us, in this general connexion, to consider what is best to be done in regard to these three items, rather than hurriedly come to a conclusion to deal with the first without considering the claims of the others, and prejudice, as we must, claims to relaxation made in respect of the latter. I put this position all the more strongly for the reason that the leader of the Opposition contended that if we relaxed taxation in the way

suggested he would show how it could be made up in some of the postponed items, and also pointed to the possibility of doing that in regard to some items which we had already passed. What items have we postponed or proposing to postpone? Tea undoubtedly was one, and kerosene was another ; and if the words of the acting leader of the Opposition mean anything they mean that if we take the tax off cotton goods there can be no relaxation in regard to tea and kerosene, but, on the other hand, rather higher duties.

Mr Thomson

- Is that not the Government proposal ?

Mr KINGSTON

- In regard to what items ?

Mr Thomson

- Tea and kerosene.

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Mr KINGSTON

- We have a certain proposal in regard to tea and kerosene, but we are deliberately suggesting that that should be postponed for the purpose of ascertaining whether or not we can remit duties in this connexion. I ask honorable members generally not to hurriedly decide on this general relaxation. Would it not be infinitely preferable that this item should be postponed for consideration in connexion with other items at which we shall shortly arrive? At the least when it is proved beyond the possibility of doubt that the classes of goods which the honorable member proposes to strike out, include goods standing in two different categories, do not let us adopt any rash mode of applying the arguments which operate in the one case to that of the other. Here I may say that I am now in the happy position of being able to answer a question which has been asked regarding the relative value of the two classes of goods. The goods upon which we proposed to levy a duty of 10 per cent, are valued at £1,040,000, whilst those upon which we proposed a 15 percent, impost represent a value of £1,560,000. I am inclined to think that honorable members generally are disposed to do a fair thing. They know also that the Government wish to do a fair thing. If the financial conditions were such that we could dispense with a revenue duty in this case, we should be only too glad to adopt that course. Our whole attitude in connexion with this Tariff has been to seek opportunities for remitting duties in connexion with all reasonable claims to exemption. Those claims relate chiefly to three great items, namely, kerosene, tea, and cotton goods. Are honorable members prepared to say that they will exempt cotton goods from duty, notwithstanding the fact that those which we propose to tax at the higher rate represent an aggregate value of 50 per cent, more, and that we are told in so many words that the way to make up the deficit is by retaining the duty upon kerosene and tea, and increasing it if necessary ? I venture to put it that the position is somewhat extraordinary. We have heard of reversals of form. It is not unnatural to speak of them in such a country as this, but of all the reversals of form ever heard of that of the acting leader of the Opposition is the greatest, and I invite the attention of the parliamentary stewards to it at once in order that he may be rubbed out for ever. Throughout the length and breadth of this Tariff discussion the cry of the honorable member has been that we should consider the duties levied from the point of view of revenue. I have looked at them from the revenue stand-point, and also from the stand-point of the opportunity which they would give our people to earn something. But now we come to an item when the question involved is not one of employment, but of revenue only. Yet the honorable member stands up and says in effect - " Away with the revenue. Down with the idea. Here is £350,000 which can be struck off at one fell blow, and I am prepared to strike that blow." In such circumstances, when the honorable member rises in future to talk about such trifling considerations as £20,000 or £30,000 it will be our duty to remind him that he was prepared to sacrifice £350,000 in direct defiance of the principles which he so eloquently advocated. The Government are with honorable members in regard to their democratic wish to avoid harsh dealing with the poor. It is not as if we were setting up this claim for the first time. It is consistent with our principles throughout. Our every action shows it. There are. items which have been reserved for final decision ; and I ask whether we are now hurriedly going to say that the noses of the poor shall be held to the grindstone. I venture to think that honorable members will not come to such a conclusion, but that they will prefer to deal with those items by classes which will properly separate the goods of the poor from those of the rich, and to leave matters relating to their clothes, their light, or their breakfast table, to be considered and

dealt with at the one time.

Mr JOSEPH COOK

- I do not know what the Minister for Trade and Customs meant when he spoke of a reversal of form on the part of the acting leader of the Opposition. The only reversal of form of which I know is that the acting leader of the Opposition during this debate has undoubtedly evinced an attitude of intense sympathy with the poor struggling working people, and has in season and out of season striven to diminish the burdens which they are asked to bear as the result of federation. On the other hand, the Minister for Trade and Customs has embraced every opportunity to make it impossible to lighten those burdens.

Mr McColl

- That is pure cant.

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Mr JOSEPH COOK

- There is no better judge of cant in this House than is the honorable member. The Government are merely anxious to postpone the consideration of these items in order that they may ascertain the attitude of the committee, in regard to the proposal of the honorable member for Melbourne Ports, who wishes to further increase the burdens of the people. Their policy is a most easy way of sweeping aside all considerations of revenue. No more reprehensible course than that adopted by the Treasurer this afternoon has ever been taken in any Parliament. The right honorable gentleman came down whilst the committee were deliberating upon an item in committee, and made another financial statement. He interposed upon a certain item, and endeavoured to show that the federal expenditure is piling up so enormously that it is absolutely necessary for the committee to give him all the revenue which is asked for. His action was a deliberate attempt to influence the debate in a way that has never been attempted before. I should not have objected to his statement if it had not been made for the purpose of morally coercing the committee into giving him the revenue which he seeks. In my judgment these articles ought to be placed upon the free list. They are articles of common consumption and of common necessity, and though a Tariff is a good deal moulded by circumstances and not by our voluntary choice, we ought in these circumstances so to frame our Tariff as to give some relief in respect of those articles which enter largely into the every-day life of working people. Notwithstanding what has been said by the Minister for Trade and Customs, I venture to assert that the items now under discussion will affect the working people of the Commonwealth more than the middle classes and people who are well to do. The honorable member for Melbourne Ports has indicated that he is going to propose increases upon items which are to come on for consideration later. But no matter what the honorable member may propose in the way of prohibitive duties subsequently, we ought to do our best to have these articles placed on the free list, or to have the duties placed upon them as low as possible. There is no danger so far as the revenue is concerned, because happily the revenue may be said to be overflowing, and considerations of that kind ought not to make us yield one inch in our persistent advocacy of the remission of duties upon articles largely used by the working people of the community.

Mr KENNEDY

- The position I take up on this is that of letting down our industrial population as lightly as possible. It is not here a question of free-trade or protection, because this is one of those revenue duties which must seriously affect the industrial population of the Commonwealth, and to which they may rightly object, because they have previously been exempt from taxation in the major portion of the Commonwealth. What is the present necessity for the imposition of duties upon articles which have previously been exempted? We perhaps overlook the fact that we have relieved from taxation a considerable range of inter-State trade, on which over £1,000,000 was received, and which, in the case of Victoria, meant a revenue of £300,000 or £400,000. Knowing that that money remains in the pockets of some of the people, I am going to submit a proposal which will put practically the whole of these goods used by the poorer people on the free list. I am prepared to support a duty of 10 per cent, on higher-priced goods under the item "cotton and linen piece goods n.e.i." I do not think that proposal will seriously interfere with the administration of the department by leading to complications, because the department has already provided a classification in the Tariff as placed before us. What I desire to do is to put all included in the first item "cottons and linens" on the free list, namely - Blue frocking, butter and cheese cloth, calico, white and grey, drills, duck dungarees, jeans, moleskins, oil

baize, leather cloth, sheetings (including Forfar , Dowlas, and flax), shirtings, white, and Oxford, Cambridge, and Harvard, ticks, towellings, window nets, and hollands.

I am not particular about leather cloth, because perhaps it would not be too much- to ask the people who use it to contribute to the revenue. The rest of these goods are used almost solely by the poorer classes of the people, and I propose that they should be transferred to the " special exemption " column.

Sir William McMillan

- Does the honorable member not think that there will be great misunderstanding as to what are cotton and linen goods?

Mr KENNEDY

- I do not think so, because, as I have said, the experts of the Customs department have themselves proposed to discriminate between these two classes of goods, inasmuch as it is proposed under this Tariff to raise two distinct rates of duties upon them. It must, therefore, be clear to the official and expert mind that it is possible to discriminate between them.

Mr Watson

- We might enumerate a number of things which "n.e.i." is supposed to refer to.

Mr KENNEDY

- We can strike out the "n.e.i." and get the exemptions we desire. Under my proposal cotton and linen piece goods would be 10 per cent., and these goods to which I have referred, and on which the Tariff proposes to raise a duty of 10 per cent., would be placed in the exemption list.

Sir William McMillan

- They were all free before, under the Victorian Tariff?

Mr KENNEDY

- Yes. Cotton and linen piece goods were free before, but we have had certain representations made as to the necessity for revenue, and the committee have been told that other items, such as tea and kerosene, have been specially postponed in order to see how all will hang together in the production of revenue. Tea is an article of general use, but only a section of the industrial population use kerosene, while the whole of our poorer classes will use the class of clothing to which I have referred.

Mr PAGE

- What duty will the honorable member put upon woollens?

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Mr KENNEDY

- We will deal with them at the proper time. I wish to ask the honorable member for West Sydney whether he will amend his proposal in the way I have suggested, or whether it will be necessary for me to move a further amendment?

Sir WILLIAM McMILLAN (Wentworth). - Will the honorable member allow me a word or two of explanation  
1 I do not wish to deal with this question in any captious way ; but I have been making inquiries in regard to these things, and although I do not call myself an expert, I have had some experience of them. I want to point out to honorable members that in connexion with many of these items it is impossible to differentiate between rich and poor. Take, for instance, calico, sheetings, shirtings ; both classes are concerned, as there are high and low-priced goods in each case. In the same way with ticks for beds, towellings, window nets, and hollands - there are goods of every quality. It seems to me that if any attempt is made to differentiate between these goods and cotton and linen piece goods not otherwise enumerated," it will lead to a tremendous amount of trouble, and will open the door to very extreme action on the part of the Customs department. We must all recollect that the Customs department exists for the purpose" of getting as much money out of the Tariff as possible, and there is no doubt that the Customs officials strain a Tariff away from the spirit and into the letter. It seems to me to be a ridiculous thing, but I have heard that in connexion with the administration of some of the Tariffs in the case of the importation of certain goods - " drills," for instance - the importer is asked what the goods are to be made up into, and if they are to be made up into one article they are charged one duty, while if they are to be made up into another they are charged a different duty. We do not wish to put a premium upon lying.

Mr Kingston

- Where was that?

Sir WILLIAM McMILLAN.- Under the Victorian Tariff I am told that piece goods had to pay duty, according

to the purpose for which they were going to be used.

Mr Kingston

- Not unless there was a special provision to that effect in the Tariff.

Sir WILLIAM McMILLAN

- I am "bold by men who know that that was done. If we take " shirtings, " I suppose the same stuff could be made into shirts or into anything else, and what is to hinder a row between the Customs officials and the' importers as to whether the goods should be on this list or charged duty under the item, " cotton and linen piece goods, n.e.i. "? If there is going to be an agreement to get revenue out of these items at all it would be far better to charge 5 per cent, on the whole. I am not going to budge from any position, but if there is a feeling that the exemption of all these goods is going too far, in the name of common sense do not let us differentiate between them.

Mr Kingston

- It is a very proper thing to differentiate when we can.

Sir WILLIAM McMILLAN

- The right honorable gentleman thinks he is doing his best to create industries in the duties in connexion with which he has sacrificed revenue, but we ask what is the good of creating an industry if you are to impose a prohibitive duty to help 100 people and injure 1,000,000 ? I have pointed out that this Tariff has not been arranged scientifically from a trade point of view. We have to deal first with the piece goods, and then with the intermediate goods between the piece goods and what is called "apparel." That is to say, under this there would be things like table-cloths.

Mr Thomson

- No ; they would be under item 57, with a duty of 25 per cent.

Sir WILLIAM McMILLAN

- Well, that is wrong. Things are charged as apparel which are not apparel. For instance, a pocket-handkerchief is not apparel. There may be some scientific method of differentiating between piece goods and the articles enumerated above, but I do not think so. Traders are very clever, and I know that in the case of tablecloths and blankets, for instance, it is possible for them to get the goods out as piece goods, and then to cut them. I do not think that we should place the honest trader at a disadvantage by framing a Tariff under which practices of that kind would occur. The honorable member for West Sydney should either stick to his amendment], or propose an all-round duty of 5 per cent. It is of no use, when we come to an impasse, to try a ridiculous proposal which will not work. With regard to a 5 per cent, duty, I pointed out last night that it would be a large revenue-producing duty, that it would not lead to the deterioration of the goods imported, because it would not be worth while to lower their quality, and that it would be much less for the labouring classes to pay.

Sir George Turner

- The honorable member will not agree to the proposal to have the one class of articles on the free list, and to charge 10 per cent, on the other class ?

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Sir WILLIAM McMILLAN

- No ; I would rather have an all-round duty of 5 per cent. No man has a greater grasp of detail than has the right honorable member, but if the Tariff is framed upon the lines that he proposes, it would require an angel from heaven to understand it, and a Customhouse officer would have to be an expert in every trade under the sun to properly perform his functions. What we want is a Tariff which every one can understand.

Mr. HUGHES(West Sydney).- It is difficult to know from the speeches of the Treasurer and the Minister for Trade and Customs what position the Government really take \ip in regard to this matter. The Treasurer spoke of an actual and proposed expenditure of something like £300,000, but he did not tell us that there was an estimated surplus of £500,000 in the Commonwealth revenue. He was prevented from going to the full extent of his proposed expenditure, but on the figures submitted to the committee there was a surplus of £194,000. He spoke about an expenditure of £350,000" per annum as interest upon properties resumed from the States. But upon his own proposal the yearly charge would be only £57,000. I object to him giving us information based upon highly exaggerated estimates. The Minister for Trade and Customs does far more than that. He said, in the first place, that he hoped we would postpone this item.

That is the great argument of the Government - postpone and delay things, and keep out of awkward corners. He wants us to postpone the consideration of this item as we have already postponed the consideration of the proposed duties on tea and kerosene. After a laboured and miserably inadequate attempt to show that the duties here proposed do not press wholly upon the poorer classes, he asked us to deal with them as we have dealt with the duty upon tea, an article which, on his own showing, is consumed by every human being on the continent. But we must deal with everything upon its merits. I am given to understand that the Government are in favour of the exemption of articles which are used chiefly by the poorer classes, and I therefore want to know from them whether, if I withdraw my amendment, and move as separate amendments the placing of "cottons and linens " and of " cotton and linen piece goods " upon the free list, they will vote for the first, and will allow the amendment to place "cotton and linen piece goods " upon the free list to be dealt with upon its merits..

Sir George Turner

- We are willing to allow "cottons and linens" to be placed upon the free list if the committee will , agree to a duty of 10 per cent, upon "cotton and linen piece goods."

Mr HUGHES

- We cannot make a bargain of that sort, because either the duty is right and should be imposed, or there should be no duty. .But, to facilitate business, I am willing to divide my amendment in the way I suggest. I agree with the acting leader of the Opposition that it is almost impossible to distinguish between piece goods and the cottons and linens enumerated above. I have here a sample of dress-lining which the Custom-house officials, who are assumed to be able to discriminate between cotton and linen piece goods and other cotton goods, declare to be apparel, although it has hitherto come in as a minor article. The same officials declare an ordinary hat-pin to be jewellery, and charge 25 per cent, duty upon it. These uncertainties and ambiguities do more harm to trade than the Tariff itself, and it is therefore-important that people should know exactly what goods are dutiable and what are not.

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Sir GEORGE TURNER

- The desire of the Government is to obtain a reasonable amount of duty from these items, and to show that I was willing to meet the committee, I said that we were prepared to accept a duty of 7£ per cent, all round. It has been pointed out with some force that the poorer class of goods ought not to bear as high a duty as the better class. We had that opinion when we framed the Tariff, as honorable members will see ; but some difficulties arose in connexion with the working: of the particular items, and to obviate them, we offered to make the duty 10 per cent.. all round. Although there will be difficulties in the administration, still they arise in every Tariff, and from time to time have to be, and are, overcome. Under these circumstances I shall raise no objection to the honorable member for West Sydney testing the feeling of the Committee as to putting the particular items he mentions on the free list, and afterwards we can take a vote as to remaining items, and then I hope,, as we have shown a desire to meet the committee with regard to the poorer class items, it will allow us to have a duty of 10 percent, on the other items, which will give us a fair amount of revenue from the better class of goods.

Mr. HUGHES(West Sydney).- I wish to ask the Treasurer whether he considers- that a duty of 10 per cent, on cotton and linen piece goods is the lowest possible amount he can consider ?

Sir George Turner

- I think so. I cannot go lower than 10 per cent.

Mr HUGHES

- Since the Government were prepared to accept a duty of 7<sup>^</sup> per cent, on both lines, they have seen the error of their ways in respect to one line, and there seems no particular reason why they should not agree to a duty of 7£ per cent, on the remaining line, which, I am sure, the committee would agree to without discussion.

Sir WILLIAM McMILLAN (Wentworth). - I wish to point out something which seems to have been forgotten. We talk as if cotton and linen piece goods include entirely articles of high value, but what about the poorer people when we come to cotton and linen piece goods "not elsewhere included." Surely there is' a differing value in these goods ? They will begin at a low and rise to a high value. What we are trying to enact is a farce. Either impose a 5 per cent, duty on the lot, or let the goods come in free. I ask the honorable member for West Sydney and his friends to agree to a 5 per cent, duty all round. Let us have a



Tariff which we can understand. Do not let us put the Custom-house officers in such a position that they do not know whether they are doing right or wrong. We shall create a population of a harsh, unlovable character, which will be very detrimental to the future of the Commonwealth if we are not very careful. The great desideratum in a revenue duty is to be sure that we shall get it. If we have a purely revenue duty, without any wretched exemptions, without any of that tomfoolery, which is generally eluded by fraudulent traders - if the tiling is so clear and plain that no one can misunderstand it, then the Treasurer knows from year to year exactly what he is getting.

Mr Hughes

- 1 ask leave to withdraw my amendment, in order to put another before the committee.

Mr. WATSON(Bland).- Before the amendment is withdrawn I desire to make a few remarks. Although I suppose most of us appreciate the necessity, wherever possible, of meeting the convenience of the commercial community, I do not think that the difficulties in the way of differentiation will be so great as the honorable member for Wentworth thinks. If the committee should decide that the articles under "cottons and linens," down to "Hollands," shall be admitted free of duty, and that cotton and linen goods n.e.i., shall be rated at 10 per cent., I do not think there would be any objection to a recommittal of sufficient of the items to allow the enumeration of such articles as damasks, which it is easy to distinguish, and over which no great trouble would occur so far as the commercial community is concerned.

Sir William McMillan

- If the honorable member will vote for a 5 per cent. duty we can put in the other things afterwards.

Mr WATSON

- From the first I have had the feeling that the lower class of cotton goods should be absolutely free, and for that reason I cannot quite go with the honorable member in his suggestion for a 5 per cent. duty. I think it would be possible by recommittal to secure the enumeration of a great proportion of those articles which we know are of a higher value. An honorable member showed me a set of words which would enumerate the goods which are not articles of apparel or attire, but which are all cotton, silk or jute, or combinations of both.

Sir William McMillan

- After we have passed the piece goods we can bring in the articles not of apparel or attire, and not otherwise enumerated, made of cotton, linen, &amp;o.

Mr WATSON

- That could be made to apply to piece goods as well as articles of attire. If the proposal goes through in sections, and there is a differentiation in duty between the two, we can enumerate later on those things which may be made subject, to some duty as being of a higher quality, and going into consumption amongst the richer people.

Mr HUME COOK

- I understand that the honorable member for West Sydney proposes to name a certain number of tilings as being specifically free, but the point is that his proposed list is hardly sufficient to cover all that is necessary, or all that I think he would desire if he knew the full facts of the case. For example, dungarees are mentioned, but not dennins.

Sir George Turner

- There is no objection to the inclusion dennins.

Mr HUME COOK

- These are American goods very like dungarees, and very largely in use among the poorer classes. Galatea is another article which, I think, should be placed on the free list.

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Sir William McMillan

- That is the difficulty when we once begin to enumerate..

Mr HUME COOK

- I do not see how we are to proceed, following the proposal of the Government, unless we do enumerate those articles we wish to be on the free list. My object is to get the very poorest class of goods placed on the free list, and I am now naming some items for the consideration of the Government.

Sir William McMillan

- May there not be new names given to other things which come in?

Mr HUME COOK

- That is quite true, but we can only deal with those things we know at the present time. I admit that the proposal of the honorable member, for a 5 per cent duty all round, is the easiest and simplest so far as the revenue is concerned. But, at the present moment, what we are considering is how best to exempt from taxation the class of goods which the poorer people use. My suggestion is that in addition to those named by the honorable member for West Sydney, dennins, galateas, zephyrs, and shirtings, not being flannelettes, ought to be placed on the free list. I recognise that we are now in a quandary in having three proposals before the committee. The proposal I intend to support is the exemption of certain articles with a duty of 10 per cent, on the balance. If the honorable member for West Sydney will add to his list dennins, zephyrs, galateas, and shirtings not being flannelettes, I shall vote with him, and support the Government in their effort to put a duty of 10 per cent, on the balance.

Mr POYNTON

- I shall vote to place on the free list the articles under the heads of " cottons and linens," from " blue frocking " down to " hollands," because, judging from the State Tariffs, it is a fair thing to do. I am prepared to consider the other matter afterwards. I may say, in reply to the Minister for Trade and Customs, that I give very much more consideration to these items than to either tea or kerosene, because they are very largely used by the great bulk of the people. While we cannot differentiate so as to say that the wealthier classes shall not use them, we know that cottons and linens enter considerably more into the cost of keeping a household than does either tea or kerosene. I hope I shall not be accused of making a protectionist speech when I say that in putting such articles on the free list we shall assist a very large number of female workers, and if any class of manufacturing employes require assistance, the weakest of the number are deserving of consideration, does not apply to tea or kerosene. Therefore we are not only giving an opportunity to poor people to procure these goods at first cost, but we are also offering additional facilities to the sempstress and others who are engaged in making up the raw material. It is this class of workers who have received less consideration than any others under the Tariff. With regard to the other suggestions that have been made, I feel confident that the Government will be prepared to review their proposals.

Mr. WILKINSON(Moreton).- I intimated earlier in the debate that I intended to move for the omission of butter and cheese cloth, calico, white and grey, and sheetings from the list of cotton and linen goods, subject to a 10 per cent", duty, with a view to having them included among cotton and linen piece goods not elsewhere included, upon which it was proposed to place a duty of 15 per cent.

Mr. HUGHES(West Sydney).- I propose to alter the form of my amendment, so as to permit the honorable member to take action in the direction he has indicated. In the meantime I ask leave to withdraw my amendment.

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Mr E SOLOMON

- I suggest that the honorable member for West Sydney should include1 among the articles which he desires to exempt from duty imitation moleskins and cotton corduroys, which are very largely used among the poorer classes for making children's clothes.

Amendment, by leave, withdrawn. .

Mr. HUGHES(West Sydney).- In order to give the honorable member for Moreton an opportunity of moving his amendment, I will limit my proposal to blue frocking. He can then make his proposal with regard to the items he has mentioned, and in the event of its being rejected, I shall propose to place on the free list "butter and cheese cloth, calico, white and grey, dungarees and dennins, jeans, corduroys, moleskins and imitation moleskins, oil baize, leather-cloth, sheetings (including forfar, dowlas, and flax) shirtings, white and Oxford, Cambridge and Harvard, zephyrs, galateas, ticks, towellings, window-nets and hollands, and shirtings not being flannelettes. I move -

That the words " 10 percent., and on and after 4th December, 1901, free," be inserted after the word "frocking."

Sir GEORGE TURNER

- We do not propose to object to the present amendment, but with regard to the other articles that the honorable member has mentioned, although they are nearly all mentioned in the 10 per cent, list, there are two or three new ones which we have not yet had an opportunity of considering. I shall not object at

the present stage to their being included, but reserve my right to make further inquiries, and if necessary bring the matter before the committee again. In the meantime, I accept the proposal to omit blue frocking from the list of dutiable goods.

Mr PAGE

- I should like to know where this is going to end. All the materials mentioned in the list are called by the names which are given to various cotton goods in Manchester. They are all cotton goods, call them by what names we may. Some of the material which the honorable member for Bourke desires to have admitted free is manufactured at Manchester for -£d. a yard, and directly honorable members on the other side begin to express free- trade ideas I become suspicious at once. How is it that we are hearing so many requests for the omission of these articles from the dutiable list 1 Is it because the country party, which is composed of the representatives of half-a-dozen Victorian constituencies, have been making representations to the Government, and are attempting to " boss " the Commonwealth 1 The whole of these goods should be treated as cotton and linen goods generally, and placed on the free list without having a whole string of names applied to them.

Mr CONROY

- I am very much surprised at many honorable members who profess to be protectionists endeavouring to fasten a duty upon articles which are the raw materials for many of our manufactures. An attempt is being made to impose an unnecessarily high tax upon the people. These duties of 10 and 15 per cent, are equivalent to 2s. and 3s. in the £. If the protectionists take up the view that these duties are necessary for revenue purposes, we reply that the revenue which the Government are attempting to raise is far too large. It may not be too large from the point of view of some of the States, but we are legislating here for the Commonwealth, and have to study the interests of the entire community. This impost deserves the serious attention of honorable members. Protectionist members, knowing that the freetraders in the House were determined to cut down this taxation, have for once joined with us, and may thus obtain credit, which properly belongs to our party, for lessening the amount of duty. I have heard from the protectionists no discussion of this matter from the manufacturers' point of view, and I should like to know why our friends opposite have lost all their solicitude for that class to which they usually devote their attention. If one class of manufacturer is entitled to have blue frocking brought in as raw material, then other manufacturers are entitled to have their raw material admitted free. What surprises me, from a protectionist point of view, is that cotton should be placed on the free list, when we are informed that protection is wanted for the woollen manufacturer, and that cotton goods come largely into competition with woollens. From the point of view I have indicated, cottons ought to be subject to a duty of perhaps 30 per cent., seeing that such a duty would deprive the people of the chance of buying cotton materials, and would greatly increase employment in the woollen industry. It is interesting to hear from protectionists the admission that the tax is paid by the people here, because that shows that, having listened to our arguments, they have been converted to our point of view. This item is of the greatest importance to the community, and it would be a mistake to pass it without discussion. Figures showing the consumption of these goods ought to have been furnished by the Treasurer, because, with such information, we should have been in a much better position to discuss the general question as to how the revenue is affected. It may be that the revenue will be considerably interfered with, and yet we are voting to a considerable degree in the dark. It is no part of the duty of ari Opposition member to help the Government in framing a Tariff, seeing that we do not believe in customs duties, and I shall certainly support the proposal of the honorable member for West Sydney.

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Sir LANGDON BONYTHON

- Although it is my intention to support the Government, I personally favour an all-round duty of 5 per cent. which would be equitable, and much simpler so far as the Customs department is concerned.

Amendment agreed to.

Mr. WILKINSON(Moreton).- I move-

That the following words be omitted - " Butter and cheese cloth, calico, white and grey."

In submitting the amendment, I am actuated by a desire to encourage the growth of a staple which, at one time, was of immense service in settling a large number of people upon the lands of Queensland. During the whole of the sixties and seventies, nothing contributed more to land settlement in that State

than did the growth of cotton. It has been stated in rather contemptuous terms that this industry is a mere nothing. But I would point out that the same remark was applicable to all the industries of Australia at one period of their existence. I remember when it was stated that the richest part of Australia would not grow a cabbage. Why was that statement circulated? Because the pastoralists wanted to keep the land for themselves? So long as there are large merchant princes who are interested mainly in importation, they will be desirous of keeping the supplies of the Australian market in their own hands. They have no desire to encourage manufacturing industries or to find employment for the people other than in pastoral, agricultural, mining, or mercantile pursuits. I have a higher ambition than that for the coming generation. I want to see them develop the mechanical instinct. That is why I maintain that even at the cost of a little self-sacrifice we should establish manufacturing industries in the Commonwealth. I am merely asking for the omission from this item of four lines. I have submitted samples of those lines to the Treasurer and the Minister for Trade and Customs, who I think, will agree, that they are very fair samples indeed. This industry is a "mere nothing" to-day, because it has not received that measure of protection which it should have received. It has always had to compete not only with the goods of England, America, and Germany, but with the cotton of India, where the cheapest labour is employed that is to be found in the world. It is true that Queensland gave a bonus of £5,000 for the first £5,000 worth of cotton goods manufactured in that State, and placed upon the market, and it has been said that as soon as the bonus was exhausted, the industry collapsed. It is a coincidence that the factory did close shortly after the bonus had been earned, but its failure was partly due to the fact that it was not sufficiently protected, and partly to the farmers growing more cotton than the factories could consume. No one can question the quality of the Queensland cotton. In this connexion, I might point out that in the sixties it was awarded the gold medal at the Paris Exhibition for the finest quality of fibre in competition with the Egyptian and American cottons, and cottons from other parts of the world. Not only can fibre be grown in Queensland of equal quality to that of any other cotton in the world, but at the present time a small factory is in existence, which, if encouraged, might be the precursor of great things. Two thousand spindle's and 50 or 60 looms are standing idle there, although this factory has turned out first class calicoes, sheetings, towellings, cellular cloth, &c. I merely ask that some little encouragement should be given to the leading lines which this factory has been established to manufacture. If we grant this encouragement I believe that the cotton-growing industry in southern Queensland will be re-established, and will eventually assume large proportions. There is a very wide area in that State suitable for the growth of cotton. Even as far north as Bundaberg, the cotton plant has been successfully cultivated. I would also point out that lands whose fertility for cultivation of maize has become exhausted, are, after a crop or two of cotton has been grown upon them, restored to their virgin richness." Upon all these grounds I commend the amendment to the favorable consideration of the committee.

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Sir GEORGE TURNER

- No doubt if we could firmly establish the cotton industry in Queensland it would be a very good thing for the Commonwealth, but it appears to be the feeling of the committee that the particular articles which are used by the poorer people should be placed upon the free list. That being so, I regret that we cannot see our way to support the honorable member's amendment. I have seen some of the articles which were manufactured in the northern State some years ago, and I know that the expert opinion formed of them was very favorable indeed. Though I do not think the honorable member has any chance of inducing the committee to place a high duty upon these articles he may fairly claim favorable consideration at our hands when we are endeavouring to establish various industries by the granting of bonuses. I am aware that there are a number of articles to the growth of which Queensland and the Northern Territory are peculiarly adapted, and the cultivation of which, if properly assisted, might develop into large industries. Therefore, whilst sympathizing with the object of the honorable member, I advise him not to press the amendment. "When we are dealing with the question of bonuses we shall give as favorable consideration as is possible to the industry which he has named.

Amendment negatived.

Sir WILLIAM McMILLAN (Wentworth). - At this stage I again ask honorable members to review the position. Of course I know that we have passed one item upon the voices, but still we are not the slaves of our own word, and I think that if the proposal were entertained for a 5 per cent, duty all round we

should get rid of a great difficulty. It would facilitate matters in the Customs, and would provide a reasonable revenue upon which the Treasurer could depend, whilst the present proposal of putting one-half of these articles upon the free list and of levying a differential rate upon the others, is a very lopsided one. I have all along been contending for simplicity in the Tariff, and I therefore ask the honorable member for Bland and the honorable member for West Sydney whether even now it would not be better to withdraw their proposals, and move for the imposition, of a 5 per cent, duty to cover the whole of this item. As a matter of symmetry and simplicity I think that is the proper course to adopt. If that were done I presume we could, by concurrence, retrace our steps in regard to the item which we have already passed.

Mr. HUGHES(West Sydney). - I move -

That the following words be inserted after the word "Hollands" : - "Corduroys, imitation moleskins, zephyrs, galateas, denims, and shirtings, not being flannelettes and that after "ad valorem 10 per cent." the words be added "and on and after 4th December, 1901, free."

The committee has already placed "blue frocking" upon the free list, and I am sure that the articles which I have already enumerated together with those immediately preceding them should be included in the same list. I am omitting nothing from the list stated here, but I am proposing the addition of two or three items. I do not profess to know the difference between moleskins and imitation moleskins.

Mr Kingston

- All imitations are dutiable at the same rate as the article they imitate.

Mr HUGHES

- Of course, shirtings are already included, and I do not precisely know what particular kind of shirtings is aimed at in the expression "shirtings, not being flannelettes," but we cannot be too emphatic in making this schedule include ever thing we wish to exempt. If there be any overlapping we may be quite sure that the customs officials will collect duty at the highest rate allowed.

Sir George Turner

- "Shirtings, not being flannelettes" is intended to take the place of shirtings as mentioned in the Tariff, but the meaning is wider.

Mr HUGHES

- I am sure the committee does not wish me to give a dissertation upon a subject of this sort, on which honorable members are as well informed as I am myself.

Mr. WATSON(Bland). - I suggest that the honorable member for West Sydney might include amongst the articles to be inserted in the free list "Turkey red" twill stuff, which I am informed is very much used.

Mr. CONROY(Werriwa). - I suggest to the Treasurer that if he is willing to accept such an extensive addition to the free-list he might just as well include cotton and linen piece goods. After the list of goods which has been enumerated, the cotton and linen piece goods not elsewhere included will now be so few that it will hardly be worth while having a set of Custom-house officers to collect duty upon them, and differentiate between them and other classes of goods.

Mr McCay

- The importations under this division will amount to over £1,000,000, according to the Treasurer's figures.

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Mr CONROY

- If that is so, that makes a considerable difference. I should much prefer to have all these goods on the free list, and failing that, I should prefer some arrangement by which they would all be included in one great class, at a low rate of duty.

Mr KNOX

- I speak with considerable diffidence upon a subject which requires technical knowledge, but on the general question I am of opinion that the Treasurer is entitled to expect a considerable amount of revenue from these goods. I am therefore prepared to support a proposal in favour of an equal duty of 5 per cent, upon them all. I have learned from those who are in the trade and know the business thoroughly, that this proposed differentiation is likely to lead to considerable complications. The Treasurer informs us that under the proposal now made he will receive practically the same revenue, but if the acting leader of the Opposition is prepared to test the question, I should prefer to vote for a uniform duty of 5 per cent, on the goods, included in both these items, believing that it would be in the interests of the Treasury, that it

would facilitate the collection of the duties and avoid a diversity of customs decisions, while at the same time it would not be imposing a too heavy burden upon the community.

Sir William McMillan

- We cannot test that unless the honorable member for West Sydney gives way, but we can take the vote on the exclusion of the articles he proposes, on the understanding that if his proposal is defeated we shall propose a 5 per cent, duty on the lot.

Mr KNOX

- I wished it to be understood that from a revenue stand-point, I am not in favour of these items being placed on the free list, and would prefer a uniform duty of 5 per cent.

Amendment agreed to.

Mr. HUGHES(West Sydney). - We come now to cotton and linen piece goods, n.e.i. I do not know what is included in this item, and I am afraid the majority of members of the Committee are in the same position. Perhaps it would be a good thing for the Government to explain to the committee to what articles the term "not elsewhere included" would apply. I believe - and on the point we have the assurance of the acting leader of the Opposition, who, although he does not call himself an expert, knows more about the subject than most of us - that practically it will be impossible for any man to say in regard to many articles under which list they should come. The Treasurer, after having made it to appear that ruin would inevitably overtake the Commonwealth if the committee insisted on a reduction of more than 2½ per cent., acquiesced in, if he did not actually approve of a reduction amounting to very much more. The total amount of revenue he expected to get from the whole item was £338,000, of which he has sacrificed about £150,000, or two-fifths. Is that the action of a man who is embarrassed for want of revenue? A great deal of sympathy has been extended towards the working classes this afternoon, and, as I believe that they are purchasers of cotton and linen piece goods equally with other classes of the community, I move -

That the words "and on and after 4th December, 1901, free" be added to the duty "Cotton and linen piece goods, n.e.i., ad valorem 15 per cent."

Mr. WATSON(Bland).- I think that the Government are entitled to some consideration in regard to this part of the item, but I believe that it would be better to enumerate the articles upon which the duty is to be placed than to apply that duty indiscriminately to all articles not elsewhere included. I am given to understand that art-muslins, long-cloths, tapestries, and a great variety of goods which are luxuries rather, than absolute necessities will come under this duty, and I think that they may fairly do so; but there are other goods to which I should not like to see it apply. If every article to which the duty applies were enumerated, it would secure the simplicity which is being advocated by the honorable member for Wentworth.

Mr Salmon

- But we must use the term "not elsewhere included," because, if we did not, articles would come in under new names, and the duties in the Tariff would not be applicable to them.

Mr Thomas

- The best thing to do is to strike out these duties altogether.

Mr WATSON

- We have in several instances applied duties to a number of articles in common consumption, but I think that, where possible, we should exempt such articles from duty, and should impose duties only upon things in the nature of luxuries.

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Mr McCAY

- The Treasurer has stated that the Government expected to get about £350,000 of revenue from the item as originally framed. The honorable member for West Sydney says that he has voluntarily given up two-fifths of that amount. As a matter of fact the amount of revenue given up is not as much as two fifths of the original estimate. The Treasurer, has, however, announced that he will allow certain articles, which have been named, and similar articles that may be brought under his notice, to be put upon the free list; but he has frankly informed the committee that he cannot afford to lose the whole of the revenue that may be expected from this item. That he has given up £100,000 or £125,000 of revenue, is no reason why he should give up the whole £.350,000. The honorable member for West Sydney says that the action of the

Treasurer is not that of a man who is hard up, and he proposes to make him hard up by taking the remaining £200,000 from him. I would have the greatest pleasure in placing all these things on the free list. Protectionists and free-traders alike are in accord on that point ; it is only revenue tariffists who would place duties upon such articles. But during the debate on the address in reply and upon the Budget, it was constantly reiterated that the Commonwealth must raise a large amount of revenue through the Customs. It has been said that by placing protective duties upon certain articles we have lost the chance of getting as much revenue as we might otherwise have obtained ; but my answer to that is that, if those duties had not been imposed, a large number of men would have been thrown out of employment. In consideration of the attitude which the Ministry has taken up in regard to previous items, I feel bound in honour to support them now. I know the difficulty which is raised about discrimination. I dare say that a duty of 5 per cent, all round on these two lines would have meant far less trouble in the practical working of the Tariff than there is at present, but we also know that the committee would not have agreed to its imposition. It is not so fair, just as the Government's second proposal of a 10 per cent, duty all round was not so fair as their original proposal for a duty of 10 per cent, on one line and 15 per cent, on the other. Although it is probable that the " n.e.i." class will be found to include some items of common use, still I think that the list of special exemptions includes the great bulk of the articles in common use, and what is left in the "n.e.i." class will not be more than those which will fairly cast on the less wealthy portion of the community such a burden of taxation in proportion to their means as I admit would have been cast on them by the original proposal. If the understanding with the Government to impose a 10 per cent, duty on this class be carried, we shall sacrifice a considerable amount of revenue, but we shall have adjusted the burden of taxation much more reasonably and equitably than did their original proposal. Whatever my feelings about the duty- on cotton and linen piece goods may be, I feel bound in honour to follow the Government in supporting the proposal to. have a 10 per cent, duty on the " n.e.i." class. I understood! that in agreeing to the last item without a. division we were carrying out one part of a compact, and I feel it my duty in fairness, to support the other part of it.

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Sir GEORGE TURNER

- It seems somewhat difficult to please the committee. First of all we had the proposal that these goods should be admitted absolutely free. Then our honorable friends on the other side differed as to whether the goods should be admitted free all round, or whether they should pay a duty of 5 per cent, all round, My honorable and learned colleague suggested a means out of the difficulty which I think will be regarded as fair by the majority of the committee. We fell in with the view that it was perhaps a little hard to impose any duty on the poorer classes of goods. But at the same time, I think it is not unreasonable to ask that this particular class of commodities should pay something to the revenue. I am not going to take any notice of the remarks of my honorable friend who twitted me with giving away revenue. It appears to be the practice of some honorable members on that side, whenever I try to meet the difficulties which naturally arise, to crow if they gain a point or two. But so long as we can do what is fair and equitable, they may do all the crowing. From a 10 per cent, duty on this item as it stands we expect to collect £150,000, and the articles can well afford to pay the duty. It is suggested that we should enumerate the articles. But any one who has had experience of the Custom-house, as I have had, .knows that if we enumerate articles that are dutiable they are very soon introduced under different names, and a claim made that they are free of duty. We have tried to put on the exemption list everything that should be exempted. If those who are interested can suggest to us any other articles on which it would be harsh to impose a 10 per cent, duty, we are willing to consider their suggestion, and try to meet their wishes. But we cannot attempt to enumerate the goods which are to be dutiable, because I know what it would lead to from my experience of two or three years of the Custom-house. I have no objection to give the names of some of the articles which this line will cover. Tapestry, cretonnes, chintz, damasks, sateens, linenettes, crepons crimps, prints, piques, vestings quiltings, marcellas, muslins, nets, diapers, and laces are the main articles which will be included. While some of them may be cheap and others more expensive, at the same time we may fairly say that they are all of a class which ought to pay something. The very cheap articles at 6d. or 7d. a yard will not pay very much at 10 per cent., but the expensive articles at 4s. or 5s. a yard will pay in accordance with their value.

Mr Poynton

- The Minister ought to take prints out of the list.

Sir GEORGE TURNER

- Some prints are very valuable. We all know how the fashions change. If some of the better-off people wear goods which are not very much used now, others will follow their example and there will be a good demand for the more expensive descriptions. However, I think the offer we made that the cheaper class of goods which are more extensively used by the poorer people should be placed on the free list, and that the others should pay the lowest revenue impost we are proposing of 10 per cent., is a very fair one. We have spent several hours over these items, and we have a large number of other items in the division to deal with. I am certain that we have all made up our minds, and I hope that we shall now get to a division and that the committee will accept our reasonable proposal.

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Mr THOMAS

- I intend to vote for the remission of the 10 per cent, duty. I should prefer to have a 5 per cent, duty all round because I believe that to free some articles and place a 10 per cent, duty on the others will lead to a great deal of dishonesty and place the honest trader at a disadvantage. If we removed the duties on cotton stuffs the people would have more money to purchase other articles on which duties are imposed, and in that way we should get more revenue. We ought to consider the persons employed on the wharfs, and in the shipping industry. We have passed a number of items which undoubtedly interfere with the shipping industry in Sydney, Melbourne, Newcastle, and other ports, because every duty of a protective character which prevents importation undoubtedly takes away work from the wharf labourers and others. I do not see why we should not consider that class as well as those who are employed in other industries. I understand that the honorable member for Moreton seriously suggested that we might make cotton goods in the Commonwealth, but I do not think that the great majority of the committee believe that for a great many years we can manufacture cotton goods. Therefore, any duty on cotton goods cannot possibly be of a protective character. Taking the articles on which we cannot place a duty of a protective character, the more imports we have the more work will be given to the wharf labourers and others, and they will have money to buy cigars, whisky, and other articles which are liable to very heavy duty. Of course, I would rather see the people spend their money on cotton and woollen stuffs, but at the same time they will buy whisky and cigars, and if the Treasurer is simply considering the revenue, then undoubtedly, if they spend their money on articles on which the duties are heavy, he will get a large return. I should like to see the duties removed from everything if possible. I believe the honorable member for Wentworth was right when he said that this discriminating duty will lead to a tremendous amount of dishonesty. I should prefer the imposition of a 5 per cent, duty all round to the admission of some articles free and the taxing of others at 10 per cent., but as the committee have decided to free a large portion of them, I shall not hesitate to vote for the freeing of the others.

Mr. POYNTON(South Australia).- I am sorry that this position is taken up, because, although there was no understanding with the Government, there was a very strong inducement offered to them by interjection and otherwise to agree to put the first line on the free list. It was then suggested by interjection that we should put 10 per cent, duty on the other lines. I do not know how the division will go, but I feel in honour bound to vote with the Government for the imposition of a 10 per cent, duty on this particular line.

Mr. HENRY WILLIS (Robertson).The Treasurer included laces and lace flouncing in the list of enumerated goods which would come under the n.e.i. classification, but I find on reference to item 64 that those articles carry a 15 per cent. duty. I think that the Government has not made out a case in favour of this proposal.

Sir George Turner

- Cotton lace is different from the other.

Mr Thomson

- They will put it in under lace.

Mr HENRY WILLIS

- The Government tried very hard early in the evening to show that extra expenditure would be forced on the Commonwealth in consequence of taking over certain services which are in contemplation. This goes to show that the Treasurer, in raising this revenue of £350,000, is trying to provide for certain expenditure which had not been taken into consideration when he came down with his estimates. When he made his



statement early in October he said definitely that there would be a balance of £500,000. When the Prime Minister was before the country, it was distinctly stated that the Tariff would realize about £8,750,000 and all the lines of contemplated expenditure referred to by the Treasurer were taken into consideration by the Government. Inasmuch as the Government have consented to the remission of duties representing revenue to the extent of £150,000, it is clear that they feel confident that they will be able to raise the full amount required to carry on the Commonwealth Government and to meet the necessities of the States. Such high duties have been levied upon articles which it is desired to protect, that revenue has been to a very large extent destroyed. The Government have broken their pledge to the country, and now wish to take out of the pockets of the working classes the money necessary to make up for the deficit that will result from the protective incidence of the duties which they have already fixed upon. The articles we are now discussing should be placed on the free list, and the Government, with a balance of £500,000 over and above immediate requirements to meet all possible contingencies, could well afford to make the further concession. The Minister for Trade and Customs has represented that whereas the goods on the 10 per cent, list would be very largely used by the poorer classes, the goods on the 15 per cent, list will be consumed by people who are better able to pay the duty. All classes of the community, however, dress well when they have the means, and goods of the class which it is proposed to tax at 15 per cent, will be found in use among the poorest people. I hope, therefore, that the committee will not consent to exact from the masses of the people duties which they should not be called upon to pay.

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Mr SALMON

- I take up very much the same position as the honorable and learned member for Corinella. Nothing would give me greater pleasure than to see the whole of these goods placed, upon the free list, although among the articles mentioned by the Treasurer were a number that might fairly bear some taxation, because they are used purely for ornamental purposes, and can under no circumstances be counted amongst the necessities of life. By placing a duty upon these goods, we cannot be charged with unduly adding to the burdens of the poor. We have to consider the necessities of the various States, which are already being placed at a disadvantage through having surrendered control of the Customs and Excise to the Commonwealth. The bulk of the community who use a great many of the articles which would come under this duty of 15 per cent, do not regard them as necessities, but as ministering to their comfort. I am very glad to see these goods used, and to feel that the great majority of the people are in a position to enjoy the comfort resulting from their use, but these very people will indorse the action we are now taking in subjecting these goods to a duty. They will agree that at this particular juncture they should be prepared to bear a certain share of the burdens which the Commonwealth find it necessary to place upon them. Those honorable members, who, like myself, would have all the necessities of life placed upon the free list, do not believe in revenue duties per se, but desire to see taxation levied in such a way as to benefit the whole community, and to provide employment, for the people. We are told that some of the articles which will be subject to this duty are of no great value, and surely that constitutes a strong argument in favour of the Government proposal, because under an ad. valorem duty those articles which are inexpensive will not have to bear an excessive amount of taxation. A 5 per cent, duty all round would not meet the case, and I am sorry that there should be any attempt made to take advantage of the position of the Government, and to penalize them for their recent graceful act in agreeing to exempt from taxation such a large number of articles without pressing the committee to a division.

Sir William McMillan

- The honorable member does not mean to imply that there was any compact made.

Mr SALMON

- I do not say that there was any compact. I do not think there has been any compact between the Government and members of the Opposition, but after the statement of the Treasurer as to the amount of revenue which will be lost to the Government owing to the concessions they have just made, we must all recognise that they have gone as far as we can expect at present, and I hope, therefore, that the committee will support the Government proposal.

Mr BROWN

- I know of no compact in connexion with this item, and I feel under no obligation to support the Government proposal, because of any concessions which may have been made in connexion with other

articles. My first obligation is not to the Government but to the people who sent me here, and I have to consider their wishes. An attempt has been made in connexion 'with these duties to differentiate "between articles that are used by the working classes, and those likely to be used by the more well-to-do classes of the community, but without claiming to be an expert, I have a strong suspicion that many of the articles enumerated as among those used by people who are well able to pay the duty enter extensively into the daily necessities of the working classes. Some of the articles enumerated are dress materials used by the women of the working classes, so that a large proportion of the increased taxation will fall on the toilers, whose burdens I wish to see lightened as much as possible. ' Under Customs taxation it is the great masses who foot the bill, and that has been and always will be the case. The items are defended by supporters of the Government on the plea that this taxation, while undesirable owing to the burdens which it imposes on the masses, is necessary in order to raise revenue. These honorable members with strong protectionist proclivities regret that this need prevents their going to the full extent of putting these articles on the free list. But I do not 'admit that there is this need to compel the committee to impose this taxation on these particular lines. In my place here I have coin batted the Stand taken by the Government that they are Compelled to finance the States as well as the Federation, and I hold that it is quite open to them to allow these articles to appear on the free list, and to adopt the either alternative of which they do not seem to approve. The Tariff has been devised for the two-fold purpose of giving protection to Certain industries, and of raising a very large amount of revenue. But if the Government were prepared to remit a portion of the duties on these items which they have singled out for special treatment, they would get a larger amount of revenue, and place a greater-share of the taxation on the shoulders of those best able to bear it. In that way they could solve the problem, and allow these lines to go on the free list. I shall vote with the honorable member for West Sydney ; and if I cannot get these lines on the free list, I shall endeavour to get them made as nearly free as possible.

Mr. SYDNEYSMITH (Macquarie).The committee are entitled to definite information as to the amount of revenue to be received, or likely to be received, under this Tariff, which has been in operation since the 8th October. The Treasurer has said he believes that the paragraphs in the newspapers, and the information conveyed to honorable members on this point, will not be borne out when the actual figures are submitted. The acting leader of the Opposition will remember that in the State of New South Wales on the 1st or the 2nd of every month a full statement is given of the actual amount of revenue which the Treasury officers have received on account of the several services. In the first month of this Tariff, according to the statement which we have had, : the Treasurer received £840,000, which is at the rate of over £11,0,00,000 more per annum than he estimated.

The CHAIRMAN

- I must ask the honorable member to confine himself to the item before the committee.

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Mr SYDNEY SMITH

- This is a very important matter, and I am endeavouring to show that, according to the reports which have been received, the Treasurer can well afford to make a reduction in this item. The time is fast approaching when it will be necessary for the Treasurer to make a statement to the committee as to exact amount of revenue received or likely to be received on the items under consideration.

Sir Malcolm McEacharn

- The Treasurer was stopped from doing that to-day.

Mr SYDNEY SMITH

- Nothing of the kind. The Treasurer could not be stopped from making such a statement; and I am sure that the Chairman would not for a moment rule that it is not competent for any honorable member to show that the Treasurer will get sufficient revenue for the requirements of the Commonwealth, even after the suggested reductions have taken place. According to the statements of the Treasurer and the Minister for Trade and Customs, over £300,000 will be received on this item 64, though I cannot tell what the particular duty under discussion will realize.

Mr Poynton

- Practically half.

Mr SYDNEY SMITH

- If that be so, the Treasurer can well afford to make the proposed reductions for the benefit of the

masses of the community. Even in Victoria these goods are on the free list, and that is what I should like to see in the Commonwealth Tariff. I know that some honorable members on both sides feel impelled to vote against the proposal to make these goods free, because, in their opinion, the necessities of the States demand that we shall raise revenue on cotton goods. If we take the revenue that will be returned to Tasmania, even supposing £1,000,000 of additional taxation is collected from the people through the Customs, we see that it amounts to the small sum of £45,000 or £50,000 ; and before we are called on to submit to such heavy taxation, we should consider whether we are not overloading the people more than was ever anticipated. The first proposals overloaded the people more than was ever anticipated when the first and second Federal Bills were submitted, and a great deal more than when the present Government submitted themselves for election. As one who has always been in favour of having customs duties as light as possible, I feel that by placing a heavy duty on cotton goods we are going much further than ever we anticipated. It is admitted on both sides that there will be some difficulty in determining what goods will come within the item under discussion. I believe prints will be included, and I should like to know why these should not also be on the free list along with other goods of a similar character. The committee, it seems to me, are working in the dark, both in regard to the amount of revenue likely to be received, as a whole, and the amount to be received on this item, and it behoves us to be careful before we place such heavy burdens on the people. I trust that the Government will telegraph to their officers in the various States to supply them with full information as to the amount of revenue which has been derived from every item in the Tariff for the months of October and November.

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Mr A C GROOM

- I think that the proposal of the Government is a fair one, and I shall therefore support it. We have already been successful in obtaining a reduction upon all the cheaper cottons which come into the Commonwealth, and which are in general use among the poorer classes of the community.. In spite of what has been said as to the amount of revenue which this Tariff will yield, I prefer to look a little ahead, and to make provision whereby we shall have something in hand. The Government must have revenue from some source, and I am content to see a 10 per cent, duty imposed upon the better class of cottons in the hope that later on other articles, such as kerosene, will be placed on the free list.

Mr. KNOX(Kooyong).- It is my intention to support the Government. I do so in the hope that, if they find the Tariff yields more revenue than they anticipate, they will recommit this item, with a view to allowing it to be placed on the free list. I hold that the revenue of the Commonwealth must be obtained from Customs and Excise, and a due regard paid to the necessities of the States. I dissent from the view that we have not distinct and positive obligations to the different States. It is our duty to safeguard ourselves in the transition conditions under which we are working by making provision for an adequate revenue. I would rather err on the side of having an ample revenue than that there should be the remotest apprehension of a deficiency. I am entirely opposed to placing articles upon the free list if by so doing we subsequently render direct taxation necessary. This is a purely revenue duty, and one to which the Treasurer is justified in looking for a serviceable addition to his Customs receipts.

Mr. L.E. GROOM (Darling Downs).I hope that the duty will be passed in the form now proposed. In considering this matter we must pay attention to the necessities of the smaller States. 'When making his Budget statement, the Treasurer pointed out that in a normal year Queensland would suffer a loss of £207,000 under the operation of this Tariff. In other words, that amount will have to be raised by direct taxation. Any reduction in the duties proposed means an increase in the amount to be locally raised by direct taxation. The revenue of the State of Queensland has suffered severely by drought and other losses. Surely we should not increase the difficulties of that State by reducing this duty, which is a purely revenue duty ? The Treasurer has met the members of the Opposition in a fair and reasonable way, and I think that they should be prepared to accept his proposal. At any rate, I hope that there will be no further reduction.

Mr WILKS

- The last few speakers appear to have realized that the stand the Government is taking depends upon their responsibility for the revenue. The Treasurer told us that he had surrendered £120,000 of revenue on the first section of this item, and he was not prepared to surrender any more. There is no argument against the justice and fairness of the remission of this proposed taxation, but that Ministers cannot afford

to surrender any more revenue. I appeal to the Government not to be so easily afraid of the effects upon the revenue because they have postponed items which will bring in £660,000 per annum. The placing of these articles upon the free list would influence thousands of people in the Commonwealth in voting at the next federal election, and that is a point which the Ministry ought not to disregard. I know that adult suffrage is a part of their programme, and I should not like to see thousands of people, armed with the franchise for the first time, go to the polls with hatred and bitterness in their hearts against the Government, as they will do if this taxation is imposed.

The CHAIRMAN

- The honorable member is not in order. The honorable member must confine himself to the item. I have allowed incidental references to other matters, but I fail to see what the action of the Government with respect to future elections has to do with the item before the Chair.

Mr WILKS

- If you, sir, had permitted me to proceed I would have shown that the item we are now discussing will affect the female portion of the population, and that as they are to have the franchise they might in recording their votes be influenced by hatred and bitterness against the Government for taxing these goods.

The CHAIRMAN

- The honorable member must see that he is transgressing the rules of debate. So far as the Commonwealth is concerned there is no female suffrage.

Mr WILKS

- The Ministry fear that they will not get enough revenue, or they are attempting to guide the committee in the wrong direction. If they took the executive responsibility of saying that if this duty is remitted the finances of the Commonwealth will be dislocated, I could understand it. If it is right that the articles in the first section of this item should be on the free list, those in the second section should also be there. I admit that Ministers have made a concession in respect to the other item, and I hope they will now make the full concession, seeing that there is a possibility of making up for any deficiency on items which has yet to be considered. I am sure that the revenue to be derived from the expansion of trade will be sufficient to warrant them in making this concession in the interests of the community.

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Mr MAHON

- Personally, I have very little objection to the amount of this duty, though I find that in several of the States the articles under this heading came in free. . Even in the highly-protected State of Victoria these commodities were free, and also in the protected State of South Australia, while in the protected State of Queensland the duty charged upon them is only 5 per cent. The duty proposed here is 10 per cent., and considering the concession made by the Government on the other portion of the item I think the proposition is a fair compromise. I may remind the Treasurer of my modest prediction made last evening - that when we reached the purely revenue producing items we would have the right honorable gentleman getting up and complaining that if we reduced any of the duties the revenue would prove deficient and the solvency of the States would be imperilled. That is exactly what has happened.

But if instead of making some of the duties prohibitive as they are - and I showed that the duty on condensed milk was a prohibitive duty upon which the Treasurer will lose revenue -

The CHAIRMAN

- The honorable member cannot refer to condensed milk now.

Mr MAHON

- I am not in the habit of transgressing the rules, and if you will be good enough to wait until I finish the sentence I am uttering you will see that what I am saying is relevant.

The CHAIRMAN

- I have been good enough in the past to wait until honorable members have finished their sentences, but one sentence has run into another, and an irregular debate has followed.

Mr MAHON

- I decline to have my conduct measured by the conduct of other honorable members. My freedom is not to be abridged because other people abuse their privileges. I am not in the habit of transgressing the rules, nor am I in the habit of speaking unless I know something of the subject upon which I speak. I have

sufficient sense and knowledge of the rules of debate to know what is relevant and what is not. I say that if the Treasurer had not put on these prohibitive duties there would be no occasion now for him to complain of an attempt to reduce purely revenue duties. Surely that is relevant to the subject before the committee? We cannot separate these items. The items of the Tariff are interdependent. The Treasurer puts on duties which absolutely kill revenue, and he now tells the committee that he cannot permit any reduction in those items, which are relied on to give revenue. It is these prohibitive duties which render it necessary to impose an excessive duty upon such items as this. Unless the Government are prepared to give some guarantee that they will take the duties off kerosene, galvanized iron, and other things used by the settlers and pioneers in the back country, I shall vote for the reduction of this item, although I have admitted that I think the compromise made in this case is a fair one. Unless some such guarantee as I have suggested is given, I shall be forced into the uncompromising position of voting for the reduction of every one of these revenue-producing duties, for the reason that it will compel the Government to reconsider the prohibitive duties they have imposed, and so bring their Tariff down to a purely revenue basis.

Mr McCOLL

- We have heard a good deal from the other side about pro-inhibitive duties, but I do not know of one duty yet passed which, can be so described. Every duty passed so far has been considerably less than the duty imposed under the Victorian Tariff, and yet, as has been pointed out before, though out of a total import of £18,000,000 worth of goods, only £6,000,000 were taxable, from that we raised from £2,300,000 to £2,500,000 a year in Victoria. No doubt honorable members accustomed to free-trade look upon these duties as somewhat high, but we, who have been accustomed to high duties in Victoria, look upon them as moderate, and in no sense as prohibitive. This duty on cottons and linens has a peculiar significance for various reasons. In the first place it is one of the duties from which a large amount of revenue is to be derived, and if the Government are to be deprived of the revenue which they expect to carry on the Commonwealth, the shortage will have to be made up by direct taxation. The acting leader of the Opposition harps continually upon the compact made at the elections, but if there was one general understanding-

Mr Mahon

- Is this in order? Is this relevant to the item?

The CHAIRMAN

- I think the honorable member is going beyond the question.

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Mr McCOLL

- What is the reason at the back of the demand for the reduction of this duty? I do not blame the honorable members who have avowed it, but it is openly declared that the reason is that we may have to resort to direct taxation. This is only one of a number of items in connexion with which it is proposed to deplete the revenue by nearly £1,250,000 with a view of putting on direct taxation. That is the object avowed by honorable members in the labour corner, and they are being aided and abetted by our friends in direct opposition. There was a distinct understanding that we should not have direct taxation, that we should keep up the revenue of the States, and that it should be left to themselves to resort to direct taxation.

Mr. GLYNN(South Australia). - I am afraid that the honorable member for Echuca is drawing a new trail across the track, because there is not the smallest intention on the part of honorable members on this side to fill up these gaps by direct taxation at this juncture. It has been stated over and over again, that if a particular duty is sacrificed, there is no intention to prevent the necessary revenue from being raised by some other means under the Tariff. Having consented to the abolition of the duty on the last item, free-traders are bound to see that the duty upon this item is also abolished. We had the co-operation of Ministers in proposing that the 10 per cent. duty should be taken off comparatively raw materials, and now - when we come to manufactured articles they want to impose a duty which did not exist previously in three or four of the States. The object is protection. We have admitted the raw materials free, and now they want to impose a tax on the manufactured article. It is not surprising that the Victorian Chamber of Manufactures support this proposal. Some honorable members advocate the imposition of this duty in order to bring about the greater consumption of woollen goods, a truly protective idea. If the Government

will consent to a reduction of the duty upon woollen goods, I shall support the imposition of 10 per cent. upon cottons and linens not elsewhere included ; otherwise, to be consistent in my free-trade views, I shall have to vote for the abolition of this duty.

Mr. CONROY(Werriwa).- The Ministry, in asking the committee to impose a duty of 10 per cent, on cotton and linen piece goods not elsewhere included are really condemning their previous proposal, which was to impose 10 per cent, upon certain cotton and linen goods, and 15 per cent, upon cottons and linens not elsewhere included, a difference of 5 per cent. Now they have consented to allow certain cotton and linen goods to be imported free of duty, and they propose a duty of 10 per cent, oh cottons and linens not elsewhere included, a difference of 10 per cent. If a difference of 5 per cent, was justified in the first instance, how can a difference of 10 percent be justified now? The Ministry tell us that £225,000 of revenue is to be expected from this duty, and we are asked to vote for it as a revenue duty ; but are there not many items with which we have already dealt in connexion with which they have diverted far more than that sum from the pockets of the taxpayers to the pockets of particular manufacturers? In my opinion, the proper interpretation to be put on the initials " n.e.i." is not that given by the. Government, but that suggested by an honorable member on this side of the Chamber - "nearly everything included." The articles not enumerated outnumber those which are enumerated by a thousand to one. It must also be remembered that what are called piece goods are the raw materials of the dressmaking and millinery trades'. In Victoria 3,782 persons, and in New South Wales about 2,370 persons, are engaged in those trades, so it is safe to assume that 7,000 persons are engaged in them, throughout the Commonwealth. Yet it is proposed to put 10 per cent, upon the raw materials which they use, and thus to discourage their industry. I shall support the proposal to place these articles on the free list, because it seems to me absurd to make any distinction between them and the cottons and linens already dealt with. If I cannot have them imported free, I shall vote for the lowest duty possible.

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

26

AYES

0

NOES

Majority ... .. 6

AYES

NOES

Question resolved in the negative.

Amendment negatived.

Amendment (by Mr. Hughes) proposed -

That the words "and on and after 4th. December, 1901, 5 per cent." be added to the duty "Cotton and linen piece goods n.e.i.. aci vol. ] 5 per cent. "

Sir WILLIAMMcMILLAN (Wentworth). - Although I should have been inclined at one time in the debate to vote for a duty of 5 p.er cent., all round, I think there is a principle involved in the rate of this duty. We shall have to deal with other goods afterwards. Cotton and linen piece goods are practically the basis of the whole system we are building up under, this section. When we come to deal with woollen piece goods we shall deal with articles which can be manufactured in Australia, but we all allow that practically cotton and linen piece goods cannot be manufactured in Australia, and I certainly shall oppose the imposition of a duty beyond 10 per cent, on woollen piece goods. I think it would be reasonable, in a scientific proportion, to give a certain advantage - although 10 per cent, is my maximum for woollen, piece goods, however this vote may go - from the protectionist point of view, to the piece goods, which are capable of being manufactured in Australia. It seems to me that if we go beyond a duty of 5 per cent, now, we are breaking through the symmetry of the structure reaching up to the manufactured goods. I would impress on the committee that there is practically no difference in essence between this item and the item which was" placed on the free list on the voices, because it is all nonsense to talk about a differentiation between the poor man and the rich man in regard to these particular items. Cotton and linen piece goods are made up into low-priced and high-priced articles, and the differentiation of these has been a perfect sham from beginning to end. Considering that the same arguments as apply to the item of " cottons and linens," which was put on the free list on the voices, apply equally to " cotton and linen piece goods n.e.i.,"

although for the purpose of revenue the committee is evidently willing to give a certain rate of duty to the Treasurer, I hold that it should, not. exceed 5 per cent. The whole of the duty would go into the Treasury. It will not materially depreciate the quality of the article by the tradesman, and it is a duty on which the Treasurer could always, rely. I can quite understand some honorable members, who thought there should have been imposed a duty of. 5 per cent, all round, refraining from voting.

Mr Cameron

- Why did not the honorable member stick to it 1

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Sir WILLIAM McMILLAN

- I had no opportunity of moving it. I was blocked because the proposal went on the voices. At first it was proposed by the honorable member for West Sydney that the two items should be put on the free list, and I intended, if his amendment were defeated, to move for a 5 per cent, duty all round. Then came the proposal to separate a portion of this item from the rest and to put it on the free list, and to leave the " n.e.i." portion, as it is called, for further consideration. I urged the committee several times to put a duty of 5 per cent, on the items, but my honorable friend had intruded his amendment, and, by the rules we have laid down, unless he had consented to withdraw it, it was impossible for me to move an amendment. Furthermore, I accepted the possibility of the defeat of the proposal to put the first portion on the free list, but there was no division,, and so I' was absolutely blocked in my attempt. I do not object to the honorable member for Tasmania, taking an independent course. I should be very sorry, after fair argument, for any man to vote against his conscientious conviction. I hope that the committee will carry this amendment, which is a reasonable one, to put a 5 per cent, duty on commodities which are used by the great mass of the population, and which it is impossible to manufacture in Australia.

Mr. CONROY(Werriwa).- I wish to briefly state the reasons why I think honorable members who did not vote with us. in the last division should vote with us in the coming division. The Government have shown on the Tariff that there should be a difference of only 5 per cent, between the duties on these two lines. I think that as tilley consented to place " cottons and linens " on the free list, not more than a 5 per cent, duty should be placed on " cotton and linen piece goods," which we must remember are the raw material for over 7,000 persons engaged in dressmaking, millinery, and other trades in Australia. I have had no time to reckon them all up, but I should think it is nearer 9,000 than 7,000. Under these circumstances I trust that the committee will see its way clear to agree to a 5 per cent. duty.

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

25

AYES

31

NOES

Majority ... .. 6

AYES

NOES

Question so resolved in the negative.

Amendment negatived.

Amendment (by Sir George Turner) agreed to -

That the words - "and on and after 4th December 1901, 10 per cent." be added to the duty "Cotton and linen piece goods n.e.i., ad valorem, 15 per cent."

Sir WILLIAM McMILLAN (Wentworth.) - In connexion with linen and cotton piece goods, there is a class of goods intermediate between piece goods and apparel which is called "Articles," and under item 57 we have apparel and attire and articles " not containing wool or silk partly or wholly made up (not being piece goods), including articles cut into shape." I take it that that means cotton and linen articles, such as tablecloths, and perhaps pocket handkerchiefs?

Sir George Turner

- Yes, if they are wholly or partly made up, but not if they are simply in piece.

Sir WILLIAM McMILLAN

- Within what definition would the honorable gentleman include tablecloths?

Sir George Turner

- If they were in long lengths they would be included amongst piece goods, but if they were single tablecloths they would come under the description of "articles."

Sir WILLIAM McMILLAN

- Surely the honorable member does not intend to place in the category of apparel subject to a duty of 25 per cent. - which covers both silk and woollen goods - articles made in other parts of the world out of cotton or linen. That seems 'to be an absolutely wrong classification.

Sir George Turner

- We are not dealing with that yet.

Sir WILLIAM McMILLAN

- But I am pointing out that we ought to classify these goods differently, because if the committee are not careful they will be dealing with the articles I have mentioned in an improper way.

Sir George Turner

- We can deal with these articles separately and on their merits when we consider them.

Sir WILLIAM McMILLAN

- I will not press that now. It is my intention to move -

That the words "and on and after 4th December, 1901, 10 per cent." be added to the duty "Woollen, or containing wool, n.e.i., ad valorem, 20 per cent."

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Mr CROUCH

- I move-

That the words "and on and after 4th December, 1901, 25 per cent." be added to the duty " Woollen, or containing wool, n.e.i., ad valorem, 20 per cent."

This duty is a matter of such vast importance to the whole of the Commonwealth that I hope I shall be excused if I address the committee at some length. According to a return presented to the House on the motion of the honorable member for Kooyong, there were 1,504 persons employed in the woollen industry in Victoria in 1900. In 1898 there were 1,306 employes; in 1899, 1,445. In the constituency I represent, fully one-half of the woollen mills in Victoria are situated, and certainly a large proportion of the male operatives are employed there. I have extracted from a return prepared by the Government some figures showing how the duties have operated upon the industry in the various States during the last few years. In New\_ South Wales under free-trade there were in 1898 five factories, the number having been reduced to four in 1900. In 1898 there were 231 employes, the number having decreased to 219 in 1900. In 1898, 185 horsepower was employed in these factories, which was decreased in 1900 to 165 horse-power. Now I wish honorable members to notice the great distinction between these figures and those which relate to Victoria where a 25 per cent. -duty has been in operation - this duty representing the minimum protection necessary for the successful carrying on of the industry. In 1898 there were in Victoria eight factories, and in 1900 one more. The number of male employes increased from 426 in 1898 to 526 in 1900, and the female employes from 387- to 487 during the same period. Thus, whereas in New South Wales there had been a decrease of twelve in the number of employes, the operatives in Victoria had increased by 200. The only other place where there has been any increase in the number of employes in the woollen industry has been in Tasmania, where the duty has been 20 per cent., as compared with 15 per cent, in the other States. The number of employes has increased in Tasmania from 157 to 177. These figures show clearly the absolute necessity for a high duty to adequately protect the industry. The wages paid to operatives in the woollen mills throughout Australia are higher than those received by workmen similarly engaged in any other part of the world. I have a return prepared by the Ballarat Woollen Company, in which they submit a comparative statement of the wages paid in Victoria and other parts of the world. It is shown that in tweeds the operatives at Huddersfield are paid from 4~|d. to 9 Jd. per .string, against IOd. and ls. 8d. at Ballarat. In worsteds - white series are woven in Wellington, in England, the average is one weaver to two looms at 12s. per week. In Ballarat, the average is 33s. per week for a weaver working one loom only. The hours of labour in all woollen mills in England are 56 hours per week. In Ballarat the hours of labour are 48 per week only. In further support of that position I shall quote what appeared in the Yorkshire Factory Times on the 27th November, 1899, as follows : -

WEAVING RATES IN AUSTRALIA

&gt;



Letter from Ballarat.

The following is a copy of a letter which the secretary of the General Union of Weavers and Textile Workers (Mr. Allen Gee) has received from Ballarat, Australia : -

>Ballarat, 27th September, 1899

Dear Sir,

Enclosed you will find a copy of the Ballarat Woollen Mills Weaving Rates. The scales which you forwarded came safely to hand, for which I thank you on behalf of the Ballarat Weavers' Union.

Yours truly,

Annie Close, Secretary

Then follows the scale as set out. In the same paper there is a leading article which states : -

**WEAVERS' PRICES AT THE ANTIPODES**

a comparison\*.

lil another column will be found a few particulars in respect to weavers' wages said to be paid in Australia, or at least in one portion of that continent. Some time ago a correspondent from Ballarat wrote to the secretary of the Weavers' and Textile Workers' Union, in Huddersfield, asking him to be good enough to supply the Ballarat Weavers' Union with a scale of prices paid in his district, and after consulting his executive the necessary information was sent by Mr. Gee, who asked in return for the prices paid in Ballarat. The information is now to hand, and no doubt it will be of considerable interest to those engaged in the industry here. At the Antipodes they are evidently going through a set of circumstances similar to those experienced by the weavers in England. The scale is based upon the "Four-box Fast Looms," seeming to imply that fast looms are now taking the place of the slow loom, and for this latter kind of loom 2d. per string extra is paid. An idea of the difference between the prices paid for weaving there and here may be obtained by comparing a woollen warp at home and at Ballarat. The Ballarat weaver, who is weaving a job with 30 picks, two shuttles, on a slow loom, gets 19s. 6d. for a cut of eighteen strings. In Huddersfield a man weaver would get 12s. 9d. for the same job. At 40 picks, the price in Ballarat is 24s. 9d., whilst the price here is 16s. 6d.

Honorable members will see that one result of the establishment of the industry in Victoria has been the payment of fair wages. I know that an argument constantly used against the continuance or increase of the duty is that the industry has been protected for nearly 30 years. But further protection is not asked for, those interested stating that they are satisfied with 25 per cent., but that, they cannot stand any decrease. It must further be realized that 35 years is a short time in the existence of an industry, and a mere trifle in the history of a nation. After the Australian industry has been protected for about 500 years, as it was in England, it will be fair to talk about a reduction. It was in the year 1200 that: a start was first made to create this industry in England.

Sir William McMillan

- Will the honorable member make a compact to take the duty off in 500 years?

Mr CROUCH

- If a duty for 500 years be necessary to establish this industry, I am willing to give that protection, because an industry to be permanently established should not have a mushroom growth. It is sufficient for me to show that in two years there has been the enormous increase of 200 in the number of men and women employed in the Victorian factories under a 25 per cent. duty. In view of that progress, we are prepared to sacrifice a long period of time in order to establish the industry properly. Beeton's Encyclopaedia cannot be accused of being either free-trade or protectionist, and I give the following extract; which it published in its article on "The Woollen Trade," as showing how this industry was established in England and how we ought to follow on the same lines -

The manufacture of broadcloth was established soon after the year 1200- in England if not previously. In 1337 an Act was passed prohibiting the wearing of any clothes made beyond the seas, and from that period the manufacture has always been regarded as of primary importance.

We see why it was necessary to establish in England a very high protective duty, and also why in the middle of last century it was possible to remove that duty. When duties were first imposed England had what Australia has now - a large number of sheep in the back-blocks, giving a plentiful supply of the raw material. If we establish this industry in Australia, we shall be able to save all the freight and agency expenses which would help us in competing with the English product, and, at the same time, we shall

employ our own people. In that way we shall arrive at the desideratum which free-traders or revenue tariffists propose to bring about, namely, cheaper production. In England there was a constant increase of the duty until 1850, when the industry had been placed on such satisfactory basis that it was able to dispense with protection. I have no doubt that in time Australia will be able to do the same, if we take the proper steps now. No one can regard this as an exotic industry.

Sir William McMillan

- Hear, hear! That is our point.

Mr CROUCH

- It is an industry that is absolutely natural to the soil.

Sir William McMillan

- It does not want protection, then.

Mr Mauger

- It wants fair play.

Mr CROUCH

- I am glad the acting leader of the Opposition has said that this industry does not want protection, because it affords me the opportunity of quoting what Henry George said about the encouragement of industries. In Mr. George's *Protection and Free-trade* we read -

As an abstract proposition, it is not, I think, to be denied that there may be industries to which temporary encouragement might profitably be extended. Industries capable in their development of much public benefit have often to struggle under great disadvantages in their beginnings, and their development might sometimes be beneficially hastened by judicious encouragement. And again it is only when imposed upon commodities partly imported and partly produced at home, or entirely imported, yet capable of being produced at home, that duties can in any way encourage an industry.

If there is any industry that should be encouraged in Australia it is the one under discussion, because we have the raw material, the men and women who want work, and the proper machinery. All that is now required is the continuance of the duty of 25 per cent. ; and the committee will be doing great harm to an established industry if it makes an attempt to decrease that duty.

Sir WILLIAM McMILLAN

- Do the Government intend to support this amendment ? I do not feel inclined to speak to the general question on an amendment of this kind, which I hope the Government will not countenance.

Sir George Turner

- The Government will stand by their own proposal.

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Sir WILLIAM McMILLAN

- Then it is not necessary for me to say anything about the extravagant amendment of the honorable member.

Sir George Turner

- The honorable member has a perfect right to move for an increase of the duty if he thinks fit.

Sir WILLIAM McMILLAN

- But I say that it is an extravagant amendment, which only proves what we have said all along, namely, that there are a certain number of gentlemen on the other side who are of opinion that every duty in the Tariff should be the Victorian duty. The Government reduced the duty by 5 per cent., and then did not arrive at an average ; but this honorable member wants the rate brought back to that which prevails in Victoria, which is taken as the only standard without regard to other States or other conditions. I do not intend at this stage to say what I want to say, because I cannot view with any seriousness the proposal of the honorable member.

Mr PIESSE

- There is bound to be a great difference of opinion in settling a fair duty on an item of this kind. On the one hand, we have New South Wales, where this commodity was absolutely free, and on the other we have Victoria, where the duty was 25 per cent. But we can get some guide as to the terms on which an industry may flourish by looking outside Victoria, and without going to New South Wales, whose conditions, some may say, are exceptional.

Sir William McMillan

- Why not take an occasional trip, mentally, to New South Wales?

Mr PIESSE

- I do frequently take a trip, mentally, to New South Wales, and I hope I bear in mind the claims of the senior State. Our friends in New South Wales very often forget, I think, what must have been in their minds before they joined this Federation, namely, that they were joining partners who would require them to give up a great deal of what they had been accustomed to in their methods of taxation. While I have a good deal of sympathy with the people of New South Wales, it is impossible that their claims can be quite met ; and, on the other hand, we cannot expect them to submit to extremes of taxation. I should say, even to those who desire to see the woollen industry progress, that there is no need, in view of the experience of other States, for the large protection which is asked for. The honorable member for Corio has drawn attention to the fact that the - number of people employed in this industry in Tasmania has greatly increased in ten years. That increase has been 120 per cent. The quantity of wool dealt with in the factories of that State has increased 350 per cent, in the same period. If Victoria used wool to the same extent that it is used in the factories of Tasmania the former State would, deal with double the quantity. Under what conditions has the industry in Tasmania been enabled to flourish as it has done ? In Tasmania those engaged in the industry not only supply to a great extent the local market, but are competing, in the better lines of production, in the free market of New South Wales.

Mr McCay

- Tasmania exported only 426 worth.

Mr PIESSE

- No doubt the industry is small - about £30,000 worth in a year ; and I am only pointing out that if the industry in Victoria were on the same scale, it would be of much larger dimensions. The quantity of wool used in Tasmania is 1 lb. out of every 7 lbs. of its production, whilst in Victoria the consumption represents only 1 lb. out of every 30 lbs. of its production. The industry in the State which I represent has been developed without the aid of any extreme protection. One large mill has doubled its horse-power within the last few years, and two others have introduced new and valuable machinery. The owner of one of these mills declares that any man- who cannot be successful with a protection of 20 per cent, deserves to go to the wall. I suggest that the New South Wales representatives should accept a 20 per cent, duty on the understanding that it should continue for three or four years, in order to give the industry in Victoria a chance to come down from the high level of protection under which it has been carried on, and to return to the other States that amount of revenue which, I think, they will acquire from this item. I make this suggestion with a view to meeting the extremes on both sides. Victoria cannot expect to have continued to her the present rate, or an increased rate of duty, seeing that relatively a much larger industry has been built up under a smaller protective, duty in what the inhabitants of this State are sometimes prone to term " Sleepy Hollow."

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Mr PAGE

- I intend to support the proposal of the acting leader of the Opposition. The wool industry does not require any protection. The honorable and learned member for Corio made out a very good case so far as he went, but I find from the Statistical Register that there are only 917 hands employed in the industry in Victoria, despite the fact that it has enjoyed a protection as high as 35 per cent. I would further point out that New South Wales has produced some of the finest tweeds in the world without the aid of any protection.. In Queensland, where wages are higher than they are in Victoria, big dividends are paid by the wool industry, although the protection which it has hitherto enjoyed was only 15 per cent. How then can it be urged that a duty of 20 or 25 per cent, is necessary for the encouragement of the industry ? In this connexion I have received a letter from one of my constituents in the far north which I should like to read. The writer says -

There is one aspect of the proposed federal Tariff which seem<sup>3</sup> to have been overlooked, but which is of the utmost importance to a very numerous section of producers, viz., wool growers, shearers, and all those connected with the wool-growing industry. Sir George Turner, the federal Treasurer, has said - ' If what we propose is likely to injure any industry . . . we are perfectly prepared to ascertain the views of the various parties interested .... and to modify or alter any of the anomalies which may possibly exist.' The anomaly I would point out is the proposed heavy duty on woollen and worsted goods, on woollen

yarns, and on carpets. Of the burden they impose upon the consumers I have nothing to say here, because these burdens are borne by all consumers, and not by wool-growers, shearers, carriers, &c, specially.

But the fatal defect of these duties, a defect which does not - so far as I am aware - apply to any other proposed duties, either protective or revenue, is that they must materially interfere with the consumption of wool, and thus tend to appreciably lower the price of Australian wool.

A remunerative price for our wool is the very life-blood of our prosperity. In spite of the terrible losses in sheep, arising from the drought cycle, which is not yet over, Australia is still the greatest wool producing country in the world, growing annually about 1,250,000 bales. More than this, among all the varied sources of wealth enjoyed by the Australian Commonwealth, the wool-growing industry gives the largest result. Wheat, butter, gold, silver, and coal, though, products of great importance, all give first place to wool.

A rise or fall of only 1d. per lb. means roughly a difference of about £2,000,000 to our national income. The general impression seems to be that the consumption in Australia of goods made from wool is so small that it is hardly worth troubling about. This, however, is not the case. True, the population of Australia seems small compared with that of other great countries, but against that the people of Australasia are among the largest consumers of wool per head (in its manufactured form) of any other people in the world. The result is that our importance as customers of England's woollen manufacture is out of all proportion to our population.

The Bradford Observer, some twelve months ago, wrote : - Taking our exports of all kinds of wool put together, 17 per cent, of the whole goes to Australasia, and per cent, to Canada. Next on the list stands France, with 9 per cent. The United States takes only 8 per cent, of our wool goods.

The actual values of the exports from the United Kingdom during 1900, of manufactures of wool of all kinds, are thus given in Messrs. Helmuth, Schwartz and Co.'s annual wool report : -

It will be seen that of the net export of £11,119,000, those to Australia amounted in 1900 to 144 per cent.

The United States, France, &c, have of course large manufactories of their own, which accounts for the comparatively small consumption of British goods, but the above figures show that the consumption of woollen goods, worsteds, and carpets in Australasia must already be an important factor in the demand for wool throughout the world, and as the population of the Australian Commonwealth expands, its demand for wool - if not interfered with by hostile legislation - must become greater.

Is it wise, therefore, that the Commonwealth Tariff should do anything to restrict that demand? That the proposed duty of 20 per cent, will tend to diminish the consumption of wool goods in Australia and thus restrict that demand is an absolute certainty. The injustice to the whole of those engaged in the wool industry is all the greater, from the fact that it is now quite possible that the materials which compete with wool, and which drag down its price, will be admitted free, I allude to calico, and to various forms of manufactured cotton, and particularly to what is known as "flannelette."

Mr Mauger

- What has all this to do with the duty proposed?

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Mr PAGE

- It has everything to do with it, from the producer's point of view. There is somebody else to be considered besides the few owners of woollen mills in Victoria. Consumer and producer are equally concerned in this, but honorable members opposite do not like this kind of thing. This writer says further : -

Wool is not an article which can be produced cheaply. In Australia, the principal wool-growing country of the world, it is grown and handled almost exclusively by white labour, and at every stage it employs the highest wages. Its merit is not cheapness, but its great suitability for clothing, and above all its acknowledged healthiness. "Wool is the best material for all kinds of underclothing," says an eminent authority on hygiene. But its high cost exposes it to the merciless competition of an infinite variety of cotton fabrics. When cotton has been so cheap, and wool so costly, the resources of inventive genius have been well nigh exhausted in the effort to substitute cotton for wool, either by fair means or foul. I use the last word advisedly, because many of the most successful usurpations of wool by cotton, have been made by deluding the consumers into the belief that they were buying wool materials, when they were

only getting imitations made chiefly from cotton. Those engaged in the wool industry of Australia do not ask for any special favour from the Commonwealth Tariff. They do not ask that the consumption of cotton shall be repressed in order to encourage the consumption of wool. But what they have a right to expect, and what I doubt not the Federal Legislature will on reconsideration grant them, is that the Federal Tariff shall not discriminate against Australian wool in favour of its great rival, Cotton. Wool is grown in Australia. It is grown by white men. It employs labour at high wages. On the other hand, cotton is not grown in Australia. It is almost exclusively grown by black labour, and probably by the lowest paid labour of any important industry in the whole world. What, therefore, justice demands, and what reason and statesmanship dictate, is that under no circumstances shall any higher duty be imposed upon the manufacturers of wool, than are to be imposed upon the manufacturers of cotton or other competing textiles. The present position is a serious one to the wool industry.

The writer concludes by saying -

It may not be out of place to refer here to the terribly low price to which Lincoln and coarse crossbred wools have now fallen. These wools, which are mainly grown by small farmers, are now selling at the lowest prices ever recorded, and at those low prices are sometimes almost unsaleable.

Mr Mauger

- Does not the honorable member see that if we use that wool here, we can pay the growers a better price.

Mr PAGE

- No; the honorable member will not catch old birds with chaff; the writer further says -

Coarse crossbred and Lincoln wools are a glut and a drug in the markets of the world. This is simply because the demand for goods made from them has fallen off. Surely then, this is not the time to place a duty of 20 per cent, on woollen goods,- worsteds, and carpets, and thus discourage their use and diminish the demand for them in one of the great wool consuming countries of the world.

Those are the words of a practical squatter in Queensland, where they have to put up with everything as well as the drought.

Living out there is not the best thing in the world, and those who can get away from it do get away from it as quickly as possible.

Sir Malcolm McEacharn

- The honorable member did not say that when the Kanaka Bill was on.

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Mr PAGE

- I would like to ask the honorable member for Melbourne if he would prefer to leave this Chamber and go and work in the railway cutting in Flinders-street ? Which of the two positions would the honorable member occupy if he had the choice ? I should prefer to sit in this Chamber myself. I know that these men have gone out to this country to make money, and in the 'hope of making a competency with which they might return to Victoria. Some, unfortunately, are not in that position. They have taken money up there and lost it, and they have got to stay there. These men are pioneering the country, and honorable members propose putting a 20 per cent, duty on what they produce. The honorable member for Corio said that the woollens produced here are 'as good as any made, but perhaps the honorable member has not seen an article which appeared in the Argus of December 2nd, 1901. I would ask the honorable member to give some attention to it, because it will be an eye-opener for him. Perhaps as he is such an out-and-out protectionist he does not read the Argus, so I will read it for him -

In 1895 the Victorian mill-owners were questioned by the Tariff Board about the well-known fact that woollen mills flourish in some of the other States, and pay good dividends and turn out first-class goods under a low Tariff regime.

I suppose the reference is to New South Wales and Queensland. I can say that under a 15 per cent, duty in Queensland the Ipswich Woollen Company turn out tweeds 'that are second to none. In almost every town in Queensland they have shops of their own, and they not only sell direct to the manufacturer, but they will make a suit of clothes as well. Here in Victoria I have been told by a very good authority that the mills will not sell a yard of cloth outside the wholesale houses without putting 15 per cent, on the price at which they sell to the wholesale houses. Are we going to tax the consumer to the extent of 15 per cent, over and above the 20 per cent. 1 The working man has to earn his money very hard, and quite as hard

as the employees of the woollen mills, and yet honorable members are proposing to saddle him with 15 per cent, added to the 20- per cent.

Sir Malcolm McEacharn

- Nobody is likely to do that.

Mr PAGE

- But they do it. I had it from a manufacturer in Geelong. I asked whether they would sell a suit length of cloth, and I was told that they could not sell a yard of cloth outside a wholesale house without putting 15 per cent, on the price.

Mr McCay

- Would the honorable member not expect to find a difference between the wholesale and retail prices ?

Mr PAGE

- We do not find it in Queensland. They sell there direct from the manufacturer to the consumer. If I want half a bolt of cloth is it reasonable that I should be charged 15 per cent, more than a man who wants a bolt 1

Mr Ronald

- The squatter's advocate !

Mr PAGE

- I admit I am the squatter's advocate on this occasion, but 'the squatter's advocate does not want a penny of protection ; all he wants is a square go, and honorable members are not game to give it him. He does not come cap in hand, nor does he send rolls and quires of paper here to ask honorable members to tax the other fellow. He knows very well that he will get no satisfaction from honorable members opposite, and if nobody fought for him on this side God knows what honorable members would do with him. The article goes on to say -

Mr. A.Bell, chairman Ballarat Woollen Mills, was examined -

The Chairman

- We have often been told that, in New Zealand, with a lower duty, they have been able to employ more hands than we have (in New Zealand there are 1,185), while the total value of the articles produced in Victoria is £170,000, and in New Zealand, £279,000. Have you ever had your attention called to these figures ?

The answer to that was " No." But he knew all about it all the same, I bet.

Can you offer any explanation ? - I understand that the New Zealand companies principally go to the public direct.

Would it not be an advantage to you if you adopted a similar system ? - Unfortunately, from want of capital, we cannot.

The same thing prevails in Queensland ? - Yes ; they deal direct with the consumer.

Mr. C.E. Grainger, of the Ballarat Mills, was also questioned -

The Chairman

- Have you an arrangement with the warehouses, that you will not sell to any one except at an advance of 15 per cent. ? - No ; it is an unwritten law.

I do not know what more honorable members want to prove that this to be a tax upon- the consumer, not only of 20 per cent., but of 15 per cent, in addition, because he must pay that before he can get a yard of cloth to make up his clothes.

Mr. ThomasM. Gobie, managing partner of the Albion Mills, was examined -

The Chairman

- Have you seen the cloth submitted to us as shoddy, made in Victoria ? Yes.

Would you turn out a-cloth of that kind (showing example) at any price? No.

Is not cloth of that kind a disgrace to the colony ? Perhaps it would have been better if it had never been made. At the same time the woollen mills here are to a certain extent wise. They are catering for all classes of trade.

Is not this shoddy the torn up rags from shops, and so on ? Yes, mixed with wool.

The honorable member for Corio laid great stress upon these mills making the best of tweeds, and being willing to compete with the world, so long as they had this protective duty of 25 or 30 per cent. Yet we find that the greatest rubbish ever made in Australia is sent up to Queensland as Victorian tweed. It is good

enough for Queens- 1 laud, simply because we are a long way off. Is that the sort of tweed that they intend to introduce into the Commonwealth ; tweed made from rags and cotton picked up from anywhere, and mixed up with a little wool 1

Mr Crouch

- It is better than- the English shoddy.

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Mr PAGE

- We can deal with' that through the Customs-house, but we cannot deal with this through the Customhouse, and it is better for us to have the rubbish brought from home than that it should be made here and palmed off on us as Australian goods. The manufacture of such stuff as that has done more to injure the , industry than protective duties will set right for the next 50 years. The honorable member for Southern Melbourne has prompted the honorable member for Corio, and I am pleased that he should have interjected that I was an advocate for the squatter. The growth of wool is the only industry in the district I represent, and the pastoral district of Queensland is as large or larger than New South Wales. I have said that we do not want protection, but .we do want a square deal. I 'have, told honorable members before that the wool industry is the backbone of the Commonwealth, and there is no gainsaying the fact that under this Tariff the squatter is being taxed on everything from narcotics and stimulants to condensed milk.

He is being taxed upon everything he eats and upon everything he puts on his back, and, not satisfied with that, honorable members want to tax the wool he is growing. I hope that some consideration will be shown to the squatter, who, bad as he is, has some good points. He simply provides the money to carry on the government of the States, and all he asks honorable members to do is not to crush him, but to give him a square deal.

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Mr CRUICKSHANK

- This is an item which I think should carry more weight with honorable members than probably many items to which we have devoted so much time. The world's consumption of wheat is about 2,500,000,000 bushels, of which we export only 12,000,000 bushels, but Australia is a larger producer of wool than is any of the five continents, and the wool-producer is entitled through his representatives to have his position put fairly and properly before the committee. While I have always said on the hustings that I intended to take no course which would be destructive to the local manufactories, and to maintain as far as possible the rights which the manufacturers had acquired under the State laws, at the same time we must recollect that they have the raw material at their doors. The' wool producer who sends his product to England to be manufactured ' and sent back has to pay in carriage alone 1£d. per lb., and the price of wool at the present time at our doors is about 7d. per lb., so. that there is a natural protection of at least 25 per cent. There is a population of 1,100,000 in Victoria, 1,250,000 in New South Wales, 500,000 in Queensland, and a smaller number in the other States. Under the Constitution we have free-trade established between the- States, and thereby the markets for Australian producers have been increased. We, as wool-producers, must look to our own interest. While I shall endeavour in - every way to support the woollen industry, I do not think it is necessary to impose a high protective duty. I believe it will be quite as prosperous under a 15 per cent, duty as under a 25 per cent. duty. The only difficulties which the local manufacturer has to encounter as ' against the Home manufacturer are in regard to machinery and wages. It is quite likely, as time rolls by, that the great manufacturers in other parts of the world will send out their machinery and establish very large woollen factories under a moderate duty, seeing that they will have the raw material at their very doors. I suppose that the manufacturers in this State are like the manufacturers elsewhere, and that as soon as the Tariff is passed they will begin to fix the price of their products as high as ever it will allow. We have to consider the different phases through 'which the wool has "to go after it is removed from the sheep's back. We have decided practically to admit free cotton goods, which are coming greatly into competition with the wool-producer. The wool which we shall manufacture here for years to come will represent only a small proportion of our clip. We shall always be very large exporters of wool to other parts of the world, and therefore we are interested in seeing that the wool-grower gets fair access to the markets of the world. We must be careful not to adopt a duty which will prohibit the importation of our surplus wool in the shape of woollen goods, but to have a duty

sufficiently high to give our wool manufacturers the command of the local markets. We do not wish, however, to have a duty which may enable them to create a monopoly, and prevent our wool exporters from sharing in the markets of the world. 'As producers -and consumers of wool, we have to enter into competition with the producers of linens and calicoes. We wish to be put on a fair footing in that competition, and 15 per cent., I think, is a fair duty to impose. I believe the woollen mills in Tasmania were built up under a 10 per cent. duty. When I was in Queensland some time ago, the duty was 15 per cent. In New South Wales, woollen mills were established without the aid of a duty, though I think they are now asking for some consideration. The -woollen factories have not to get their raw material from other countries where cheap labour is employed. Fortunately, in New South Wales -we have coal, and I believe that in the valley of the Hunter, and probably round Newcastle, woollen factories will be established within a few years. I also believe that the woollen factories in Victoria will become more prosperous under Inter-State free-trade. Now that federation has given confidence to all trades and businesses, I expect that fresh capital will be brought into Australia by large business firms abroad, but I do not consider that a high duty is required to start woollen manufactories in Australia.

I have gone very carefully into this question from all points of view, and I do not wish to see a duty imposed which will have the effect of shutting our surplus products out of the world's markets. I hope to see the Commonwealth with a population of 10,000,000 within a few years. I can see clearly that, if a high duty is imposed on woollen goods, cotton goods and other products will be brought in to compete with Australian wool. All that is necessary to encourage woollen factories is a duty of 15 per cent. Considering all the charges incidental to the export of our surplus wool and its return in the shape of woollen goods, a duty of 15 per cent, ought to give a very fair impetus to the manufacture of woollen goods in the Commonwealth. I feel that with the aid of that duty the industry will prosper.

Mr WILKS

- The debate so far has been of a representative character, inasmuch as we have had contributions to the discussion from representatives from four out of the six States. Not only so, but the interests of the manufacturers, the pastoralists, and the consumers have been advocated. The honorable member for Corio represents an electorate in which the woollen industry is a very important one, and he was performing his manifest duty in seeking to influence the committee in favour of the imposition of a high duty. On the other hand, we find the honorable member for Gwydir, as a leading pastoralist, distinctly opposed to the duty, whilst the honorable member for Maranoa has spoken most forcibly from the point of view of both the consumer and the pastoralist. The honorable member for Tasmania has expressed himself as being content to have the duty continued for another four or five years at the rate of 20 per cent. But, if we grant assistance for that period, we shall have the greatest difficulty in discontinuing it.

Mr Piesse

- We can fix the period for which the duty shall operate.

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Mr WILKS

- It will be difficult to induce the committee to do that. The honorable member for Corio would not be content to have the duty limited to any particular period, and members of the- Ministry, who apparently regard this as a revenue duty, would be similarly disinclined to fix any specific term beyond which the duty should cease to operate. This cannot be looked upon by the Government as a protective duty in the sense of its operating to the exclusion of imports, because the Government expect to receive from it revenue to the extent of £100,000 per annum in Victoria, and £115,000 in New South Wales, whilst the total to be derived from the whole of the Commonwealth is £335,000. We have some very successful woollen- mills in operation in New South Wales, and the prosperity of the industry is there indicated by the recent extension of the Marrickville mills in the electorate of the honorable member for Lang. Large buildings have recently been erected there, and the extension of operations thus provided for was decided upon long before any information could be obtained as to the fiscal policy that would be adopted by the Commonwealth. The success of our woollen mills depends very largely upon the introduction of the latest and most approved machinery, and upon enlisting the most expert assistance from the old world. If we are to compete successfully with the woollen manufacturers of Great Britain and elsewhere, we shall have to follow their practice of renewing the mill machinery every five years, and incorporating the very latest improvements. This will involve the employment of large capital and "the most efficient managers. It



has been stated that one reason why Australian woollens have not met with general acceptance in the local markets is that they lack variety of pattern. The material is good and thoroughly serviceable, but it does not attract the public taste, and this is a matter that will require to be remedied if success is to be assured. In New South Wales, under freetrade, the woollen industry has been built up on a thoroughly sound foundation, and, after the experience gained in that State, we free-traders cannot be expected to consent to an increase of the duty as desired by the Victorian manufacturers. If the natural protection afforded by freight and other charges to which the imported article is subject is added to the 20 per cent, duty proposed by the Government, the protection given to the local manufacturers will amount to 30 per cent., and that should be more than ample to meet all the necessities of the case, even from the point of view of the local manufacture. As far as I am personally concerned, I think the interests of the consumers are most entitled to consideration, and I shall therefore vote to place these goods on the free list, or at any rate to reduce the duty to the lowest possible figure.

Mr. THOMSON(North Sydney).Objection was taken to the statement of the honorable member for Maranoa that he supported the wool industry of Australia, and consequently objected to anything likely to reduce the consumption of wool. The honorable member was charged with being a squatter's advocate, and replied that if he were, he was advocating an industry which asked nothing from the country, whereas the industries advocated by others have asked for very considerable concessions. The honorable member for Melbourne Ports said he could not understand the argument of the honorable member for Maranoa that the pastoral industry would be injuriously affected if the prices of woollen goods were forced up by a high Tariff. It cannot be said for a moment that local buyers of wool will give anything more than the London price, less the cost of sending it to London.

Mr Mauger

- I can assure the honorable member that in connexion with several industries in which woollens are used, far higher prices are paid.

Mr THOMSON

- If the honorable member is asking us to give protection to men who manage their business in such a foolish manner as that, we should refuse to do so. If a squatter can get a certain price by sending his wool to London, he will readily accept that price, less transit expenses, if offered on the spot, without having to wait until the London returns come back. If we give consideration to manufacturers we must see that we do not enable them to raise the price of their products unduly, so as to force consumption on to other goods, and consequently reduce the consumption of Australian wool. If any industry should prosper it ought to be the woollen industry of Australia under the new conditions of federation. I do not say that the industry had the same opportunities under the old conditions, because the difficulty of providing diversity of pattern, make, and weight for the small population of one State must have met manufacturers frequently. There was a considerable disadvantage in the smallness of the market, in competing with the manufacturers of other countries ; but now there is a large and increasing market of nearly 4,000,000 of people, and a much smaller duty ought to be sufficient. One "Victorian manufacturer, as we know, wrote to the newspapers saying that he did not require the duty ; and no manufacturer would do that if it were not a fact. He admitted that for some time he had not been prosperous, but he showed that that was through following wrong methods, and that, now he had obtained proper machinery and system, he did not require any duty. There is a natural protection of at least 25 per cent, or 30 per cent, in sending the wool to England to be manufactured and returning the cloth j and, under, these conditions, the proposal of the honorable member for Wentworth is sufficient. There are in-, eluded in this woollen duty a large number of items which were free in the Victorian Tariff, and there will consequently be a considerable accession of revenue. The value of the importations into Victoria of such item?, principally dress goods part wool, was £300,517, and a duty on that amount: at 20 per cent, would realize £66,000. while a duty of 10 per cent, would, of course, produce exactly one-half. The importations into the other States of these materials represented a much larger revenue, and, with these other goods included, I do not know how the Minister comes to anticipate from a20 per cent, duty on all woollens, only some £300,000 odd. If we take the same rate of imports as we find in Victoria, these extra goods ought to yield about £198,000 at 20 per cent.

Mr Cruickshank

-I desire to move that there be a 15 per cent, duty, and in view of the proposals to increase the duty to 25

per cent., and to reduce it to 10 per cent., I should like to know my position.

The CHAIRMAN

- The honorable member can move that the amendment be amended by omitting 25 per cent, with a view of inserting 15 per cent.

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Sir William McMillan

- An arrangement has been made that in the case of a proposal to increase the rate beyond that submitted by the Government, the extreme proposal shall be taken first. If the amendment now before the committee be defeated,, the lowest rate proposed will 'then be put to the vote. For instance, I propose to move that the duty be 10 per cent., and if I am defeated the honorable member will have his chance of submitting his proposal that the duty be- 15 per cent.

The CHAIRMAN

- If the course suggested by the honorable member for Wentworth be pursued, it will not prevent the honorable member for Gwydir from submitting his amendment at a later stage.

Mr Thomson

- The extreme proposals are taken first as the most convenient course.

Mr CRUICKSHANK

- That has not been the practice in New South Wales.

Mr. BATCHELOR(South Australia).I do not feel disposed to support a duty of 25 per cent. In South Australia there are a couple of woollen factories which have progressed very well under a protective duty of 15 per cent. I have had no request from them to support a higher rate, which is pretty good evidence that they do not desire one. They turn out a very good article which competes fairly well with the imported article. I fear, however, that a 5 per cent. margin between the duty upon piece goods and made-up apparel is scarcely a sufficient protection to the local manufacturer. With a low margin there is a greater chance of slop goods coming in. In South Australia and Victoria they have had a 10 per cent. margin.

Mr CROUCH

- Will the honorable member accept 25 per cent. and 35 per cent.?

Mr BATCHELOR

- Does the honorable and learned member expect the committee to accept that? I cannot see any good reason for voting for a higher rate than that which has already proved sufficient in one of; the States where they have been working under conditions precisely similar to those in the other States of the Commonwealth.

Mr SALMON

- I ask the honorable and learned member for Corio to withdraw the amendment. A fair compromise has been offered by the Government, and most honorable members, when addressing their constituents, said that the Tariff would have to be a compromise between the two contending parties - the free-traders and protectionists. We all felt that there could not possibly be anything approaching prohibition, any more than there could be anything like free-trade. I believe that the Government have struck a fair average in suggesting that the duty should be 20 per cent., and I therefore urge upon the honorable and learned member to withdraw his amendment.

Mr. CROUCH(Corio).- I do not feel inclined to withdraw my . proposal. The Government have compromised when they should not have done so.. The honorable member for South Australia, Mr. Batchelor, has asked whether I expect the committee to accept the amendment. In reply I desire to say that I expect the committee to act with common sense, and to deal out justice to established industries. Even the acting leader of the Opposition, when addressing the electors, said that he would endeavour to preserve vested interests and established industries. It is very unfair at this stage to try to wipe out those industries, to reduce the wages of workmen, and diminish the output of Australian factories. The honorable member for South Australia has said that the factories of that State got on very well with the aid of a 15 per cent. duty. But I would point out that from a return presented to this House at the instance of the honorable member for Kooyong it appears that there was only one factory in South Australia in 1898, one in 1899, and one in 1900. Its total employes numbered eight males and five females, whilst only fourteen-horse power was employed in it. This is the industry which is - said to have flourished under a 15 per cent. duty. In Victoria the industry, properly protected with a 25 per cent. duty,

employs 1,013 hands.

Mr Kirwan

- There are more hands employed in the woollen industry of Victoria now than there were when it enjoyed a protection of 40 per cent.

Mr CROUCH

- Then the honorable member would argue that if there were no duty the industry would be in a better condition still. In reply to his statement I would point out that in New South Wales, where there has been no duty operating, the number of factories, of male and female employees, and the horse power employed, have decreased.

Mr JOSEPH COOK

- Absolutely incorrect.

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Mr CROUCH

- The return which was presented to this House at the instance of the honorable member for Kooyong says that the facts are that in 1898 there were five woollen factories in New South Wales, whilst in 1900 the number had declined to four. In 1898 the number of adult males employed in the industry was 166, whereas two years later they had decreased to 161. The adult female operatives numbered 69 in 1898, and only 58 in 1900. Moreover, the horse-power in use declined from 185 in 1898 to 165 in 1900. The industry in

Victoria cannot be compared with the little tinpot industries which have been established elsewhere under a protective duty of 15 per cent. In this State the number of factories increased during the years mentioned from eight to nine, and the number of adult employees from 813 to 1,013.

Mr Thomson

- In that return the children under fifteen years of age who are employed in the industry in Victoria are included twice.

Mr CROUCH

- For that reason I have only included adult males and females. I would further point out that in Victoria in 1898 the horse-power employed was 770. In 1899 it was 1150, which represented an increase of 50 per cent., and in 1900 it was 1305, an increase of nearly 100 per cent. That is the best answer that can be possibly given to some of the statements which have been made by various honorable members. The result of the operation of a 15 per cent. duty in the other States is only too apparent. Under the Government compromise it may be possible for the industry to struggle on, but it will certainly never prosper and expand. I therefore ask the committee to vote for 25 per cent, as the minimum amount of encouragement which the industry is entitled to claim.

Mr. PAGE(Maranoa). - I ask those honorable members who urge that the proposal of the Government constitutes a fair compromise, upon what premises they base their calculations? The "tinpot" industries which have been referred to have not commissioned any honorable member as special pleader for them. I am perfectly certain that no honorable member has received a single letter from the woollen manufacturers of Queensland asking for a higher duty, and those factories pay big dividends. If what have been so contemptuously referred to as " tinpot " industries can pay their way without increased protection, the sooner the big industries of Victoria go to the wall the better. If an industry, however small, pays fair wages, and is able to disburse dividends, that is the industry in which the honorable and learned member for Corio would invest his money. I do not believe that the honorable and learned member knows upon what he bases his calculations.

Mr Crouch

- A 25 per cent. duty is necessary to keep a Victorian factory in existence.

23 Q 2

Mr PAGE

- Then I invite the honorable member to come to Queensland, and see the industry flourishing under a 15 per cent. duty.

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Mr JOSEPH COOK

- I wish to tell the committee that there are two of these mills in my own electorate, and I have no

hesitation in saying that I shall vote against the increased duty proposed, and for the reduction which is contemplated later on. The honorable member for Corio says that if this increased duty be not granted, the mills in the district he represents cannot carry on. If that is so, the industry there is not a natural, but an exotic one, and it ought to be allowed to drop out of existence. I object to the statement that this industry cannot be carried on even at a lower duty than that which the Government propose. So long as these industries are coddled -they will work with obsolete machinery, and will not supply themselves with the latest appliances, and so long will we have a condition of enfeeblement and a small output. The great thing required in connexion with an industry of this kind is a large output and a ready market, and that can only be secured by up-to-date machinery, and by up-to-date methods and styles. I venture to say that this industry will receive more benefit from the act of federation, and the opening up of the markets of the Commonwealth, than from perhaps any other we could think of. All that has been wanted has been an enlarged market and an enlarged output, which will enable those engaged in the industry to meet the constant demand for new patterns and new fashions. Woollen mills have been enabled to exist, and do well in New South Wales, where there are no duties, and there is no reason why they should not do equally well in Victoria. The Parramatta mills in my own electorate turn out a quality of tweed equal to that turned out anywhere. They have paid 6 per cent, dividends for a long time, they have doubled their capacity, the number of hands employed has been largely increased, and they are prospering exceedingly. The tweed mills in another portion of my electorate are also doing well. The output is constantly increasing, and I beg leave to doubt the statement that the industry in New South Wales is declining. The two mills which I know particularly, are decidedly on the up-grade, and are prospering without any duty at all. They are prospering because they are constantly looking out for the latest machinery. If an industry is coddled and insured a market, and is not exposed to the healthy competition of the world, those engaged in it will not take the trouble to bring their methods up to date. That is why, mill for mill, those in Victoria which have been coddled by enormous duties have not done so well as mills in other parts of the Commonwealth where the duties have been extremely low. I do not believe that people should be asked to pay these enormous duties for the sake of finding work for anybody, nor do I believe that the removal of this duty will lead to the lowering of wages and to the reduction of employment. We have already had an experience of this kind in New South Wales. We were told a few years back that if we took off certain duties there would be nothing but collapse and stagnation. We took the chances, and gave some of these industries a little fresh air, with the result that they have continued to exist and flourish, and to-day the industries of New South Wales are in an infinitely healthier condition than industrial enterprises in Victoria. Since I came into this Parliament I have heard nothing but an outcry about the precarious character of the national industries of Victoria, and a feeble wail that if the infant is taken from the State breast it will immediately collapse. Nothing of the kind would occur. These industries would have to accommodate themselves to the new conditions, and would be all the healthier for it. The sooner we stop this feeble wailing in this Chamber on behalf of the industrial enterprises of the continent the better it will be for all concerned. There are all the elements here to make this a mighty industry in the Southern Seas. The wool is at its doors, and there is everything to enable it to manufacture cloth in such a way as to compete with the older countries of the world. The natural protection due to the isolation of our geographical position is very important, and it must be remembered also that the wool, which is the staple of this industry, has to be sent home to those engaged in it on the other side of the world, and the product has to be exported back to Australia. I was very much surprised at an expression used by the honorable member for South Australia, who spoke of the danger of slop clothing coming in here from outside, as though it were an invasion of some outside enemy who would come in and ruthlessly destroy our industries and our domestic life. I have yet to learn that the readiness with which a man can acquire clothing for his wife and family is to be regarded as a dangerous thing. Why should we fear an invasion of this kind when we know that these goods are not forced upon us, and that the people engaged in this industry in the old country will send nothing here unless there is a demand for it. Apart from that aspect of the matter I believe that the industry will get along very well if the duty be reduced to 10 per cent. It will be more healthy and self-reliant, and with the larger market guaranteed to it by the act of federation it will be able to compete with the world in quality and price.

Sir WILLIAM McMILLAN (Wentworth). - I propose to the Government that we should now take a vote upon this extreme proposal, and then adjourn. I have been waiting to bring on a proposal of my own, and to

give a statement of the case from my point of view, but I have not cared to interpose when we have an amendment before the committee which is not likely to be carried. . I do not desire to speak on an extreme proposal which goes even beyond that of the Government. I propose, therefore, that we should take a vote upon the amendment and then adjourn, and I shall do everything I can to facilitate a vote being taken on the item to-morrow.

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Minister for External Affairs

Mr BARTON

. - No one can be more anxious to facilitate business than I am. I am prepared to emulate the acting leader of the Opposition in that particular. But I think the honorable gentleman is asking us to do too much. He has already indicated his desire that we should deal with the Tariff, so far as this House is concerned, before' Christmas. I think it is fair to point out that we shall have very few sitting days now before the Christmas adjournment, and we have a right to expect that we shall get through a little more business every night. I am not throwing out any charges, and I. hope I shall- say nothing which is in any sense irritating, but we have not done much in the shape of business to-night, though we have done a good deal in the shape of debate. If there is all debate and no business there will be no chance of the Tariff being passed.

Considering the slow rate of progress we have made, I think' it will be fairer that we should deal with the proposal now before the committee, and also with the item. If that is done I shall have no objection to an adjournment.

Sir WILLIAM McMILLAN (Wentworth). - I think the Prime Minister is absolutely unreasonable, when it is considered that the extreme proposal before the committee has been moved by one of his own supporters. The moment this proposal was made I asked the Treasurer if the Government intended to countenance it, and I was told that they intended to adhere to their own proposal. Under the circumstances I thought they would have used their influence to get this out of the way, but members have been speaking on one side as much as on the other. The honorable member for Gwydir has an amendment to propose if mine fails, but half the members of the committee have gone. This is a very important matter, and the duties to be imposed upon the other items will largely depend upon those which we fix in this case. There has been no obstruction that I know of to-night, and as we have dealt with duties in this list which represent a revenue of £338,000, I think it must be. admitted that the progress made has been fairly satisfactory. We have now sat from half-past 2 o'clock until a quarter past twelve, and it is utterly unreasonable for the Government to wish to proceed at this hour. The debate has been general to-day. As many speeches have been made on the other side as on this side, and, so far as I could see, there has been no attempt to take up time unnecessarily. We can never draw the line as to whether there has been more debate than has been necessary. I must, in all fairness, ask for an adjournment after the amendment has been disposed of. We have had a long debate, which, to a large extent, affects the whole of this section. When we fix the duty on woollen piece goods, we to a large extent determine the duties on the remaining items in the division. I did not object to extra time being given for the consideration of the Tariff, but it was a distinct understanding, at any rate among ourselves, that if it were given we should be able to adjourn at a reasonable hour. It is absurd to suggest that after this long sitting any man is fit to consider any large question. Honorable members on the other side are -able to leave the Chamber when they like, but we have to sit here constantly. I am quite willing to go to a division on the amendment.

Mr. CROUCH(Corio).- As the Prime Minister has stated his desire to get on with business, and as I see that the Government will not support my amendment, and that I am not likely to carry it at this\* stage, I ask leave to withdraw it.

Mr. POYNTON(South Australia).Before the amendment is withdrawn, I wish to reply to a statement made by the honorable and learned member for Corio, that in the South Australian woollen factories only eight males and five females are employed. The return from which he quoted is absolutely incorrect, because immediately below it says that on the salt works in that State only twenty hands are employed. When I was at the Loberthale Woollen Factory eight months ago, I saw from 60 to 70 'hands at work. There is also a factory in Hindmarsh. I am positive that the return is wrong.

Amendment, by leave, withdrawn.

Sir WILLIAM McMILLAN (Wentworth). - I desire to ask the Government how they intend to conduct the business of the committee in view of the long sitting we have had. The country does not desire that we should sit here until the early hours of the morning. It is now past midnight, and we are not fit to debate matters of great importance. We are discussing a Tariff which may affect the fiscal interests of this country for the next generation. When we consider the time which it usually takes to pass a Tariff, it must be admitted that on the whole we have done very well. When it is considered that we have passed one half of a £9,000,000 Tariff, certainly the discussion cannot be said to have been unreasonable. We owe a duty to the country. I do not wish to have long debates on the Tariff, and if we were to adjourn now, -I should do my utmost to get a vote taken within a reasonable time to-morrow. After sitting here for ten hours, I object to being asked to discuss an important item on which so much depends.

Mr Sawers

- After spending nine hours on one item.

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Sir WILLIAM McMILLAN

- That does not matter. If the Government think that the debate on an item is too long, they should ask for a division. Surely the fact that we have taken so long over two items is no reason why we should take a new item in the early hours of the morning. Is it fair to the country, when there is scarcely a quorum in the Chamber, to proceed with the discussion of this item? If I had asked for an adjournment at 11 o'clock it might have been unreasonable, but after the severe strain of the sitting we should not be asked to sit any longer. The Government wish to rush through this important item, because they think that honorable members are not in a proper condition to deal with it. It is an absolute breach of the understanding when we gave the extra sitting day. We distinctly understood that, so long as the debate was fair, and no obstruction was offered, we should rise at midnight. I have seen no obstruction, although undoubtedly there has been too much talk, as there always is. The people of Australia ought to feel that their representatives have done them the honour to appear in their places and intelligently discuss the Tariff. At this late hour, when half the members, on account of their years, or state of health, or for other reasons have been obliged to pair and go home, it is not reasonable to ask a mere remnant of the committee to deal with the Tariff. We cannot expect the press to report our proceedings at this late hour. We are simply dealing with the Tariff in camera, and that is a very bad precedent to set up. I think the Prime Minister has been one of those who have condemned, as I have had to do, unreasonably sitting beyond the hours at which honorable members can intelligently do their duty.

Mr. BARTON (Hunter- Minister for External Affairs). - It is not a fact that at any time of my political career I have condemned sittings at these hours, which were carried on for the purpose of obtaining some advancement of public business. It was never an understanding that, if the extra day were granted, we should adjourn at such time as my honorable friend might seem to think reasonable. The only understanding to which I committed myself was that it was the duty of the Government to see that there was progress made with public business that if good progress was made within the ordinary sittings of the House which were reasonably short, we should be ready to adjourn; but that if we could not make progress we should have to sit here in order to make progress. We adjourned early yesterday, but we gave the committee to understand that it was our intention to get this division through tonight if possible. I have no objection to withdrawing that assertion, and I shall be content if we carry this item through to-night, whichever way it is dealt with. Even honorable members opposite will not expect me to carry on business at the dictation of my honorable friend, and when he states that he is willing to assist us to-morrow in a certain way, I cannot help remembering that the willingness he had to assist us to get through before Christmas - perhaps not by his own fault - has not been very effective in operation. I cannot forget that there are honorable members sitting behind him who may not be quite so willing to help as he is. That I do not blame him for, but it emphasizes the necessity for getting on with public business, and that without any recrimination.

Mr. SYDNEY SMITH (Macquarie). The debate on the amendment of the honorable member for Corio commenced a little after ten o'clock, and has been participated in by Government supporters to as great an extent as by honorable members on this side.

Mr McCay

- I rise to a point of order. I would ask for your ruling, Mr. Chairman, as to whether the honorable member

is in order in entering on a general debate as to the propriety of continuing our sitting.

The CHAIRMAN

- I have given the usual latitude to the Ministers and the leader of the Opposition, and now that my attention has been 'drawn to the matter, I am bound to rule that the honorable member for Macquarie is not in order, and that he must confine himself to the question before the committee.

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Mr SYDNEY SMITH

- I only desire to say, Mr. Chairman, that I think the proposal to adjourn the debate is not a perfectly reasonable one, and that it is not fair to expect honorable members to sit here in the small hours of the morning, and deal with matters of the greatest importance to the country. We have heard' a great deal from the honorable member for Corio as to the condition of the woollen industry in Victoria under protection. I have taken the trouble to read up the Victorian Hansard, and I may be pardoned for quoting the opinion of one of the committee as to the condition of this industry and as to the effect of high duties upon it. During the Tariff debate, in the Victorian

Parliament, in 1892-93, the honorable member for Mernda said : -

He was not in a position to say how much shoddy was made here, but he knew that some of the best paying mills in the colony - and' there were only one or two of them that were paying - were paying' by virtue of making shoddy.

The same honorable member also said. : -

In other colonies, with a duty of .10 per cent, or 15 per cent., they were able to produce an article superior to the Victorian product, although the factory employes were paid fairlywell.

The honorable member for Mernda does . not say "that our woollen mills are prosperous, but he endeavours to show that all the prosperity is to be found in Victoria. {Committee counted.} Proceeding further, the honorable member said that -

Records in Hansard and Hayter'\* Year Booh could be quoted to prove that every additional 10 per cent, of protection to the woollen mills had strangely enough brought them into a still worse position than they occupied before. To most men that would be a signal that they had gone far enough in the direction of protection, and that they should seek some other cure for the difficulty under which their industry aboured. This comes from an honorable member who is now advocating protectionist duties. The honorable member further remarked that -

If he were open to go into private business, he would sooner embark in the woollen industry than any other, and he would be. delighted to have the duty decreased as a step towards the success of his undertaking.

Sir George Turner

- The duty was then 45 per cent.

Mr SYDNEY SMITH

- The duty had been reduced to 35 per cent. The honorable member was clearly of opinion that every 10 per cent, increase of duty had resulted in greater failure, and that the mill-owners,, notwithstanding high protective duties, were living on the manufacture of shoddy. Then we have the honorable member saying In the first place, many of the woollen mills have been promoted and conducted by joint stools companies, and there was not that personal responsibility in the management of the factories which existed where the establishments were carried on by individuals.

Some one asked the question - " What about the Warrnambool mill ? " and the honorable member replied -

Of course, there were exceptions, but he was speaking generally. These joint stock companies in many instances had considerable command . of capital, and in the hey-day of their prosperity they spent money freely.- When their capital came to an end, they traded to a large extent on borrowed money, and then, as the number of mills increased, owing to the duty being raised, the competition between them became so great that the one killed the other, and their credit failed.

The honorable member went on to make even more serious charges against the way in which these factories were at that time managed. (Committee counted.) I have the opinion of another honorable member on the same point, and it is very important that the committee should hear these extracts, because some reasons should be shown for the sudden change of views which they disclose. The

honorable member for Echuca, who was then a member of the Victorian Legislative Assembly, said - He believed that this increase of protection to the woollen industry would result in disaster, and, as Ministers had not given any facts or figures to support their present proposals, he felt it to be his duty to vote against it.

Mr McCay

- That was in reference to the proposal to increase the duty from 35 per cent, to 45 per cent.

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Mr SYDNEY SMITH

- I shall quote the opinion of the honorable member for Mernda as to the effect of every increase of 10 per cent, in the duty. The honorable member said - -

Records in Hansard and Hayter!) Year-Book could be quoted to prove that every additional 10 per cent, of protection to the woollen mills had, strangely enough, brought them into a still worse position than they occupied before.

We have other people to consider beside manufacturers; and I have here a letter written by Mr. Graves who, in 1895, was a member of the Victorian Legislative Assembly, and who made serious charges about the quantity of shoddy in the locally manufactured woollen goods. That gentleman was prepared to go before a royal commission and substantiate what he said. The letter I referred to is as follows : -

Parliament House, 16th July, 1895".

Dear Sir, -

On the 12th June hist, Dr. Scott, M.P., from his place in Parliament stated - " We know that Castlemaine flannel contains 44 per cent, of cotton," and on the next day (13th June) you replied to him, and said that you gave a fiat denial to Dr Scott's statement. Mr. Graham, M.P., replied that Dr. Scott's statement was accurate as he had seen it himself. In support of Dr. Scott and the honorable Mr. Graham, I said - " I hold in my hand a piece of Castlemaine flannel forwarded to me from the Castlemaine mill that morning, which contains an adulteration of 40-26 per cent, of cotton." (Committee counted.) The accuracy of this statement you at once contradicted, affirming that it was genuine wool of Castlemaine, and that you defied me to prove there was cotton in it. To our words were - "I defy the honorable member for Delatite to prove there is cotton' in the Castlemaine flannel, that it was branded ' Castlemaine' at every 8 yards to secure that it was genuine." And afterwards you stated this brand ' ' Castlemaine" was in block letters. At the earliest available opportunity (namely on the 25th June), I replied to your challenge of the 25th June. I produced the same piece of Castlemaine flannel which, I had exhibited to the House as Castlemaine manufacture, and also a made up man's shirt branded "Castlemaine," which I asserted contained 40 per cent, of cotton, and this material was manufactured at the Castlemaine woollen mill, and was branded on the selvage, "Castlemaine." The accuracy of my statements you again strongly contradicted, both in the House and, as I am informed, in the press, and, to brother members and the public. On the 4th July, I, in the House, re affirmed my previous statements and produced another shirt, which I bought in Bourke-street, marked all wool ' 1 Castlemaine " flannel, which contained as much cotton (40 per cent.) as the two previous samples I had produced in the House. The truth of my statements you and others continue to deny, stating that these (3) exhibits are not Castlemaine flannel ; not adulterated, if so, with cotton ; that the exhibits are not of the character or width of Castlemaine flannel, and that the brands on these exhibits are not genuine Castlemaine stamp, which you say is in block letters. Most certainly you or I are not speaking the truth. Which is it? Who is misleading Parliament? This matter cannot remain unsettled. The interests of truth, the character of Parliament, and the credit of our individual electorates, demand that the statements of either be confirmed or denied ; and" that whoever is in the wrong should offer an apology and explanation to Parliament and the public. I now confirm all the statements , made by me in Parliament, namely, that the three before-mentioned exhibits were manufactured at the Castlemaine woollen mills and contain over 40 per cent, of cotton, and I request you will confirm or deny this statement, clearly stating your reasons. I only ask what appears, I think, fair to our brother members, and ourselves.

Yours faithfully,

James H. Graves.

To that letter there was the following reply : -

My Dear Sir, -



I have, the honor to acknowledge yours of the 16th inst., and in reply thereto beg to state that I am of opinion that it will not serve any good purpose for yourself or myself to pursue the subject matter of your letter further.

I am, So,,  
D. Williams

Notwithstanding the heavy protective duty then' in force, and the large percentage of cotton used, the mills were not in a sound and satisfactory condition. The

Attorney-General, who was then a member of the Victorian Ministry, deprecated) the proposed increase of duties for pretty well the same reasons as those advanced by the other gentlemen I have quoted, namely,, that the mills did not seem to have prospered under the protection which had been given. I point to these facts to show that the Victorian mills have not succeeded as well as those in New South Wales, notwithstanding the heavy protective duty in the former State. The public have to pay not only the duty, but an increased price, for the local article, the difference going, not into the Treasury, but into the pockets of the manufacturers. (Committee counted.) Of course I know that honorable members opposite argue that a protective duty upon any particular article does not increase its price to the consumer. But I have in my hand a pamphlet containing the retail prices of Dr. Jaeger's firm, which carries on business in Sydney and Melbourne. From this pamphlet I gather that in Sydney the price of stocking material, quality K, size 45 inches, prior to the introduction of the Tariff was 5s., whereas in Melbourne, where a duty of 25 per cent, operated, it was 6s'.. 3d. The price of another class, quality KK, 42' inches, was 5s. 6d. in Sydney, whilst in Melbourne it was 7s., thus showing that the duty of 25 per cent, had again been added! The price of satin, natural wool lining, upon which there was no duty, was 3s. 9d. in Sydney, and the price was the same in Melbourne. The cost of men's under vests, K brand, was 8s. 6d. in Sydney, and 10s. 6d. in Melbourne, whilst that of men's pants was 8s. in the former city, and 10s. in the latter. These prices bear out my contention that a protective duty -upon any article enhances its cost to the consumer. Last evening some honorable members endeavoured to make it appear that we were fighting in the interests of the merchants. But it can be seen at a glance that the large importing houses, if they studied their own interests, ought to be in favour of protection. Under a free-trade policy in New South Wales the manufacturers in England and elsewhere -used to send out agents to that State to deal with the storekeepers direct. This step encouraged the smaller storekeepers, and enabled them to do business, because the manufacturers gave them terms and allowed them to pay in bills at six months. The result was that they had an opportunity of turning over their goods before they were called upon to pay anything. But what happens under a system of protection ? As soon as we impose a - high duty the local storekeeper is called upon to pay it, and if he is in a small way he is unable to do so. The result is that he is forced to go to the merchants, and thus instead of getting the advantage of direct trade with the manufacturer, and being able to sell at a cheap rate, he has to purchase from the merchant and pay increased prices, which in turn have to be paid by the general consumer. In this connexion I notice that the Age says -

Even the old established and legitimate merchants of Sydney are now regretting that Mr. Reid went so far in his fiscal proposals. They were doing well enough under the serai-protective Tariff of the Dibbs administration, but Mr. Reid's extreme free-trade Tariff has led to an influx of foreign agents and representatives, who employ little or no clerical labour, and occupy no warehouse , but are cutting into the trade of the old merchants in indent orders.

All this goes to show that a duty levied upon any article at the Customs means a heavily increased cost to the consumer. It is the duty of honorable members to use every legitimate means to protect the general consumers against the dastardly attempt to bolster up industries for the sake of ' a few manufacturers. The money collected from the consumer will go not into the Treasury, but into the pockets of the manufacturer.

Mr McColl

- The consumer would pay nothing on the colonial article.

Mr SYDNEY SMITH

- He certainly will, because the price ' of the local article will be increased by very nearly the amount of the duty imposed ' upon the imported article. I can quote the speeches of the honorable member himself to show that that is the case.

Mr Mauger

- Did not the honorable member vote for increased duties himself?

Mr Chapman

- Yes, I can produce the honorable member's vote.

Mr SYDNEY SMITH

- The honorable \_ member cannot produce any vote of mine inconsistent with the policy of free-trade. I have always been a great believer in the policy which has made England the power, she is to-day. The policy which has placed j England in the position she occupies financially, commercially, and in every other way, should be good enough for us. i

Mr Mauger

- What about the hay and! corn duties the honorable member voted for?'

Mr Chapman

- I can produce the record of the vote in cold type.

Mr SYDNEY SMITH

- The honorable member cannot show that I have ever done anything of which I need be ashamed during my twenty years of public life. During my career in Parliament I have done as much as most men to help the people who&gt; are struggling upon the land, and to help the mining industry. We have been told that these duties are going to do a great deal, but we have no right to tax the consumer to the extent here proposed, until we have some authoritative statement as to the effects of the operation of the Tariff within the last seven or eight weeks. I have tried to ascertain the exact financial aspect of the Government proposals., and I make no secret of my intention, unless we get this information, to move the adjournment of the debate. I do not desire to do that, but we have asked several times for information bearing upon the revenue received under the Tariff during October and November. The information could be obtained by telegraph in 24 hours, and we ought to have it.

Sir George Turner

- We sent instructions some days ago to get the information in detail, but we have not got it yet. As soon as we get it, it shall be supplied to&gt; honorable members.

Mr SYDNEY SMITH

- If I were a Minister and asked for this information, and it was not forthcoming within 24- hours, I should know the reason why. We have no right to be legislating in the dark in imposing taxation to the extent, of millions of pounds, and before we pass an item involving taxation to the extent of £326,000 we ought to know the exact financial position. We have been told by the Treasurer that £840,000' was collected in October.

Sir George Turner

- The honorable gentleman knows as well as I do that that is not a fair month to take, because importers were then loading up as much as they could.

Mr SYDNEY SMITH

- I am willing to make allowances for that, but the details should be placed before us. We have a right to know these things as well as the Government.

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Sir George Turner

- What was asked for was a return of the imports up to 30th June. I do not- think that, what the . honorable member refers to now has been specifically Asked for\*

Mr SYDNEY SMITH

- I know I asked for the information from the right honorable gentleman, though, I admit, in a private way.

Sir George Turner

- I do not think it could be got in this form.

Mr SYDNEY SMITH

- I see no difficulty in that at all. Every "one of the Customs officers has been supplied with a copy of the Tariff ; they are all in communication with the right honorable gentleman by telegraph, and all he has to do is to wire to each officer to send to him direct a full statement, showing the amount of revenue received on every item of the Tariff for the months of October and November, and the telegrams need not be so long as that which the Minister for Defence sent to his constituents in order to explain "his position. We

are promised the information day after day and week after week, but in the meantime we are piling these burdens of taxation upon the people. In view of the statement that the revenue for October represented an annual revenue of about £10,000,000, and that there was an increase upon that for November, this information ought to be supplied. We have dealt with this Tariff in a reasonable way, and, personally, I spoke only for a few minutes to-night, because we are anxious that the Tariff should be passed as quickly as possible, consistent with our duty to our constituents, which is the first consideration. Before we .consent to these proposals we ought to know whether, as a matter of fact, we are not proposing the imposition of taxation to the extent, perhaps, of £2,000,000 a year more than is necessary. I shall be obliged, in the public interest, to take other steps if the information is not supplied. I have no desire to take that course, but certainly the information should be supplied at the earliest possible moment. ( Committee counted).

Sir WILLIAM McMILLAN

- I think the honorable member for Macquarie has very nearly concluded his speech. The honorable member for Grampians wishes to speak, and perhaps another honorable member, and I should like to discuss this very important item at an hour when there is a reasonable hope of being reported in the press. I do not wish to dictate to the Government, but I urge that it would facilitate the progress of business if they would agree to an adjournment. I shall do all I can within the first hour or two to-morrow to get a vote taken on this item.. I had no opportunity until half-past twelve o'clock to speak. But it is not fair to me, as representing the Opposition and the free-trade party of Australia, to be expected to speak at this hour. Compared with this portion, all the rest of the Tariff is practically a matter of form. It involves the question of the protection to be given to the manufacturers. When this item is dealt with, the way will be cleared considerably for the consideration of other items, because it is the basis of the system we are -building up under this division. It is no pleasure to me to see time wasted or extreme measures taken.

Mr Watson

- Was not there a general debate on Monday t

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Sir WILLIAM McMILLAN

- That does not affect this item. The debate we have had so far has been chiefly on purely revenue items, in which the question of free-trade or protection was not introduced. We have now reached the first item in this division in which that question is involved. I am not very sanguine of winning, but the very fact that I am weak in numbers ought to induce Ministers as a matter of honour and chivalry to give me a reasonable opportunity to declare the position of this party. I have never sought to take the business of the House out of the hands of. Ministers, but have always tried to help them to make progress, .and when my own followers have been in the wrong once or twice, I have been one of the first to intervene, as I did this afternoon when an effort was made not to give fair latitude to the Treasurer. I would remind the Minister for Trade and Customs, who seems disinclined to yield, that the Tariff is the property of the committee, and if it thinks that a reasonable amount of business has been done, Ministers ought not to say - "We demand that you shall go on with this most important item, and we shall keep you here until it is decided, whether there is a reasonable attendance or not." In this matter a little wise concession will do no harm. Any honorable member who knows my responsibilities and my work will realize that I am as anxious for the session to close as any man can be. Not being very strong physically it is no pleasure to me to be sitting here at this hour, and, therefore, I ask for an adjournment.

Sir GEORGE TURNER

- Apparently we are all very anxious to get on with the work, but we do not. We met the House very fairly on Friday, and instead of sitting as late as we might well have done, we adjourned at the ordinary hour.

Mr CONROY

- The Government would not have got any more work done.

Sir GEORGE TURNER

- No doubt we should not have got any more work done. I realize that whether we adjourn at 10.30 or 1.30, or whether we sit through the night, we are not going to get any more work done. All yesterday we discussed two items. The acting leader of the Opposition then desired to make a general statement. I knew that it would take up an hour or two of our time which might be otherwise spent, but so that he should have no cause of complaint I willingly acceded to his desire. He spoke for close upon an hour, and

his statement, with a few other speeches, brought us up to the hour of adjournment. At this sitting we have been discussing one item. The proposed duty upon woollen piece goods has been discussed generally. An honorable member moved an amendment to increase the duty, but the general discussion was continued, and if my honorable friend had so desired there was nothing to prevent him from speaking on the general question. If we make up our minds to do work instead of spending an immense amount of time in discussion, we should dispose of the items far more quickly. We on this side would be only too glad to get away.

Sir William McMillan

- I look very seriously on this item, because it affects all the rest.

Sir GEORGE TURNER

- It is no doubt an important item, but I see no difficulty in coming to a decision. It is plainly required of us by those who sent us here that we should dispose of this Tariff as soon as we possibly can. It is necessary that we should settle something so that the commercial community may know what to do, and much as I would like to oblige my honorable friend, I cannot see my way to accede to his suggestion. The Prime Minister has made a most reasonable request, and I trust that we shall come to a vote on the question now before us, and also deal with the other duties relating to piece goods within a reasonable time.

Mr CONROY

- The consideration of the Tariff in the Victorian I

Assembly occupied at least five months, and in view of the fact that we have the interests of six States to consider, we might very well occupy a great deal more time in debating this Tariff. The item now under consideration is one of the utmost importance, as it affects the raw material of a manufacture in which from 9,000 to 10,000 men are engaged, and it does not seem reasonable that we should be asked to continue our sitting after having devoted eleven hours continuously to the business of the country.

Mr SALMON

- I trust that the Treasurer will not agree to the suggestion that has been made. Most of us have been compelled to sit here until it is too late to reach our homes, and we should now go on until the completion of the business in hand. I find that during the present sitting there have been 48 speeches delivered by members on the opposite side of the Chamber, whilst, including the utterances of the Ministers, there have been only 28 speeches delivered from this side of the Chamber. Members of the Opposition have occupied no less than 6 hours 47 minutes of the time at our disposal, whilst members on the Government side, including Ministers, have only spent 2 hours 42 minutes in addressing the committee.

Mr Thomson

- Whom does the honorable member call members of the Opposition?

Mr SALMON

- Every honorable member who has spoken from the opposition side of the gangway. Every speech delivered from that side of the Chamber has been in opposition to the proposals of the Government.

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Mr Conroy

- The statement of the honorable member is incorrect.

Sir WILLIAM McMILLAN (Wentworth). - I have told my right honorable friends, that whilst I recognise the fact that they have the control of the business, honorable members on this side of the Chamber have their rights. While it would be very unseemly for me to say that I proposed to take the business out of their hands, it would be equally unseemly for them to say to me at this hour of the morning - " You shall go on whether you like it or not, and you, the representatives of a great party, shall talk to empty benches in the small hours of the morning." I move -

That the Chairman do now leave the chair, report progress, and ask leave to sit again.

I am sorry to take this course, but it has been forced upon me, to a large extent, by the obstinacy of one Minister. I believe that if I had to deal with the Treasurer only the reasonable request I have made would have been agreed to, but ever since it was made clear that the Opposition are only a minority of this House the Government have treated us with systematic disrespect. Although I have shown a fair amount of magnanimity and fairness, the Government have treated us with the utmost contumely. The people of this country boast of their desire that work shall be done within reasonable hours, and I am sure they do

net desire us to sit up till all sorts of hours in the morning in order to transact their business. It is unfair . and cruel to ask honorable members to sit here into the small hours of the morning, and I refuse to go on transacting public business in the way the Government desire. If it comes to a test of physical strength I may be injured, but in the interests of the country I intend to make the most effective protest I can, and to use every constitutional means to assert our rights. I know the unfortunate tactics which used to be pursued in the local Parliaments, and what an amount of deterioration "has resulted. We have only to look round the Chamber now to see honorable members lying on the benches absolutely oblivious of the business, and during the last hour or so the bells have been ringing continually in order to summon members from all parts of the building. When I was elected, honorable members on both sides of the House will, I think, agree that I took a high standard in regard to the conduct of the business. I went so far as almost to reprove honorable members on my own side, and did everything I could to restrain that kind of conduct which can only lead to disorder in a deliberative Assembly. During the months that we were dealing with machinery Bills, this side of the House, and especially myself did everything possible to assist the Government, and to remove the party element. (Committee counted.) I was desirous of giving fair play to the Administration, and, recognising their enormous difficulties, I never made an attack on the Government with regard to the state of business, except, on those occasions when honorable members were really puzzled as to what was going on. We had three or four second -reading debates on hand, and when honorable members' came here not knowing what business was to be taken, I made a ' certain amount of protest. But I never made the charge to which the Government, is open, and to which I only refer at present as a justification of our position.. Whose fault is it that the Tariff has been delayed right up to Christmas 1 Is it our fault that, in consequence of the mismanagement of the affairs of the country, and the absolute want of business administration, we have been forced into the latter end of the year. This Government is more wanting in common sense and business administration than almost any other Government we have had in Australia. They have crowded on. measures which might very well have been left for a more convenient period, and it is because the Government know so little of the conditions surrounding them, that the Tariff, instead of being ready months ago,, has only been before us for about a month,, and instead of having two or three months to devote to its consideration, we have had only so many weeks. The object of federation was to fuse the people into one homogeneous whole by Inter-state free-trade and a uniform Tariff. But the Government were so diffident and frightened of results that, instead of simply introducing the Tariff, they brought in anything and everything in order to postpone its consideration. Yet, because of this maladministration of the affairs of the country, His Majesty's Opposition, who believe they practically represent the majority of the people of Australia, although a minority of the House, are to be told by political autocrats that we must consider the Tariff in a few weeks. The Treasurer, who tells us we are not dealing expeditiously with the Tariff was, I understand, five months in passing a similar measure for that small portion of Australia comprised in the State of Victoria. So narrow is the conception of these gentlemen that they think this is a Tariff for Victoria. (Committee counted). This frequent; calling attention to the absence of a quorum is the most telling comment on the present scandalous condition of affairs. Honorable members who have stopped here to coerce the Opposition into voting at this hour of the morning have not had the decency to remain in the House to listen to our arguments. That shows what a hollow fraud the whole thing is. (Committee counted.) I am very much obliged to the gentlemen who are good enough to give me a quorum. Weakness must use its own weapons, and there have been struggles amongst British communities before, in which the minority have had to fight strenuously until public opinion has ultimately come round to their views. I am not doing anything hypocritical. I have asked to-night, in the most respectful manner, for an adjournment at a reasonable hour. I have not sought to take the business out of the hands of the Government. An adjournment has been asked for thousands of times by an opposition, and has been granted under reasonable circumstances. Whilst I have a certain constitutional power, I say that every time the Ministry attempts to force any debate upon a great subject connected with the Tariff - one of the salient parts of it - at an hour in the morning when honorable members are not fit too debate the question, and when the committee is in a disgraceful condition. I will use every constitutional means to prevent the debate from taking place, until there is a representative assembly present.

Mr McColl

- In what way is the committee in a disgraceful state ?

Sir WILLIAM McMILLAN

- It is disgraceful in that honorable members are lying asleep in all parts of the chamber. It is disgraceful in that 75 members were returned to it in the expectation that when subjects of the greatest importance were being discussed they would be in their places.

Mr Batchelor

- Do not rub it into the Header of the Opposition.

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Sir WILLIAM McMILLAN

- There are reasons for the absence of my leader. On a previous occasion the Government whip went round attempting, in the most suave manner, to pair every honorable member that he could. "Oh, you had better go home," said he, to one and to another. I am sure that honorable members left the chamber last evening, as they did on that occasion, without any idea that this outrageous forcing of a division was to take place. All they expected was a vote upon the proposal of an extreme Government supporter who is accountable for the absorption of two and a half hours of public time to night. I intended to propose a reduction of 10 per cent, upon the line now before the committee, and was ready to make my speech when the honorable and learned member for Corio intervened, and out of courtesy I gave way to him. Then I said to honorable members opposite that I would not make my speech upon his extreme proposal. I asked the Treasurer if he intended to support the proposal of his friend at the back, and he replied, "No, we will stick to our own measure." (Committee counted.) I was willing that within a reasonable time a division should be taken upon my amendment. When the Treasurer informed me that he intended to adhere to the proposal of the Government, I said that I would not make my speech on the very important amendment which I intended to submit whilst the extreme proposition then under discussion was before the committee. I waited patiently for the conclusion of that debate, and upon one or two occasions suggested that we should take a vote upon the matter and be done with it. Two hours elapsed and midnight was reached. I was thus balked in making my speech, and the committee were prevented from coming to a vote upon my amendment, not by reason of any obstruction on the part of the Opposition, but owing to the amendment of the honorable and learned member for Corio. The moment that proposal was got rid of, I asked Ministers to adjourn, and was met by an absolute refusal. I do not pretend to dictate to Ministers how they shall conduct their business, but I think there is some courtesy due to this side of the House and to the leader of a party who is in a very difficult position, because he is fighting against a big force and long odds. We have now reached a division in regard to which the position we take up is that, whilst we are willing to agree to a moderate duty for incidental protection, we absolutely object to the wholesale protection which has been imported into it. Yet at twelve o'clock at night, when there has been no unfair dealing, Ministers refuse to . adjourn. I leave the country to decide between us. Whenever an attempt is made to force the Tariff through in the small hours Of the morning when honorable members are weary, and when the Government supporters will not do the Opposition the courtesy of remaining in their places, I am content to leave the country to judge whether the committee is doing its duty. The quorum bell has. been rung every five minutes.

Mr Mauger

- Where is the Opposition?

Sir WILLIAM McMILLAN

- That has nothing to do with the question. Ministers have refused us a reasonable adjournment. Do they expect us to get up and speak to empty benches - to give our arguments to cushions, instead of to human beings ?

Mr Batchelor

- The honorable member is accustoming himself to doing it.

Sir WILLIAM McMILLAN

- The honorable member is very disorderly in lying there with his hat upon his head and interjecting. From the attitude of the other side it is clear that they intended us to say what we like to empty benches ; that they were determined to force this division through ; that this is no longer a deliberative assembly, representing public opinion. If that is their idea of their duty they hold a very different view from that which I entertain. If I belonged to an overwhelming majority, and we thought it right to continue a sitting while the other side gave expression to their opinions I, think, as a matter of courtesy, I should remain in my place.

If any blame is attachable to any one, it falls upon those who have forced us into the position of having to protect our constitutional rights. This country does not expect its deliberative assembly to sit all hours of the day and night.

Minister for External Affairs

Mr BARTON

. - The honorable member has referred several times to the quorum bell, and has pointed out that it has been necessary that it should be rung every five minutes. The honorable member is either acting in the leadership of a party or he is not. If he is acting in the leadership of a party he can control it, and it is idle to tell us that any compunction can be felt upon his part at the frequent ringing of the quorum bell, when he knows positively and absolutely that besides himself - and he is not always present - there are never more than two members of his party sitting in this chamber.

Mr Conroy

- That is quite untrue.

The CHAIRMAN

-The honorable member must withdraw that remark.

Mr Conroy

- I withdraw the remark. The statement is not a statement of fact.

Mr BARTON

- At the present moment there is only one member of the party, besides the acting leader himself, in the chamber. However, it would be . unnecessary that there should be any other member besides himself, except for the fact that the honorable gentleman cannot at the same time be speaking and call attention to the state of the committee. That is what renders it necessary that there should be at least one other member of the party present. But whoever heard it accepted as a bond fide indication of the intention of a party to carry on public business that there should be only two or three members of that party present, alternately making, I will not say obstructive, but lengthy speeches and calls for a quorum 1 How can the honorable gentleman with any show of decency at all tell us what our duty is under these circumstances? How can he presume to lecture us, and ask the assembled representatives of the Commonwealth to accept his dictation when on the face of it there can be no vote whatever while his party remains represented only by the members present ? There is nothing sensible and tangible in the claim to the representation of the country made by the honorable gentleman on behalf of himself and one henchman.

Mr Conroy

- It would not do for the right honorable gentleman if we were to be candid.

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Mr BARTON

- I am prepared for any amount of candour, and honorable members know how often I have restrained the expression of my candour towards certain people. What is the arrangement the honorable member for Wentworth himself agreed to on the 21st November? The honorable member has often referred to a compact - what was the compact then come to ? After an appeal from the honorable gentleman, the Treasurer said -

On the understanding that honorable members will be prepared to sit on those days -

Those days were Monday and Friday - and to sit late whenever it may be necessary -

And I added - and that the compact is to be observed.

The Treasurer continued -

Yes, it must be distinctly understood that honorable members will give us their assistance, and will sit each day of the week, and if necessary, as is done in other Parliaments, for two or three hours after midnight, so that we may get the. work done.

In reply to that the honorable member for- . Wentworth said -

So far as I am personally concerned in my position of acting leader of the Opposition, I shall not countenance anything like an endless repetition of arguments or obstructive tactics.

I said in answer to that -

I have every desire to accept the statement of£ my honorable friend, the honorable member for Wentworth, in good faith -

How disappointed I am now -

Am I to understand that we shall be assisted in getting the Tariff through this House before the Christmas adjournment, and that the intention to debate every item does not mean that each item is to be debated as of course, but only if as between man and man there appears to be good reason for debating it? That has not been the position so far, and if the position in the future is to be assimilated to that in the past I can have no faith in any assurances whatever.

I made that statement, and honorable members will see how my objection was got rid of. In answer to that speech the honorable member for Wentworth said -

When the right honorable gentleman asks for my assurances in the matter, all I can say is that every one on this side of the committee, so far as I know, is anxious to see the Tariff put through by Christmas, if that is at all possible.

What is the meaning of the English language if that is not enough? The honorable gentleman went on to say -

I can give a general assurance to my right honorable friend that our desire is, if it be possible, to close this debate by Christmas, so that the Tariff may be handed over at that time to the other Chamber, which will thus be given full time to consider what action it will take.

That meant the passing of the Tariff Bill in this House as well, because the Tariff cannot go up to the Senate until the Tariff Bill is passed through this House. The honorable gentleman added -

There will be no obstructive tactics on our part.

That night he moved that the Chairman leave the chair, and kept the debate going for 12 hours, and to-night he repeats these tactics. On that occasion he did not blush to move that the Chairman leave the chair, and the honorable gentleman is unblushing now. "There will be no obstructive tactics on our part!" Is there a new reading of the English language? It is disorderly, we are told, to charge the other side with obstruction. I mention the facts; the public will draw the inference from them. The honorable member continued on that occasion to say -

At the same time we cannot make any hard and fast compact which would in any way limit our right of discussion to the fullest extent on every item.

Whoever asked him to make such a compact? In answer to that speech, I said -

It is impossible for either of us to fully control every member of our own party, but assuming that every reasonable regard is paid to that which the honorable member has said, I shall, entertain the hope and belief that he will assist me to close the Tariff discussion in this House by Christmas. If that can be done by the adjournment - which I presume will be about the 10th or 18th inst., I shall have no complaint to make.

The honorable gentleman will recollect that I added that I took his word for his bond. Was I right in taking the honorable gentleman's word for his bond?

Sir William McMillan

- The right honorable gentleman had better withdraw what he said if he thinks that he was wrong.

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Mr BARTON

- Does the honorable gentleman think that it would be better to withdraw, and that his word should not be taken as his bond? I have all through my life regarded, and I still regard the honorable gentleman as an honorable man. But when the honorable gentleman makes a promise of this kind and moves such a motion only the next night, and repeats the same tactics now, am I forced to say that I still believe his word to be his bond? I leave it to the honorable gentleman's conscience to answer. Time after time the Government adjourned the House at reasonable hours on the application of members of the Opposition. They have repeatedly allowed members on that side to continue their speeches on the following day, as if they had not said enough already, and the leave has been repeatedly abused. Either the consent of the honorable gentleman has been obtained for these tactics, or he is utterly unable to control his followers. I see that honorable members opposite have a muster now. They have four members present. But they know that if a division occurs their chances are hopeless. They have regulated the position on their side, or else they are not a party. If they have regulated it, let them explain the meaning of the word "obstruction." If they have not regulated it, then I ask them by what right they seek to prevent the progress of business by making a show of this kind? This is about the hollowest exhibition ever made before a deliberative assembly. We thought that we should come into a higher arena in the Federal Parliament;



We have endeavoured to carry out our duty to the country, but at every stage we find our endeavours to keep faith with the country persistently blocked. There are those who are constantly talking about public opinion, but public opinion has spoken, and we are endeavouring to carry it out. The public will speak, too, about this conduct of the Opposition, and will not be limited to the forms of Parliament, but will express itself in plain honest English concerning those who pursue these tactics.

Sir WILLIAM McMILLAN (Wentworth). - The right honorable gentleman has imported a great deal of temper into this discussion, but I do not suppose that the life-long friendship that has existed between us will be interrupted by the little inflammation of this evening. The right honorable gentleman has talked about the hollowness of engagements, but I can show the hollowness of the engagements of the Government. On the very day upon which the Government asked for extra hours of sitting, and when I got up in my place and said, without any regard to those behind in, that I would vote for the proposal of the Attorney-General, who moved the motion, 'in the absence of my right honorable friend, the Government were entering into a conspiracy to force business through on the following night, and to put through 40 items of this Tariff in a time in which they knew it was impossible to observe conditions of fair debate. But they did not do it. Not merely did they not do it, but of their own action they postponed several of the items. If any bond has been broken, it has been broken by the Ministry, and not by me. If there is any bad blood, it has been created by the conspiracy of the Ministry at a very time when they were asking us for consideration, and that is not denied.

Mr Barton

- It is denied.

Sir WILLIAM McMILLAN

- Will the Minister for Trade and Customs deny it?

Mr Kingston

- It is nonsense.

Sir WILLIAM McMILLAN

- It is an absolute fact, and it has been proved by the action of the Government. I allowed the work to go on until twelve o'clock this morning, and we are told that we obstruct when we refuse to carry on business at that hour. The fact is, sir, that we have one or two honorable gentlemen who think they can ride roughshod over everybody. But let me tell them that although they rode roughshod over everybody in the Little Pedlington from which they came, they will not ride roughshod over the Opposition in the Federal Parliament. Providence has been kind to us. Under our rules we cannot be forced into the position which the Government desire us to take up, and if they say to us - "We defy you," we can hurl back the defiance, and say to them - "We defy you." Is it to be a matter of physical endurance? At the battle of Waterloo, a gentleman said something to the Duke of Wellington, who replied - "It is a matter of hard pounding, and we shall see who will pound the hardest." The Government are trying to do some hard pounding. It is not a very nice exhibition for a strong party, which has at its back a majority of members who are nearly all located in this city, and can appear in their seats continuously, because they are not called away to other States. It is not a very nice kind of struggle. It does not reflect any credit on the party.

Mr Salmon

- Or on those who cause it, either.

Sir WILLIAM McMILLAN

- I do not admit for a moment that we have ever caused it. I am not a hot-headed man. I know it is always very difficult for a man to judge of his own cause. I have spoken to several men in whose judgment I have the greatest reliance, and I am perfectly satisfied with the position I take up in the interests of the millions as against the few. I am perfectly justified in the course I am taking. And I may tell the Ministry that so far as we are concerned not one stroke of work shall be done until we come to the legitimate hour of meeting to-day, when the proper business shall go on.

Mr Barton

- I ask you, sir, whether it is in order for an honorable member to threaten obstruction?

The CHAIRMAN

- Certainly it is not in order for any honorable member to threaten to obstruct the business of the committee.

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Sir WILLIAM McMILLAN

- I do not care whether it is called obstruction or not. There is no pretence of hiding what we are doing. There is no hypocrisy about it. I was simply saying that we do not intend at this hour of the morning, when there is no proper representation of the House here, to allow business of a serious character to be forced through.

Mr Barton

- I submit, sir, that the honorable member is repeating the threat of obstruction.

Sir WILLIAM McMILLAN

- I do not think there is any necessity to take a point of order, because on this motion it is perfectly legitimate for me to deal generally with the outrageous conduct of the Ministry in trying to force business through at an unreasonable hour.

Mr Barton

- I ask your ruling, sir, as to whether the honorable member is entitled to repeat the threat of obstruction 1

The CHAIRMAN

- The honorable member is not entitled to threaten obstruction, and if intimation is given that any attempt to obstruct is being made, or is about to be made, the Chair will be called upon to perform a duty.

Mr Sawers

- What is it ?

The CHAIRMAN

- It is to ask the honorable member to discontinue his speech. I have no desire to do that.

Sir WILLIAM McMILLAN

- I do not think that what I said bears that interpretation. My object is to protest, and to say that I intend to go on protesting that we have no right to proceed at this hour of the morning. Look at the appearance of the Minister for Trade and Customs. He is absolutely worn out. He has a look of absolute apathy in which there is not a gleam of that intelligence which usually distinguishes him. There is no bobbing up and down as is usual with him in the early part of the evening. There is no twitching of the face; no movement of the hands such as we usually see. He has absolutely collapsed. I have a very kindly regard for the constitution of the Treasurer, and I am sorry that he is kept here. I would suggest that the Minister for Defence and the Minister without a portfolio might be allowed to take charge of the Tariff for a while. I am very sorry that there is not sufficient chivalry on the other side to extend one word of sympathy to us. Honorable members there are incapable of understanding the situation.' It shows the inherent evils of party government. We have a number of honorable members who, if they went outside and said what they believed, would say that the Opposition is an injured minority, and that they are ashamed of what the Government are doing, but the moment they come under the political influence of the Chamber they feel that they have to give themselves over, body and soul, to the command of their superiors. I hope that some of them will assist me to sustain my position, by telling me privately that they very much sympathize with us, because of the very unreasonable position taken up by the Ministry.

Sir GEORGE TURNER

- The honorable member for Wentworth in his second speech has made against the Government a deliberate charge of conspiracy at the very time when they were asking the House to grant an extra sitting day. I challenge my honorable friend to bring forward one tittle of evidence in support of his statement. I deny that there was ever any thought of a conspiracy. If any Government were to do such a thing as he has deliberately alleged, it would not be worthy to remain on these benches a minute longer, and its members would not be worthy to remain in the House. The statement of my honorable friend has no foundation, and he cannot bring forward any evidence in support of it.

Sir William McMillan

- The evidence is in the action of the Government.

Sir GEORGE TURNER

- We gave full notice to the House of what we intended to do.

Sir William McMillan

- After honorable members got the resolution through.

Sir GEORGE TURNER

- Is that the only evidence out of which my honorable friend has conjured up this charge ?

Sir William McMillan

- Immediately after the Government got their resolution passed, they gave notice that they were going to carry out a programme which, if they had any sense at all, they must have known would take all that night, and a considerable portion of the next sitting.

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Sir GEORGE TURNER

- My honorable friend is labouring under a mistake. We proceeded with the business up to about a quarter to twelve that evening, and we made practically no progress. My honorable colleague who is in charge of the Tariff then made this intimation -

The Government do not propose to ask the committee to sit late to-night, because no doubt many honorable members who have come from considerable distances are tired. But I am sure that all sides of the House will recognise that it is time we made a little more progress than we have done.

The committee recognises it, and I think those outside the House do also.

It is the intention of the Government to ask the committee to sit sufficiently late to-morrow night to enable us to dispose of the remaining items in division 4, with the exception of those which we intimated our intention to postpone-

My honorable friend was present, and he did not raise the slightest dissent. If we had applied ourselves to the work which we are sent here to do as business men would, we should have been a long way further through the Tariff than we are. My honorable friend and others on his side have time after time deliberately told us that they do not intend to allow us to get on with the Tariff. The members of the Opposition told us no later than last night that they were going to use every constitutional means in their power to prevent us from going on with the business. My honorable friend, the acting leader of the Opposition, told us the other night, when we paid him the courtesy of permitting him to make a general statement, that unless the Opposition had their own way they would use every constitutional means in their power to prevent business from proceeding. More than that, the honorable member has done it, and he apparently intends to block us in every possible way.

Sir William McMillan

- That is not a fair interpretation of my words.

Sir GEORGE TURNER

- Not alone on that occasion, but now, my honorable friend has shown a deliberate intention to block us from going on with the business. He says there is going to be a trial of strength. Well, let it be a trial of strength. The acting leader of the Opposition has clearly shown to-night what is the intention of the Opposition, and it is time that we understood each other. If the members of the Opposition block business, we shall either conduct the business as we think proper, or the leader of the Opposition will have to take the responsibility of conducting it. As the acting leader of the Opposition has thrown out a challenge we accept it, and we shall not let the committee rise until we have done what we consider to be a proper amount of business.

Mr KIRWAN

- It seems to me that the two Ministers who have just spoken have evaded the main points under discussion, and have ignored the chief reasons brought forward by the acting leader of the Opposition for his action to-night. Neither Minister contended that the committee is in a fit state to transact the business of the Commonwealth. Any work performed at the present time must be done in a perfunctory manner, and I consider that the blame for the present situation rests upon the Government. Half the members at present in the chamber are asleep, and all are fagged out after the labours of the day. The Prime Minister spoke about keeping up the prestige of the Federal Parliament, but surely he has adopted a very curious way of doing it. The dignity of Parliament is not likely to be maintained by keeping us here till this hour of the morning.

Mr Barton

- Who has wasted the intervening time 1

Mr KIRWAN

- If the Government had brought in their Tariff earlier in the session, their proposals would have received full consideration, and there would have been no necessity for rushing business through.

Mr Barton

- The Opposition would have acted in exactly the same way if the Tariff had been brought in six months ago..

Mr KIRWAN

- That is a mere statement.

Mr Barton

- I know them better than the honorable member does.

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Mr KIRWAN

- We can only judge the Government by their actions. The first four or five months of this session were occupied with a number of machinery Bills, and a majority of the members of the Opposition sat calmly in their places whilst one after another of the Government supporters discussed the whole of the details of those measures. The time thus spent would have been far better employed over the Tariff, and the Government must be held entirely to blame for having brought about the present situation. The experience we have had of these long sittings is not a favorable one, for no progress has been made, and nearly the whole time has been wasted over recriminations. The Opposition are doing their plain duty to the country in seeing that the public business is transacted while honorable members are capable of giving due attention to the matters brought before them. The condition to which we are now reduced is not quite so bad as that which has prevailed in some of the State Parliaments, and I should be very sorry to see this Parliament degenerate until it reached a similar pass.

Mr Barton

- That is just what the Opposition are trying to bring about.

Mr KIRWAN

- From my point of view, that is what the Government are trying to bring about. If the House had adjourned at a decent hour, we should have had no such bad feeling as has been exhibited during this sitting.

Sir George Turner

- If we had done a decent amount of work we should have adjourned.

Mr KIRWAN

- The public expect that important matters such as are dealt with in this Tariff will be fully and carefully considered, and not discussed in a thin House at an early hour in the morning. We have affirmed the principle of an eight hours' day, and the people of the Commonwealth do not desire that honorable members should not only sit for an unreasonable length of time, but overwork all the officers of the House. If the Government were so anxious to get through with the business, why did they not arrange to sit in the mornings ?

Mr Barton

- We are going to sit for several nights and mornings as well now.

Mr KIRWAN

- It will be very absurd if the House is kept sitting day and night, because no satisfactory work can be done under such circumstances. There is a lot more work to be done this session, and late sittings will retard rather than facilitate business. No one is more interested than myself in getting an adjournment for a month or six weeks, in order to attend to my private affairs in Western Australia, but I am here to do the work of the country as satisfactorily as possible. The Government put us in an unfair position by attempting to rush items through, when honorable members are really tired out, and I must protest against this mode of conducting the business of the Commonwealth.

Mr. CONROY(Werriwa).- The whole trouble has arisen through the action of Ministers themselves, seeing that honorable members have conducted the business very expeditiously as compared with the progress made when Tariff changes were discussed in New South Wales and in Victoria. The federal compact was that every State would be considered, and none ignored, but the case of New South Wales shows how that compact has been departed from. The Prime Minister has distinctly broken faith with the people of New South Wales.

The CHAIRMAN

- I do not think that under this motion the honorable member is in order in discussing the action of the Prime Minister in that regard. I find on further reference that this debate must be confined to the

subject-matter of the motion, and the honorable member must restrict himself to reasons why I should or should not leave the chair.

Sir William McMillan

- I understood that a general discussion could take place on this motion, and that we were not confined under the standing orders to the exact question as to whether it is necessary that you should leave the chair.

Mr Barton

- The first of our standing orders says that in cases not otherwise provided, the usages of the House of Commons are to be adopted. If my memory is correct there were some rules adopted in the House of Commons twenty years ago, which laid down what you, sir, have just stated, namely, that a debate of this kind must be confined to the subject-matter of the motion. In the case of Taylor v. Barton, to which so much reference has been made, it was decided by the Privy Council that a standing order of the New South Wales Parliament, which was similar to our first standing order, did not apply to standing orders of the House of Commons passed after the standing order of New South Wales had come into force. But the court intimated, that the case would have been different if the standing order of the House of Commons had been passed before the local standing order had come into force. The latter is the exact position here.

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Mr CONROY

- I contend that the Ministry do not properly represent the feeling of the country, and we know that if this motion is successful, it means that they must resign. While the House is constituted as at present, it would be impossible for the present Opposition to cation the business, and a dissolution would have to be asked for. (Committee counted.) The Government ought to have been only too happy to. accept suggestions from the Opposition ; but we have found that the only way to meet the Minister for Trade and Customs is to fight him determinedly. The charges of obstruction made against the Opposition have been disproved by the facts and figures recently laid before the committee by the honorable member for Macquarie.

The Prime Minister knows that it is only by keeping the people in ignorance that the policy which he advocates can continue to exist. There was a time, however, when he himself stated that it was a policy belonging to the dark ages.

Mr Barton

- Has this anything to do with the motion before the Chair? (Cone mvU.ee counted.)

The CHAIRMAN

- I think that the honorable member's remarks are wide of the motion. Standing Order 22 of the House -of Commons rules of procedure, upon which I am thrown, under our 1st standing order, in the absence of any other expression of the intentions of the House as to its procedure, provides that -  
When a motion is made . . . that the chairman of a committee do report progress or do leave the chair, the debate thereupon shall be confined to the matter of such motion.

Mr CONROY

- I shall endeavour to con- fine my remarks to the subject of the motion. This Tariff should have been brought forward much earlier in the session - by at least the first week of J July. If we had been- discussing it ever since then, they might fairly urge that the items had been fully discussed from every point of view ; but we have now had it before us barely four weeks, and in that time have passed items producing a very large amount of revenue. In my opinion the Ministry should allow the postponement of such large revenue duties as we were discussing before the motion to report progress was made.

Mr Barton

- Is the honorable member now giving reasons why the Chairman should leave the chair 1

Mr. CONROY(Werriwa). - I object to the Prime Minister coming here and interfering in this way. I object to his coming here, after being at the bar or elsewhere, and interfering.

Mr Barton

- I rise to a point of order. Whoever is intemperate it is not I.

Mr Conroy

- Then it is the first time for many a day.

The CHAIRMAN

- I ask the honorable member to withdraw and apologize. I am sure his good sense will show the immediate necessity of withdrawing and apologizing at once for the use of an unparliamentary expression of that kind.

Mr CONROY

- I withdraw the unparliamentary remark. I cautioned the right honorable gentleman early in the evening that he must not address me.

The CHAIRMAN

- The honorable member must not pursue that course. He must confine himself to giving reasons why I should leave the chair.

Mr Barton

- I think I should explain that I never addressed the honorable and learned member,- and do not intend to address him.

Mr CONROY

- I will take very good care that the right honorable gentleman does not. He thinks he can come here and bounce us, but twice before this evening I gave him warning.

The CHAIRMAN

- I again ask the honorable and learned member to confine himself to the question, or to discontinue his speech.

Mr CONROY

- In deference to the Chairman, I shall not dwell any more upon that subject. There were two courses open to the Ministry to take. They could have brought in a Tariff after passing the Customs Bill and Distillation Bill, and, if they had done so it would have received that consideration which its importance requires at our hands. What more vital question could be submitted than a Tariff which affects the welfare of thousands of people? When we find that the incidence of the taxation is arranged to fall on the great bulk of the people, we are justified in taking care that the Tariff shall be considered in the full light of day, and at an hour when honorable members are in a condition to listen to our arguments. Our great regret on this side is that there is not a proper attendance in the Chamber. In that respect the representatives of Victoria are really the greatest offenders, because, living in or near this city, they could always manage to be present if they would. (Committee counted.)

Mr. SYDNEYSMITH (Macquarie).- When a statement is made to the committee it should have some foundation of truth. I have ascertained the number of speeches which were delivered up to about 12.36 a.m., because it has been stated by the honorable member for Laanecoorie that the time has been occupied by honorable members on this side. I wish to show that if the Prime Minister was influenced in what he ' said by that statement, his conclusions were incorrect.

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Mr Barton

- My -statement was made on general grounds.

Mr SYDNEY SMITH

- The right honorable and learned gentleman made a charge of obstruction against honorable members on this side. (Committee counted.) On an amendment which it had been decided by a caucus of the labour party to move,' as they felt very strongly that cotton goods should be admitted free of duty, 20 speeches were delivered for the labour party by 12 members, who spoke in all 1 hour 58 minutes. From the Government side 29 speeches were delivered by 18 speakers, who occupied 2 hours 38 minutes, and to be fair I have included among the Government supporters the honorable member for Kooyong and the honorable member for Flinders, whose speeches occupied only two or three minutes. The labour members and the Government supporters contributed 49 speeches. The number of speakers was 30, and the duration of the speeches 4 hours 36 minutes.

Mr Kennedy

- All the labour members were opposing the Government ?

Mr SYDNEY SMITH

- The honorable member for Laanecoorie wished to throw on this side all the responsibility because the labour members spoke. He led the committee to believe that we were responsible for obstructing the

business, and he credited us with every honorable member who spoke for the labour party.

Mr Kennedy

- He also stated that they were opposed to the Government proposals.

Mr SYDNEY SMITH

- If the honorable member were opposed to the Government, could we be held responsible for anything he might say? 1 From the Opposition side 25 speeches were delivered by 17 speakers, occupying 3 hours and 18 minutes. What becomes of the statement of the honorable member for Laanecoorie that the Opposition have been obstructing the business of the committee? At 1.26 a.m. the honorable member for Wentworth, speaking a second time, strongly urged the Prime Minister to adjourn, and it was not until 1.55 a.m. that he moved the Chairman out of the chair. If there has been anything unfair in the debate, certainly a charge of obstruction cannot be levelled against the Opposition, when we had delivered only 28 speeches, as against 49 from labour members and Government supporters, when only 18 members on this side have spoken as against 30 members representing the labour party and the Government side, and when we have occupied only 3 hours 18 minute\* as against 4 hours 36 minutes occupied by those opposite. I am surprised at the Prime Minister repeating in pretty much the same language a speech he delivered the other day, when he rushed into the chamber and charged the Opposition with obstruction, when, as a matter of fact, they had not taken up as much time as has been taken up to-night. He made charges of a most gross nature against the Opposition, although he had not been present. He had to depend on a garbled, statement.

Mr Barton

- That is not so. I spoke about the conduct of business during several days. The honorable member knows very well that I was cognisant of all I was talking about, and there is not a solitary statement of fact which I made which can be denied.

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Mr SYDNEY SMITH

- The right honorable and learned gentleman did -not make a correct statement- ; he had not been in the chamber except for a short time-. I feel indignant at the charge of obstruction which has been levelled against the Opposition, when we are endeavouring in a fair and honorable way to protect the interests of the people by seeing that they are not taxed up to the hilt, and at an hour when honorable members and the reporters are tired out, and the Hansard . reporters are to be pitied for having to remain here. It is our duty to enter our protest against this dastardly attempt to&gt;proceed with public business after 1.30&gt; o'clock, in the morning, when honorable members are not fit to deal with such important questions, and when the effect of our legislation will be seriously felt in the homes of the people. ' I know some cases where the cost of living of a family has been increased by no less than 8s. to 10s. per week, and judging from what we read in the newspapers, sir, the cost of living will be further increased unless you leave the chair to enable us to obtain reliable data to judge whether the Government are? right in bringing down these iniquitous proposals, which, according to some persons, will produce a revenue of £12,000,000. When the Government brought down their Estimates they said that they required to raise a revenue of £8,900,000, and that this Tariff would produce only that amount, yet we have an official statement made by the Customs authorities that for the month of October it yielded a revenue at the rate of £10,000,000 a year. I have a more serious statement to make. Another more serious charge, which I have not the means of verifying, is that it is alleged during November the revenue received was about £1,000,000, or at the rate of £12,000,000 per annum. In view of the refusal of the Government to take honorable members into their confidence, it behoves us to be careful before we still further increase the burdens of the people. ( Committee counted: ) Dealing again with the statement of the honorable member for Laanecoorie, I find that the labour party members of the House who took part in the debate were the honorable members for West Sydney, Darling, South Australia, Mr. Batchelor, Tasmania, Mr. O'Malley, Bland, Maranoa, Barrier, Canobolas, and Coolgardie. The honorable member for Laanecoorie put all those members down to the credit of the Opposition, and that I do not regard as a fair proceeding. {Committee counted.} Those on the Government side who took part were the Prime Minister, the Treasurer, the Minister for Trade and Customs, and the honorable members for Moreton, Bourke, Tasmania, Mr. Piesse, Moira, South Australia, Sir Langdon Bonython, Kooyong, Corinella, Laanecoorie, Flinders, Darling Downs, Echuca, Corio, and Gwydir.

Sir Malcolm McEacharn

- How did the honorable member arrive at the times occupied by the speeches ?

Mr SYDNEY SMITH

- The times were taken down by a splendid authority, whom the honorable member will not question, the authority referred to by the honorable member for Laanecoorie, only I am giving an accurate statement.

Mr Salmon

- The honorable member for Parramatta has attributed to me conduct which is unworthy of a member of this House, but there is only one statement of his on which I desire to make a personal explanation. The honorable member accuses me of including certain member of the labour party with the Opposition; but if he was in the chamber when I made my statement, he will remember that, in answer to an interjection as to whom I included, I said - " Every member on the opposition side of the gangway."

Mr SYDNEY SMITH

- A certain charge of wasting time has been levelled against members of the Opposition, and I am giving this information to the committee in order to refute the charge. On our side those who took part were the honorable members for Wentworth, South Australia - Messrs. Glynn, V. L. Solomon, Poynton - North Sydney, Parramatta, Werriwa, Robertson, Macquarie, and Dalley. The figures I have given are sufficient to show how unfair is the charge made by the honorable member for Laanecoorie against the Opposition, who are endeavouring to prevent the levying of taxation to the amount of £1,000,000, when hardly a quarter of the members are present and the press are not fully represented. We are perfectly prepared to let the people judge between us, and, to say whether we are not justified in preventing the imposition of -taxation, when no opportunity is given for fair debate. The measures dealing with a white Australia were measures which required full discussion, and upon which the proceedings of Parliament should have been fully reported in the press, and honorable members will remember that those measures were not discussed later than about 11 o'clock at night, and there was no attempt to rush them through without consideration. No action has been more justified by subsequent events' than the action taken by the Opposition in connexion with the motion of censure. That is proved by the alterations which have been made in the Tariff, and which will yet be made in it. The Prime Minister told the people on one occasion that a revenue of not more than £4,000,000 would be required, and it is the more necessary that we should do our duty in the consideration of this measure in view of the fact that the people have been misled and deceived by the right honorable gentleman.

Mr Barton

- -Is the honorable member entitled to say that I deceived the people ?

The CHAIRMAN

- As the expression used is offensive to the Prime Minister, I must ask the honorable member for Macquarie to withdraw it.

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Mr SYDNEY SMITH

- I withdraw the expression, but we shall have plenty of time to deal with these matters before the next election,- and on the public platform we shall be able to speak as plainly as we like, We should not be doing our duty if we did not enter our solemn and sincere protest against the attempts being made to rush this legislation through. There are other measures which affect the people of the Commonwealth very largely, but they are not being rushed through in the same way iia this measure, and I ask why an exception should be made in this case. Honorable members opposite do not appear to care how much they tax the people.

Mr. JOSEPHCOOK (Parramatta)."Why are we holding a second all-night sitting within a" week 1 The only answer is the unreasonableness of the Government in seeking to force through committee at unseasonable hours, and without opportunities for fair debate, important items in 'the Tariff. It has been sought time after time to fasten on the Opposition the responsibility for the lengthy debates on the various items. But again and again we have shown that invariably these are owing to the loquacity of Government supporters. Tonight has been no exception to the rule. Up to midnight more speeches were made on that side than upon this. This is the first time I have known the supporters of a Government to exhibit the same tendency to loquacity as lias been shown on the other side. The honorable member for Laanecoorie has been guilty of playing a political trick. "He used right figures in the wrong way, and he



has been the means of showing that honorable members on his own side have occupied the time when there was a possibility of being reported in the press. After having wasted the evening, in vapourings in many cases, these honorable members go home to their beds, and then the complaint is made by the Prime Minister that the business of the country is not being transacted. On this side we have to seriously complain of our treatment by the Government. Why should we be made to suffer because their supporters abuse their privileges ? The Prime Minister has never known a party of Government supporters who talked so continually as his side does, and he cannot blame us if we resent his attempt to make us sit all night, and transact the business which has been blocked by his own supporters. He also accused the acting leader of the Opposition of not having control over his party. (Committee counted.) There is a great deal more control exercised on this side than appears to be exercised over the members on the Government benches. The Opposition is as much a part of our parliamentary institution as is the Government. Honorable members on the other side seem to suppose that there is no function for the Opposition except to acquiesce most mildly in every suggestion from that side. The Prime Minister's taunt to the acting leader of the Opposition to-night has a little basis of fact, but that arose from the complacency of my honorable friend to the Prime Minister on a former occasion. On that occasion had my honorable friend taken the advice of a few of us, he would not have made the compact which he did, and would not have agreed to the proposals which were then supposed to be agreed to, because we know how easily compacts can be got rid of when it suits the Government to get rid of them. The compact, as I understood it that evening, was that, so far as he could, my honorable friend would help the Government to get the Tariff passed before Christmas. He has not departed from that compact yet. If any one has wandered from the compact, it is the Government, who talk persistently as if they were going to stay here until eternity broke upon them, and have no regard for the way in which business should be conducted. When all considerations should have led the Government into a course of moderation as regards talk and criticism, we find tonight that they have to their credit 49 speeches, as against 25 speeches from this side. With such facts staring the Prime Minister in the face, he should direct his criticism to his own followers, and not to the Opposition. What control has he over the tongues of honorable members who sit behind him ? We are to take the consequences over here, too, and he declared almost dramatically as he sat down that there is a public opinion outside. Public opinion does not all centre in the metropolis of "Victoria. It varies over the continent. The great controlling organs of public opinion in other parts of the continent describe the conduct of the Government quite differently from the way in which the leading Government organ of this city does.

Mr Barton

- "Does public opinion in New South Wales believe in a waste of public time ?

Mr JOSEPH COOK

- Public opinion in New South Wales does not believe in the Prime Minister, as he would find out if he went there.

Mr Barton

- I am not afraid.

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Mr JOSEPH COOK

- Public opinion in New South Wales has always been kind to the Prime Minister, and it believes that he is not wholly responsible for this Tariff, except in the most technical sense. It believes that his colleagues from the other States had more to do with the framing of the Tariff than he had.

Mr Barton

- That is the honorable member's statement ; that is not public opinion.

Mr JOSEPH COOK

- That is the public opinion in New South Wales, though the people of that State are rather kindly disposed to the Premier. The Opposition cannot be accused of obstruction, because there cannot be any higher duty than that of resisting these unjust proposals. The iniquitous system of protection, when once established, is with the greatest difficulty uprooted, and wherever the theory has had the opportunity of working itself out, we see the most dreadful consequences. (Committee counted.) A debate conducted throughout the night, as this has been, does no credit to the high arena into which we were supposed to have entered when federation became an accomplished fact ; and if adverse criticism, which, in some

degree, may be deserved, be directed against our proceedings, the responsibility lies with the Government. Nothing can exceed in importance the consideration of this Tariff, and the fag end of a weary night should not be devoted to so weighty a matter. We are here at this hour in consequence of a challenge thrown out by the Government, to whom I shall make no appeal for quarter. In my opinion, the leader of the Opposition has been too abject in his petitions to the Government from time to time ; indeed, he goes out of his way to sacrifice us to the wishes of honorable gentlemen opposite. Why do we take this course 1 The item we were debating when the debate was interrupted by this motion had reference to woollens, on which the Government proposed a duty of 20 per cent. (Committee counted.) That item concerns very largely the working people of the Commonwealth, and the duties which have caused the greatest trouble and the fiercest debate are those upon articles which are in common consumption by the poorer classes of the community. We are justified in complaining that we are asked to debate this matter entirely in the dark. It is true that we have had estimates of probable receipts issued by the Treasurer, but what reliance can be placed upon those estimates. (Committee counted.) I am afraid there is little chance of an early adjournment', but I urge the Government to have some consideration for the officers of the House, who are working two or three shifts in one. (Committee counted.) The tactics adopted by the Government to wear down the patience and physical endurance of members of the Opposition are devoid of reason and opposed to the best parliamentary traditions. But I appeal to the "Prime Minister to have some consideration for the officers of the House. We hear much of the importance of good working conditions for people outside the chamber, but these proceedings are simply sweating the officers of the House. (Committee counted.)

Mr Mauger

- When are honorable members going to leave off playing with public business ?

Mr JOSEPH COOK

- It is those who pile up speeches in the early hours of the sitting, and then seek to force the business through at an unreasonable hour, when honorable members are not fit mentally or; physically to proceed, who play with public business, not those whose voices are raised in protest against the brutal conduct of the Government.

The CHAIRMAN

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

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Mr JOSEPH COOK

- I withdraw the word. This Parliament has time and again expressed its sympathy with the labourers of this continent. But who are sweating the officers of this chamber, and belying to that extent all their protestations of sympathy for those who earn their bread by the sweat of their brow 1 The Government ought to have some consideration for the officers of the House, if they have none for honorable members on this side. If any man deserves the good will of the Government it is the acting leader of the Opposition. Time and again, at his request, honorable members on this side have desisted from making remarks, in order to help the Government to get items passed, but to-night, when he asked for an adjournment at a most reasonable hour from our point of view, it was refused, and he was accused of want of honour by the Prime Minister, who, in his closing remarks, spoke most bitterly of his conduct. Let us preserve the dignity of -the Chamber. ( Committee counted.) We appeal to the Government to preserve the beat traditions of Parliament, and to have some regard for the high place which this Parliament should hold in the affections of the people. It is we who are trying to prevent the Government from degrading our institutions, and endeavouring to have the debates carried on with dignity and clearness of purpose. It is a fine notion for the Government to engage in an exhibition of strength with the Opposition, to see if they can beat us down. The Treasurer said to-night that if we were to have a test of strength, let it come, and yet here he is stretched on the benches. (Committee counted.) It has been pointed out with a great deal of force that we cannot adequately debate this question until we are supplied with further information. As the Tariff has been in operation for nearly two months, it ought to be known what revenue this duty is likely to yield, but the Treasurer has not taken us into his confidence, and the only information we have is that which he gave us in his financial statement. Last evening he said that the expenditure is piling up at an enormously rapid rate, and that he has many liabilities to meet, but he did not give any information about the state of the revenue. Surely he ought to have given full information as to the revenue as well as

the expenditure. He sought to pile up an enormous burden on paper, in order to create a justification for this enormously high Tariff. The honorable member for Melbourne Ports, as well as the honorable member for Echuca, has said that the Tariff is too moderate.

Mr Mauger

- I should be very happy to show the honorable member the Tariff which the protectionists wanted, and then he would see what sort of a Tariff this is.

Mr JOSEPH COOK

- I have no doubt that the protectionists would like to get a very much higher Tariff than they have. In New South Wales we have not been accustomed to pay heed to the demands of our manufacturers. We have had our say as to what was a fair thing to do by our industries, but apparently in Victoria it has been with the protectionists a case of "ask and ye shall receive," and no doubt they have piled up their demands in the hope that they might get a little less. Does the honorable member mean to suggest to me that it has been the custom even in Victoria to give the protectionists all they asked for, or that he thinks it would be a fair thing to accede to their requests? The protectionists would not be human if they did not come, like Oliver Twist, for more, when they have in power a Government which is complacent to their claims, and seeks earnestly to satisfy them. The function of the Government is not to consider what the protectionists or the manufacturers want, but to look to the interests of the consumers. I have not heard the case of the consumers put from the other side of the Chamber either to-night or at any other time. Now and again there has been a vague statement that protection cheapens the price of goods, but that has been all we have heard from that side.

The CHAIR MAN. - The honorable member is now debating the Tariff, which is outside the scope of this motion.

Mr JOSEPH COOK

- I was replying to an interjection. AVE are told that the desire of the Government is to get this Tariff through before Christmas, because the business people are at a loss what to do until it is passed. It must be remembered, however, that when the Tariff leaves this chamber the perplexity will be rather increased, seeing that the measure goes to another Chamber which has powers of suggestion which amount to powers of amendment. I should be delighted to get the Tariff through before Christmas, but I shall not allow any question of adjournment to interfere with free discussion. Our object to-night is to prevent the Government dragging this Tariff through in unreasonable hours.

Mr Barton

- Does the honorable members confess to unreasonable obstruction?

Mr JOSEPH COOK

- What are reasonable hours?

Mr Barton

- Who is to judge of that except the custodians of public business?

Mr JOSEPH COOK

- What are the functions of an Opposition?

Mr Barton

- To go to a division, after adequate debate.

Mr JOSEPH COOK

- We must be the judges of what is adequate debate within the limitations prescribed by the standing orders, and we cannot take the opinion of the Prime Minister as to the functions of an Opposition.

Mr Barton

- The Opposition have their rights, and so have the Government; and I shall take care that the Government exercise their rights.

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Mr JOSEPH COOK

- We cannot allow the Prime Minister to dictate to us as to what is adequate debate.

Mr Barton

- But the honorable member would like the minority to dictate to the Government.

Mr JOSEPH COOK

- The Prime Minister must allow us to interpret for ourselves the rules of conduct, and what are the

functions of an Opposition. We ought to exercise the most searching criticism in regard to a Tariff which has so much to do with the lives of the people of the Commonwealth. The Tariff was brought up too late this session, but something may be gained if the measure is not rushed through before the Christmas adjournment. If this House could have disposed of the Tariff by that time I should have been prepared to sit night and day to see the business put through ; but since nothing can be gained by doing that, why should we sink our legitimate functions of criticism? I hope that the reasons I have given will weigh with the committee, and that the motion will be ultimately carried.

Mr.FULLER (Illawarra).- No one regrets more than I the necessity for all night sittings, and the acting leader of the Opposition has my entire sympathy under the trying circumstances in which he was placed last night. It is perfectly clear that, in the consideration of this Tariff, the Prime Minister, although he nominally represents the Government, and, perhaps, is unequalled in Australia for his knowledge of constitutional and international law, is, in matters of finance, a perfect child alongside two such men as the Treasurer and the Minister for Trade and Customs. That opinion was expressed by numbers of other members to their constituents in New South Wales, and I have found it an absolutely correct opinion. (Committee counted.) The Minister for Trade and Customs has claimed that this is a protectionist Tariff, and we know it has not been put forward to conciliate the different States that have come into this union, but solely in the interests of Victoria.

The CHAIRMAN

- I must ask the honorable member not to discuss the Tariff ; such a discussion is outside the limits of debate upon this motion. The honorable member must confine himself to the reasons why I should leave the chair.

Mr FULLER

- It appears to me that one of the reasons why you should leave the chair is that we have a Government introducing a Tariff which will not tend to conciliate the States forming the Commonwealth. If we are to have a true federation of Australia, it can only be by union of the hearts of the people of the different States.

Mr Conroy

- I rise to a point of order. I call the attention of the Chairman to the fact that honorable members on the other side are snoring, and I consider that that is distinctly out of order.

The CHAIRMAN

- There is nothing in the standing orders, or in the practice of the House of Commons, to support the contention of the honorable member, and there is nothing directing the Speaker or the Chairman of Committees to awaken honorable members' under such circumstances.

Mr FULLER

- It is all very well for Ministers to say that they have charge of the business of the country. They certainly have ; but the Opposition have also a duty to perform in connexion with the proceedings of Parliament, and they are entitled to speak on behalf of a large majority of the people of one or two of the States. We have heard something about the rising of public feeling in favour of the actions of the Government, but really the rising of public feeling has been in the opposite direction, and if Ministers appeared before the outraged people of New South Wales they would find that that is the case. It has been claimed in connexion with the item under discussion that it is in consequence of the system of ' protection that large woollen mills have been established in Victoria, but if, after having had the advantage of protection for from 25 to 30 years, those engaged in the industry are not able to get along by themselves, it proves that their industry is an exotic, and the sooner it is got rid of the better. I do not, however, admit that the wool-manufacturing industry is an exotic industry in Australia. We know what was said on the subject by the honorable member for Maranoa.

The CHAIRMAN

- I would remind the honorable member that he is again discussing the Tariff, and it is not competent for him to do so on the motion before the committee.

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Mr FULLER

- I wish to refer incidentally to the fact that the honorable member for Maranoa, who said he represented the squatters in this matter, explained that they did not wish any duty imposed in connexion with this

industry. The honorable member for Gwydir also spoke upon the question, and expressed the Opinion that a duty of 15 per cent, would have been quite sufficient. Under freetrade in New South Wales several mills have been established, and those at Marrickville and Parramatta have already been specially referred to as flourishing.

The CHAIRMAN

- I again remind the honorable member that he is discussing the Tariff. I do not think the honorable member was present when I gave a ruling upon the question, but it is clear that the debate must be confined to the question before the committee. I have allowed some latitude to honorable members, but the honorable member is now distinctly transgressing the rules of debate.

Mr FULLER

- I have no desire to transgress the rules of debate, and I appreciate the latitude extended to me. Although the Tariff is the most important business we shall have to discuss in the House this session, the Government postponed its introduction until within a short time of Christmas, and night after night we have found them ready, on suggestions being made to back down on item after item. If they had had the interests of the Commonwealth properly at heart, and had recognised the difficulties in framing a Tariff to meet the wants of the people, then, instead of delaying its introduction until nearly Christmas, when honorable members are naturally very anxious to return to their homes, they would have submitted it in the early months of the session. The Ministry, with a majority at their back, are trying to play the old game, which has been a disgrace to every State Parliament, and which I, as a young Australian, fondly hoped would never take place in the Commonwealth Parliament. I never thought that I should see enacted here by a Government with a brutal majority the same old scenes that I have witnessed in Sydney.

The CHAIRMAN

- The honorable member must withdraw that term.

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Mr FULLER

- I withdraw the term, which, as you are aware, sir, I was drawn into using because it was in common use in the Legislative Assembly of New South Wales. Even in the Victorian Parliament this practice used to be indulged in. We had a scene enacted here last week, and another is being enacted this week. If the supporters of the Government were sitting on this side of the House, and saw their leader treated as ours has been treated to-night, I undertake to say that they would be found standing most firmly by him, and resenting the tyranny of the Government. I hope that we shall not have such scenes enacted here. I trust that the proceedings of the House will be carried on in that higher atmosphere about which we have heard so much, and with that dignity and decorum which the people expect to reign amongst their representatives. I have much pleasure in supporting the motion for the Chairman to leave the chair. We strongly object to the way in which the Government tried to force the duty on woollen piece goods down our throats. Not many years ago the honorable member for Melbourne Ports, the Attorney-General, and other staunch supporters of this Government helped to constitute an anti-swearing league, and held a series of meetings and examinations in this city, and did their best to relieve the sufferings of the working classes. The records of history show that, so far as the conditions of the labouring classes and the distribution of wealth are concerned, free-trade England stands immensely superior amongst the nations of the world, as free-trade New South Wales does amongst the united Australian States. Yet, at the very beginning of the national history of Australia, these gentlemen who said in years gone by that they would not place the shackles of protection round her shapely limbs, are trying now to do so, and to make a few manufacturers and monopolists rich at the expense of the great masses of the community. I believe it will be a very bad day for Australia and its people if we establish a system of protection such as was attempted to be forced through the committee by the Government when this motion was moved by my honorable friend. Although it is said that protection would be a good thing for the Commonwealth, yet New South Wales stands far and away ahead of the States in which that policy has been tried. We are perfectly content with our position. I noticed in the Sydney press the other day that the Commonwealth revenue is coming in by leaps and bounds. We were told that it was coming in in a fashion which cannot be explained. Remembering that the Government relied on the figures for 1899, I did not feel at all surprised that there has been a very large increase on their estimate. If the revenue is increasing by leaps and bounds every honorable member should try to keep the taxation of the people down as much

as possible. When the Constitution Bill was submitted to the States, it was declared that the Commonwealth would require a revenue not higher than £9,000,000, but now we learn that the return will reach £12,000,000. If that is so, surely it is a reason and a justification for the Opposition fighting the Tariff in a legitimate way. I feel sure that no fair man can accuse the Opposition of unduly occupying the time of the committee. The records which have been quoted by the honorable member for Macquarie fully bear out that view. It has been clearly proved that the honorable member for Laanecoorie was mistaken in his estimate of the time taken up by the honorable members on the Government and Opposition sides. Up to the time when he received his figures from the Chairman, 28 speeches had been delivered from the Opposition side by 18 speakers, occupying three hours eighteen minutes, while from the Government side and the labour corner 49 speeches were delivered by 30 members, occupying three hours thirty-one minutes.

Mr Salmon

- Were all those speeches in favour of the Government proposal?

Mr.FULLER. - No.

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Mr Salmon

- Then, were they not Opposition speeches?

Mr.FULLER. - I put down to the blame of the Opposition only speeches which were delivered by its members. Are we to be held responsible for speeches delivered by honorable members sitting on the cross benches on this side? Or is the Prime Minister to be held responsible for anything which may be done by the labour party sitting on the cross benches on the other side ? If the Government attempt to force business through in this sort of way in the future, I shall be one to sit behind the leader of the Opposition to do what is best in the interests of all Australia.

Mr. CONROY(Werriwa).- It must now be perfectly clear to the Ministry and their supporters, that the right course has been followed by the Opposition in submitting this motion. Had it not been for the action of the Government, members would not have been detained over night, and would have been more fit for the work which awaits them to-day. The Government in the beginning, as old parliamentary hands ought to have been able to foresee what work could or could not be done during the session. The greater part of the strain could have been obviated if the Ministry, as one of two courses which might have been followed, had, instead of submitting the Tariff this session, allowed commerce to be conducted on the old lines, and had introduced the necessary machinery Bills. Had that plan been adopted, we should now have had a Judiciary Act, and a Court sitting to decide those points of law which are likely to be numerous, instead of citizens being left without redress for damage which they may have suffered. When the Government have blamed members on this side for wasting the time, have they reflected that they have themselves been the primary cause of any waste of time there has been ? If Ministers had first of all brought on the Customs Bill and the Distillation Bill, and had then proceeded with the Tariff, we should have had it dealt with by Christmas time. If they had not cared to adopt that course, they should have announced to the people of Australia that, owing to the delay which must necessarily take place while machinery Bills were being passed, the Tariff could not be dealt with this year, and if that had been done the operations of commerce in the various States would have gone on . as before, and there would have been no dislocation of the trade of the community. Machinery Bills have been introduced for which there was . no necessity ; and the Post and Telegraph Bill, instead of affording relief to the various States, has only added to the confusion existing. The framers of the Constitution never dreamt that the first Federal Ministry would think of dealing with these matters, when it was clear that the bookkeeping clauses would prevent any real good arising from the immediate transference of such departments. Another reason for delay in dealing with such a matter is that the Ministers in charge of the departments would have had time to make themselves acquainted with the requirements of the different States. It could not be urged as a reason, and I do not think it is urged as a reason , even amongst Ministers, that merely because they had appointed a Postmaster-General they should at once take over the Postal department. There would have been quite sufficient work for any such Minister in visiting the various States, and reconciling the points of difference as- far as possible, so as to have a Bill properly drawn and fully considered as regards all the details. On these grounds alone the Government should have delayed bringing in the Post and Telegraph Bill. There were many thoughtful men who saw that it would be a mistake to take over the Postal and

Telegraph departments before we had had time sufficient to become acquainted with all the requirements of the States. The bookkeeping clauses in the Constitution also prevent the introduction of a uniform stamp. If there was one thing to which the Australian people looked forward it was the introduction of a uniform stamp. Yet we are told that the reason why it has not been introduced is because of the existence of the bookkeeping clauses in the Constitution. Those provisions did not come into existence after the post-offices were taken over, but long before. It is idle, therefore, for Ministers to say that they were misled. They must have known the condition of affairs. The telephonic system is also in a bad condition, especially in Victoria. In New South Wales the arrangements are first class, except that the introduction of the electric tramways into Sydney has disturbed the electric currents. ( Committee counted. ) I feel a certain amount of pleasure in the fact that the Government should have given us such an opportunity as this to draw attention to their delinquencies. I do not suppose there ever was a Government found so wanting when weighed in the balance, and I feel confident that at the first opportunity the people will declare in unmistakable terms that their places shall know them no more. The Ministry are willing to impose a burden of 3s. or is. in the £1 on what the people use, while at the same time they tell us that the wealth of the country cannot bear one penny of extra taxation. If the wealth of the community cannot bear taxation, how is it that the Government think of imposing taxes upon the poverty of the country? The Government even put a tax upon Bibles, so that the rising generation shall not have a chance of being educated on the lines so dear to those who believe that no nation can advance that has not grasped the great fundamental principles of truth and morality. Is it not clear that the wealth of the House is to be found on the other side, supporting protectionist doctrines, and assisting to impose duties regardless of consideration for the great mass of the community ? Every penny taken in taxation, whether from rich or poor, lessens the amount available for productive purposes, and lessens the amount to be distributed among the wage-earning classes. It is ridiculous to think that any community can be made wealthy by taxation. Even if the representatives of the people consisted solely of the wealthy leisured classes I do not think we should see so many exhibitions of selfishness as we have witnessed from the Government side. On the other hand, judgment upon the Opposition has been passed in advance, and the cheers and approval of thousands of electors show that they are beginning to recognise that the cause of freedom of trade is the cause of the masses. In the end we must triumph over the Government, who in this matter think only of men with £20,000" capital, who dub themselves manufacturers. The Government Say of the manufacturers - " These are the men we are inclined to help." Does any manufacturer ever give employment unless he is able to make a profit out of the-men he employs 1 Protectionists always talk as if the man who provides employment is a public benefactor. It is the old idea of the squire. I should like to see a state of things in which the man who gives employment is just as thankful to the worker as the man who takes the employment is to him. (Committee counted.) One of the most remarkable arguments ever addressed to the committee was that which we heard yesterday from the Treasurer. He expressed regret that he was cut short in his speech in regard to the intentions of the Government. I also regret that 'his speech was interrupted, because it would have enabled us to show very clearly that the Government are not conducting the business of the country properly. The Treasurer stated that the Government wished to obtain some thousands of pounds more revenue, because they intended to increase the expenditure of the Commonwealth, perhaps, to the extent of £1,000,000 The sooner the people know that the better, and no time should be lost in tabling a motion condemning the proposals of the Government in this respect. The people expect this House to exercise economy for all time, and when the news goes forth that the Government contemplate a largely increased expenditure there will be a thrill of indignation throughout the community. In this respect the Treasurer's statement differs materially from that put before the country by the Government at the federal elections. In ' order to provide for this increased expenditure it would be necessary to raise another £4,000,000 through the Customs. As a matter of fact,, the Commonwealth requires a revenue of only £5,000,000 to satisfy the needs of the great majority of the people. We claim that this is a democratic House, and, representing the people as we do, it is highly important that we should see that the taxes fall upon them as lightly as possible; that a sum in excess of what is absolutely necessary is not raised. (Committeecounted.) The Treasurer has spoken in a light-hearted way of increasing the expenditure of the Commonwealth Government. If the Ministry think that the Opposition are going to submit quietly to any such proposal they are singularly wanting in judgment. We are determined that the expenditure shall be kept down, and we are entitled to use every

constitutional means to bring the Ministry to book for extravagance. A proposition has been made by, the leader of the Opposition that the Government should submit the Tariff to a referendum. If they believed that they retained the confidence of the people they would not hesitate to do so. They know full well, however, that they do not, and that on the very first occasion they are called upon to vote the people will show their recognition of the fact that the Ministry have gone back on their election pledges. No clearer proof of that could be given than the fact that since the elections the Prime Minister has not dared to go back ' to Maitland and address a meeting there for the purpose of showing that his Government have endeavoured to keep the promises made by them. This indicates that the Prime Minister has some sense of shame. It shows that he recognises that he has done such violence to the political promises he made that he feels he cannot stand up before any audience, even in his own electorate, and expect to receive one solitary cheer, except, perhaps, from the half-dozen men in his constituency on whose behalf he introduced the proposal for a . duty of 4s. per cental on broom millet. I cannot too strongly , condemn the Government for their action in seeking to impose these burdens upon the people, apart from any considerations of revenue. They should not ask us for more than is absolutely necessary to meet the demands of the great bulk of the people. We have the admission from the Prime Minister that, so far as New South Wales is concerned, a Tariff of £5,000,000 would be sufficient ; that a Tariff of about £6,600,000 would be sufficient for South Australia ; and that one of £7,350,000 would be quite sufficient so far as Victoria is concerned. Why will not the Prime Minister accept the fact that this is a federation of people as well as a federation of States ? And why, in the face of such an admission, does he come forward and ask for a Tariff exceeding £7,350,000 ? (Committee counted.) I "wish now to raise a point of order. As I read the standing orders, I believe it is incumbent upon . you, Mr. Chairman, to report at once to Mr. Speaker, or Mr. Deputy Speaker, when attention is called to the state of the committee.

Mr SYDNEY SMITH

- I would ask the honorable and learned member for Werriwa not to press this point. Mr. Speaker has been up all night, and the committee decided this morning that they would not press for a strict interpretation of the standing order in question.

Mr O'Malley

- I hope that the honorable and learned member will not press the point, and that we shall abolish the practice of sending for Mr. Speaker whenever attention is called to the state of the committee.

The ACTING CHAIRMAN (Mr. V. L. Solomon). - There is a notice in the Assistant Clerk's book, that at six o'clock this morning the committee resolved that, without sending for Mr. Speaker, the Chairman should have the right to summon a quorum by ringing the bells. I agree that, according to a strict reading of our standing orders, it would be necessary to send for Mr. Speaker if that course were insisted upon. It is only with the good-will of the committee that the practice we are now adopting is permissible.

Mr CONROY

- I recognise that the limits of human endurance have almost' been reached during this sitting, and that we cannot expect Mr. Speaker to come here every time that attention is called to the state of the committee. Any other Government would have granted an adjournment long before this. It should be perfectly clear to them that they cannot brow-beat the Opposition.

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Mr Ronald

- It should be clear by this time to the Opposition that they cannot brow-beat the Ministry.

Mr CONROY

- If the representatives of the selfish classes of the community can fight on this question all night, how much more strongly can we fight, who are actuated by a desire to benefit the masses of the community ? When the people of Australia entered into this union, one of their principal hopes was that, so far from the union increasing the taxation of the people, their burdens would be reduced, and they would not continually have the tax-gatherer at their door.

Mr WILKS

- Sound and sufficient reasons can be given as to why the Chairman ought to leave the chair. In the first place, I call attention to the fact that the proper Chairman of Committees is not in his place. We now have a deputy chairman, the honorable member for South Australia, Mr. V. L. Solomon, in the chair. Our regular Chairman has left the chair without permission having been given to him. This fact shows the



indebtedness of the Government to the Opposition. They cannot get on with business without talking a Chairman from the Opposition.

Mr Hughes

- I rise to order. I take it that the honorable member for Dalley has no right to reflect upon the Acting-Chairman, who is strictly impersonal. The honorable member has called attention to the politics of the Acting-Chairman. I maintain that that should not be permitted.

The ACTING-CHAIRMAN.- There is no doubt that the standing orders provide for the appointment of an Acting-Chairman to occupy the chair at the request of the Chairman of Committees. It is at the request of the Chairman that I occupy the chair, and I ask the honorable member for Dalley not to pursue his statements as to the side to which I belong.

Mr WILKS

- The reasons why the Chairman should leave the chair can be grouped under four heads - first, fiscal; secondly, financial; thirdly, personal; and, fourthly, political. There are many subdivisions, which I shall explain as I proceed. If the right honorable member for East Sydney were present we can imagine how he would handle the fiscal aspect of the question. He would have made the public understand the attitude of the Opposition in defending the principles of a life-time. He would have pointed his digit of caution to the opposition benches, and with his power of declamation would have made himself understood all over Australia. (Committee counted.) If the leader of the Opposition were present he would have shown the burdens that are being placed upon the backs and the epigastrii of the people. (Committee counted.) We have to use the machinery which the standing orders allow to us in order to focus the attention of the people upon the fact that the Opposition are trying to force upon the statute-book the opinions of those they represent. (Committee counted.)

Mr McDonald

- I should like to ask whether, if the Acting-Chairman satisfies himself that a quorum is present, it is necessary to ring the bells in order to form a quorum.

Mr Mauger

- This process of calling attention to the state of the committee has been going on all night, and it appears to me that it is done purely for the sake of wasting time.

Mr SYDNEY SMITH

- I rise to order. The honorable member for Melbourne Ports has no right to cast any reflection upon the Opposition. The standing orders provide that there shall be a quorum present, and that when attention is called to the absence of a quorum the Chairman has no option but to leave the chair.

Mr Mauger

- It is quite evident that honorable members opposite are determined to block all public business.

Mr SYDNEY SMITH

- Is the honorable member for Melbourne Ports in order in taking exception to the fact that attention has been called to the absence of a quorum?

The ACTING-CHAIRMAN.- I cannot say that the honorable member for Melbourne Ports has said anything which is disorderly.

Mr Mauger

- The leader of the Opposition, at an early stage of this sitting, stated distinctly that he intended to obstruct public business. Since then certain members of the Opposition side have been waiting for an opportunity to tire out members and count out the committee.

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Mr Hughes

- The honorable member for Melbourne Ports has no right to use a point of order for the purpose of reflecting on honorable members who comply with the standing orders.

The ACTING-CHAIRMAN.- I ask the honorable member for Melbourne Ports to withdraw the remarks which are considered offensive by the honorable member for West Sydney.

Mr Mauger

- I should be exceedingly glad to withdraw anything offensive if honorable members opposite will tell me which remark they refer to.

The ACTING-CHAIRMAN.- Upon the point of order raised by the honorable member for Kennedy I rule

that, under the standing orders, whenever attention is called to the want of a quorum, undoubtedly the bells must be rung.

Mr McDonald

- I would point out that the standing orders are not very clear upon the point, but they provide that when a rule is not clear, we shall adopt the procedure of the House of Commons. In the House of Commons, the Chairman or Speaker need not ring the bells if of opinion that there is a quorum within the precincts of the chamber. That practice has always been followed in Queensland.

Mr Mauger

- I hope that the Acting Chairman will put as liberal an interpretation as possible on the standing orders in this respect.

Mr Salmon

- In my opinion, the honorable and learned member for Werriwa was quite within his rights in drawing attention to the state of the committee, but I would appeal to him, as a fellow member, to allow honorable members to have an opportunity to leave the chamber for such time as is necessary for them to perform their ablutions. No honorable member has received more consideration from his fellow members than has the honorable and learned member for Werriwa, and if I find him wanting in that good feeling which he should display towards others, I shall take an opportunity of making him aware of the frequent breaches of the rules which he himself commits.

Mr Brown

- The Constitution itself provides that a certain proportion of honorable members must be present in order to constitute a quorum, and exercise the powers committed to the House of Representatives.

Mr McDonald

- The standing orders do not provide that the Chairman need ring the bells.

Mr Brown

- It is the duty of honorable members present to form a quorum, and the fact of their being within the precincts of the chamber does not affect matters.

The ACTING - CHAIRMAN. - The point of order raised by the honorable member for Kennedy is covered by Standing Order 233, which says that if notice is taken that a quorum is not present the Chairman shall leave the chair. The latter portion of the standing order, by consent of the committee, has been suspended for the time being, but the first portion of it is operative. Therefore, when attention is called to the absence of a quorum, the bells must be rung.

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Mr WILKS

- I deeply regret the time that has been wasted upon the discussion of this point of order. The progress of the committee is not to be judged by the number of items passed in a night. The item, "woollen goods," is sufficiently important to warrant a long debate, but there are many items which the Opposition have allowed to pass on the voices. We are not anxious to prolong the business before this committee. The position is that when a request was made last evening that progress should be reported, the Prime Minister took the view that sufficient items had not been disposed of during the sitting. (Committee counted.) No one regrets needless obstruction more than I do, because I realize that it is a two edged weapon, which some day the Prime Minister and his present supporters may use against the party with which I am associated. I believe that an arrangement could be made by the Prime Minister with the leader of the Opposition and leader of the labour party, by which a certain number of items could be disposed of at each sitting. In that way, the transaction of public business might be materially expedited, and honorable members would be enabled to close the session earlier than would otherwise be possible. But if items are to be bludgeoned, or forced, through the committee, the Senate will not be influenced by the actions of this committee in the same way as that Chamber would be if the items were passed after deliberate and earnest discussion. The importance of the item which was passed last night was sufficient to justify the Prime Minister in moving the adjournment of the House, and allowing us to go to our homes. The Opposition have abundant warrant for making the protest which they are making. Last week they made a similar protest, but when the ordinary hour of meeting came round they proceeded with the public business. The Treasurer has admitted that the revenue derived from this Tariff has so far exceeded his expectations; but he urges that this excess is due to abnormal conditions which cannot be expected to

continue. That, however, is not correct. I wish also to point out another danger with which the Government are threatened. We are aware that in the near future it is proposed to extend the franchise to women, and I, for one, should not like to see an army of women, simply because their wearing apparel has been excessively taxed, hold up the Barton Ministry to the execration of the womanhood of Australia. I believe, however, that this a contingency which has to be calculated upon if the Government insist upon levying such a heavy impost upon drapery. The officials of the House, who owe no man a grudge and to whom no one owes a grudge, have been subjected to a great physical strain. As far as I am concerned, I offer them my most sincere apology, but I am compelled to continue the process of slow murder, which they have been called upon to endure. If they had not to endure it at the hands of myself, probably they 'would have to do so at the hands of some other honorable member. In my early days I had a pretty strong theological training, although honorable members might not think so, and I was always told that before a reverend gentleman addressed his congregation he should divide the text of his sermon into four headings. That is why I have divided my remarks into that number of headings. The people of Australia realize, I think, that the parliamentarians of the Commonwealth are not now at play. Good work has been performed. An energetic and intelligent minority using the powers at their command are to force from a brutal majority an opportunity of discussing fully, and voting upon items of the greatest concern to every individual of the Commonwealth as a citizen of the Commonwealth and of the State. {Committee counted.) While the bells were being rung, a leading Government supporter approached me with the rude suggestion that it was time I devoted my attention to the classical side of this question. In order to supply me with matter in that connexion, he referred to Euripides, and asked me to quote him in order to show the Treasurer how dangers in the past had been avoided by a willing and discerning Government paying a due regard to -an intelligent Opposition. The honorable member no doubt could quote not only Euripides, but that well-advanced thinker of the democracy of Athens, Alcibiades, who was a patrician, but who cultivated, like the Prime Minister,, the democratic vote. He was afraid to be seen in public on horseback, and afraid to be seen by his friends taking walking exercise. Between the two, he neither- took walking nor equestrian exercise in public. He was the man who introduced the principle of sitting upon a rail. The politician who sits upon a rail nowadays can well afford to urge that the Opposition are obstructing business. But they are doing no such thing. The Treasurer has urged that the revenue derived from, the operation of the Tariff during the months of October and November is due to abnormal conditions. Such, however, is not the case, and I challenge the Treasurer to prove his contention. It would be interesting to know the intentions of the Government with regard to the duties on tea and kerosene. I have heard it stated that the Government are very deeply concerned as to the attitude of the labour party, and that the Treasurer is anxious to obtain all the revenue possible from apparel, in order that he may be able to make concessions in regard to the duties on tea and kerosene. I should like to hear from the Treasurer whether the intention of the Government is to reduce the duty on either kerosene or tea, or both. We should not trifle with the finances of the Commonwealth, and we should not attempt to raise more revenue than is required to meet' the necessities of the Commonwealth and of the States. It is all very well to say that we cannot earmark the revenue that is handed over to the States, and that our responsibility as a Commonwealth ceases when we transfer to the States the proportion of customs, revenue to which they are entitled ; but the citizens of the Commonwealth will expect us to exercise such discretion that only the amount of revenue absolutely necessary will be collected. It is not fair to dispose of important proposals such as we now have before us without the fullest consideration, and I shall regard it as my duty to protest against the business of the country being conducted whilst members are mentally and physically exhausted. The Treasurer not only knows the effects of these long sittings upon the capacity of honorable members to attend to public affairs, but he is also aware of the extent to which mental and physical exhaustion react upon their private business, and his experience has been such that I understand he has said he will consider very seriously whether he will continue in political life much longer.

Sir George Turner

- Hear, hear.

Mr WILKS

- There is no doubt that proceedings such as these must have a serious effect upon honorable members, and it is regrettable that members of the Opposition should feel called upon to adopt their present tactics

as a protest against the action of the Government. I am anxious to see the Tariff passed, but it is necessary that the Senate should fully understand that the Tariff when it goes forward to them will represent the deliberate opinions of this House. By hurrying through the Tariff without proper discussion the Government will excite not only the resentment of the public, but also, possibly, a great deal of opposition in the other Chamber.

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Mr HUGHES

- We are brought face to face here with certain concrete facts, and the whole situation amounts to this - You, Mr. Chairman, do not wish to be where you are, and we do not want to be here, and the question I submit is, why are we all here ? Obviously, there is no sensible answer that can be given. We ask you to leave the chair, because we desire to bring to the discussion of these items some degree of rationality. We have been sitting here for some 22 hours, and yet the Government remain obdurate, neglectful alike of their own interests, and deaf to the pathetic appeals of honorable members on this side. I wish to know whether the Government thoroughly realize that we will not have any all-night sittings in this Parliament? Until they do, you, Mr. Chairman, will have before you a long vista of wretched nights in this Chamber. We are sitting here because two obstinate men, who have had no experience of what a determined Opposition can do, believe that by the mere force of their dicta they can overwhelm us. Apparently the Treasurer does not derive any benefit from experience, otherwise he would have learnt a lesson from the events of last week. Is it to be supposed that the resources of our party are to be exhausted in a few hours, or that we are going to permit the people of this country to be subjected to taxation which may endure for a decade -without giving every item the fullest consideration ? I defy any one to say that we wasted any time in the consideration of the duties on cotton and linen goods. My speech on the subject was brevity itself, and I do not think I took up a quarter of an hour altogether in discussing the very important item upon which I moved an amendment last evening. Yet the Government were not content, and have now entered upon a course of action which will visit the most dire personal consequences upon themselves and upon all their following, and will retard the progress of public business. These late sittings must impress the public with the fact that the Federal Parliament is being asked to proceed with its great task hurriedly, and without that due regard for that rational and intelligent investigation which a national subject demands ; and it is worth our while to consider what the effect of this course of procedure will be upon the deliberations of the Senate. Will it not be open to honorable members in another place to say that these items have not received the attention they demand, and that they do not represent the calm and deliberate opinion of the majority of honorable members in this Chamber ? Therefore, the Government is seeking to make haste in a way that will tend to delay, and in the end bring about disaster and defeat. The Government ought to proceed upon some wise and regular plan, and to put before us a reasonable daily task. We did a good day's work in disposing of the duties relating to linen and cotton-goods, and it was too much to ask honorable members to dispose of two items involving £750,000 in one day. Let us do our work in broad daylight. I do not propose to sit up all night to pass any Tariff, or save . any Government. The Government will study their own convenience if they agree to conduct their business within reasonable hours. If there should be any delusion in the minds of the Government that they are going to pass the Tariff before Christmas - unless they make Christmas a moveable 'feast - such a delusion had better be dispelled at once, because they have . no chance of doing any such thing. To discuss the items in this Tariff fairly and fully before Christmas would be an impossible task. If they propose to exhaust the patience and physical energies of honorable members, in fact to exhaust everything in order to rush the Tariff through, the people of Australia will know what term to apply to such conduct. I could wish that the Constitution provided means by which the people at large could express their opinion upon this Tariff. I have no doubt in my mind as to what their verdict would be. The people have never been induced to believe that taxation upon the necessities of life is a good thing, and I challenge the Government to submit their Tariff to the people, and ask their verdict. It would be to the interest of the manufacturers themselves if this Tariff were submitted to the people. If the Tariff is to be revised at triennial periods, what security will any man have for the investment of capital in industries which are affected by the imposition of import duties ? If, however, we had a solemn assurance, based upon the verdict of the people that a protectionist, or revenue, policy would endure for ten years, the people of the Commonwealth, and particularly those of New South Wales, would know exactly what to do.

The Government have, so far, entirely changed the fiscal policy of New South Wales, and the effect of placing duties on certain articles that have hitherto been admitted free, will be to stimulate the manufacture of certain articles. But the circumstances under which the Tariff is being passed, so far from inducing a feeling of security on the part of those who are anxious to invest capital in industrial enterprises, will lead to chaos and uncertainty. There will be no guarantee that the whole policy of the country will not be changed when the next appeal is made to the people. The Treasurer presented us yesterday with a schedule of items of increased expenditure, as a reason why we should agree to extra taxation, but that affords no sufficient ground for adding to the burdens of the people. The Government make no attempt to adhere to their original declaration of policy. They tell us in one minute that they must have protection, and in the next moment they tell us that they must have revenue. In connexion with the duties on linen and cotton goods that were dealt with last night, I was interviewed this morning by men engaged in the manufacture of cotton shirts, who asked me if no one had raised a voice on their behalf. The Government were absolutely silent on the point, and yet I find that a large number of people get their living by making up goods which the Treasurer was ready last night to admit free. I am now in possession of information which, if I had had it yesterday, would have turned the minority of six in the division on "cotton and linen goods n.e.i." into a majority. I shall now concern myself particularly with the question, which is that the Chairman leave the chair. {Committee counted.} I ask that the motion shall be carried, or that the Ministry shall consent to some modus vivendi by which we can proceed to the consideration of public business. The responsibility for this prolonged discussion rests on the shoulders of the Ministry; but now there is no reason why we should not proceed with the ordinary business in a rational way. I ask the Government to disabuse their minds once and for all of the idea that it is possible at unearthly hours of the morning to force through committee the consideration of these important items. The woollen industry, with which we are immediately concerned, is a lamentable illustration of the inefficiency of protective methods, and we ask that the people generally shall not be preposterously taxed for the benefit of a few manufacturers. I am not one who either in the New South Wales Parliament or in this Parliament have ever lent myself to obstruction, and I ask the Government to allow us to give these duties the consideration they deserve. The importations of woollen goods show that the local manufacturer is not seriously competing. The reason is that the local article is notoriously unfit to compete, and a huge duty is asked for in order that the manufacturers may give the public an inferior article at a superior price. The Government, I presume have some intentions in regard to this and similar items, and I am anxious to know what they propose to do. I suggested that they should set a certain task each day, but apparently the task they set is too great when they propose to deal in one afternoon with taxation amounting to £750,000. At that rate the consideration of a Tariff of £9,000,000 would be completed in twelve or thirteen days, and such expedition was not anticipated.

Sir George Turner

-I met every request which the honorable member made yesterday, but we did not get through the work we ought to have accomplished.

Mr HUGHES

- Did I break any arrangement I made ?

Sir George Turner

- No.

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Mr HUGHES

- Let us understand what we propose to do. I shall not sit after twelve o'clock at night, unless there be a vote of censure, and if I can help it I do not propose to allow business to be earned on during my absence.

Mr. BARTON(Hunter- Minister of External Affairs). - Lest there should be any misapprehension, and as there are honorable members present who were not here during certain occurrences last night, I wish to state the facts. There came a time last night when we had been debating one or two of the sub-headings of an item for about ten hours. The Government had indicated on the previous night that honorable members would be asked to deal with the whole of the division in a sitting; and whether we then asked for too much or too little is not now the question, owing to subsequent facts. At midnight, or shortly afterwards, the acting leader of the Opposition asked for an adjournment. I pointed out that we had made

very little progress, and that the Government, who were pledged to carry on the business of the country, did not ask honorable members at that hour to finish the division, but that they did ask them to deal completely with the item of piece goods before the House adjourned. I think I put that request with all courtesy, and without one word which could offend the susceptibilities of any honorable member. I supplemented that statement by some words called forth by remarks of the acting leader of the Opposition, and again I think he will admit that I spoke in the most conciliatory way. But the Government were met by the motion that the Chairman do leave the chair. Every one who has had any experience of Parliament . knows that that motion is an attempt to take the control of the business out of the hands of the Government, and that if it be carried the Government must either resign or dissolve. When that stage was reached it was inevitable that the Government must oppose the motion, and the discussion, with the exception of very few words, has been carried on by honorable members of the Opposition from that time until this. These are the facts out of which the whole of this position arises. The Government cannot reproach themselves with having asked anything unreasonable, seeing they came down from their request for the completion of a division to a request for the completion of an item, thus meeting members on the other side much more than half way. But the moment that request was made the Government were met by the motion now before the committee. Is it possible, then, for any honorable member to contend that the Government are responsible for what has since occurred ?' From then until now the time of the committee has been taken up with speeches, as to the tenor of which I make no reference, because I wish to sedulously abstain from saying anything which may provoke bad blood. But the speeches were certainly of such a character as to show that, it was intended the Government should not do any business; and business is impossible until this motion be carried, negatived, or withdrawn. That is the position, and how the Government can be held responsible for it passes my comprehension.

Sir WILLIAM McMILLAN (Wentworth). - I am glad that the Prime Minister has taken the opportunity of explaining the position from his point of view. I do not want the public to misunderstand in the slightest degree the real facts of the case. The Prime Minister has known me long enough to know that whatever course I take, whether it be right or wrong in judgment, I do not desire to take any unfair advantage of my opponents, or to misrepresent the actual position. But I think it fair to me and to honorable members on this side that I should also state the case from my point of view. The Prime Minister makes a very light of the work done up to a certain period. But I would point out that up to the particular item we have reached, we have passed nearly £4,000,000 of taxation out of a Tariff of £9,000,000, and that the items completed in this division aggregate £338,000 - not a small achievement for five or six hours work. At 10 o'clock last night we reached the item of woollen-piece goods. I felt that this was a very important item, and I practically moved, but withdrew the amendment, that there should be a reduction of 10 per cent, on the Government proposal. To my surprise the honorable member for Corio - well within his rights - proposed that the Government rate should be exceeded. I asked the Treasurer across the table - "Are you going to support the proposal of the honorable member for Corio ?" The reply was - "No, we intend to stick to our own proposal." I then said that I would not speak on my amendment, which I had agreed to temporarily withdraw, when we had this rather extreme attempt to increase the proposals of the Government by an honorable member who represents a constituency which is particularly interested in this industry.

In all honesty I was perfectly ready to make my speech, and, of course, I had a sort of right to open the debate upon such a subject after a Minister had spoken. I was anxious that a division should, if possible, be arrived at upon that item. The honorable and learned member for Corio occupied some time in moving his amendment, and the debate upon it then became general. It continued till twelve o'clock, at which hour he agreed to withdraw his proposal. This particular item formed the key to the whole division which the committee were discussing. I explained last night that when we dealt with the previous item of cotton and linen piece goods we were dealing with an entirely revenue item. It was not a matter of any principle. It did not enter into the great controversy of free-trade versus protection. But the item "woollen piece goods" is the base of the superstructure, which means a great deal to the people of Australia. If we put a duty upon woollens, which form the raw material for the made up article, there naturally should be some scientific proportion maintained between that duty and the charge levied upon the made-up clothing. I was very anxious that the first real matter connected with the manufacturing industries, which are said to be peculiar to "Victoria, should be treated exhaustively. Thus, when it came to my turn to speak at

half-past twelve o'clock this morning, I pointed out that I was not physically fit to do justice to what I considered to be one of the most important parts of the whole schedule. I assured the Treasurer that if he would consent to an adjournment, I would give him my assistance as far as I could - and I know that my party would have stood loyally by me - to bring the debate on this matter to a close this afternoon. But Ministers would not budge. The Prime Minister let the cat out of the bag a little when he said that it was the intention of the Government to force through the whole of the items of this division.

Mr Barton

- There was no letting the cat out of the bag, because the Minister for Trade and Customs openly asked the committee on the previous evening to come prepared to finish this particular division.

Sir WILLIAM McMILLAN

- I did not grasp that, at any rate. Had I done so I should have remonstrated with the Minister, or have interpreted his remarks as a rather cumbersome joke. Up till half-past twelve a.m. there was no obstruction to the progress of business. The debate upon the proposal of the honorable and learned member for Corio had occupied two hours. At half-past twelve a.m. the honorable and learned member saw that the prospect of carrying his amendment was so hopeless that he withdrew it without endeavouring to take a vote upon it, and without obtaining a single supporter. At that hour I think it was a fair thing to ask for an adjournment, especially in view of the fact that certain honorable members had left the House in the belief that business would not be proceeded with after midnight. Up till twelve o'clock, two hours and thirty eight minutes had been occupied by Government supporters, and one hour and fifty eight minutes by members of the labour party, or a total of four hours thirty-six minutes, as against three hours and eighteen minutes absorbed by members of the Opposition, despite the fact that it is only reasonable to expect that the Opposition, who have to fight this Tariff tooth and nail, will occupy a longer period in discussing it than will those 'members who are perfectly satisfied with it. Between half-past twelve a.m. and half-past one a.m. I repeatedly, but vainly, urged the Government to adjourn ; and, finally, I was compelled to move that the Chairman do leave the chair. That is the history of the whole matter, and I leave it to this Chamber, and the country, to decide upon which side lies the right or the wrong.

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Mr O'MALLEY

- I would suggest that the Government and the Opposition should arrange a compromise. This House ought to be governed by reason, and honorable members ought not to do anything which they cannot defend in the high forum of the human conscience. Therefore, with all due humility, I suggest that the Government, the Opposition, and the labour party should confer together with a view of expediting the transaction of public business. The Britisher will not stand bullying of any kind. He is a most extraordinary animal, and will fight to the last ditch. That is the position of the Opposition, and it is also the position of the Government. I therefore repeat that the wisest course to adopt is to arrange a compromise by which business will be facilitated and all sources of friction removed.

Mr. SALMON(Laanecoorie.) - I desire to say a word or two by way of- personal explanation. I was the first to draw attention to the time occupied by various sections of the House. I followed the practice to which I was most accustomed, namely, that of the Legislative- Assembly in Victoria, in classing honorable members either as Ministerialists or Oppositionists according to the seats which they occupied in this Chamber. Whilst I was speaking, I was asked what I called the Opposition, and I replied, that I included those honorable members who sit below the gangway. The action which I took was subsequently questioned by a number of honorable members. The reasons why I classed honorable members as I did was, firstly, because of the position which they occupy in this Chamber, and secondly, because of the automatic attitude which they adopted towards the Government business presented to them during, the sitting of yesterday. I was not aware at the time that members of the labour party held themselves- absolutely free from the control of the leader or members of the Opposition. But I have since been made aware of that fact through' conversation with members of the labour party, and by reason of the action which that party took when the Opposition adopted the course which they followed last evening. With one notable exception, no member of the labour party assisted the Opposition. The exception was the honorable member for West Sydney, who was absent earlier in the evening, and who has since explained why he took that action. I desire to congratulate the party upon having no connexion whatever with the Opposition, and upon their public-spirited attitude in re' framing from obstruction last night.

Mr MACDONALD-PATERSON

- I rise to offer a few words of expostulation in regard to the conduct of this Chamber during the past week, and particularly during the past 24' hours. Last week I was paired, and during my somewhat rapid passage by train and steamer to my home, as, also, on the return journey, I found that my principal duty was to listen to unwholesome encomiums, which were passed upon the Federal Parliament, and particularly upon the House of Representatives.

Mr Fuller

- The honorable member has not got over his sea-sickness.

Mr MACDONALD-PATERSON

- The honorable member is politically sea-sick. Are we, after coming, thousands of miles, to remain silent when we find that parochialism and provincialism predominate here to an extent that is unworthy of a cattle-yard 1 At the present time, we are the butt of all the European nations, and the sorrow of Great Britain. Britannia is. sorrowing for the Commonwealth Parliament. I know what will happen very shortly. There will be such a' tornado, of disgust provoked that every State will wish to separate from the Federation.

Mr.O'Malley. - Then we will march in an army.

Mr MACDONALD-PATERSON

- I wish that the honorable member who interjects would speak from his place in Parliament. That is one of the rules which has been very much abused. I have in my mind two or three honorable members who come to the table and there lose their individuality. Do they go there with the idea of having their photographs taken by some gentleman in the gallery? Every honorable member, excepting. Ministers, to whom the use of the table is a great convenience, should speak from his place in the House. I say that in all the Australian States, a quarter of a century ago, parliamentary warfare was conducted much better than it is in this House at the present time. I am ashamed of the conduct of some honorable members. When I came down here, after making a big fight in the ultra-democratic region in Australia, I thought I was going to learn something. I am humiliated and abased at what has been going on. Perhaps both sides are to blame, but certainly we cannot continue to conduct our business in the way we have been doing. We are making ourselves the jest of the Southern. Hemisphere. We talk about, the great nation which Australia is to be in the future, of her sea-girt shore, and of one people with one destiny

Mr JOSEPH COOK

- I rise to interrupt this flow of irrelevant eloquence. I wish to ascertain whether this diatribe . of the honorable member is not entirely beside the question. .

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The CHAIRMAN

- The question before the Chair is that I do now leave the chair, and the standing orders of the House of Commons which apply in this case provide that the debate must be confined to reasons | why I should or should not leave the chair.

Mr McDONALD

- PATERSON. - There are many reasons why the Chairman should not leave the chair. The principal one is that he should not leave it at the instance of the New South Wales party. New South- Wales claims to be the mother State, but her representatives have given evidence of the fact that if she is the oldest, she is also the- most foolish. The New South Wales party in this House seem to think-that they represent not only Australia, but the Southern Hemisphere. Why do they not recognise that the whole question is one of compromise ? Leichardt has been lost and not a buckle or a button, and not a bone of a man, horse, or goat has been found-, because this great continent is full of Saharas, and in this House we have representatives of the great deserts of Australia. The Sahara of intellect is here, and the ruin of knowledge and the rain of duty never fall upon it. And because of this desert of intellect, we find- our proceedings reduced to a state of utter chaos.

Mr WINTER COOKE

- I wish to ask the committee to review the position which has developed since we met yesterday afternoon. At midnight the Prime Minister desired us to go on and finish- the consideration of the duty on woollens and then adjourn ; and I think he has told us to-day that the Minister for Trade and Customs wished us to dispose of Division 5 at one sitting. I now wish to show that this could scarcely have been



expected of the committee. When the Tariff was before the Victorian Legislative Assembly in 1895; no less than 27 members out of 96 addressed themselves to "the proposed duty on woollen goods, and their speeches occupied 62 pages of Hansard. Under these circumstances it was perfectly reasonable that the acting-leader of the Opposition should ask that the consideration of the item should be" delayed until we could meet within proper working hours. I admit that we have been going slowly, perhaps too slowly, but we have to recollect that we are dealing- with a Tariff that is\* to operate in six. States, and' that considerable discussion must be expected. I quite sympathize with the desire of the Government to pass, the Tariff! before Christmas.

Mir. Barton..- The first to make that offer was the acting leader of the Opposition.

Mr WINTER COOKE

- The acting leader of the- Opposition is doing his best, consistently with- the discharge of his duty to the public, to secure that end. I do not think that his request was an unreasonable one, because the Tariff is the most important work of the session, and, in view of all precedents, we are not taking an undue time in the discussion of it. If the Government desire to pass the Tariff quickly, they must exercise due patience and consideration, and- not attempt to force honorable members to sit here until all hours in the morning.

Sir EDWARD BRADDON

- Although I have been unable to be present during the whole of- the discussion,. I fully indorse the action of the Opposition. It is simply monstrous to charge the Opposition, with obstruction.

Mr Barton

- If the right honorable member had been here he could not have countenanced their action.

Sir EDWARD BRADDON

- I should have done so, as I will show. I have listened to-day- to two Government supporters, whose speeches have had no bearing whatever on the question before us, and who have been simply wasting time. The honorable member for Laanecoorie occupied ten or fifteen minutes in exposing his utter ignorance of the condition of parties in this House, and the honorable and learned member for Brisbane- occupied a similar time in delivering the most extraordinary lecture as to the character and attitude of this Parliament that it has ever been my fate to listen to. There is abundance of evidence that the members of- the Opposition- are not responsible for doing anything more than their duty, namely to secure the fullest discussion upon every item in this Tariff. And the acting leader of the Opposition was perfectly right in insisting that the business should be discussed by honorable members when they were in the full possession of- their faculties, and within- reasonable hours. If the Government had been properly apprised of the proper position of- affairs, they would gladly have availed- themselves of the offer of the Opposition.

Mr Barton

- Which was an impudent attempt at dictation by a minority.

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Sir EDWARD BRADDON

- It was an attempt to induce, the Government to pursue a proper- course in the interests of the Com- I monwealth. The Government have gained nothing by their tactics, but have led to a great waste of time, and have simply repeated on 'this occasion their unprofitable experience of last week. Now that the acting-leader of the Opposition has gained his object, I suggest that he should withdraw his motion, and I would advise Ministers not to resort to any further attempts to force the business of the country through under conditions which can only lead to their own defeat.

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Mr BROWN

- The Government have gained nothing by the course they have adopted, and I would ask whether it is not possible for us to arrive at some understanding so that public business may be expedited. The whole difficulty may be overcome by the exercise of a little common sense. We did a good day's work yesterday, and I do not think any exception could be taken to the way in which the discussion proceeded upon the items which engaged our attention up to midnight. No attempt was made to block legitimate business, the whole discussion was fair and reasonable, and the Government were not justified in making an attempt to force the committee to give their consideration to further items beyond the ordinary sitting hours. After midnight we were asked by the Government to take up the consideration of an item which was quite as

important as that over which we had spent some eight or nine hours just before; and if we had acceded to their request we should have renounced any claim we might have to be a deliberative assembly, prepared to discuss honestly and fairly all the matters brought before us. The conditions under which the Government desired us to continue the debate were utterly inimical to good work ; and I now ask whether in the interests of the community generally some arrangement cannot be arrived at by which the business of the country may be carried on in a reasonable way. Instead of keeping us here all night the Government should arrange for morning sittings. I shall be prepared to sit here from nine or ten o'clock in the morning until midnight, but I will not sacrifice my health by remaining here all night. I hope that the acting leader of the Opposition will now withdraw his motion so that we may be able to get to work.

Mr. HUGHES(West Sydney).- It was my privilege yesterday to oppose an amendment upon which the committee ' occupied 1 most of its time. It was known to this House that certain results would follow from the manner in which the Government dealt with the matters that were then under discussion. Here are two samples of cotton, for shirting, which this morning passed the Customs, one of which is charged 10 per cent., and the other is free ; and I ask the Minister of Customs or his experts to say which is which. One is invoiced as cambric, and the other as calico, but anything may be called cambric ; and there is no guarantee that next week the material which paid 10 per cent, duty this morning may not be admitted free, and vice vend. Officers of Customs cannot be experts in every branch of industry, and I ask the Minister to see that these anomalies are rectified.

Mr. MACDONALD-PATERSON(Brisbane). - An honorable member has stated that I have been absent from my duties. I was absent four sittings last week on important business, and I was properly paired by the Government whip.

Mr. JOSEPHCOOK (Parramatta).I think I am justified in saying that the honorable member puts in a great deal less time in this House than does any other honorable member, and it does not lie in his mouth to cast all sorts of aspersions on honorable members, their qualifications and their States. The Opposition cheerfully take the responsibility for what they have done, but they contend that the delay is entirely owing to the unreasonable attitude of the Government. The Prime Minister said the Government would not suffer the dictation of the minority ; but the Opposition are the victims of what they believe to be the coercion of the majority. We ought to take every reasonable care that the Tariff is one which will appeal to the intelligence of the community, and will bear the strictest scrutiny.

Mr. SYDNEYSMITH (Macquarie).The honorable member for Laanecoorie has endeavoured to clear away some misrepresentations which he made at an\* early part of this debate, when he led honorable members to believe that the whole responsibility for delay was due to the Opposition. I have obtained some information from the same source as the honorable member, and I find that he credited the speeches of the whole of the labour party to the Opposition in the discussion of linen goods. The honorable member has explained that he is not aware of the existence of a . labour party ; but, at any rate, the existence of that party has been very evident to the Government, who could not exist without it. Honorable members will be surprised to learn that the average time occupied in the discussion of the duty on linen goods by members of the direct Opposition was twelve minutes each, and that the total time occupied by them was two hours and two minutes. The honorable member for Laanecoorie took up nineteen or twenty minutes on the first item of linen goods.

Mr Salmon

- I think that is incorrect.

Mr SYDNEY SMITH

- The members on the Government side of the House on this item occupied two hours, and the labour party 84 minutes. 'On the second division the honorable member for West Sydney occupied only one minute, while two members of the direct Opposition spoke for ten minutes. On the third division the labour party occupied 33 minutes, while the Government supporters took up 43 minutes, and the Opposition about 66 minutes. The totals are the best test, and we find that on the Government side there were 29 speeches delivered by eighteen members, who occupied two hours 38 minutes. . Twelve members of the labour party made twenty speeches, and occupied one hour and 58 minutes, while seventeen members of the Opposition made 28 speeches, and occupied three hours eighteen minutes. The Government supporters and the labour party between them made 49 speeches, 30 members occupying four hours 36 minutes, while the Opposition made. 29 speeches, seventeen members occupying three hours eighteen

minutes. These figures show a difference against the Government of 21 speeches, thirteen members, and one hour thirteen minutes. The item then under discussion involved taxation to the amount of £338,000, and the first proposal was to pass taxation amounting to £1,500,000 at one sitting. But the Opposition took a stand against such an iniquitous proposal, and asserted their right of free, honest discussion. In the House of Commons no new business is allowed after twelve o'clock, and the same principle underlies our Standing Order 70, which provides that no opposed business shall be taken after eleven o'clock at night, unless the House otherwise orders. That standing order shows an intention that we shall not be called upon to rush through important items at unreasonable hours, because to all intents and purposes an item which involves taxation to the amount of £338,000, may be considered new business. The Opposition have succeeded in their task of preventing discussion on important questions at a time when honorable members were not in a fit condition to transact business.

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Mr GLYNN

- I recognise the wish of the acting leader of the Opposition that the debate should now close, the object having been accomplished of preventing important business in the early hours of the morning, when honorable members were mentally incapable of transacting it. I desire to say one or two words in support of the point submitted by the honorable member for Macquarie, as to the meaning and intention of Standing Order 70. Whether that standing order is technically applicable to proceedings in committee, it at any rate indicates the sense of the House as to the inexpediency of considering matters of acute contention when honorable members' bodies are weary and their minds are relaxed. I should like to know whether "business," within the meaning of the standing order, includes items in Committee of Ways and Means. In the House of Commons no opposed business is taken after half-past twelve o'clock on most days, or after half-past five on one day. The moment half-past twelve is reached, the Speaker, or the Chairman, as the case may be, declines to go any further with opposed business, and in the case of the former progress is reported. The point is whether in Committee of Ways and Means each particular item of a proposed resolution is "business" within the meaning of the standing order. Having regard to the rule in the House of Commons, it would seem that the Opposition were morally right in applying the sense, if not the letter, of Standing Order 70. In the House of Commons the Chairman does not wait for a motion, but anticipates the desire of the House as expressed by the standing order; and what the leader of the Opposition has done is really to ask the committee to enforce the standing orders which prescribe the conduct of business. As to proceedings in Ways and Means, it has been decided in the House of Commons that items of a Bill are opposed business, and that "opposed business" means that upon which divisions may take place. If business unopposed is taken after half-past twelve o'clock in the House of Commons, the moment a division is asked for the Chairman, or Speaker decides that it is opposed business, and is obliged to adjourn consideration of the matter.

Mr Kingston

- Does the honorable and learned member suggest that if the House goes into committee at nine o'clock a division cannot be taken after eleven o'clock?

Mr GLYNN

- I believe the correct reading of the rule, whether intended or not, is that we cannot go to a division after eleven o'clock. Where business on the face of it is opposed, the Chairman or Speaker in the House of Commons asks that it be adjourned, and unopposed business taken after half-past twelve o'clock becomes opposed if a division is asked for.

Mr Kingston

- That is new business.

Mr GLYNN

- The rule does not say "new business," but "opposed business."

Mr Kingston

- Do I understand that if an opposed Bill is in committee at nine o'clock the division cannot be taken after eleven o'clock?

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Mr GLYNN

- I say that in England, though the business may have been commenced before half-past twelve o'clock, it has to be adjourned if a division is called for ; so that, under the English rules, the acting leader of the Opposition is technically right.

Sir WILLIAM McMILLAN (Wentworth). - I am glad to find the highest authority on parliamentary law and practice in this House supporting me, not merely by his own arguments, but actually from the standing orders. I find I have been carrying out the spirit, and perhaps also the letter, of the standing orders in preventing the very unfair effort of the Government to transact business at unreasonable hours. I now beg leave to withdraw the motion.

Motion, by leave, withdrawn.

Sir WILLIAM McMILLAN (Wentworth). - It is a very curious circumstance that at this hour of the afternoon there is absolutely nobody except the honorable member for Laanecoorie upon the Government benches.. I do not altogether dissociate the proceedings of this committee from the idea of a deliberative assembly. When I move in favour of reducing the ad valorem- duty upon woollen piece goods, I think that honorable members upon the other side of the House might at least extend to me the courtesy of being in their places. I feel great interest in opening up this question, because it affects one or two phases of the great controversy of freetrade versus protection. I have asked myself upon several occasions whether in a protective country like Victoria there is any possibility of protectionists deciding that some particular industry could reasonably live upon its- own merits. I have been wondering whether there is one industry here which is so surrounded by circumstances favorable to its growth that even the most extreme protectionist will say - " That is an industry which can afford to live upon its own resources." When dealing with the soap industry, honorable members had to take into consideration the fact that a tax had been imposed upon the raw materials used in its manufacture. Therefore, we had to deal with the soap industry in a way different from that in which it has been dealt with under free-trade conditions. We had to give it a moderate protection. But in this case we have an article which stands absolutely alone under conditions favorable to its manufacture. It is made up of wool, upon which there is no duty - wool which is obtained in this country. The raw material can be secured at as- cheap a rate here as can any raw material in the world. Such an -industry to my mind does not require protection, although I am not going to attempt to place it upon the free list. In the first place, it has a natural protection in the initial cost of the raw material - wool. It has a natural protection of 10 per cent, as compared with the manufactured article brought to- our shores. We propose now to give it a 10 per cent, protection. If, therefore, we have regard to the first cost of the wool here, to the 10 per cent, charges for bringing the manufactured material to Australia, and to a 10 per cent, duty, it will be seen that we are giving it a protection of 30 per cent, ad valorem. I should like to know if that is not sufficient to cover all labour conditions and everything else 1 Honorable members have talked" about this industry in New South Wales. I know well enough that it is not developed to the same extent there as it is here. A few years ago, a 45 per cent, rate was imposed upon the industry in Victoria, as a result of which it was forced into existence. Therefore, it is impossible to argue under the two conditions. But the fact remains that New South Wales has been' able to carry on the manufacture, of a certain quantity of woollen goods without the aid of any duty whatever. Therefore, a 10 per cent, rate is to my mind. a. sufficient protection to confer upon the local manufacturer of this article. (Committee counted.) If it were possible to apply the bonus system to many industries which honorable members desire to protect, there is no doubt that they could be well protected by that means. All I wish to do is to ascertain the point up to which it is necessary to protect an article of this kind. Has there been any exhaustive statement made concerning the history of these industries, and- as to how much money they are making ? Have the committee been informed why 20 per cent, ad valorem is put forward as the proper measure of protection which this industry should enjoy ? I do not believe in arriving at such a limit by mere rule-of-thumb. The most extreme protectionist should desire the imposition of only that amount of duty which is really necessary to the establishment of the industry. What have we before us to justify a rate of 20 per cent. ? We have not one jot of information except that 25 per cent, was the duty which formerly operated in Victoria. There is absolutely no evidence before the- committee. The whole thing is taken for granted\* Of course the Government have a majority, and I suppose that they can take anything for granted- under the circumstances! Many of the companies engaged in this industry are limited liability companies. Have we any information before us as to what profits they are making, and as to whether the duty proposed is excessive or too little 1 We have none whatever.

Mr Mauger

- They all ask for it with one exception.

Sir WILLIAM McMILLAN

- Exactly. I know of one particular case in which a firm admitted that they could carry on their business successfully with the aid of a smaller duty, but when they were questioned as to the duty for which they intended to ask, they replied - " We are going to get the highest duty that we can." What will be the effect of the proposed duty in a country like Australia, a large area of which possesses a tropical and sub-tropical climate? Honorable members will not deny that if we impose a 20 per cent, duty upon woollens, we shall make them practically 30 per cent, dearer than the imported article. The result will be that the working man will be driven to wear cotton goods, and do we not know that the individual who earns his bread by the sweat of his brow should for the sake of his health use woollen goods? Some honorable members favour this duty, and profess to be democrats, but that is the most unutterable hypocrisy ever known in the political life of this country. I am perfectly satisfied that the worst thing that can happen to the manufacturers- in Victoria is a continuance of- the operation of these high duties. There will be such a reaction in Australia, that probably the whole of these duties will be swept away. In the interests of the workers of Australia and as a compromise, I beg to move -

That the words "and on and after 5th December, 1901, 10 per cent." be added to the duty "Piece goods. - Woollen, or containing wool, n.e.i..... aci valorem 20 per cent."

Sir GEORGE TURNER

- I think it would be far better if we credited each other with honest intentions. I fail to see why charges of hypocrisy should be levelled against this side, or that the desire to do what is best for the working man rests entirely with the other side. I do not believe that there is hypocrisy upon either the Government or the Opposition side of the House. I am glad that the acting leader of the Opposition proposes to give these articles some measure of protection. He has now admitted that many industries are entitled to reasonable protection against what he described the other night as the " sweepings," which are landed here from foreign markets.

Sir William McMillan

- I said that I believed in compromise owing to the existing condition of affairs in Australia, but I never gave up my free-trade principles.

Treasurer

Sir GEORGIE TURNER

- The honorable member certainly said that the " sweepings " of the foreign markets- came into Sydney.

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Sir William McMillan

- Will my honorable friend allow me to make a personal explanation? I was twitted the other night with being interested as an importer, and I said that as far as those interests were concerned, a reasonable duty would benefit me far better than a free port, because Sydney received the " sweepings " of the world. When I saw the sense in which the word "sweepings" was interpreted, I substituted the words, " surplus products of the world." These, I said,, came into the port of Sydney, and were inimical to my business. But I never in any sense gave up my free'trade principles. I was content to accept the Prime Minister's own words that we could not have extreme free-trade any more than we could have extreme protection. Therefore, in almost every case I have moved for the imposition of a moderate duty. I have no present desire to do away with that moderate protection to which we are practically pledged, but at the same time I hope to see it ultimately removed.

Sir GEORGE TURNER

- My honorable friend evidently admits that we do get a surplus from the foreign mills ; and I think he will go a little bit further and admit that that surplus is sold in the exporting countries for very much less than its true value.

Sir William McMillan

- But the consumer gets the benefit of that.

Mr Harper

- He does not get the advantage.

Sir GEORGE TURNER

- These surplus goods are probably sold at about one-half of their true value.

Sir William McMillan

- There may be isolated instances, but that is not a general thing.

Sir GEORGE TURNER

- My honorable friend must not forget that I was in the Customs-house for two or three years, and, that I learnt a good deal there with regard to these importations. I know from what I saw in the invoices that, without doubt, many of these goods were slaughtered. That means that, not only do they come into competition with our manufactures at a half or two-thirds of their true value ; but that the duty instead of being paid on the true value, is paid only on the half or two-thirds valuation. By this means the benefit of the protective duty is reduced. I do not think that my honorable friend can contend that the proposed duty is a prohibitive one, because we expect to receive from it £336,000. I look upon it from two points of view. This duty will afford a considerable amount of protection to our local manufacturers, but it certainly will not give them the command of the market. If, however, the proposal of the acting leader of the Opposition is carried out, and the duty is reduced to 10 per cent., one of two things clearly must happen. If we import only the same quantity of woollen materials that we do now, it necessarily follows that we shall receive as revenue only one half of the amount we expect to collect. Now, that is a serious loss. On the other hand, if we are to collect the same amount that we expect, we must import double the material we now import. If that happens, we shall receive only the same amount of revenue that we now expect, but we shall take away from the local manufacturer a large proportion of his present trade.

Sir William McMillan

- I do not agree with that latter proposition.

Sir GEORGE TURNER

- It must be so. If we are to collect the same amount of revenue with a lower duty, must we not import double the quantity that is expected under the higher rate ? And if we import double the quantity, we must take away from the local manufacturer the trade represented by the difference.

Sir William McMillan

- We may not be able to import any more than at present.

Sir GEORGE TURNER

- Then we shall lose revenue. If we are not able to import any more, why should we not retain the duty at 20 per cent. 1

Sir William McMillan

- There are certain things which we cannot make here under any circumstances.

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Sir GEORGE TURNER

-Then we shall have to import them, but just to the extent to which we increase our importations we must take away trade from our home manufacturers. The fact of our giving our manufacturers less work to do will have this serious effect. Honorable members know that the larger the output in any particular business the smaller is the cost of the article produced, and that is one of the reasons why large manufacturers in America and elsewhere can send goods into our markets and sell them at a profit in spite of the duty we impose. We have a smaller number of people to manufacture for, and although that will be to some extent remedied by Inter-State free-trade, we need not infer that there is going to be any increase in the prices, because we know full well there will be competition between Sydney and Melbourne, if there is no competition between the manufacturers in those two cities and those in other parts of the Commonwealth. That necessarily means that the goods will be sold at such prices as will give a fair margin of profit to the "manufacturer, and no more. We were told by the honorable member for Maranoa that by putting on this duty we were going to penalize the wool-grower. I felt some difficulty in following what the honorable member meant by that, because I take it for granted that we shall have to buy for our own requirements, and, in doing so, shall have to compete with those who purchase for Great Britain, Germany, France, and other places to which our wool' is exported.

Mr Thomson

- The higher the tax, the less consumption -that was the argument of the honorable member for Maranoa.

Sir GEORGE TURNER

- I am endeavouring to put forward the views of the Government with regard to this particular duty, and I am only too glad to receive from those who have special knowledge any information which they can give me. If they can show that we are arriving at a wrong decision, I shall be only too glad to hark back and do what is fair. "Whilst I admit that we should consider the wool-grower, we should study our wool manufacturers also. Surely they are entitled to be considered to as great an extent as the wool-growers, if not to an even greater extent. " The fact that the wool-growers are not being penalized is shown when I state that we expect to import woollen goods to the extent of £1,680,000 in value. That shows that a large importation will undoubtedly take place. With regard, to the amount of protection that is necessary, I think it has been pretty clearly demonstrated that the rates of wages paid here are just double those paid in Great Britain. I cannot guarantee the figures given in the circular which has been distributed to honorable members, but I believe them to be correct. With reference to tweeds, the wages vary from 4¼d. to 9¼d. per string at Huddersfield, against 10d. to 1s. 8d. at Ballarat. Then with regard to worsteds, it is stated that

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White serges are woven in Wellington, England, one weaver to two looms, at 12s. per week. In Ballarat the average is 33s. per week for a weaver working one loom only. The hours of labour in all woollen mills in England are 56 hours per week ; whereas in Ballarat they are 48 per week only.

Mr Poynton

- That statement differs from the report of the Inspector of Factories.

Sir GEORGE TURNER

- I am assuming that these statements are fairly correct. We know that with regard to the statements made on both sides, the best possible case is made out for the particular cause that is being advocated. I have a quotation here from the Yorkshire Factory Times. I do not know whether that is a leading newspaper or not.

Mr Tudor

- Yes, it is.

Sir GEORGE TURNER

- A part of this statement, which is very interesting, reads as follows : -

It is, however, when we come to compare the fast loom price in Ballarat with the fast loom price here that the greatest difference is shown. The price at the Antipodes is only reduced 2d. per stg. for the fast loom, whilst here it is reduced one-third. Let us see how this works out on the four classes of goods which we have quoted - 30 picks here would be 8s. 6d., there it would be 10s. (id : 40 picks here would be 11s., there 13s. 6d. ; 50 picks at home would be 13s. 6d., abroad it would be 16s. 6d. : whilst at 60 picks our price is 16s., and theirs 31s. 6d, or nearly double what is paid here. In the case of women, too, the difference is again brought into account, and this difference is greater still. In worsted goods the difference is not quite so wide, because it seems that they pay less for worsted warps by 2d. per stg., or 3s. per cut, whilst here there is only 5 per cent, difference in some cases. As a matter of fact they are paying considerably more money on the fast looms in Ballarat than is paid here for both fast and slow looms.

Then the writer goes on to practically advise the weavers in Yorkshire to go to Australia, where they will receive better pay than in Yorkshire. A good deal has been said with reference to the New South Wales woollen mills. We all know the natural advantages that New South Wales enjoys in connexion with manufacturing industries, owing to the possession of coal, and harbor facilities, which have always to be taken into consideration. I now say what I said at the convention in Sydney - when no one would credit it - that I believed that in five years time Sydney would reap most of the benefits to be derived from federation. I think that that is undoubted ; and the acting leader of the Opposition has stated recently that no one but a lunatic would believe that Sydney would not derive the best of the advantages to be gained from union. I grant that there are one or two factories in Sydney, but the acting leader of the Opposition will admit that they have not been so successful as they ought to have been. This can be accounted for only by the fact that New South Wales has imported far greater quantities of the manufactured article than she should have done.

Sir William McMillan

- What is the proportion of woollens manufactured in Victoria to those imported?

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Sir GEORGE TURNER

- I do not know, but a considerable quantity is still imported in spite of the 25 per cent, duty, which we have been levying. I have shown that we have to pay double the wages given to mill operatives in England ; and it is also well known that if we are to compete with large importations from the older manufacturing countries we must -keep up our machinery, and -that this will involve -the expenditure of a large amount of capital.

Mr Kirwan

- Can the right honorable gentleman explain why the woollen mills of Victoria paid dividends before there was a duty imposed in Victoria ?

Sir GEORGE TURNER

- I do not know that that is a fact, but if it is there is probably some very good explanation.

Mr Mauger

- I think it will be found that it is not a fact.

Sir GEORGE TURNER

- As far as I know, the Victorian woollen mills give employment to a large number of people, and do not pay more than a fair return on a trading investment. It was stated last night that one Sydney firm had paid a dividend of 6 per cent., but I do not think that is a return such as we should expect from any manufacturing concern. I fail to see why we should be forced to send raw material from Australia to be made up in Great Britain or some other country, and then re-import that material to enable us to make up the clothes that we have to wear. The woollen industry is one to which we should give a fair amount of protection, so that we may be able to make up our raw material here.

Mr JOSEPH COOK

- The same thing would apply to everything else - why should we import at all 1

Sir GEORGE TURNER

- I have already stated my reasons. It was stated by the honorable member for Macquarie that some woollen articles were dearer in Victoria than in New South Wales, and when inquiry was made it was found that these were Jaeger's goods. Of course those are not made here, and the imposts upon such articles are revenue duties. We know that where there is no competition within the Commonwealth, a revenue duty undoubtedly adds to the price which the consumer has to pay ; but where there is competition here, we certainly do not have to pay the whole, if we have to pay any, of the duty that has been imposed. I would ask the honorable member for Macquarie to mention some goods which are imported, and which are also manufactured here, so that we may compare Sydney and Melbourne prices.

Mr SYDNEY SMITH

- I will -furnish plenty of comparisons before I have done.

Sir GEORGE TURNER

- We have heard a great deal about -the natural protection which is afforded by the freight and other charges upon imported goods. We have been told that the natural protection added to the .10 per cent, duty which the acting leader of the -Opposition proposes, will give the local manufacturer an advantage of 30 per cent. I presume 'that the -freight and charges include the cost of carrying ' the raw material to the 'factory in England, and bringing it out here in a manufactured form. We know, with regard to the question of freight, that concessions are made when goods are sent out to Australia, and that every effort is being made by building large ships, and in other ways to cheapen freights. Then again, as a set off against this natural protection, we must not forget that the cost of freight 'from woollen mills at such places as Castlemaine and Ballarat to Melbourne must be very considerable, and that it probably bears a fair proportion to the freights which are paid on goods imported. t

Mr JOSEPH COOK

- The local freights do not represent more than is paid for railway carriage in England.

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Sir GEORGE TURNER

- That may or may not be. If, however, we are to close up our woollen mills and not manufacture any woollen goods, what benefit will the purchaser derive from this natural protection 1 The purchaser has to pay all this natural protection if he buys imported goods, and whilst I am not going to deny that the manufacturers in some cases derive benefit from this natural protection, I contend that if we abolish our



production here, the purchaser will have to pay the whole of the natural protection, which will be added to the price of his goods. If we once kill our manufacturers, the consumer will have to pay a little more for the manufactured article than if a little protection were granted to local manufacturers. I quite admit that this is a very important question, because we have to deal with a very considerable industry, and we are proposing what we consider to be a fair, and reasonable rate of protection. Some of the imported woollen articles will have to be used in the manufacture of made-up goods, and we believe that we are fixing a rate which will give a fair though not too high a margin to the manufacturer of the made-up article. The clothing manufacturer should, wherever possible, use the locally made instead of the imported article, and thus leave himself a larger measure of protection.

Sir William McMillan

- The manufacturers make up what they can sell - we cannot dictate to the manufacturers what they should do.

Sir GEORGE TURNER

- Still, I think that where a manufacturer derives the benefit of a protective duty, he ought to be prepared to give preference to the raw material which is manufactured here.' The protection we propose to afford is fair and reasonable; but to pretend that a 10 per cent, duty would afford any protection would be simple hypocrisy.

Mr THOMSON

- I desire to reply to some of the statements of the Treasurer. He has told us that this is by no means a prohibitive duty, because he expects to receive from it revenue to the extent of £336,000. The right honorable gentleman, however, omitted to inform the committee that the £336,000 must very largely be made up of duties on goods which are not manufactured in the Australian woollen mills. I have figures here to show that woollen dress goods, which were not subject to duty in Victoria, and which were not manufactured by the local woollen mills, were imported into Victoria to the amount of £300,517. A 20 per cent, duty upon that amount would realize £66,000, and assuming that a similar proportion of these goods were imported into the other States, the total amount of revenue received from a duty of 20 per cent, on woollen dress pieces would be £198,000. There are also other articles which are not manufactured here, and upon which the amount of duty paid must be large, and these figures tend to show that if the Treasurer's estimate is correct, as to which I have previously explained my doubts, practically the whole of the estimated revenue is derived from articles such as are not manufactured by local mills; consequently the Tariff must be practically prohibitive in its incidence as to the articles which local mills do manufacture. This is an indication that the Treasurer, or whoever compiled the figures, thought that as regards the articles that are made here the duty would be practically prohibitive. I was astonished to hear the Treasurer state that surplus goods from foreign parts were sent here at half or two-thirds their value, and that they were charged duty only upon the reduced amount. If so, that would imply a very extraordinary administration of the Customs department.

Sir George Turner

- We must take the invoice values.

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Mr THOMSON

- If the administration of the Customs department is so lax as to admit of the importation of goods on the payment of duty upon less than their real value, I do not think that the committee should give power to the Government to tax goods by percentage on their value. The Treasurer practically states that it is impossible to check values, and that the Customs must accept the invoices as their guide, but in the case of articles such as woollens there should be no difficulty in arriving at the true values. The difference in wages paid here as compared with those earned by operatives in Great Britain has been referred to. At the very lowest estimate the proposal of the honorable member for Wentworth to impose a duty of 10 per cent, will afford the local manufacturer a protection of 33 per cent., because he will have the benefit of all the natural protection that is afforded by the charges for freight, insurance, buying and selling commissions, wharfage, and the carriage of wool from London to the mills, and then the cost of sending the goods out here. This would be the protection on ordinary average wools. If the higher wages paid here are to be regarded as an adequate set off to this natural protection with 10 per cent, duty, it will be necessary to show that at least one-fourth of the output of local manufacturers is represented by wages.

We know very well what are the total wages paid in Victoria, and if they represent one-fourth of the output, the output must be very small indeed. That being<sup>1</sup> so, the whole of the wages and more are accounted for by the natural advantages and the duty of 10 per cent. I am inclined to think with the Treasurer that New South Wales possesses superior advantages for manufacture; but if, with these advantages, that State can produce at a cheaper rate than Victoria, the latter cannot get the benefit of any protection, even if 50 per cent, be granted. Victoria can only be protected to the extent of the rates that will pay the New South Wales mills, which are said to have superior advantages. The output of the New South Wales factories has been limited by two causes. One cause is that all markets have been shut against them by excluding Tariffs; and the second is that, whilst they have their own market, there is less wool used in that State than in the southern State. But even so, the New South Wales mills, while not paying handsomely, give a return to the proprietors; and if we take 6 per cent, as the dividend of one of the best known mills, and we pass a duty of 10 per cent., the proprietors will be enabled to increase their prices and earnings to that extent.

Mr Mauger

- Only for a little time.

Mr THOMSON

- For as long as it suits the mill-owners to sell at the higher prices.

Mr Mauger

- Local competition will do away with the higher prices.

Mr THOMSON

- Then the duty is not needed. The honorable member means that the proprietors will not take advantage of the 10 per cent.

Mr Mauger

- They are protected from outside competition, and have to fight the inside competition, which regulates the market.

Mr THOMSON

- But they are protected by 10 per cent.

Mr Mauger

- No; I took 10 per cent, not as an adequate duty, but as an illustration.

Mr THOMSON

- But if it is an adequate duty, will it or will it not be taken <sup>1</sup>

Mr Mauger

- Decidedly not.

Mr THOMSON

- If it were taken, it would be 16 per cent, profit to the manufacturers.

Mr McCay

- The duty does not necessarily mean 10 per cent, on the capital.

Mr THOMSON

- I say it would mean more, but 16 per cent, would enable the New South Wales mills to compete with the trade throughout the Commonwealth. I agree, however, that the 10 per cent, would probably not be taken, because competition would naturally induce a lower price, and if not taken, that is the best evidence that 10 per cent, is ample from the honorable member's protectionist standpoint.

Mr McCAY

- The question is whether or not we are to have woollen industries established and maintained in Australia. In my opinion, 10 per cent, would become a purely revenue duty, and pass the extra expense on to the consumer, because we should witness the practical disappearance of the whole of our woollen mills. From the Statistical Register of New South Wales and the Statistical Register of Victoria, I find that in New South Wales in 1900 there were 460,000 yards of woollen piece goods manufactured in four mills containing 221 operatives, there being no duty. In Victoria, under a 25 per cent. Tariff, there were 5 mills employing 917 operatives, though Victoria has the smaller area and population, and a smaller demand. In Victoria during the same year there were manufactured 2,160,015 yards of woollen piece goods, 33,427 pairs of blankets, and 3,200 rugs, or altogether five times the production of New South Wales. Admitting that the advantages of the two States are equal, these figures show that a duty has helped the Victorian

woollen factories so far as production is concerned. That the duty in Victoria was not prohibitive is shown by further figures from the Statistical Register. The imports of woollen goods into Victoria are divided into those which pay 25 per cent., those which pay 15 per cent., and those which come in free; and of the £700,000 worth of woollen goods, or goods containing wool, which in 1900 were imported into Victoria, £300,000 consisted of dress pieces, which came in free. Under the duty of 15 per cent. £67,000 worth was imported, these representing grey and coloured blankets and other woollen goods invoiced at less than 1s. per lb. The goods which paid a duty of 25 per cent., and which came into direct competition with the products of the Victorian factories, were last year imported to the value of £316,947.

Mr Thomson

- What I said was that if the Treasurer's figures were correct the duty was prohibitive, but I expressed doubts as to the correctness of the right honorable gentleman's estimate.

Mr McCAY

- The result of the commission's petition was that both locally-manufactured and imported goods were cheaper than if the latter had been allowed to come in over sea at a duty of 10 per cent. It is a reasonable hypothesis that this competition must throw the duty back on the foreign manufacturers, who otherwise would not be able to get into the market. In the later stages internal competition keeps the price below what imported goods would be even if admitted free.

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Mr Fowler

- Then what is the use of a duty?

Mr McCAY

- The use of a duty is to give the local manufacturer something to compete for, because otherwise he could not get the market or keep it, owing to the cutting of prices, which is an every-day market operation, and against which the greatest force is that of the State. In 1900 the imports into New South Wales of all kinds of woollens came to £769,748, while in Victoria, including £300,000 worth of dress pieces, they totalled £700,000. The reason for this equality in piece goods was that New South Wales imported manufactured apparel much more largely than Victoria. This manufactured, apparel, valued at 1,250,000, came from all sorts of places, where wages and the conditions of production are such as would not be submitted to in Australia, even if the alternative were the closing of all our factories. The re-exports from New South Wales last year of woollen goods amounted to £78,563, whereas those of Victoria were valued at only £45,038. At first sight it might appear that New South Wales was establishing a foreign trade by means of her unprotected factories, which Victoria could not do under protection. But out of the £78,563 worth of reexports only £110 worth represented Australian made goods, the rest being of foreign production ; whereas the £45,000 worth of goods re-exported by Victoria had, with the exception of £2,000, been made in that State. I have always been what I call a moderate protectionist ; that is, I believe that the barrier which we put up to protect our internal trade should be high enough to secure the chance to the local manufacturer of a footing in the local market after paying proper wages, and to enable him to get a sufficiently large market for an output great enough to make it possible to provide a reasonable article at a proper price. Above such a limit there is the danger, which always exists, whether in a free-trade or a protectionist country, of combinations to take undue advantage of conditions. So long, however, as the barrier is not too high the danger is minimized, because the moment prices are unduly raised, imports from abroad, at prices reduced so as to secure the market, destroy combinations and maintain things at a proper level. In Victoria ' the duties have been reduced from 45 per cent, to 25 per cent., which rate has prevailed from 1895 ; and the proposed reduction of 5 per cent, is a serious matter for the mills. 23 t

Victoria produces more locally-made woollens than the rest of the Commonwealth put together, and, so far, it is specially a Victorian industry, because in that State it has been specially looked after.

Mr Piesse

- Victoria does not produce more locally-made woollens, relatively, than does Tasmania.

Mr McCAY

- I am not speaking relatively, but of absolute products. There is no reason why this industry should remain purely Victorian, now that the border barriers have been removed, and there is one fiscal wall against the outside world. Woollen mills inside must now take their chances one with the other, and in an

Australian industry of this character the fact that New South Wales, with all her advantages, has . only four mills, is sufficient proof that reasonable protection is necessary. To offer the woollen industry of Australia a duty of 10 per cent, is offering a stone where bread is wanted. Personally, I think a duty of 25 per cent, is not unreasonable, but, in a spirit of compromise, I am ready to accept 20 per cent., in the hope that the larger markets now available will make up the difference.

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Mr SKENE

- The acting leader of the Opposition and the Treasurer have both dwelt on the question of natural protection, but there is one aspect on which they have not\* touched. The fall in the price of wool in the last few years seems to me to have very much increased the natural protection of the industry. Wool which was sold a few years ago at 1s. is now not worth more than 8d., representing a fall in value of something like 33 per cent. When we come to the lower-priced wool, we find a greater relative fall in value. Wool which a few years ago brought 9d. now brings only 6d., and in the coarser crossbreds there has been a fall of something like 50 per cent. I think I am well within the estimate when I say that the cost of taking the raw material, say to Bradford, and bringing back the manufactured article is not less than 2d. per lb ; indeed, I am informed by an expert in the trade that the cost is a good deal more. But' if we take the cost at 2d. per lb., and apply it to wool selling at 1s. per lb., that means a natural protection of 10\$ per cent., but on the same wool selling at 8d., the natural protection is 25 per cent. Taking the wool which sells at 9d., the cost means a protection of 22 2-9ths. per cent.,' and on the same wool- at 6d. it means 33½ per cent. The medium and lower classes of wools- are those which are most used in the factories, and if we apply the same test to wool sold 'at 4d. per lb. we find that the natural protection is 50 per cent. I do not advocate a duty so low as that proposed by the acting leader of the Opposition. The Treasurer has on occasions endeavoured to strike an average as amongst the various States, and if, taking into consideration that New South Wales- is free, he does so in this case, he will find that the average duty is something like 14-½ per cent.

Sir William McMillan

- When we compare wool with other articles which are protected to the extent of 15, and 20 per cent., does not wool appear to have double the advantage ?

Mr SKENE

- That may be a strong argument, but I wish to act with what are called moderate men on the other side, and to support a duty which I think we shall be able to get. If we add a duty of 15 per cent, to the highest class of wool sold at 8d. per lb; we find that the protection amounts to 40 per cent, or 8s. in the £1 ; on the wool at 6d. it means a protection of 48J per cent., or almost 10s. in the £1.

Sir George Turner

- Is wool low or high now?

Mr SKENE

- I think the value of medium wools now is not likely to go very much up or down. The price of wool is about 33 per cent, lower than it was five or six years ago, and I see no likelihood of a change. My own cross-bred wool in London has not been sold yet, because the price of that class of wool is so low that I hope it may improve;

Sir George Turner

- That shows that the comparison is- not a fair one, because the price which the honorable member takes is altogether too low, and he will not sell at it.

Mr SKENE

- I am speculating in my wool, but I fear that I shall not get a higher price. Some little time ago the Minister for Trade and Customs said it was preposterous that, we should have to send our wool to the other side of the world in. order to. get it converted into the manufactured article, and afterwards brought back to Australia. But it is not preposterous to urge-, that an industry which has been so heavily protected for over. 30 years as has the woollen industry, is not able to flourish under the natural conditions which obtain here Surely a. protection of from 8s. to 10s. in the £1 should constitute a sufficient protection. If an industry cannot become established under such circumstances it is not worth talking about. I believe that under a lesser duty this class of industry would flourish more than it has done in the past. I am quite willing to vote for a 15 per cent, ad valorem if the Government will agree to it. I do not know of any

companies interested in this industry which are paying high dividends, but I believe that under a more moderate duty, and with the keen competition which will ensue between the different States, they should be able to pay fairly good dividends. I have always held that if the public could be protected from shoddy goods, they would derive more benefit than they can be afforded by means of any protection through the Customs. Experts tell me, however, that it is very difficult to detect shoddy. That is the trouble with which we are always confronted. In a country like Australia, where we produce the best and the cheapest wool in the world, it is a great pity we cannot bring woollen goods within the reach of the poorer classes. We all know that woollen goods form a much healthier apparel than do cotton goods. The flannelette which comes into Australia is not only unhealthy, especially for children, but is very dangerous on account of its inflammable character. Only last night I saw a letter which was circulated amongst honorable members, stating that 43 deaths had occurred at Manchester in one winter month from burns, the result of wearing cotton apparel. Moreover, it seems to me exceedingly unfair that the use of the word "flannelette" should be permitted in connexion with cotton goods. If it were possible to have articles such as shoddy tested, it would be a very good thing to absolutely prohibit their importation or to provide that they should be properly branded. I am aware that some of the best blankets in the world are manufactured in Victoria. I think that the difference between the cost of labour in England and Australia has a full set off in the duty of 15 per cent, which I am prepared to support.

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Mr CRUICKSHANK

- As an advocate of a duty of 1.5 per cent. ad valorem I wish to reply to one or two statements which have been made during the course of the debate. The honorable and learned member for Corinella seems to have overlooked the fact that the woollen factories in New South Wales command only part of the market of that State. Moreover, the producer there has not been able to send his produce into Victoria, Queensland, Tasmania, or New Zealand. Then again, if he shipped his goods to England, he would have to compete with advanced machinery, and larger and older established factories. I wish further to point out that the Treasurer seems to have made no allowance for an increased population, and, therefore, for an increased demand. Personally, I believe that our trade will be doubled. Last night I stated that the whole factor in this matter was one of the freight between here and England, and of the difference between the wages paid here and those paid in England. I believe that the cost of manufacture in the old country represents 15 per cent, as against 25 per cent, in Australia. To my mind the imposition of a duty of 10 per cent, would constitute too sweeping a reduction for Victorian factories. Fifteen per cent, is the rate which has hitherto operated generally throughout the States, and I hope to have an opportunity at a later stage to move for the imposition of that rate of duty.

Mr HENRY WILLIS

- To my mind the acting leader of the Opposition has offered a very fair compromise to the Government. According to the experience of the honorable member for the Gwydir, the cost of manufacture in England is 15 per cent, as against 25 per cent, in Australia, or a difference of 10 per cent., which is the amount of duty proposed by the honorable member for Wentworth. But the local manufacturer enjoys a natural protection because of the freight between here and the mother country, which upon the statement of the honorable member for the Grampians represents about 33 per cent. That is quite as much protection as any Australian manufacturer can expect, seeing that in New South Wales the industry has had no protection whatever. In most of the States I know from experience that the superior class of textiles are not manufactured. According to the testimony of experts the best tweeds worn in Australia are imported. The honorable and learned member for Corinella I said that the imports into New South Wales and Victoria were very similar in value; In this connexion I wish to mention, that in 1900, New South Wales imported £682,759 worth of superior tweeds, whilst Victoria imported £668,419 worth. These goods were imported into Victoria because they cannot be manufactured here. They are manufactured in England and Scotland, and the duty which it is proposed to impose upon these materials would constitute a direct tax upon the consumer. It represents upon every suit of clothes made of that material an extra cost of 15s. I would further point out that the honorable member for North Sydney has definitely stated that woollen dress material cannot be made in Australia. The standard width is 44 inches, and it is used by women only, because the width is not suitable for the manufacture of men's clothing. The honorable member's argument was to my mind most convincing. Upon this particular line of goods, which cannot be

manufactured in Australia, I find that the Treasurer estimates he will derive a revenue of £198,000. I might also mention another, line of goods which is not made in Australia, and which has hitherto been admitted free of duty. I refer to dress melton cloth. To impose a duty upon that will be of no benefit to the manufacturer. He may be able to charge an extra price upon the duty which is paid, but he cannot produce the class of article which is used in the manufacture of caps. In connexion with saddlery and horse collars, we know that the cloth and serge used constitutes the raw material for the manufacturer. Yet the Government propose to levy a 20 per cent, duty upon the importations of this material.

Sir George Turner

- We will probably declare those things to be minor articles if they are not made in Australia.

Mr HENRY WILLIS

- I think that the acting leader of the Opposition has made out a very strong case indeed, and I hope that the Government will accept the reasonable compromise which he has offered.

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Mr KINGSTON

- I venture to think that this matter of woollens, is one of the most important which we have to consider, because the woollen industry is the industry of all Australia. The total product from pastoral pursuits is put down at £33,000,000 out of £111,000,000, which represents the total annual proceeds of our staple industries. Under these circumstances we may well be excused for giving our very best consideration to this, question. In this connexion I think we can draw a very interesting comparison between an industry of this description which is protected, and an industry which is not. I take the case of New South Wales where there has been an absence of protection, and that of Victoria where there has been a reasonable protection. What is the natural position? It is that New South Wales has an immense advantage over Victoria in that she produces a far greater quantity of wool. I find that in 1891 New South Wales produced 321,000,000 lbs. of wool, as against Victoria's 69,000,000 lbs., whilst in 1899 the former State produced 252,000,000 lbs., as against 64,000,000 lbs. produced by the latter. There is no denying that all the natural advantages were with New South Wales as regards the quantity of wool available for local manufacture. Notwithstanding some criticisms to the contrary, I think it is highly desirable that we should be able to produce such woollen manufactures as we require for local consumption. It is to be deplored that we have to depend to any considerable extent upon an outside supply. I wish to call attention to the difference in the position of Victoria and New South Wales as regards their use of wool for local manufacture. The figures quoted by the honorable and learned member for Corinella in this connexion show that Victoria has far outstripped New South Wales. We find that the quantity used in New South Wales was 460,000 lbs., whilst in Victoria it was 2,160,000 lbs. - nearly five times the quantity. On the other hand 221 persons were employed in the industry in New South Wales, as against 917 in Victoria. As a result of the imposition of the duty to which I have referred, a woollen manufacturing industry has been established in Victoria which altogether outstrips the industry in the older and equally powerful and resourceful country. The duty which we propose is intended to be levied for protective purposes and for revenue purposes. As regards protection, honorable members see that the result of the adoption of that policy is that 700 more hands are employed in this industry in Victoria than are employed in New South Wales. As regards revenue, what is the position? We hope to receive £336,000 annually on the basis of a duty of 20 per cent, ad valorem upon a total value of £1,680,000 of local manufacture. Honorable members on the other side of the House propose to reduce that duty by 10 per cent. - to outfit down from 20 per cent, to 10 per cent. That means that we should lose revenue to the extent of £168,000 unless the imports increase to the extent necessary to make up the difference. Unless we import double the quantity of goods, we shall lose that revenue on a 10 per cent, as compared with the 20 per cent, basis. We are now importing £1,680,000 worth of woollen goods, on which we expect to realise a revenue of £336,000; and if we reduce the duty we shall either lose half this revenue, or else have to increase our imports from other parts of the world, and transfer the money which has hitherto passed into the pockets of our own people into those of manufacturers on the other side of the world. We need only look at these figures to have the conclusion forced upon us that the additional revenue, if we are to get it, would be dearly bought at the price we should have to pay through the limitation of our local manufactures and the loss of profitable industrial employment for our people.

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Mr G B EDWARDS

- The question for us to consider, is whether if we reduce this duty we shall do any serious and permanent injury to the woollen manufacturers within the Commonwealth. It has been urged by the Treasurer that we shall not only lose revenue by reducing this duty, but that we shall cripple the local manufacturer of woollen goods. It seemed to me, however, that the honorable member for North Sydney utterly demolished the right honorable gentleman's arguments. I admit that protection has done something towards establishing the Victorian woollen industry, but it has been done at a tremendous cost to the whole community. - I do not see any force in the argument of the Minister for Trade and Customs that if we import more of these woollen goods we shall incur a national loss. If the men now employed in the woollen industry can no longer find employment at that avocation, they will have to obtain other work, and it does not follow that their labour will be entirely lost to the community. I contend that it is natural for us to carry on the manufacture of woollen goods, and that we ought to be able to do this without the assistance of a protective duty. It has been stated that certain natural advantages, which are enjoyed in New South Wales, enabled the manufacturers there to succeed without the assistance of any protective duty, whereas the Victorian manufacturers - without these natural advantages - have needed the assistance of a protective duty of 25 per cent. If this is a correct statement of the position, and certain natural advantages have enabled New South Wales woollen factories to succeed without the aid of protection, the effect of imposing a duty of 20 per cent, upon woollen goods will be not to protect the Victorian manufacturer, but to hand the amount of the duty over to the manufacturers who will start operations in New South Wales, and eventually be able to wipe the Victorian manufacturer out of existence. There are other places in Australasia in which the manufacture of woollens has been carried on with great success, and without any such natural advantages as it is claimed are possessed by New South Wales. Take the case of New Zealand. Her woollen manufactures, in the shape of rugs, tweeds, and blankets, have been exported to New South Wales for many years past, and have been able to compete successfully, and in the open market, with the rest of the world. The New Zealand goods are selected as the very best obtainable, and the fact that they have been able to compete successfully with foreign manufactures affords a very strong argument against any excessive protection. It may be stated that New Zealand exports her surplus manufactures to New South Wales, and that she is able to dispose of them at a cheaper rate to outside customers than to consumers in New Zealand itself ; but as against that, I can quote the case of Aitken's woollen factory at Hobart, the products of which command a ready sale in Sydney. Messrs. Aitken Brothers do not send their surplus products to the Australian market, because their woollen goods in the form of dress materials, blankets, and flannels, are so eagerly sought for that they have no surplus at all ; the orders they receive are very much in advance of what they can produce. Immediately the ports of Australia are thrown open to these woollen goods, more capital will be embarked in the Tasmanian industry, and Messrs. Aitken Bros, will be prepared without any duty to carry on a successful business for the benefit of the whole of the Commonwealth. I agree that we should raise revenue without destroying industries, and I am prepared to give some protection to industries now established. At the same time, I shall be no party to imposing a duty such as is now proposed by the Government, and I shall, therefore, support the amendment of the honorable member for Wentworth. .

Mr TUDOR

- I desire to point out in reference to the New Zealand woollen industry that the manufacturers there are protected by a duty of 20 per cent., and that in spite of this the imports of woollen piece goods into New Zealand increased from £170,000 worth in 1894 to £297,000 worth in 1899. Therefore, the woollen industry of New Zealand cannot be making any great headway, and it is useless to point to that colony as affording an example for our guidance. It might be assumed that woollen goods were displaced to a very great extent by the importation of apparel- and slops, but the statistics show that the imports of apparel and slops increased in value from £300,000 worth in 1894 to £395,000 worth in 1899- This increase in apparel and slops has taken place in the face of a protective duty of 25 per cent.

Mr R EDWARDS

- I cannot agree with the proposal of the Government, nor with the amendment proposed by the acting leader of the Opposition, as I think that a 15 per cent, duty would be sufficiently high for the purposes of revenue, and in order to afford some degree of protection to local manufacturers.. I do not think the duty is imposed so much for revenue purposes as for the protection, of the woollen manufacturers of Victoria.

This industry has been heavily protected for many years, and by this time it should! be in a position to compete with the outside world, with a far lower rate of duty than that proposed by the Ministry. Considering the duties which have hitherto been levied upon woollen goods throughout the States, I think 15 per cent, would represent a fair compromise, and that by adopting: that rate we should be showing plenty of. consideration for the Victorian woollen industry.

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Mr FOWLER

- It has been claimed by -some honorable members that protection reduces prices, but judging from the experience of two ladies from Western Australia, whom I met soon after my arrival here, woollen goods - blankets, ,at any rate - are dearer in Melbourne than in Western Australia. A 20 per cent, duty is altogether too high, as,- with the natural protection, it would amount to fully 50 per cent. It would be a dangerous thing for us to give any manufacturing industry such heavy protection. I do not anticipate any danger from importers' rings in connexion with the woollen industry, if we fix the duty at a moderate rate; but there will be some danger not only of importers', but also of manufacturers' rings, if we impose a high duty. Although I believe that the woollen industry should not require any assistance except the -natural protection which has been so frequently referred to, I am prepared, in view of the position of Victoria, to compromise matters by agreeing to a duty of 15 per cent.

Mr E SOLOMON

- We have been told that there is considerable natural protection in this industry, and that in every State except Western Australia, mills are progressing, In one case it is said that dividends of 6 per cent.- have been paid, which, with a duty of 10 per cent., means profits of 16 per cent. These industries have been flourishing for a considerable time, and it has been found necessary, more particularly in Victoria, to reduce the duties. In Western Australia there is a 10 per cent, duty, and our imports, considering the population, are large. During 1900 the\* total imports represented £214,164: of cotton and woollen goods, and the duty which was paid at 10 per cent, amounted to £21,000 odd. In a place with a small population like Western Australia, it would penalize the people to double the duty, and some consideration should be shown to the consumers there. In consideration of the revenue required, I am prepared to support a duty of 10 per cent. Possibly in time to come there may be a woollen industry in Western Australia; but if the article manufactured in the Eastern States is of good quality, the State which I represent would sooner encourage Australian manufactures than imports from outside the Commonwealth. After what has been said in regard to various protective duties, the Government ought to realize that it is a great mistake to pile heavy duties on articles used to such a large extent as woollen goods.

Mr KNOX

- Had I been a representative of New South Wales I should have been able to give the fullest expression to my theoretical views, and to have supported the amendment proposed by the leader of the Opposition. But I cannot forget that a condition of things has been created in Victoria which it is not part of my commission to destroy. I am strongly of opinion that this is one of the industries which should receive such assistance as, keeping the revenue in mind, may be given to it, and I shall be glad to support a duty- of 1 5 per cent. In considering this question we must have regard to the duty on the manufactured article which we shall subsequently have to consider. While theoretically in favour of the proposal of the honorable member for Wentworth, I cannot see my way to vote for it in view of the existing industries.

Mr SAWERS

- I do not want" the House to be -under any misapprehension as to how my vote will go, and I at once say that. I cannot support the proposal of 20 per cent. It may seem strange that, entering the House as a pronounced protectionist, I am not able to see eye to eye with my friends of Victoria. This is not a matter of revenue so much as a matter of protection, and the Ministry would no doubt be quite satisfied, so far as revenue is concerned, with a 15 per cent, duty. I might almost say that I am more in sympathy with the views expressed by the acting leader of the Opposition than with those of the Government upon this question. It may be correct that 10 per cent, added to the natural advantages would be sufficient to ensure the development of this great industry in the' Commonwealth, but I am anxious to make sure that there shall be no doubt of the establishment of the industry. I am, therefore, prepared to compromise, and vote for 15 per cent., feeling quite sure that with the natural advantages added the protection will- come to over 30 per cent., as shown by the honorable member for North Sydney and the honorable member for



Gwydir. I am sorry to differ from the Government, but I must follow the dictates of my own conscience, and remember the pledges I gave to my constituents, as a moderate protectionist.

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Mr THOMAS

- In the absence of any proposal for- a lower duty, I shall support a reduction to 10 per cent. This is an industry which ought to be carried on without any protection. I know there is a difference between the rate of wages here and that in England, but in the woollen manufactures wages are unfortunately a very small item. The- raw material is produced here and has to be sent home for manufacture, and, from that circumstance, the natural protection more than counterbalances any difference of wages. The fact is the manufacturers here are competing against the high class machinery of the old country. fourteen or fifteen years ago the Bradford firm, of which Isaac Holden was the head, laid in machinery which cost £1,000,000 ; and against such a state of things it is impossible for the small factories here to compete. As to the competition of the local article with the imported article reducing prices, that might be the result if we had three or four competing companies here, but with a Tariff such as the Government proposes, which would prevent importation, it would not be very long before the four or five manufacturers amalgamated and had the community at their mercy. If a duty of 25 per cent, gave the whole market, it would not be long before some home firm to whom a million of money would be nothing, would come out and crush the local manufacturers. If the duties were all removed and woollen articles were admitted free, I should be prepared to subsidize local manufacture to the full amount of the labour they employ.

Mr. KIRWAN(Kalgoorlie).- When the Treasurer was speaking, I asked how it was that prior to any duty being imposed in Victoria, there were woollen mills established in that State, one of which at least was paying dividends. The Treasurer seemed to doubt my statement, but according to evidence given before a Tariff commission in Geelong in 1881, Mr. Nicholas, the secretary of the Woollen Cloth Company stated that that company was established in the year 1866, which was five years before any duty was imposed.

Mr Mauger

- That gentleman had been secretary for about only twelve months when he gave that evidence, and he knew nothing about the matter.

Mr KIRWAN

- He had the records of the company, I presume, and he said that the first dividend was declared in 1869, which was two years before the first 10 per cent, duty was imposed in Victoria. The duty at the time he was speaking was 15 per cent., and in reply to further questions, Mr. Nicholas said that the company were satisfied with the Tariff as it stood.

Mr Higgins

- The company went " smash " afterwards.

Mr KIRWAN

- In the face of these facts, surely 10 per cent, is a fair duty under present circumstances. Has the honorable member for Melbourne Ports considered that this commodity is the raw material of the clothing manufacturers?

Mr Mauger

- And they get it cheaper than when they imported it all.

Mr KIRWAN

- According to the Statistical Register, the number of hands engaged in the clothing manufactories in 1883, when the duty was 15 per cent., was 6,155, whereas in 1893, when the duty was 40 per cent., the number had fallen to 4,330.

Mr Mauger

- The year 1893 was the year of the bank crisis, and the worst we ever had in Australia.

Mr KIRWAN

- The woollen mills were never in such a languishing state as when the duty was high. In 1878 when the duty was 10 per cent., the people employed in the industry in Victoria was 736, whereas in 1895 when the iniquitous duty of 40 per cent, was imposed, the number decreased to 710. The total number of hands employed in the woollen mills throughout the Commonwealth is not more than 1,500.

Mr Mauger

-There are 900 employed in Victoria.

Mr KIRWAN

-But if we place the number at 2,000, we must remember that there are nearly 4,000,000 people in the Commonwealth who use woollen goods. Are we to have regard to only the 1,500 or 2,000, and neglect the interests of the great mass of the people of the Commonwealth?

Mr. O'MALLEY(Tasmania).- I would urge the honorable member for Wentworth to help the Government to carry the proposal for a duty of 20 per cent. We want to build up a great manufacturing industry, and make Australia a second America. That can only be done by having a splendid market, which can be created only by encouraging the employment of artisans under a system of protection. It is admitted by all the best writers on economy that the value of commodities is based on the cost of labour added to the raw material. A great cloth trust is being formed in America, with a capital of £100,000,000 sterling, and when it is completed the surplus articles of manufacture for which the Trust will have no use will be sent to Australia as to other parts of the world, and the factories here will be absolutely closed up. Have honorable members ever lived in a small town, and noticed how a travelling merchant with a bankrupt stock can, by his prices, virtually ruin the merchants of the place for months to come ]

Mr Thomas

- Does that travelling merchant not leave something behind him t

Mr O'MALLEY

- The factories of America can make more goods, in one year than we here could use in a long time, and the same remark applies to Europe. How can a small country with a small population build up secondary industries without protection 1 The miner has sons, and naturally does not want them to follow the occupation of mining. He desires to see the establishment of industries in which his children can find employment. The early slave-masters of the southern States of America did not want to see factories established, because the people could go for relief to such places. To-day the millionaires of this country do not want to see manufacturing industries built up, because they constitute a relieving valve for the children of Victoria, and obviate the necessity of all of them becoming servants. I hope that the Government will adhere to the duty of 20 per cent., and that even the honorable member for "West Sydney will assist us to obtain it.

Mr. GLYNN(South Australia).- I ask the Minister for Trade and Customs whether, if these items are passed as the heads are at present arranged, he will consider the subject matter of two letters which my colleague, Mr. Poynton, handed to him from the warehousemen of South Australia. It was suggested in those letters that the heads should be simplified by the omission of many of the details. For example, it was put that two heads would be sufficient for item 64, piece-goods containing wool or silk ' - that upon these the duty should be 15 per cent, ad valorem - and piece goods made of cotton, linen, or jute, or of any combination of any or either of these materials, not elsewhere included , the duty upon those being 10 per cent. To my mind there is a good deal of force in the suggestion that two sub-heads would be sufficient. Dealing with the general question which is before the committee, I would point out that in South Australia this industry enjoyed a protection of 10 per cent, in 1887, but after ten years' trial it was raised to 15 per cent. Yet the result is that we have only one factory established in that State, namely, the Lobethal factory.

Altogether there are only 78 hands employed in the industry in South Australia. Even the Lobethal factory is a failure. It cannot keep the dyes in the wool, and the result is that, after a very short time, the latter becomes baggy. I gave it a trial myself, and as a result became nearly as angular in my proportions as the mind of the Minister' for Trade and Customs will probably be at the close of this session. There is another reason why the committee should decide in favour of a lower rate of duty Some eight or ten months ago I saw a calculation made in one of the newspapers as to the natural protection which was enjoyed by 1,000 bales of wool, each containing 360 lbs., and the selling price of which was ls. per lb. It will be seen that the value of the wool was £18,000. The natural protection upon this amount, including all charges, from the appointment in England of a buyer to come to Australia to purchase the wool to the final landing of- the manufactured article here, was £3,875. Surely that constitutes a pretty stiff natural protection. Yet, in addition to that, the acting leader of the Opposition proposes a further protective duty of 10 per cent. To my mind that is eminently a fair compromise. In Victoria attempts have been made by means of all sorts of protective duties, ranging as high as 45 per cent., to establish this industry,

notwithstanding which it has been a comparative failure. The Minister for Trade and Customs made a comparison between New South Wales and Victoria, but was careful to avoid making a similar comparison between the latter State and New Zealand, where a 20 per cent, duty has been operating. Some time ago I learned from an expert the reasons for the comparative failure of the woollen industry in Australia. The Lobethal factory in South Australia has failed to a great extent, owing to the peculiar quality of the water. In New South Wales the industry is handicapped more by the quality of the water than is the industry in Victoria, whilst in New Zealand its greater success is largely due to the appropriate quality of the water. It is impossible to force an industry against natural conditions. In view of all these circumstances, I regard the compromise of 10 per cent as a very reasonable one, and shall, therefore, support it.

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Mr KENNEDY

- If the remarks of the last speaker go to prove anything, it is that 20 per cent, is a proper duty to impose. We all know that natural conditions constitute an important factor in the success of any industry, and in this connexion the remark of the honorable member for Kalgoorlie is most extraordinary. He goes so far as to compare the conditions of to-day with those which existed 37 years ago. When the honorable member talks of the success of the factory in Geelong 37 years ago without the aid of protection, and says it should be a success today without any such aid, he leaves out of consideration most material factors. Thirty-seven years ago the freight rates alone constituted a splendid protection to the Victorian manufacturer, provided he had the necessary machinery to begin operations. But times have changed since then. The honorable member has attempted to compare things which are utterly unlike. Surely he will admit that Kalgoorlie could not be developed if the same conditions prevailed there to-day as obtained 10 years ago. I cannot support the proposal to reduce the duty upon this article to 10 per cent., although it has been stated that I have committed myself in writing to a maximum of 15 per cent. I hope that whenever that statement is repeated in this Chamber, those making it will produce some evidence in support of it. The view which I take of the situation in connexion with this particular industry is that the wider market which has resulted from the adoption of Inter-State free-trade, will enable the industry to succeed in Victoria with a lower rate of duty than that which has hitherto prevailed. It is not the manufacturer, however, who has derived the benefit of the duty which formerly operated. As a matter of fact, I am credibly informed that the best class of woollen cloth is obtainable here at a rate which approximates very closely to that ruling in Yorkshire. But from some peculiar set of circumstances, the manufacturers of woollen cloth have not been able to get their goods direct on to the market, and the warehousemen of the city have been distributing those goods and obtaining the spoil. But with the wider field for operations which is now available, it is certain that such conditions will not be allowed to continue. In conclusion, I might point out that there are some classes of woollen piece goods which we do not manufacture within the Commonwealth, such as dress piece goods, and woollen material ; also serge, which is used in connexion with saddlery. . At a later stage, I shall move that these articles be placed upon the free list.

Sir WILLIAM McMILLAN (Wentworth). - I think it would be a fair thing to take a vote upon this item without further delay. Whatever may be the arguments in favour of this industry from a protectionist stand-point, not one single reason has been adduced during the whole of the discussion to show that a 10 per cent, duty is not sufficient to carry out any reasonably protective system.

Mr. HENRY WILLIS (Robertson). In the course of my remarks I pointed out that collar checks, kersey, and serge were extensively used in connexion with the saddlery industry, and could not be manufactured here. I wish to direct the attention of the Minister for Trade and Customs to this important fact.

Mr Kingston

- I shall be very happy to look into it.

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Mr WATSON

- I desire to see the material from which waterproof cloth is manufactured placed upon the free list, as it is well known that it cannot be made here. Accordingly I shall move for an exemption in that direction later on.

Mr. CONROY (Werriwa). - I think it would simplify matters considerably if the list of exemptions were put

together. The Treasurer expects to derive £338,000 of revenue from this particular line. Honorable members have been asked to recollect that there are 1,500 men employed in this particular industry throughout Australia. But the fact has been carefully ignored that over 200 of those men have been employed in New South Wales, where the industry receives no assistance whatever. The honorable member for Tasmania, Mr. Piesse, has also pointed out that there are 158 men employed in that State who, as their chief market is New South Wales, have evidently been able to flourish under free-trade conditions. I would further point out that out of a total of 1,500 hands employed in this industry over 600 would find employment in it as 'a natural industry without the aid conferred by the imposition of any duty whatever. But it would even pay the State to give each of those 1,500 men £100 annually to remain idle, rather than to allow them to continue in this industry, in which their wages do not average more than 25s. weekly. The community would then save £250,000. In addition to this, we must recollect that these woollen goods are the raw material for the clothing trade, in which 16,000 persons are employed. These people are entitled to as much consideration as the 1,500 operatives in the woollen mills; it is not just to impose a duty which, will have the effect of increasing the price of raw material, thereby diminishing consumption and restricting employment.

Mr HUME COOK

- In considering some of the duties which have already been dealt with under this item, one or two matters have escaped our notice. The collar checks, jerseys, and series, such as are used by saddlers, and tent-makers, should be placed on the free list, and I hope the matter will receive the attention of the Treasurer.

Sir George Turner

- I will consider it.

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

The committee divided -

Ayes..... 22

Noes..... 40

Majority... 18

Question so resolved in the negative. Amendment negatived.

Amendment (by Mr. Cruickshank) proposed -

That the words "and on and after 5th December, 1901, 15 per cent. " be added to the duty "woollen, or containing wool, n.e.i., ad valorem 20 per cent."

Mr CROUCH

- I hope honorable members will hesitate before they agree to vote with the hopeless iconoclasts opposite for the amendment now proposed by the honorable member for Gwydir. The woollen industry in Victoria, which employs 1,500 people, depends for its maintenance upon a duty of at least 20 per cent., and it will be seriously injured if the duty is reduced in the way now suggested.

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Mr JOSEPH COOK

- I rise to support the amendment in the interests of the operatives in two woollen mills in my electorate, which are doing well without the assistance of any duty. The honorable and learned member for Corio need not fear that this duty will be attended with the dire consequences he has indicated, because from my experience a duty of 15 per cent, will be ample to enable the woollen industry to be carried on successfully.

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

Ayes..... 35

Noes..... 27

Majority .....8

Question so resolved in the affirmative.

Amendment agreed to.

Sir GEORGE TURNER

- I move-

That the words "shirtings (fancy), n.e.i.," be omitted from the duty, " Shirtings (fancy), n.e.i., coatings, vestings, trouserings, n.e.i., flannels and flannelettes, ad valorem, 20 per Cent."

The fancy shirtings have already been dealt with in the 10 per cent. list. With regard to the other goods I propose to be guided by the decision which has just been arrived at by the committee, and to reduce this duty to 15 per cent.

Mr WATSON

- I would suggest that some distinction might be made between ordinary tweeds, and women's dress goods. This class of goods is not manufactured within the Commonwealth, and has hitherto been free of duty in Victoria. I understand that there is not a sufficient demand for any one particular line of goods to justify our mill-owners in putting up the machinery necessary to manufacture women's dress pieces ; and I would suggest that we might consider the duty on this particular line from a revenue rather than a protectionist stand-point, and fix it at a lower rate.

Sir GEORGE TURNER

- I think woollen dress goods might bear a duty of 15 per cent, all round, in consideration of the fact that we have fixed the duty on cotton dress material at 10 per cent.

Mr. WATSON(Bland).- In the waterproof cloth-making industry a flimsy check for linings, and light coating for the outer portion of the garment, have to be imported, because there are no mills at present in the Commonwealth where these materials are made. Unless we admit these raw materials free, the manufacturers will be placed at a great disadvantage. Under the Treasurer's suggestion, the duty will come down to 15 per cent., but at a later period, I wish to move for the elimination of the duty on waterproof cloth ; and if we admit the waterproof cloth free of duty, it would be unfair to tax the raw material.

Sir George Turner

- Would it not be better to deal with the other item first, and then we shall be able to take this question into consideration?

Mr WATSON

- I am agreeable to a postponement.

Sir WILLIAM McMILLAN

- I do not see why there should not be a fair revenue obtained from woollen goods not made in the country. I do not altogether follow the honorable member for Bland as to whether the cloth he refers to is one which can be used for other purposes than the one to which he has alluded.

Mr Mauger

- That is not so.

Sir WILLIAM McMILLAN

- I am absolutely against exemptions of cloth which can be used for different purposes, because that always leads to fraud.. As to flannelettes, I am aware that at the beginning of the Tariff it is said that all imitations are to be dutiable at the rate 'which is placed on the goods they imitate. I am prepared to admit that if people like to say an article is what it is not they ought to pay . the higher duty ; but I am told that flannelette, which everybody knows to be cotton, is to be tortured into an imitation of flannel and to pay the highest duty. Flannelette has come into great use amongst the larger portion of the population, and I believe that its popularity has been brought about by the high duties placed on woollens. I should like to be informed why flannelette is placed on the higher rate.

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Mr KINGSTON

- The reason is that flannelette is a fraud. It is an imitation of wool, and is disposed of under circumstances in which many people mistake it for the more valuable article, with results altogether to be deplored. The Government sympathize with all the observations which fell from the honorable member for the Grampians . Flannelette is highly dangerous, and half the deaths from burnings are occasioned through wearing this material. So far from possessing the quality of flannel in regard to warmth and comfort, 'flannelette after being washed gives no warmth, but exposes the wearer to danger and disease due to changes of temperature.

Mr Hughes

- Why not keep it out altogether ?

Mr KINGSTON

- There is a great deal to be said in favour of keeping it out, and one step in that direction is to subject it to

a higher duty. The Comptroller-General speaks warmly in support of the duty, pointing out that flannelette largely competes with our staple production here, is sold to people who believe it to be wool, and is so dangerous that over and over again coroners have emphasized the risk of wearing it, especially to young children and infants. Anybody taking a portion of flannelette and setting a light to it will be astonished at the rapidity with which it blazes, and the difficulty of extinguishing the flames before the article is absolutely consumed. Under the circumstances the Government are justified in going to the length they propose, if not in adopting more stringent measures.

Amendment agreed to.

Amendment (by Sir George Turner) agreed to -

That the words "and on and after 5th December, 1901, 15 per cent.," be added to the duty, "coatings, vestings, trouserings, n.e.i., flannels and flannelettes . . . ad valorem, 20 per cent."

Item, as amended, agreed to.

Item 57. - Apparel and Attire and Articles, n.e.i. -

Woollen or silk, or containing wool or silk, partly or wholly made up (not being piece goods), including articles cut into shape, ad valorem., 25 per cent.

Not containing wool or silk, partly or wholly made up (not being piece goods), including articles cut into shape, ad valorem, 20 per cent.

Special Exemptions.

Apparel and Attire - Minor Articles for : -

Bindings and stay and boot laces (except of leather), braids, buckles and buttons (not for adornment), busk and stay fasteners protectors and shields, bodice and skirt steels, ferretings, filletings, gimps, hooks and eyes, tapes, webs, waddings, webbing, wire, and wire ribbon.

Diving dresses.

Bags and sacks, viz. : - Bran, corn, flour, gunnies, ore, sugar mats, woolpacks.

Elastic stockings, surgical.

Meat wraps, made up or in piece.

Sir WILLIAM McMILLAN

- I think it would be better to deal with "apparel and attire," and subsequently with "articles," because there is scarcely any analogy, for instance, between 'a coat and a pocket handkerchief. There are three divisions of goods - the raw material, the garment, and other things outside, such as handkerchiefs and tablecloths, which come under the head of "articles."

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Sir GEORGE TURNER

- In order to avoid any misunderstanding, I desire to say that the amendment, which will be submitted at the proper time, will make the first part of the item read, after "n.e.i." -

Partly or wholly made up (not being piece goods) including articles cut into shape, ad valorem 25 per cent.

It will be necessary to strike out certain words, in order to bring "apparel, attire and articles" all on the one basis of 25 per cent.

Sir WILLIAM McMILLAN (Wentworth). - It seems unreasonable, after having reduced the duty on the raw material to 15 per cent., to leave "apparel and attire and articles" at 25 per cent., when the understanding was that the margin had to be 5 per cent. If there be any trade natural in a new country apart from elaborate manufacture, it is that trade which consists of putting things together. In the early days we imported all the material for carriages and put them together, and so we import tweeds which are made up into garments by a process known to every housewife. In New South Wales 75 per cent. of the whole of the clothing worn is made in that State at a rate which will compete with that in any part of Australia. Everybody must wear clothes, and on this commodity depends the comfort of all classes of the population, especially the working classes. When we consider that 25 per cent. means 35 per cent. under certain circumstances, it will be seen that an increase of the duty is a very serious matter. If the duty does not increase the price, and we can compete without any duty, where is the necessity for any impost? Under the system which has been adopted, there is supposed to be some additional rate for the finished article, but to make this duty 25 per cent. is to give 5 per cent. more than is necessary for carrying on the industry. The wages paid in New South Wales are practically the same as those paid in Victoria, and we

are willing to make a concession to meet the views which have been rampant in the latter State ; but this extra 5 per cent. is practically a present to the clothing manufacturers. However, for the sake of protection, under which everybody robs everybody else, and thinks he is rich, let us give this 5 per cent.

Sir GEORGE TURNER

- I merely wish to point out in connexion with this particular item that in three of the States it has been customary to allow a margin of 10 per cent, between the duty upon the raw material and the finished article. That is the reason why we fixed the duty upon silks at 15 per cent., instead of at 20 per cent. We wanted to allow of that margin between the duty upon the raw material and that upon the finished article, but found that we could not accomplish our purpose without asking for too large a duty upon the manufactured article. In connexion with woollens, we were forced to leave a difference of only 5 per cent., or else to ask for a duty of 35 per cent, upon the made up article. We therefore elected to leave a margin of 5 per cent., although I think that it should be at least 10 per cent.

Sir William McMillan

- It is very unfair to New South Wales.

Sir GEORGE TURNER

- I hope that New South Wales in the future will make almost all the apparel and attire which her inhabitants need. ' As I understand the matter, New South Wales imports a large quantity of apparel and attire which ought to be manufactured in our own States. Surely it is not unreasonable to say that in this industry, which employs a very large number of people, who would find it difficult to secure other employment, there shall be a margin of 10 per cent, between the duty upon the raw material, most of which has to be imported, and that on the made up article. Under the circumstances, I hope the committee will not reduce the impost.

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Mr MAUGER

- I wish to make an earnest appeal to the committee to support the proposal of the Government. That proposal is to afford protection to the female workers in connexion with industries, nearly all of which are controlled by wages boards. A great deal has been said about the Tariff and its effects. In this connexion I should like to direct attention to an important article in the Drapers' Record - an English trade journal - on Saturday, 12th October. It says -

True, a duty of from 20 to 25 per cent, is to be put upon woollen and silk apparel, and one of 10 to 15 per cent, upon cottons and linens ; but this ought not to enable the Australian manufacturer to keep out the wares of his British competitors.

In another part of the same journal the views of Mr. Robert Reid, June., of the well-known firm of Robert Reid and Co., Limited, are thus summarized -

Incidentally he remarked that the new rates would disturb manufacturing in Victoria, and upset the working of the Factory Act in that State, under which there was a lot of unnecessary restrictions. He thought for a year, at any rate, the export trade from Britain would be considerably less than it had been. Naturally people would want to know what they were doing before they shipped largely, and it was a known fact that houses on the other side were carrying very large stocks at the present moment.

These are not the words of an interested Australian manufacturer, but of one of the leading warehousemen in England. Then I quote from the Financial Times, the following extract, having reference to the present Tariff:-

To take as an example one class, namely - that in which the dry goods trade is interested, the best informed opinion is that this country will hold the trade. The local manufacturer will not find himself much assisted by a 10 per cent, duty on cotton materials, with only 20 per cent, on cotton apparels, while his position is even less favourable "in the case of silks on which the duty is to be 15 per cent., with only 25 per cent on apparel, and also on silk woollens, where the duty is 20 per cent. , with only 25 per cent on woollen apparels.

These are the opinions of English journals and manufacturers regarding the effect of the proposed duty. But I have other evidence here. I wish to direct the attention of honorable members to a sample blouse which has been sent out from Germany. I have the German letter accompanying it, which has been translated as follows : -

This tennis blouse I can supply you at FI 7.50 or Marks 12.50 per dozen less 30 per cent, for cash, free

rail station Vienna. Accompanied are strips of various colours which can be supplied, but without guaranteeing the design.

The price quoted is equivalent to 7s. per dozen The material of which these blouses is made costs 10s. per dozen in Victoria. I have also received a sample of collars which can be supplied at 1s. 3d. per dozen free on board in London, whereas we pay more to the people who make them. I have still another sample which costs 2s. a dozen. I am anxious not to detain the committee, but I warn honorable members that if they reduce the duty upon these articles, they will bring disaster upon one of the best regulated and well paid trades in Victoria. I have letters in my office which indicate very plainly the deplorable condition of the industry in Sydney. There the tailors and tailoresses are still struggling to obtain the Victorian rate of wages.

Sir William McMillan

- Only in one or two houses.

Mr MAUGER

- It is only recently that the other houses have agreed to those rates. Moreover, the honorable member must know that voluntary agreements are seldom worth the paper upon which they are written.. They must be followed by legislative enactment. I appeal especially to the labour representatives in the interests of the workers not to reduce the duty upon this item. According to my latest advices, there are 20,000 tailoresses in the east end of London who are receiving less than 8s. per week, whilst we are paying 21s. per week. Natural, protection is of no use to such an industry, when we come to compare the difference in the conditions which obtain in the two countries.

Mr THOMSON

- I would point out that the margin originally proposed by the Government, between the duty upon the, raw material and that of the manufactured article was 5 per cent. Under the amendment of the acting leader of the Opposition, that margin would be unaltered, except in the case of silks. But what I principally rose to direct attention to is, that we have already passed the items of cotton and linen piece goods. We have admitted one free, whilst the other will carry a 10 percent, duty. Some of the articles enumerated under item 57, ought, it seems to me, to be included under item No. 64. I refer to such articles as tablecloths, towels, dusters, Sas.

Sir George Turner

- Tablecloths will come under item No. 58.

Mr THOMSON

- I know that as a matter of fact, the Customs department has been charging duty upon them, under item 57.

Mr HUME COOK

- It is quite true that a. difference of 5 per cent, between the duty on. the raw material and that upon, the finished article, which is proposed by' the honorable member for Wentworth, represents the margin which the Government originally proposed under the Tariff, i But it- is equally true that it was intended to alter the Government, proposal if possible\* in order that a wider margin might be created. A number of honorable members upon this side of the House are : strongly of opinion that a 5 per cent, margin is entirely inadequate. I hold in my hand an original invoice and quotation which will, perhaps, do more to convince honorable members who are anxious to assist the workers of the necessity of a 10 per cent, margin than anything, else I could say. This invoice shows that white shirts free on board at London can be sold to persons desirous of importing them at 16s. 9d. per dozen. I do not know how the workers in Victoria are going to compete with those who are paid at the rate which such a disclosure involves. I have here, also, the report of the Factories Act Commission which visited New South- Wales during the present year, and examined witnesses in connexion with the clothing trade. Mr. T. . B. Clegg, Clerk in charge of the Department of Labour and Industry, is reported to confirm the statement of Mr. Alfred Brasch, who declares, amongst other things, that his price for making trousers for a warehouse was 10½d, per pair. The lowest price he paid was 6d. per pair, and a woman had to work pretty hard from twelve to fourteen hours per day and every day to make from 10s. to 12s. 6d. per .week.

Mr Watson

- But Brasch was one of the best employers.

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Mr HUME COOK

- Mr. Cleggsaid that -

The departmental figures confirm Mr Brasch's statements. Ten shillings per week or perhaps a little more would be the average rate of wage earned by outside workers at trousers.

If Mr. Brasch is a good employer, then the wages upon an average must be less than 10s. or 12s. 6d. per week, and consequently there is the more need for the margin for which I am pleading. In reply to Mr. Sternberg the same witness gave some instances of the actual earnings of female out-workers. He said.

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In the clothing trade one woman working with a young daughter making blouses at 5s. and 6s. per dozen, earned 20s. per week." Two sisters, getting 8d. per pair, earned 25s., or 12s. 6d. each, in full work. Three sisters, getting 6s. 6d. or 7s. per dozen, never earned more than 27s., or 9s. each, and some weeks their combined earnings' did not exceed 13s. Two women, working together at the better class- of clothes, but living apart; earned from 25s. to £2 7s. per week between them.

These instances induce me to appeal to the generous impulses of honorable members to assist those who are engaged in these particular industries. In the district I represent there are hundreds of men and women engaged in the shirt-making trade, and under the Wages Board system they are able to earn fair wages,- but if the margin between the cost of the raw material and the manufactured article is only 5 per cent., they are likely to be dragged down to the level of the workers in this industry in New South Wales.

Mr TUDOR

- In South Australia and Victoria wages boards have been appointed to regulate the clothing trade, and we are hopeful that in New South Wales the State legislation on industrial questions will soon place the workers there in a better position than they now occupy. In New South Wales the imports of wearing apparel in 1899 were valued at £994,791, whereas the Victorian imports were. valued at only £186,000. This shows that the clothing required by the people of Victoria is very largely manufactured within the State, and- I hope that the 10 per cent, margin proposed by the Government will be agreed to by the committee, so that the present satisfactory condition of things may not be unduly disturbed.

Mr GLYNN

- I would suggest, that hosiery might be placed under a separate heading. I am told that a good deal of hosiery used by the working classes contains but a very small proportion of wool, and that it should not be subject to the high rate of duty under which it will fall, unless some special provision is made regarding it. I understand "that, notwithstanding the high protective duty on apparel and slops,- and the comparative freedom from duty of the raw material, the greater number of- the articles of apparel used in South Australia are not manufactured there, and are not likely to be. Hosiery is an article that ought to be specially, considered because, however- small the proportion of wool it may contain, it will, according to the Government proposals, be subject to a duty of 25 per cent. It has been assumed that all the raw materials used in the "manufacture of wearing apparel will be charged 15 per cent, duty ; whereas a large proportion of the raw material used in making, up these goods is admitted free of duty. I would point out, however, that there is a duty of- 15 per cent, upon woollen piece goods, and upon flannel and flannelettes, and- that woollen piece goods are manufactured' articles. Then again, other materials are subject to a duty of - only 10 per cent., and still others are, as I stated before, admitted free of duty; and it is upon all these materials when they are manufactured into wearing apparel that 25 per cent, duty is charged. There is another ' suggestion I should like to make to the Treasurer as coming from the Adelaide Warehousemens' Association.

Sir George Turner

- We have received a letter from that Association making a number of suggestions to which we cannot agree.

Mr GLYNN

- If the Treasurer assures me that he has considered the representations of the South Australian Warehousemens' Association, and cannot fall in with them, I must accept his statement.

Mr FOWLER

- The honorable and learned member for South Australia has asked that hosiery should be considered apart from what we are now discussing, and I would point out that item 67 deals with yarns, which are the raw material of which hosiery is made, and that, following the precedent we- have already adopted, we

ought- to deal with that item before we consider the duty on hosiery.

Sir George Turner

- Let us dispose of this item first.

Amendment (by Sir George Turner) agreed to-

That the words, "and articles n.e.i." be omitted from line 1.

Sir GEORGE TURNER

- In order to carry out what I have already stated to be the desire of the- Government, and make all the articles under this item subject to a duty of 25 per cent., I move -

That the words, "\* woollen or silk, or containing wool or silk," be omitted from line 2.

All the articles under the head will be subject to a duty of 25 per cent., instead of placing woollen or silk articles under , a duty of 25 per- cent., and making other goods subject to a duty of- 20 per cent.

Mr POYNTON

- I , hardly grasp the situation. The difference is 5 per cent, in the one instance and 10- per cent, in the other. We have put a\*\* lot of cotton lines- on the free list.

Sir George TURNER

- Flannelette, which , is a large item, is 15 per cent., and that is - what induced me to put this at 25 percent.

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Mr POYNTON

- When I favoured 10 per cent, on woollen materials, that was in the interests of those engaged in making the material up. It is the poor workers who require the most protection, but I am not sure whether 25 per cent, on the one hand and 10 per cent, on the other is quite fair. These workers are all over the continent, and I shall give them the benefit of the doubt in this particular instance.

Mr. GLYNN(South Australia). - I submit that the position has been made worse, because no matter what the composition of the article may be, the same rate will apply. All I can do is to enter my protest.

Mr V L SOLOMON

- It seems that there will be a margin of 25 per cent, protection in addition to the ordinary natural protection.

Sir George Turner

- The natural protection does not come into operation, because the raw material has to be imported, and the charges are almost as much as those on the made-up articles.

Mr V L SOLOMON

- Having relieved the workers in cotton piece goods I do not think there is much necessity to give 25 per cent, protection on the whole of these other goods. How many people are employed in hosiery manufacture 1

Mr Mauger

- Hundreds.

Mr V L SOLOMON

- Many of those are employed in making up the material which is imported shaped, duty free in some instances.

Mr HUME COOK

- In almost every suburb of Melbourne there are people making hosiery from the raw material on their own machines.

Mr V L SOLOMON

- The proposal of the Treasurer puts the poor man's goods under the same rate of duty as those of the well-to-do man, and the scheme is utterly inconsistent with the policy which the Government have hitherto adopted, notably in the case of cigars and the cheaper calico goods.

Sir George Turner

- We could meet that by putting on a composite duty.

Mr V L SOLOMON

- It seems strange that the Government should put the whole of the different lines of apparel, irrespective of their composition, on exactly the same basis, and I should like to see a lower rate of duty, because I consider the protection is too high.

Mr PAGE

- The hosiery industry depends entirely on imported yarns for the raw material, and I would suggest that the duty on the latter should be reduced. Would that place the industry in a better position ?

Mr Mauger

- No ; because yarns were not taxed before.

Mr PAGE

- Honorable members seem to forget that they form p'art and parcel of the Commonwealth for which we are now legislating. If there was a 30 per cent, duty in Victoria before, it only means that there was 20 per cent, too much. If we reduce the duty on the raw material, what will be the position with respect to the 25 per cent, duty ?

Sir GEORGE TURNER

- With a duty of 25 per cent, on the made-up article, and 15 per cent, duty on the raw material, there is a margin of 10 per cent. It will probably be desired to give a greater measure of protection to the hosiery manufacturers than 10 per cent., and it will be competent to reduce the duty of 15 per cent, on yarn to- 10 per cent. On the other hand, it is said that this particular yarn is manufactured to some extent in Ballarat, but we can deal with that when we reach the item. .

Mr. PAGE(Maranoa). - There are now about 500 operatives, including home workers employed in the Commonwealth in the hosiery manufacturing trade. Owing to improved automatic spinning machinery, the number of operatives employed to produce a given value of yarn is infinitesimal in comparison with those employed in knitting the yarn. About £5,000 spent in spinning machinery would probably not employ more than 20 operatives, whereas it would place 500 operatives under a disability. Knowing the conditions under which the operatives, especially women, work in Great Britain, I am going to be a protectionist this time. If we allow the cheap goods to. come in and affect our women in the same way we might as well give up the ghost as legislators. Men who have read " The Song of the Shirt," or who have any spark of humanity in them, will not vote for a lower duty on these articles.

Amendment agreed to.

Amendment (by Sir William McMillan) proposed -

That the words, " and on and after 5th December, 1901, 20 per cent." be added to the duty, "apparel and .... attire, 25 per cent."

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Mr SYDNEY SMITH

- I must protest against the duty which is proposed on these articles by the Government as detrimental to the best interests of the people of the Commonwealth. If this system of protection is forced on us we. ought to insist that articles which purport to be woollen are made of wool. I hold in my hand a return showing to what extent alleged woollen goods and blankets are adulterated with cotton. This return is from one of the most competent firms in the Commonwealth, and shows that fifteen or twenty different samples of woollen goods were adulterated with from 21 per cent, to 49 per cent, of cotton, while blankets were adulterated with as much as 43 per cent, of cotton. I enter my protest against this protection, seeing that we have the raw material here.

Sir WILLIAM McMILLAN (Wentworth). - There was a clear distinction in this item, which the Ministry have removed, and I now find some difficulty in submitting the amendments I desire. It do not think the Government should preclude the committee from dealing separately with the divisions of the item.

Sir George Turner

- If there has been any misunderstanding, I have no objection, with the concurrence of the committee, to the restoration of the item to its original form.

Sir WILLIAM McMILLAN

- What I am proposing to do is to reduce the duty on articles of apparel, containing wool or silk, from 25 to 20 per cent., and on articles not containing wool or silk from 20 to 15 per cent., and if the distinctions between these two classes of goods are removed, I cannot place my proposal before the committee in the form in which I desire.

Sir George Turner

- I am perfectly agreeable to having the item restored to the form in which it was originally printed, and thus enable the honorable member to move any amendment he pleases, if the committee are agreeable

to that course being adopted.

Honorable Members. - Hear, hear.

Amendment by (Sir William McMillan) proposed.

That the words "and on and after the 5th December, 20 per cent." be added to the duty " apparel and attire and articles n.e.i. - woollen or silk, or containing wool or silk . . . ad valorem 25 per cent."

Mr. SYDNEYSMITH (Macquarie). Do I understand that the Government propose to place a uniform duty of 25 per cent, upon all articles of apparel and attire, irrespective of the materials of which they are composed ?

Sir George Turner

- Yes. Everything will be subject to a duty of 25 per cent., whether it is made of wool, or silk, or cotton, or of mixed material.

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Mr SYDNEY SMITH

- I do not think the committee quite understand what the proposal is, and I think honorable members should seriously consider what the proposal of the Government involves. Every item of clothing of the poorest description will be subject to a duty of 25 per cent., and I consider that if the Government proposal is carried, a gross injustice will be done to the consumers throughout the Commonwealth for the sake of encouraging a few manufacturers of shoddy.

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

14

AYES

32

NOES

Majority .... 18

AYES

NOES

Question so resolved in the negative.

Amendment negatived.

Amendment (by Sir George Turner) proposed -

That the words " and on and after 5th December, 1901, 25 per cent." be added to the duty "not containing wool or silk, partly or wholly made up . . ad valorem, 20 per cent."

Sir WILLIAM McMILLAN (Wentworth). - I do not think that the Treasurer is treating me quite fairly in this matter. I told him that I did not desire the debate to continue on item after item in this division, because I looked upon the duties on cotton and woollen piece goods as the foundation of this series, and thought that once we had settled these duties the others would be fixed in proportion. When we came to cotton goods, we excised the duty of 10 per cent, that it was proposed to place on about one-half of the articles enumerated, and we agreed to fix a 10 per cent, duty on the other half. Now we have all these cotton piece goods subject to what is practically an average duty of 5 per cent. We fixed the duty upon woollen piece goods at 15 per cent., and I think it has been generally understood that a difference of 10 per cent, would be maintained between the rate imposed upon the raw material and that upon the made-up article. Yet in direct opposition to the understanding which has been in vogue, the Government now desire to impose a duty of 25 per cent, upon the cotton finished article. Their action is not in keeping with the proposal which was made when this matter was fought out. I appeal to honorable members not to stultify themselves by voting for the imposition of a 25 per cent, duty upon the finished article, when the charge upon the raw material is only 5 per cent. I think that the Treasurer has treated me very unfairly in regard to this matter. I intend to move -

That the words " and on and after the 5th December, 1901, 15 per cent." be added to the duty, "not containing wool or silk, partly or wholly made up (not being piece goods), including articles cut into shape . . . ad valorem, 20 per cent."

Sir GEORGE TURNER

- I have no objection to the honorable member appealing to the committee as many times as he chooses, but I strongly object to his allegation that I have dealt with him in any way that he is justified in characterising as unfair. Even when he had allowed an item to be passed I asked the Chairman, with the

concurrence of the committee, to practically suspend the standing orders, in order that we might do something which we had no right to do,, so that he should not have the slightest ground for complaint. I am sorry that he embraces every opportunity of charging me with unfairness. I would further point out that I never practically agreed that the difference between the duty upon piece goods and that upon the manufactured article should be 5 per cent. I did the reverse. I stated time after time that there should be at least a 10 per cent, difference. I also told the committee that I intended to ask them to make the rate upon both lines 25 per cent. Whilst the honorable member, therefore, has a right to carry the vote against my proposal if he can do so, he has no right to accuse either myself or my colleagues of having treated him unfairly. I move -

That the words "and on and after the 5th December, 1901, 25 per cent.," be added to the duty, " not containing wool or silk . . . advalore 20 per cent. "

Sir WILLIAM McMILLAN (Wentworth). - I fully appreciate what the right honorable gentleman did in rectifying an error which I should have rectified myself under similar circumstances. Surely the Treasurer is strong enough not to desire to take a vote upon any misunderstanding. When the struggle took place in connexion with piece goods, there was an understanding arrived at that a certain relative proportion between that class of goods and the made-up article should be maintained. I told him that when once we had established that proportion I did not intend to talk very much over the remainder of the items, because we should then have practically fixed the duty upon the finished article. I repeat that I have not been fairly treated. The original proposal was that a duty of 20 per cent, should be levied upon the manufactured article, whilst the rate upon the raw material was fixed at 10 and 15 per cent. Now, however, the Treasurer actually proposes to increase his own Tariff after having reduced the proportion established between the two lines. That is absolutely unfair and unreasonable.

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Mr CONROY

- I think that the arguments of the acting leader of the Opposition ought to be convincing. When the duties upon cotton piece goods were fixed at 10 and 15 per cent, under the Government proposals, the duty upon the manufactured article was set down at 25 per cent, and 20 per cent. Now that the duties upon these two great classes of goods have been lowered, it is astonishing that the Government should come forward and ask for a still further increase in the rate to be imposed upon the made - up goods. No argument has been advanced in justification of such a course, and I heartily concur with the amendment submitted by the honorable member for Wentworth.

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

27

AYES

17

NOES

Majority..... 10

AYES

NOES

Question so resolved in the affirmative.

Amendment agreed to.

Item, as amended, agreed to.

Sir WILLIAM McMILLAN (Wentworth). - I ask the Treasurer at this stage to report progress. So far as I am concerned the two items of fur and gloves will be passed to-morrow without a word of discussion: The item of blankets, however, is very important, because it is mixed up with other things which I am advised ought to be placed in a different category. Upon the whole I think it would be well to let honorable members, who are very weary, have a little rest.

Minister for External Affairs

Mr BARTON

. - I do not want to take any course which will inconvenience honorable members. All of us, including Ministers, have been subjected to a lot of inconvenience within the last 24 hours. We do not desire a repetition of what has taken place, or to be forced into taking any extreme course, and if we can make a reasonable arrangement there should be no necessity for it! The acting leader of the Opposition has

declared that the items furs and gloved will go through without any discussion to-morrow. If I am to understand that that is the position taken up by the Opposition as a whole I am content, out if not, we may expect a repetition of the trouble through which the House has passed-

Mr SYDNEY SMITH

- I will not sit silently by and allow the Prime Minister to make such statements.

Mr BARTON

- I am not endeavouring to pick a quarrel, but it is easy to see that others would like to do so. I wish to let what has transpired pass without any further reference, and to talk only about business. I want to put the matter in such a way as not to excite any unpleasant feeling on the part of the honorable member for Macquarie, who I know is in the main, a kind and reasonable man. I only wish to say that if what has been said by the acting leader of the Opposition is indorsed by those who generally speak and vote with him, I shall be content, but if not, I must ask the committee to proceed with a little more business to-night, although I do not expect honorable members to deal with the more debatable items.

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Sir WILLIAM McMILLAN

- This matter has been referred to once or twice before, and it is well that we should exactly understand the position. I can quite appreciate the desire of the Prime Minister to make some friendly arrangement with the Opposition, in order to facilitate business. I can only say that so far as I am concerned my view is the same, and that as far as my influence extends I shall do all I can to bring about a certain result. But every honorable member represents a constituency, and some honorable members may possess special knowledge upon particular items in the Tariff, and it would therefore be insufferable impertinence for me to tell the Prime Minister that I can bind the whole of my party.

Mr Barton

- If I understand that the honorable member will even use his influence with his party to secure the adoption of the course which he deems to be reasonable I shall be content.

Sir WILLIAM McMILLAN

- Certainly, I will do so.

Mr BARTON

- Understanding that, and that the honorable member for Parramatta endorses the statement, I think it is only a fair thing to let a tired House go home.

Progress reported.

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23:30:00

House adjourned at 11.30 p.m. (Wednesday).