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1901-08-30

Senate.

The President took the chair at 10.30 a.m., and read prayers.

PAPER

Senator DRAKE

laid on the table

Correspondence and report on the Sugar Industry of Australia.

Ordered to be printed.

FEMALE PUBLIC SERVANTS

Ordered

(on motion by

Senator G

las- sey) -

That a return be laid upon the table showing -

The number of females employed in the various Federal departments in each State of the Commonwealth.

The number employed in the Post and Telegraph department in each State.

The number employed in the Post and Telegraph department in Melbourne, Sydney, Adelaide, Brisbane, Perth, and Hobart, respectively.

CUSTOMS BILL

suspension of standing orders.

Vice-President of the Executive Council

Senator O'CONNOR

. -I rise to ask leave to move a motion without notice to further the consideration of the Customs Bill.

When a Bill is reported with amendments it is necessary to set the adoption of the report down for a later day. If we report the Customs Bill to-day with amendments it cannot be recommitted until next sitting day.

I ask the House, therefore, to suspend the standing orders so as to enable me, on the motion for the adoption of the report, to move the recommitment to-day. If this is done new clauses can be dealt with on recommitment, and the final adoption of the report may be set down for Wednesday, and on that day it will be open to any honorable senator to move for a recommitment. On the other hand, if we have done with the Bill to-day the third reading can be taken on the following sitting day.

Senator Lt Col NEILD

- Will the Senate have an opportunity to see the Bill as reprinted before the third reading is moved?

Senator O'CONNOR

- Undoubtedly.

Senator Lt Col NEILD

-Col. Neild. - I shall probably desire to move its recommitment on two clauses, and I want to be sure that if we suspend the standing orders we shall not have it rushed on us.

The PRESIDENT

- The question is that the Vice-President of the Executive Council have leave to move a motion without notice.

Honorable Senators. - Hear, hear.

Senator O'CONNOR

- I move -

That the standing orders be suspended to enable a motion to be made on the Customs Bill being reported" that the Bill be recommitted forthwith for the reconsideration of certain clauses and the insertion of certain clauses."

As soon as the Bill is finally reported it will be printed with the amendments. Every honorable senator will have an opportunity to consider the Bill in that form when the motion for the final adoption of the report comes, and, if he thinks fit, to move for a recommitment.

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Senator Lt Col NEILD

-Col. Neild. - Do I understand that the Minister's object at the present moment is to obtain this leave, so as to enable postponed clauses to be dealt with ? .

Senator O'CONNOR

- It will enable me to go right on with the Bill to-day, instead of losing a day.

Senator Sir Frederick Sargood

- -And new clauses as well.

Senator O'CONNOR

Senator CLEMONS

- "We all know that there are new clauses to be considered, and while I do not desire to impede the progress of the Bill, it is within the knowledge of Senator O'Connor that one of the new clauses is a most important one. We shall have to discuss it to-day in a very thin committee.

Senator O'Connor

- We do not want to recommit for the purposes of considering new clauses. I have only got that leave in case there may be any new clauses to be moved after recommitment. We can consider new clauses we know of now without recommitment.

Senator CLEMONS

- There are new clauses of which notice has been given, and the intention of Senator O'Connor is to dispose of them to-day.

Senator Drake

- We can do that whether this motion is carried or not.

Senator CLEMONS

- It is my duty to point out that there is a new clause of very serious moment which Senator O'Connor will have an opportunity, I will not say of rushing, but of taking through to-day.

The PRESIDENT

- The effect of the motion, if carried, will be to enable the Bill to be recommitted to-day, instead of being recommitted next Wednesday.

Senator CLEMONS

- I shall offer no objection to that.

Question resolved in the affirmative.

In Committee

(consideration resumed from 29th August, vide

page 4293).

All questions as to the number of lockers required and the time necessary for their attendance shall be determined by the Minister.

The above scale shall apply to the following places only : -

Sydney,

Melbourne,

Brisbane,

Hobart,

Adelaide and Port Adelaide,

Perth and Fremantle.

At any other place such fees not exceeding the above scale shall be charged as may be prescribed.

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Senator CHARLESTON

- I move -

That the following words be inserted as a new paragraph to follow paragraph 2 : - " When only half the services of a locker are required, £100."

This amendment must appear to every honorable senator as quite reasonable. We have provided for where the services of the locker may be required the whole of the time. That provision may do very well in large ports like Melbourne and Sydney. But in South Australia the custom has been to allow the warehouses to have the use of a locker for half-a-day. His services, are devoted to practically two warehouses, attending at one in the morning and the other in the afternoon of one week, and then

reversing the procedure during the next. Without this amendment it would be practically impossible to carry on most of the warehouses in Port Adelaide. Not only would the expense be greater, but they would not be guaranteed the services of a locker when required. It is quite evident that if they had to depend on a locker whose services might be obtained at so much per hour, they would have to go to the Custom-house each day for a locker, unless they have a large staff- - what we call "glut hands." It might happen very often that these warehouses would not be able to have the services of the locker, and that would throw their whole business into such confusion as to practically spoil their utility. Seeing that the warehouse lockers are under the control of the Customs, and that the small warehouseman has to pay a very heavy licence-fee, and to give security for a very heavy bond, I fail to see why he should not have the services of a locker quite as much as one who can utilize a locker's services for the whole of the day.

Senator O'CONNOR

(New South Wales - Vice-President Executive Council). - This case is already provided for. The first two paragraphs provide for those cases in which the whole service of one or more than one locker is required, and the third paragraph provides for the case which

Senator Charleston

speaks of.

Senator Charleston

- No.

Senator O'CONNOR

- Supposing that the locker is required for half-a-day only in each week, if you run out the cost of his services at 2s. an hour, the sum, together with a lump sum not exceeding £50, will come to £70 a year. If the services of a locker are required for a certain time, his services have to be paid for at the rate of 2s. an hour, and, in addition, a lump sum, which cannot exceed £50. It is very desirable that there should be an elastic provision of that kind. It would apply very fairly to the case which has been suggested. I admit that there ought to be a provision made for warehouses which do not require the whole services of the locker, and I think that those cases are met by the provision I have indicated, which applies to a great number of cases besides the one put by Senator Charleston. I do not think it is necessary to fix a scale. While these warehouses should be encouraged wherever they are necessary, it seems to me that they should all be dealt with on one reasonable basis, and where they get less than the whole services of a locker those services should be paid for at so much per hour together with a lump sum.

Senator CHARLESTON

(South Australia). - I think the third paragraph provides more especially for private warehouses where the services of a locker are required only occasional, and not regularly. In this Bill we have made great provision for private warehouses rather than for bonding warehouses. Supposing that a tobacco manufacturer or a spirit merchant has a private bonding warehouse. It is only occasionally that he requires the services of a locker, and then not at any fixed hour. > When the services of a locker are required, he rings up the Custom-house and asks that a locker may be sent down ; but that is only done at irregular intervals. I am trying to make, provision for warehouses requiring the service, of a locker on at least one-half of every working day. In South Australia they have always had the advantage of such a provision as I am now striving to insert in this schedule. By leaving the schedule as it stands we shall encourage private warehouses to the detriment of the public bonded warehouses, and I venture to think that in doing so we shall be running a greater risk of loss of revenue than by having, bonded warehouses, such as we have now in South Australia, which give very heavy securities for their good conduct. There are at least seven well-known firms at Port Adelaide which have been doing business there for many years, and which, unless the amendment I, recommend is made, will have to go to the Customhouse every day and ask that they may have a locker sent to their warehouses. If my proposal is adopted there will be a locker allotted to A and B, who will know that his services will be available for each for one week in the morning and the next week in the afternoon, and so on. Consequently, their customers will know when to come and their business will be conducted without loss or inconvenience. Unless we provide that they shall have the service of a locker the chances are that sometimes a rush may be made on the Customhouse for lockers, and those who are doing a regular business may not be able to obtain the services of one. That would cause very great loss and inconvenience to the trade of our port. The locker is entirely under the control of the collector, and his services would be quite as fully occupied in attending

to two- warehouses as if the two were combined into one, requiring the services of a locker all the time. I fail to see why

Senator O'Connor

should object to the provision. The paragraph- as it stands would not meet the requirements I am striving to provide for, because the warehousemen want to be quite sure that the services of a locker will be available to them for a half -day every day. I do not see* how the revenue can be jeopardized in any way ; and while we are striving to guard against loss of revenue we ought also to seek to protect the commercial community from inconvenience and loss. If my proposal is acceded to, greater facilities will be granted to the commercial community, and I am sure that it will aid materially in the conduct of business.

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Senator Sir FREDERICK SARGOOD

- The amendment of Senator Charleston is strictly in accordance with what has been the practice in Victoria and other States for the past 30 years or more. This practice cannot be followed under the third paragraph of the schedule, which provides for a totally different service. In Victoria to-day bonding warehousemen- sometimes join together, one paying £100 and the other the balance of £150, so as to make up the amount of £250. That has been the practice for over 30 years. It is also .the practice in Adelaide. But I think Senator Charleston is not quite accurate as to the charge in Adelaide. I have a return' showing the charges in the various States, and I find that in Adelaide and Port Melbourne, two bonds requiring the services of one locker may have those services for a fee of £75 each, making £150 for the two. Senator Charleston is extra liberal in his proposal, and Adelaide merchants would pay more than they pay now. Still, as £200 is to be. the maximum amount for the services of one locker, I think it is reasonable that if two bonds want a locker the £200 should be paid between them. It does not necessarily follow that each must pay £100, because one bond might require a locker two days a week, and the other four days. It would be very much better to leave the division to be a matter of departmental arrangement. That would carry out what is the practice to-day. In years gone by I have had half the services of a man in that way.

Senator DRAKE

- Suppose a warehouse only wanted a third of the services of a man ?

Senator Sir FREDERICK SARGOOD

- We are dealing with general bonds, not private bonds,- and general bonds that only want such- a small amount of the time of a locker as that are not likely to exist. The Minister may depend upon it that we do not as a rule take the services of a locker for longer than they are required. But it is important in dealing with this matter that we should be able to make an arrangement with the Customs that a locker shall come say on Monday, Tuesday, and Wednesday, and go to some other firm on the other days of the week. That is purely a matter of arrangement between the bonds and the Custom-house officers. _ It has worked admirably, and it would be a pity to attempt to disturb what has answered very well so far as the Customs on the one hand, and the merchants on the other, are concerned. With regard to the extra charge, that would be restricted to private bonds as it is now. That is where my amendment comes in. There are four different classes of bonds. No. 1 is the general bond ; the second is the private' bond ; the third is the machinery warehouse ; and the fourth is the manufacturing bond. The manufacturer, as a rule, requires the whole services of a locker, but if not, two manufacturers can take the services of one locker between. them. I urge the Minister to accede to this amendment, as it will distinctly facilitate the business of both the Customs and the merchants.

Senator DRAKE

(Queensland - . Postmaster-General). - This does not seem to be a matter of very great importance ; but I fail to understand the contention of

Senator Charleston,

that what he desires cannot be carried out under the paragraph as it stands. It seems to me that it can, and that in some cases the paragraph would operate more conveniently than the proposal he makes. The provision as to £50 per annum shows that an arrangement may be made with the Collector of Customs for the partial services of a locker. What is there to prevent an arrangement being made under this paragraph that a locker shall give his services for three days to one firm and three days to another

My point is that the practice that is now carried out in South Australia and Victoria could be carried out under this paragraph. An arrangement could also be made, if necessary, for a locker to give his services

in the mornings to one firm and in the afternoons to another. That would secure all that Senator Charleston

desires. But there may be other cases where the services of a locker are only required for a third of the time. In that case payment should only be made for the third of the time.

Senator Charleston's

amendment would not provide for such a case ; but this paragraph appears to me to give the collector sufficient power to carry out the practice which at present exists, and to make an arrangement by which the services of a locker may be secured for any time, long or short.

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Senator MCGREGOR

- I agree with the Postmaster-General, that under the paragraph as it stands, an arrangement, even more convenient than that suggested by Senator Charleston, can be carried out. Senator Sir Frederick Sargood says that one warehouse may require the services of a locker for two days in the week, and another warehouse for four days. Under the paragraph such an arrangement could be carried out. So could an arrangement whereby one warehouse had the services of a locker for one day and another for five. It all depends upon the warehousemen themselves. The paragraph does not say that one warehouse is to have one locker. It simply says that a certain amount is to be charged where the services of a locker are required. I am sure that if the paragraph did not bear that construction every honorable senator would assist Senator Charleston, because we desire to make it as liberal as possible for the warehousemen. If necessary it might be provided expressly that where one or more warehousemen combine they may have the services of a locker on the same terms as if one warehouse had his services. But I think the paragraph provides for that already.

Senator MILLEN

(New South Wales). There should not be any great difficulty in arriving at an agreement on this schedule, because speakers from both sides of the

chamber have expressed a desire to make the measure as convenient as possible for the general public, consistent with the safety of the revenue and the practical working of the Bill. The only point is - does this schedule provide in the most convenient way for all classes of cases that are likely to present themselves ? I think it does not. It seems to me to be simply a matter of arithmetic. I am going to take the case instanced by the Postmaster-General. He pointed out that the holder of a bond might wish to have the services of a locker for half-a-day, on every day in the week. The services of a locker under the scale of charges set out in the third paragraph would involve the payment of 2s. per hour, with an annual charge not exceeding £50. I think I am correct in saying that in no case is an annual charge of less than £25 made. I take that to be the minimum. Now 2s. per hour for four hours for six days a week would mean that a small bond holder requiring the services of a locker half-a-day a week would be paying £155 a year, which is more than the amount required for the services of a locker in a larger bond. The Government may say that although £25 has been the minimum annual charge hitherto, they may make it lower than that. I invite the Government to say that they will charge a less amount. I take it, however, that £35 would be the irreducible minimum. In that case it means that one of these small bonded warehouses would be paying £5 a year more than a larger bond requiring the whole services of a locker. The schedule does not equitably provide for the case

I brought under notice by Senator Charleston. For that reason I urge that the Government might reasonably either adopt the amendment suggested or some modification of it, to meet such cases as arise. As a further reason for making the amendment, I ask what objection can there be to the continuation of a system which already prevails in one of our great cities ? Surely the Government ought not to be anxious to disturb or break away from an existing system which is doing no harm, but which seems to be a great convenience. The Government do not want to make legislation coming from the Federal Parliament distasteful to those who have to work under it. We ought to shape our legislation so that it shall be as little irksome and disturb existing conditions as little as possible. I hope that the

amendment proposed by Senator Charleston will be accepted*

Senator Sir FREDERICK

SARGOOD (Victoria). - 'There is one -other point from the Customs point of view to which I should like to direct attention. I know that the Customs authorities always prefer to have the services of these lockers definitely engaged, instead of having a number of men waiting about, kicking their heels in the expectation of employment at 2s. an hour. The suggestion made by

Senator McGregor

is a perfectly satisfactory one, and is now acted upon, and, where two bonds want a locker between them, the locker is secured and the cost divided between the two.

Senator CHARLESTON

(South Australia). - What

Senator McGregor

has suggested is practically, the same as what I have suggested. I want to provide that the services of a locker can be absolutely obtained by two warehousemen, and in the amendment I have submitted it will be seen that I have simply followed the phraseology of the Bill. I should like to say that there need be no fear of altering the schedule, because, as presented to us now, it is not the schedule as originally introduced by the Minister for Trade and Customs. We will not be altering the work of that Minister, and by inserting the words I propose we may only be conforming with the desire of the Minister for Trade and Customs himself. I can assert that paragraph 3 is solely intended to meet the cases of private warehouses where the services of a locker are required only intermittently. It will be seen that the time occupied by the locker in going from a private warehouse to the Custom-house, or between two private warehouses where he is only intermittently employed, must be charged to some person other than the locker; and this charge of £50 is intended to enable the Minister to charge the warehouses with the locker's time in passing to and fro. Where there is a fixed payment for a locker there is of course no such loss of time. I fail to see why the Minister should not agree to my proposed amendment.

Senator DRAKE

(Queensland - Postmaster-General). I think

Senator Charleston

as in error in thinking that if we accept his amendment we shall be putting the Bill into the form in which it was originally introduced.

Senator CHARLESTON

- I did not say that.

Senator DRAKE

- I understood the honorable senator to suggest that we might be doing that by accepting his amendment. The original Bill provided first of all for £200 for the whole services of a locker, and for £150 for the whole services of each additional locker after the first ; but the provision in the third paragraph appeared in this way in the original Bill -

Senator GLASSEY

- It seems to me that this is a matter that may fairly be dealt with by regulation. Senator Charleston wishes a locker to be told off for two warehouses. There seems to be an obstacle in the way of that to begin with, because it might be that two small bonds would practically be charged the sum that should be charged for three; for a small bond might not require the services of a locker for half-a-day, and whether they were required or not they would have to be paid for. That would be manifestly unfair. It had better be left entirely in the hands of the Customs department and the warehouses, as a matter for arrangement between them under regulation.

Senator MILLEN

- ~S.f

there was power under this Bill by which the Minister could make regulations to deal with this matter, it would be all right. But no such power exists, and these fees are absolutely fixed and defined by the Bill.

Senator Glassey

thinks the amendment would be unfair to the small men ; but I ask that honorable senator to reconcile his ideas of fairness with the figures I have already given, which show that a small man under this schedule may be required to pay more for half the services of a locker than the large warehouseman may have to

pay for the whole services of a locker. There is no power of regulation in the Bill by which the Minister can get away from that. If there was such a power it might be the best way out of the difficulty.

Senator Glassey

- Could we not give that power by providing for the payment of such a sum as may be prescribed ?

Senator MILLEN

- We are trying to amend the schedule at present to meet a class of cases that are not adequately covered as it stands. I trust that unless the Government can answer the figures I put forward they will see that they may very reasonably accept the amendment proposed by Senator Charleston, or make some other amendment which will remove the difficulty of which I complain.

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Senator STANFORTH SMITH

- I am entirely in accord with the amendment proposed by Senator Charleston, because it is in the interests of the smaller importers, and we ought to be careful to conserve their interests in a Bill like this. The more competition there is amongst the importers, and the greater the facilities given to small men and large storekeepers to import directly, the better it will be for the people generally. It is proposed under the schedule that the charge for the whole services of a locker shall be £200, and in certain cases £150. Then there is a provision by which a charge of not more than £50 may be made, where the whole services of a locker may not be required, but it also stipulates that a sum of 2s. an hour may be charged. If we work that out as Senator Millen has done, we shall find that the cost to each of two people who take, the services of a locker will be £145 a year, and that will come very heavily upon the small importer. I think Senator Charleston's amendment is a very reasonable one, and, as it is calculated to break down any possibility of monopoly in the importing line, it ought to be supported.

Senator MCGREGOR

(South Australia). - I was going to suggest an amendment which I believe will suit

Senator Charleston,

and at the same time remove a difficulty that exists in the minds of some other honorable senators. I think the whole difficulty would be met by the insertion at the beginning of the schedule of the words - " where one or not more than two warehouses require the services," and so on. Those who have had any experience in Victoria and in the other States must have come to the conclusion long ago that it is not wise to have a large number of small warehouses, because it leaves room for the evasion of duties.

Senator Charleston's

idea is that where one warehouse requires the services of a locker for half-time there should be a fairly liberal allowance made.

Senator Staniforth Smith

- The honorable senator wants to "make it a monopoly.

Senator MCGREGOR

- I do not want to make it a monopoly, but if Senator Smith knew anything about the subject he would know that it is not wise to have 150 warehouses all over the place.

Senator Millen

- If they are for the public convenience, and there is no detriment to the revenue, why should we not have them 1

Senator MCGREGOR

- It very often turns out that they are a detriment to the revenue. Senator Charleston's amendment only applies to a case where half the services of a locker are required, whereas there may be a case in which one of two warehouses may require the services of a locker for two days in the week, and the other for four days in the week ; but there may be two warehouses that require the services of a locker for three days each in a week, or for half the day each of each working day. Under the amendment I suggest, this would all be provided for, and it would at the same time prevent the multiplication of small warehouses. The other paragraph of the schedule provides amply, to my mind, for warehouses that only require the services of a locker for a few hours in each week, and I think they are liberally enough dealt with. To give effect in a broader way to what Senator Charleston requires, if the honorable senator will withdraw his amendment, I will move the amendment I have suggested.

Senator Major GOULD

- Before leave is given to withdraw the amendment, I would like to say that it is evident both honorable senators are seeking to obtain the same thing. The objection to Senator McGregor's amendment is, that under it two men must combine together in order to obtain between them the services of a locker. That could be arranged in places where there are two, four, six, or eight warehouses ; but where there is an odd number, it will be seen that one warehouseman may be unable to get the advantage suggested, and to secure the services of a locker he may have to pay £200. Under the circumstances I think it will be better to accept the amendment suggested by Senator Charleston. It is reasonable that if a man requires the services of a locker for half the time he should be able to obtain them, but under the suggested amendment of Senator McGregor the odd man would be precluded from doing so.

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Senator O'CONNOR

- It is just possible that there may be a case not provided for which ought to be provided for. Of the suggestions which have been made, I think that Senator Charleston has proposed the next best way out of the difficulty. With regard to Senator McGregor's suggestion there is the difficulty pointed out by Senator Gould as well as the consideration that it will be much better for the Government to be able to deal with one warehouse rather than two warehouses. I withdraw my opposition to the amendment.

Amendment agreed to.

Senator Sir FREDERICK

SARGOOD (Victoria). - I move -

That paragraph 3 be amended by the omission of the words "to be fixed by the Minister not exceeding." This provision is chiefly applicable to private warehouses. Any one who is approved by the Minister can, on the payment of a £50 fee, obtain the privilege of a private bond for his own goods, and can in addition get the services of a locker as he requires them at 2s. an hour. It is manifestly unfair that we should place private bondholders in a better position in any respect than those who have invested very large sums in general bonds. In Melbourne over £300,000 is invested in general bonds, and we must take care that we do not do anything operating unfairly towards them. Private bondholders - and there are very few of them - are perfectly content to pay £50, and 2s. per hour for the services of a locker. I also propose to provide that in the case of machinery warehouses the charge shall be fixed at £25.

Senator DRAKE

(Queensland - Postmaster-General). - The Bill in its original form fixed the sum at £25. I believe it evoked a great deal of complaint. I, am told that in this city the fee has been as low as £1.

Senator Sir Frederick Sargood

- That is only in respect to a yard for machinery ; but I meet that case.

Senator DRAKE

- I think Senator Millen has told us that the fee generally has been £25. To fix the sum at £50 is to place the owner of a small bonded warehouse at a considerable disadvantage. I cannot admit that he is being placed at an advantage over the owner of a large bond in this respect, because the latter pays £200 a year for the services of the locker, and if he wants an additional locker he pays £150. The fee is supposed to be included in what he pays for the services of a locker. We are now dealing with the case of the small bonded warehouse which only requires the services of a locker for a few hours a week. It is reasonable that the Minister should have the power to fix the fee in proportion to the work done. If the fee is fixed at £50, without a power of reduction, it may mean a crushing burden to a man who is engaged in very small operations. I think it is fair to allow a discretion to the Minister.

Senator Sir FREDERICK

SARGOOD (Victoria). - In Victoria there is practically only one private bond, and there is not the slightest objection to a fee of £50 being paid. It is not in the interests of the Customs, and consequently of the public, to encourage a large number of small bonds. It is an element of very great danger, and undue facilities should not be given in that direction. In Victoria there are 26 machinery bonds each paying £25, one paying £15, and one paying £10, and an open yard paying £1.

Senator MILLEN

(New South Wales). Senator Sargood, with his usual candour, has shown the purpose of his amendment, which is aimed at the conservation of the interests of the larger bondholders.

Senator Sir Frederick Sargood

- And of the public as to revenue".

Senator MILLEN

- That is really a repetition of a statement which has been made here twice, and implies that the small trader is less honest than the big one. I deny that a man's honesty is in proportion to his worldly goods or the extent of his operations. When we remember that these bonds, small or large, are under the control of the Customs officer, and can only be entered when he is present, what greater facilities for fraud exists in a room which is large than in a room which is small ? It does not appear to me that there is any force at all in the imputation that the smallness of the bond bears some relation to the attempts at fraud which can be carried on. The proposal as it stands, giving the Minister a discretion to fix the fee at a sum not exceeding £50, is a very fair compromise between the two sets of circumstances with which we have to deal. It may be undesirable to multiply the bonds without limit. On the other hand, it is equally undesirable to place any restriction on the fair carrying on of commercial operations. While the first proposal submitted by the draftsman put £25 as a fixed minimum, we are asked now to give the Minister a discretion to put £50 as a maximum for small bonds which only require the intermittent services of a locker. In New South Wales there is a very large number of bonds in respect to which the fee is charged under Ministerial discretion, and a more beneficial exercise of that elasticity it would be hard to find. In New South Wales, and it must be the same in Victoria, the varying circumstances of each bond and of each town are such that it is practically impossible to provide for them in any regulation. All you can do, having stated the limits within which the Minister may go to, is to leave it to him to fix the fee according to the circumstances of the bond and the requirements of the place.

Senator Sir Frederick Sargood

- The charge is fixed in New South Wales.

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Senator MILLEN

- In inland towns it is not fixed, but is a matter for Ministerial discretion. In the towns on the Darling which are in the habit of receiving supplies by river when the depth of water permits the fees are regulated. In one town with three storekeepers, each requiring his own private bond, the charge for the services of the locker is portioned out amongst them in proportion to the size of the bond, while in another town with five or six stores a different rate is charged. The amendment is really an attempt to force small men - who may otherwise have their own bonds - to become customers of the large men. Ought we to do that? If the smaller traders are prepared to warehouse their goods in the large bonds, they can do it irrespective of the schedule. We place no obligation on them to establish their own bond. But, on the other hand, we ought to make reasonable facilities by which, if it is a convenience to them, they can have their own bonds.

Senator Sir FREDERICK

SARGOOD (Victoria).. - The charge in New South Wales is as follows : - £00 for a store of 50 tons cubic measure and under, and £1 for every ton over 50 tons to a maximum of 300 tons.

Senator Drake

- Does that apply to the whole of New South Wales 1

Senator Sir FREDERICK SARGOOD

- Yes.

Amendment negatived.

Schedule, as amended, agreed to.

Postponed clause 4 -

In this Act, except where otherwise clearly intended - "Collector" includes the comptroller and any collector of Customs for the State, and any principal officer of Customs doing duty at the time and place, and any officer doing duty in the matter in relation to which the expression is used. " Officer " includes all persons employed in the service of the Customs. " Owner " in respect of goods, includes any person (other than an officer of Customs) being or holding himself out to be the owner, importer, exporter, consignee, agent, or person possessed of, or Beneficially interested in, or having any control of, or power of disposition over the goods. " Owner " in respect of a ship includes every person acting as agent for the owner or to receive freight or other charges [payable in respect of the ship.

Senator PULSFORD

- I desire to move an amendment in the definition of "collector" and of "officer." The first word has a gradually descending importance until, practically, it includes every officer ; and I propose to omit all the words in the definition after the word "place." I have frequently drawn attention to the extraordinarily wide interpretation given to the term "officer." Junior clerks, female searchers, boatmen, and all persons employed by the Customs in any capacity are included in the term. In the English Act there is- no interpretation of the word, but throughout its provisions the, general practice is to speak of the proper officer, or the officer duly authorized. I propose to have this definition - "Officer" means any officer doing duty in the matter in relation to which the expression is used.

I move -

That the definition of " collector " be amended by the omission of the words "and any officer doing duty in the matter in relation to which the expression is used. "

Senator O'CONNOR

- Senator Pulsford will see if he reflects that his amendment makes a very serious alteration. Right throughout the Bill we have acted on the policy of intrusting very large powers to the collectors.

Senator Pulsford

- To nobodies.

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Senator O'CONNOR

- I do not know on what standard the honorable senator decides whether a person is somebody or nobody. The officers have to perform very important duties, and it may often happen that a junior officer may be told off for an important service, and it may be impossible to have that service performed by any officer who would be described in this amendment as the principal officer of Customs. How would you distinguish a principal officer of Customs, if he is to be the only officer who comes under the head of collector ? The amendment would paralyze the action of the department in outside or small places, where it is impossible to have the services of a principal officer. There are hundreds of duties to be performed all over the Commonwealth which must be intrusted to officers who have the powers of the collector given to them. What is the honorable senator afraid of ? If he is afraid that these officers are not sufficiently high up in the department to be intrusted with these powers ? Surely that is a matter which must be left to the comptroller. The amendment, if carried, would alter the whole structure of the Bill. It would destroy the usefulness of a great many provisions, and for what purpose? Because the honorable senator is afraid, to trust the carrying out of these duties to what he calls nobodies. I would like him to remember that these duties will have to be carried out by the Minister and his officers, with full responsibility to the public and to Parliament. That is the safeguard we have that these duties will not be intrusted to persons who are not fit to perform them - not a cast-iron provision which would bind down the commissioner not to employ any officer except one of the principal officers in the department in duties which might be performed by a junior clerk. As an illustration, take clauses 36 and 37. Clause 36 provides that -

Entries shall be made by the delivery of the entry by the owner to the collector..

That is one of the most important things to be done. The first operation in dealing with goods is that the entry shall be made by delivery by the owner to the collector. If the collector is only to be a principal officer how is business to be carried on at all ? It might be all very well in large places, but how can it be carried on in small places where there are only a few officers and a great deal of work to be done ? Then clause 37 provides that -

Entries shall be passed by the collector signing the entry, and on the passing of the entry the goods shall be deemed to be entered.

There again the collector signs the entry, that is to say, the clerk assigned to that duty signs the entry. According to the honorable senator's view, that would have to be done by a principal officer. The result would be that it would be quite impossible to work the clauses, and that a large number of principal officers would have to be employed at high salaries to carry out work which could just as well be done by any officer whom the Minister or the collector of Customs assigned to the duty. I hope the honorable senator will see that this amendment if carried would be a most serious one, and would paralyze the action of the main portion of the Bill, while there would be no advantage whatever from it.

Senator Lt Col NEILD

- I am rather astounded at the explanation which the honorable and learned gentleman gives of what is

involved in the interpretation clause. What is an interpretation clause for ? It is to define the meaning of expressions. This paragraph of the clause goes a great deal further than any explanation. It professes to describe what is meant by " collector," but it goes on to include every body in the Customs service. What is the use of having such an explanation 1 The honorable and learned gentleman, with absolute sincerity in his speech, but- if I may say so without offence - probably with his tongue in his cheek, tells us that it is necessary in defining " collector " to include the errand , boy. 1 suppose that when he moves the second reading of the High- Court Bill he will, in an interpretation clause, show that "Chief Justice" means "Tipstaff"; and when the Defence Bill is brought in we may expect to find that "General Commanding " includes " drummer boy." The same absurdity can be carried into every Bill in which Ministers, for our instruction, may show what tortures the English -language is capable of. I cannot understand it, and I cannot conceive a gentleman of the Minister's education and experience being serious in such a statement. The object of defining "collector" is to show who is meant. If everybody is meant, we do not need an interpretation clause at all. It seems preposterous that such large powers as are given in various portions of this Bill to the collectors should be exercised by anybody in the service. Does the honorable and learned gentleman mean to insinuate that when a police measure speaks of the " Inspector-General " that term is to include the rawest recruit 1 If that is so, all interpretation clauses are of no use whatever, because apparently every power conferred upon a Minister may be exercised by everybody in a department, and every officer is vested with equal authority. This is simply burlesquing legislation. I shall support the amendment, because it only seeks to place words that are fairly reasonable in their right place, and not in a wrong place.

Amendment negatived.

Senator PULSFORD

(New South Wales). - I call attention to the definition of the word " officer." I move -

That the words " includes all persons employed in the service of the Customs " be omitted, with the view to inserting the following words : - "means any officer doing duty in the matter in relation to which the expression is used."

Surely that is wide enough for any sensible rendering of the word " officer." In the English Act no such interpretation is given, but the word officer throughout the Act itself is used as referring to the proper officer or the officer authorized. Under the term " officer " here used, the office boy or some female searcher, or boatman, may masquerade and perform duties that it was never intended they should perform, and for which authority has not been given them.

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Senator Millen

- Does the honorable senator realize that under this definition a female searcher might arrest him t

Senator PULSFORD

- I am simply astounded at the possibilities that may arise under the Bill which the Vice-President of the Executive Council and the Government ask us to accept as necessary for the due protection of the revenue.

Senator O'CONNOR

- The honorable senator is apparently in earnest in moving his amendment. At any rate, I do not see any sign of pleasantry about his face. Otherwise, I should have thought that he intended it as a joke. What does the amendment mean 1 All through the clauses of the Bill the words " officer of Customs " have been used. This paragraph is simply to define what that term means. I cannot see what possible objection there can be to it. Senator Pulsford wants to substitute the words " officer doing duty in the matter in relation to which the expression is used." The officer doing duty in that particular matter must be a Customs officer. What else could he be ? Even if the officer be a female searcher she would be a Customs officer. I cannot see that the amendment has any meaning whatever, nor that there is any necessity for it.

Senator PULSFORD

(New South Wales). - Until this moment I really thought that the honorable and learned gentleman knew something about the English language and the meaning of words. But I begin to doubt it. I am amused at the view he puts forward in. defence of this definition. The definition imposes no limitation at all, and states that the term " officer" shall include anybody and everybody employed in the Customs service.

There is nothing to indicate any check upon any officer. It is ridiculous. However, I am not going to waste the time of the committee by further discussing it. The Bill belongs to the Government, and if they choose to make it ridiculous, it will be to their discredit.

Senator Sir FREDERICK

SARGOOD (Victoria). - If it is necessary to limit the definition of " collector," as has been done, it seems to be necessary to limit the word " officer." But it seems to me that

Senator Pulsford

is putting his amendment in the wrong place. It should come after the word "Customs." The definition should read - " Officer " includes all persons employed in the service of the Customs doing duty in the matter in relation to which the expression is used.

Senator O'Connor

- How can that carry it any further?

Senator Sir FREDERICK SARGOOD

- I do not think that it does carry it any further, but if this limitation is needed in the case of a " collector," it seems to be needed in the definition of an " officer."

Senator Major GOULD

(New South Wales) - The word " officer," as defined here, is very wide indeed. How can it be ascertained what are the limitations cast upon the officers of the Customs ? One officer may have a certain duty allotted to him, and another officer another duty. But they may change their duties to please themselves, and then a certain officer will not be acting under the instructions of the department, but at his own sweet will.

Amendment negatived.

Amendment (by Sir Frederick Sargood) proposed -

That in the definition of the word "owner" before the word "agent" the words "lawfully authorized " be inserted.

Senator O'Connor

- This amendment is not necessary in order to carry out what I presume is the honorable senator's view.

Senator DOBSON

- When the proper time comes I am going to ask the Minister if he has any objection to inserting a section from the Tasmanian Act in reference to granting bond certificates. I ask now whether the word " owner " would include a mortgagee? Because if a man has valuable goods in bond, and desires to get from his banker an advance upon them, the mortgagee would need to be protected.

Senator O'Connor

- If the definition does not include the mortgagee we can recommit the clause afterwards.

Senator DOBSON

- I should be inclined to move that the word " mortgagee " be inserted.

Senator O'Connor

- I ask the honorable senator not to do that, because it is not necessary at this stage. If an amendment such as the honorable senator suggests is made by way of a new clause, we can recommit this clause, and amend it afterwards if necessary.

Senator MILLEN

(New South Wales). - The definition of " owner " includes those who are "beneficially interested." Is not that sufficiently wide to cover any one holding a mortgage over goods?

Amendment, by leave, withdrawn.

Clause, as amended, agreed to.

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Senator O'CONNOR

- It was my intention to ask the committee to go right through with this Bill to-day, and to deal with the new clause and the recommitted clauses. But yesterday my right honorable colleague, the Minister for Trade and Customs, had an interview with a deputation which brought forward some very important matters for consideration, some of which are involved in the new clauses to be proposed by other honorable senators. My colleague has had a conversation with me this morning, the result of which is that we think there is sufficient matter in what was brought before me yesterday to entitle it to consideration in

connexion with the new clauses which are to be proposed. Without expressing any opinion as to what we intend to do about the matter, we think it desirable to have a consultation before the new clauses are dealt with. When progress upon this Bill is reported, I shall ask the Senate to proceed with the Beer Excise Bill, which is one of those measures that require to be passed into law before the Tariff can be proceeded with. I move -

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

Senator Major GOULD

(New South Wales). - I think I may be permitted to say one or two words on the statement made, by the Vice-President of the Executive Council.

The CHAIRMAN

- I cannot allow any discussion upon the motion at present before the committee. The honorable and learned senator can only speak by leave, if the committee desire to hear him.

Senator Major GOULD

- I do not propose to ask leave of the committee for permission to speak, because I do not wish to place myself in the position of transgressing the rules, as I may feel obliged at some other time to object to some honorable senator doing so. But when a statement is made, I think it is a fair thing that there should be some reply to it.

Senator Clemons

(Tasmania). - I rise to a point of order. I wish to ask if in moving that the committee report progress, the Vice-President of the Executive Council was in order in addressing himself to the committee as he did ?

Senator O'Connor

- I have no objection to Senator Gould making a statement in reply in the House.

The CHAIRMAN

- In reply to the point of order raised, though I might suspect, I could not foresee what ultimate motion the Vice-President of the Executive Council was going to make. But the motion that the committee report progress having been made, I am obliged in, accordance with our standing orders to prevent any discussion taking place upon it.

Motion agreed to ; progress reported.

BEER EXCISE BILL

Second Reading

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Vice-President of the Executive Council

Senator O'CONNOR

. - I move -

That this Bill be now read a second time.

This is one of those machinery Bills which are essential for the collection of the revenue, and therefore one of the measures which must precede the introduction of the Tariff. I move the second reading of this Bill now, in pursuance of the intention I stated a little while ago, to press on all these matters which are foundation Bills for the introduction of the Tariff at the earliest possible moment, in order that Ministers may be in a position to introduce the Tariff as early as possible. There is nothing new in this Bill relating to the excise on beer. The provisions are those which are in similar Statutes throughout the Commonwealth. The general principle of it is that, in order to secure the payment of excise on beer, the business of brewing 'beer, and selling beer from a brewery, is to be carried on under certain safeguards, and under the inspection of public officers. There is a prohibition, in the first place, against beer being made except by licensed persons, and on licensed premises. Certain fees are charged for licences, and securities have to be given by the licensees for carrying out the provisions of the Bill, and there is the right of supervision by an officer of the Government. The officer of the Government is to be supplied with accommodation at the brewery necessary for the carrying on of his duties, and the brewer is obliged to keep certain books, accounts, and diaries which will give full information as to the processes of his manufacture, the quantity of materials used, and his transactions generally, in order to enable the Government to know the quantity of beer he is brewing, and what he is doing with it. The usual provisions are made for carrying out these safeguards, so that the officer may at any time be in the position of having a full acquaintance with everything the brewer is doing, in order to see that the proper amount of duty is being paid upon the beer

as it is made. The dutiable- contents of certain vessels are fixed, and then there are a number of provisions as to the payment of duty. The duty is paid by stamps. Stamps of a certain value, having relation to certain quantities of beer, are sold to the brewer, and he is obliged by law to affix the stamps either to the top of the cask or case in which the beer is sent out, or to the delivery note sent with the cart when the beer is being taken away from the brewery. Provision is made that under no circumstances shall, beer be allowed to go out of the brewery without these stamps upon it, the result being that it is insured that the duty is .paid by means of these stamps before the beer leaves the brewers. In order to secure the fulfilment of the law, severe penalties are provided for the printing of these stamps, or having them unlawfully in possession, and for failing to cancel the stamps when the goods are being opened after they have been sent out from the brewery. I do not know that there are any other provisions in the Bill which it is necessary for me to call attention to, because, as I have said before, the provisions generally are those with which we are all perfectly familiar in the different States, and they carry out the principles I have indicated. The principles of the Bill may shortly be stated to be that, in order to secure the payment of the excise, the Government take care that the beer is manufactured under Government supervision and control, and that no beer leaves a brewery without the payment of duty by means of stamps.

Senator Major GOULD

- I am- sure there will .be very little debate on the second reading of this measure, because we must recognise that it is necessary that a Bill of this character should be passed before we can proceed to the consideration of our customs and excise duties. With the assurance of the Vice-President of the Executive Council that the Bill is substantially in conformity with the Bills existing in the different States dealing with a similar matter, I have no doubt the Senate will be prepared to carry the second reading -with very little delay. There are, however, one or two matters in connexion with the Bill which will require a little consideration in committee. One has reference to the position of houses belonging to breweries which are licensed for the sale of wines and spirits. We know that the object of. the clause dealing with the matter is to prevent the possibility of any illicit distillation or illicit sale on the part of brewers. As at first introduced, this clause was rather Obnoxious, because it made a hard-and-fast limit -with regard to the distance from the place where the beer was brewed, or the place in which wines and spirits could be sold. Clause 20 originally provided that no brewer should sell .spirits in his brewery or at any place within 50 yards thereof, but the clause has been amended since it was originally introduced in the other House, and it now provides that no brewer shall -

Sell spirits in his brewery or except by permission of the collector at any place within 50 yards thereof. There is no doubt that the provision for the permission of the collector will be found a very valuable provision if honorable senators do not insist upon making the clause a little more definite. I understand that j.n New South Wales and in the other States brewers have been in the habit of having a place within this distance of 50 yards for the sale of spirits, and, notwithstanding that that is technically a breach of the law, it has been permitted, because it has enabled the brewer to have a much better supervision over his premises than he could possibly have if he were compelled to sell spirits at a considerably greater distance away from his brewery. In New South Wales, many of the brewers have been in the habit of establishing these places within this distance of 50 yards, not selling in the brewery of course, "but very close at hand. If we can get an assurance, as no doubt we shall, from the Vice-President of the Executive Council that no attempt will be made under this Bill to interfere with places already established, there will be no difficulty in passing the clause as it stands. But unless we can get that assurance, it will be necessary, in fairness to persons who have expended large sums of money, and upon whose reputation and character "there is no stain, that honorable senators shall see that they are enabled to conduct their business as heretofore without objection.

Senator O'Connor

- There is no intention to interfere in any cases where there is no likelihood of fraud being committed.

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Senator Major GOULD

- I am quite satisfied with that assurance. Another matter to which I wish to direct attention is that dealt with in clause 37, which provides that -
Whenever beer upon which the duty has been paid becomes unfit for human use as a beverage before

more than one-eighth of its quantity has been withdrawn from the vessel in which it is contained, a refund of the duty shall be made in the manner prescribed.

Of course, it is only on the quantity returned that the duty should be remitted ; but instead of having a full barrel of ale a man may only have half the barrel, and that half may be absolutely destroyed. It is only fair and reasonable that beer which is absolutely unfit for human consumption should not be used to compel a man to pay duty ; and I suggest that there should be no limitation with regard to the quantity of beer that may have been withdrawn from a vessel before it turns out to be bad and unfit for use. Again, there is the question as to the limitation of time, and as originally proposed the limitation was 30 days. That has been extended to 60 days ; but it must be remembered that in many instances brewers have to send their beer a very considerable distance away. If we take the case of the larger States, where communication is not frequent or rapid with some of the outlying places, a large amount of time must necessarily be expended in sending and returning goods of this kind. For my part, I should prefer that there should be no limitation ; but if there be a limitation I hope it will be of a very wide character. I do not know that there are any other points in the Bill to which I desire to direct attention, but other matters may crop up as the Bill is being dealt with in committee. I think the Minister will find no trouble in dealing with this Bill, and in getting it through with a fair amount of expedition. I observe that some of the definitions in this Bill are a little more restricted than in the Customs Bill, and some of my honorable friends, who noticed that matter in the Customs Bill, may deal with it in this Bill when we get into committee.

Question resolved in the affirmative.

Bill read a second time.

In Committee :

Clause 3 -

This Act shall apply to any excise on beer imposed by the Parliament, and to the exclusion after the imposition of such excise of the operation of all State Acts relating to the excise on beer.

Senator Sir FREDERICK SARGOOD

- I would like to ask if the words, " to the exclusion," as used in this clause, are strictly correct, because I notice that in section 109 of the Constitution the words " shall be invalid " are used. It appears to me that it would be as well to follow the words used in the Constitution, and it would be better to say after the word "Parliament"-

And after the imposition of such excise all State Acts relating to excise on beer shall be invalid.

That will be following exactly the wording of the Constitution.

Senator O'CONNOR

- These words have been very carefully considered, and I think they are better than those suggested. The Constitution Act simply declares the effect of our legislation. There is no doubt that any State Act which would be inconsistent with the provisions of this Act would be invalid without any declaration to that effect at all, and this wording merely serves to make plain the application of the Bill. In saying that it shall apply to duties imposed by the Parliament, and to the exclusion after the imposition of such excise of the operation of all State Acts relating to the excise on beer, the intention is to make it perfectly clear that until the imposition of excise by the Parliament of the Commonwealth, the State Acts may remain in operation for the purposes of the revenue.

Senator PULSFORD

- I think we should have some further explanation with regard to this clause, which is really of very great importance. I do not see any similar clause in the Customs Bill, and this seems to indicate some intention on the part of the Government to follow one course with regard to excise duties, and another course with regard to customs duties ; I mean with regard to the bringing in of what we are all looking for, the uniform Tariff. I presume the uniform Tariff will impose not only duties of customs, but also duties of excise, and I should like to understand from the Vice-President of the Executive Council whether this clause indicates any intention on the part of the Government to bring in these duties of excise in any different way to that which may be proposed by the Government with regard to duties of customs.

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Senator O'CONNOR

- This clause indicates no such intention as the honorable senator suggests. The clause might have stopped with these words -

This Act shall apply to any excise on beer imposed by the Parliament.

But in order to make it perfectly clear that the operation of the Beer Acts in the different States shall cease after the imposition of the uniform duties the other words are added. In the State Acts there may be provisions which it is necessary to keep in operation right up to the imposition of uniform duties of excise, and for that purpose the clause is put in this form. The honorable senator has noticed that there is no similar provision in the Customs Bill. In that Bill we deal with a great variety of legislation in the different States. For the purpose of the bookkeeping sections of the Constitution, it may be necessary to keep alive provisions of State Customs Acts which cannot be applicable to the collection of revenue after the imposition of uniform duties. Therefore it is thought better to leave all questions under the Customs Act to the operation of section 109 of the Constitution.

Senator Pulsford

- But the bookkeeping sections affect excise duties just as much as they affect customs duties.

Senator O'CONNOR

- I am quite aware that they do, and this clause does not affect their operation in any way. The section of the Constitution upon which we are relying under the Customs Bill is section 109, leaving it to the interpretation of the enactment which is in question in each case, in the light of that section, to determine whether or not the Act is in force. There is no such difficulty here, and therefore we can put the provision plainly on the face of the Bill. The honorable senator can rest assured that this matter has been carefully gone into, and that it is necessary, in order to state plainly what the effect of the Act and its application is, to have the clause in that form. .

Senator PULSFORD

(New South Wales). - The Minister says that the clause might very well end with the word "Parliament," and I would suggest to him whether it would not be better, bringing this part of the subject more into conformity with the line of legislation we followed on the Customs Bill, if the clause did stop at that word.

Senator O'Connor

- What object would be gained by an amendment of that sort?

Senator PULSFORD

- Because the following words contain the possibility of a meaning which I cannot at present fathom.

Senator O'Connor

- I have explained the meaning of the words, and the thing is perfectly plain.

Senator PULSFORD

- Why they should be included here when they were not included in the Customs Bill I cannot understand.

Senator O'Connor

- If the honorable senator assumes that there is some hidden meaning, I can assure him that there is not.

Senator PULSFORD

- I accept the assurance of the Minister.

Senator Major GOULD

- I wish to know whether it is contemplated that the imposition of excise duties and the commencement of the Act shall practically run together, so that as soon as the Act is proclaimed the excise duties will be submitted for the consideration of Parliament.

Senator O'CONNOR

- It is impossible to give that information. It altogether depends on the form of the Act imposing excise duty. The collection of the duty may commence on a certain day, the day on which the proposal is laid on the table of the House, or on a later date. I cannot make any statement about the date at present. The honorable senator will see at once that it is a part of the general policy of the Tariff which it would not be desirable to make a statement about at the present time; but we shall have regard necessarily to the date of the collection of the duties in deciding the day on which the proclamation is to be made.

Senator PULSFORD

(New South Wales). - The point, I think, is - Will the date, whatever it may be, be uniform in regard to both duties of excise and duties of customs, or may the dates vary

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Senator O'Connor

- That is a matter I cannot inform the honorable senator about.

Senator PULSFORD

- I think it is well the country should know.

Senator O'Connor

- The country will know in good time.

Senator PULSFORD

- The country should know to-day that there is a possibility of uniform duties of customs being made law on one day, and uniform duties of excise being brought into force on another day. The Minister admits that that is possible.

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Senator O'Connor

- I do not admit anything of the sort.

Clause agreed to.

Clause 5 -

In this Act, except where otherwise clearly intended - "Collector " means the Collector of Customs for a State. "Quarts "or "Pints" means quart or pint bottles, and includes bottles reputed to contain quarts or pints. "Vessels" means vessels of the following descriptions and holding capacities : -

Keg of a capacity of fifteen gallons or of ten gallons or of five gallons.

Senator PULSFORD

- The committee will remember how Senator O'Connor declared on his honour, and everything else he possessed, that it was absolutely necessary for the term " collector" in the interpretation clause of the Customs Bill to have a very expanded meaning, until at last it included every employe of the Custom-house. In the interpretation clause of this Beer Excise Bill the term is limited to the Collector of Customs for a State. I do not propose to submit an amendment. I leave it entirely to Senator O'Connor, who was so sure that the term ought to be of a very wide spreading character.

Senator O'CONNOR

- There are certain definite duties laid down in this Bill which are to be discharged by the State collector, and by him only.

Senator DOBSON

- As honorable senators are aware, when they buy a quart bottle of ale, they do not get a quart of ale. I understand that in the strict sense of the word no such thing as a quart bottle of ale is sold in any State. What is sold is a reputed quart of ale, and six reputed quarts go to the gallon. The brewers will be compelled to pay duty on ale which is not in existence unless we bring this definition strictly into accord with the facts. I want the definition to be put in this form - "Quarts" or "pints" means quart or pint - bottles of glass or stone, and includes bottles reputed to contain quarts or pints, six reputed quarts or twelve reputed pints to be held to contain one gallon.

In the first instance, I move -

That the words " of glass or stone " be inserted after the word " bottles," line 6.

Senator O'CONNOR

- Under this definition the bottles may be of either glass or stone, and with regard to the other difficulty, it is simply a matter of arithmetic. The words of the definition include both the reputed quart or pint and the actual' quart or pint. What my honorable friend aims at is really included in the definition.

Senator DOBSON

(Tasmania). - It is a very important thing that the brewers should not have to pay on more ale than the bottles contain. The duty on a dozen of ale in the one case would be 1 2s. 6d., and in the other 17s. 6d. The brewers are rather concerned about this phraseology. Although I, as a lawyer, think that the Minister is right in what he says, still there is the possibility that a collector may say - " Here is a quart bottle; four quarts goto a gallon. I do not know anything about reputed quarts, and I shall charge you duty on a gallon." As it involves the payment of duty, I think the definition ought to say what it means.

Senator O'Connor

- The Tariff Act must provide the duty on quarts, or reputed quarts. That is the place where the exactitude will be shown.

Senator DOBSON

- If the Minister will assure me that the only intention is to charge duty on the beer absolutely contained in

the bottle, and that if six quart bottles go to a gallon the duty will be charged in that way, I shall be content.

Senator O'Connor

- It will be made perfectly clear there.

Amendment, by leave, withdrawn.

Senator Major GOULD

- It is rather novel to find in an interpretation clause this definition -

This Act includes the regulations made under this Act.

We have clauses providing how the regulations are to be made, and that they shall be subject to disallowance by Parliament. If we retain this definition it will give a greater strength to the regulations than, I think, should be given to them. They become a portion of the statute law, with the peculiar power of repealing certain provisions.

Senator O'Connor

- We can put in the words " regulations in force under the Act " if there is any doubt about it.

Senator Major GOULD

- I would suggest to the Minister that the words should be omitted, unless there is a special reason why they should be retained.

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Senator O'CONNOR

- There is a reason for the inclusion of this definition. An Act of this sort must be worked very largely by regulation, and the reference is throughout these clauses- to the working 'of the Act, which, of course, will include the regulations. If the amendment which my honorable friend suggests were made, it would be necessary all through the Bill after the word "Act" to insert the words "and regulations thereunder." It is to save the repetition of that phrase that we adopted this method in the interpretation clause. The only regulations which could be proved as binding under the Act would be those which had been properly made and laid before Parliament. No other regulations could be enforced.

Senator DOBSON

(Tasmania).- In the interpretation of the word " vessels " a great many kegs and vessels of various sizes have been included, but a keg of nine gallons capacity has been left out. In Tasmania that is the usual vessel which is sold to the clubs and all small licensed victuallers. We do not drink so much beer in that State as they do in other States, and a great many of the licensed houses take hardly anything but nine-gallon kegs. I move -

That the words "or of nine gallons" be inserted after the words ' ten gallons."

Amendment agreed to.

Clause, as amended, agreed to.

Clause 8 (Brewers to be licensed) -

Senator Sir FREDERICK SARGOOD

- The clause says that no person shall make beer except pursuant to this Act, but the corresponding provision in the "Victorian Act says that no persons are to carry on the trade or business of a brewer unless licensed. Would not the clause prevent any one from making beer for his private use ? Surely that cannot be intended?

Postmaster-General

Senator DRAKE

. - I would call the attention of Senator Sir Frederick Sargood to the following definition in clause 5 - "Beer" means any liquor upon which, under the name of beer, any excise duty imposed by the Parliament is payable.

Clause agreed to.

Clause 13 -

The applicant for a licence shall pay to the collector the proper licence-fee, and shall give security to the collector for compliance with this Act in a sum to be fixed by the collector, not exceeding twice the amount of the duty upon all beer that the brewery is capable of making in any one month.

Senator DOBSON

- Some brewers are dissatisfied that every year they should be called upon to give a fresh security or

bond for the annual licence. They say that they have to pay a stamp duty in some States on each occasion. The amendment I intend to propose in the clause is to the effect that when the security is given, it shall be security, not only for the licence for that year, but also for the renewal of the licence. There is no danger in making that amendment, because under clause 18 the collector may require the applicant for the renewal of the licence to give fresh security, and if it is not given, he may refuse to renew it. If, after a bond has been given three or four years back, one of the sureties dies, or from being a millionaire becomes practically a pauper, the collector may ask for a fresh bond. But my object is that there shall be no need to get a fresh bond when only a renewal is required. I move -
That after the words "twice the," the word "estimated" be inserted; and that the words "upon all beer that the brewery is capable of making," be omitted, with the view of inserting the words "which the applicant will be liable to pay."

Amendment agreed to.

Clause 14 -

Security may be given by bond guarantee or cash deposit, or all or any of such methods, so that in each case the security shall be approved by the collector.

Senator DOBSON

- I move-

That after the word "methods," line 2, the following words be inserted : "and if given by bond shall apply to each renewal of a licence."

So that the bond given for the licence this year will be security for any additional licence, with the proviso mentioned in clause 18, that at any moment the collector may ask for a fresh bond.

Senator O'Connor

- On the understanding that clause 18 has full effect, and that the collector may require the applicant to give fresh security, I have no objection to the amendment.

Senator MILLEN

(New South Wales). If clause 18 is to remain as it stands, is

Senator Dobson's amendment necessary?

Senator O'Connor

- I do not think it is absolutely necessary.

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Senator MILLEN

- I understand that Senator Dobson's desire is that with the renewal of the licence there shall be no obligation to renew the security. This clause says that if a renewal is not asked for it need not be given.

Senator DOBSON

(Tasmania). - I take it that when a licence is issued security is given for that particular licence, and when a new licence is issued the security is dead. In Tasmania, licensees have to give a new bond every year. The bond in future will be so worded as to be a security not only for the licence this year, but for all future years, until the collector asks for a new security, under clause . 18. Clause 18 is inserted because a bond may be given by a gentleman who is worth say £.10,000 this year, and next year may not be worth 10,000 farthings. The surety may before the end of the year become a poor man, and the collector must have the right to ask for a new bond on that account.

Senator Sir FREDERICK SARGOOD

- May not this create a new difficulty in securing bonds; I might be willing to give a bond for twelve months, but not to make myself liable to the continuation of that bond for all time.

Senator Drake

- If a man gives a bond for twelve months it will be good for twelve months only.

Senator Sir FREDERICK SARGOOD

- But I understand from Senator Dobson that in future bonds will be so worded as to extend over a subsequent period. That should be at the option of the man giving the bond, and we should not compel him. The brewer may not be able to get a bond for five years.

Senator Dobson

- We cannot consider whether the brewer can get the security or not. He must get it.

Senator O'CONNOR

- I do not think there is any difficulty about it. The intention is to allow this bond to be given once and for all. It may extend for a number of years as long as the collector is satisfied. That is why power is given in clause 18, so that if a man's credit is going down, or the business is conducted in a way that makes the bond not worth so much, a new security may be demanded. There is no reason why the bond should be for more than a year. If it is only for a year it will only hold good for a year ; but the amendment will enable the bond to be given for a longer period if necessary.

Senator Millen

- Which means that the amendment is not necessary.

Senator O'CONNOR.- It is not absolutely necessary, but it makes the clause clearer.

Senator Clemons

- Is it intended that the bond should be a continuing guarantee?

Senator O'CONNOR

- It is to be in such form that it may be a continuing guarantee under clause 18.

Senator Major GOULD

- A man may desire to get away from his responsibility after twelve months, but if he is bound for a longer period he cannot get away. I assume that in that case, if the sureties gave notice that they did not want to be securities for a longer period, the collector would demand a new bond.

Amendment agreed to.

Clause, as amended, agreed to.

Clause 19 -

Licences may be transferred with the written permission of the collector, and may be cancelled by the Minister by Gazette notice if the licensee is convicted of any offence against this Act.

Senator DOBSON

- It has been suggested that the power contained in this clause is rather an enormous one to put into the hands of a collector - that he can, for any offence whatever, cancel a brewer's licence. Under the Tasmanian Act, even for an absolute attempt to evade payment of duty, there is a fine of not less than £100 and not more than £200. Under our own Customs Bill, even for smuggling, it is not proposed to take away an importer's licence. But under this clause," the whole of a man's trade, so far as it concerns the one article he manufactures, may be taken away from him. This is an enormous penalty to impose. Therefore, I ask the Minister if he will not agree to amend the clause so as to provide for an appeal against the decision of the Minister ?

Senator O'Connor

- An appeal to whom?

Senator DOBSON

- That is the point. If an appeal is not possible we should cut down the clause so as to make it read that the licence shall only be cancelled for a direct and wilful evasion of duty.

Senator Sir Frederick Sargood

- Or for a second or third offence.

Senator DOBSON

- Something of that sort would do.

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Senator O'CONNOR

- I do not see the matter in the same light as Senator Dobson. This clause gives to the Minister a power - which may be exercised or not- to take away a brewer's licence where there has been an offence against the measure. Offences against such measures are mostly of a serious character. Generally speaking they are connected with the management of a brewery, and would have the effect of preventing proper supervision, or leading to the concealment of details of the working of the brewery, or some other means of defrauding the revenue. There are numbers of offences for which forfeiture of the licence would not be too severe a penalty. So long as the licence is continued the licensee has the right to carry on his business. There is no other way of stopping him except by cancelling his licence. If a man cooks his accounts or alters his books in such a way as to defraud the revenue for months at a time, it is not sufficient to impose a pecuniary penalty. It is not to be supposed that forfeiture of the licence would be

insisted upon for a trivial offence. Here arises the old question of giving large powers to the Minister, and trusting him not to use them in trivial cases.

Senator Glassey

- Ministers, as a rule, act generously.

Senator O'CONNOR

- That is the case. Every one who has had to deal with administration is aware that the real difficulty is to get Ministers to uphold the law strenuously. There is a much greater tendency to give way and be lax in the administration of Acts. This is a power that should be in the hands of the Minister for the prevention of the defrauding of the revenue. The only punishment that is adequate to a serious offence is taking away the licence. This is a very different thing from taking away a publican's licence. In that case a man has to comply with certain rules, which are made in the interests of public morality. But the rules that will have to be complied with under this clause affect the revenue, which will be left open to be plundered if a brewer who resorts to these practices is allowed to continue to carry on business.

Senator CLEMONS

- The remarks made by Senator Dobson with regard to this clause are very reasonable, and demand a fair hearing on the part of the Vice-President of the Executive Council. The power conferred by the clause may be , used very harshly. In any case a pecuniary penalty ought to be sufficient for a first offence. I suggest to Senator O'Connor that the clause might be modified so as to make it approximate more closely to the procedure adopted in most Licensing Acts. We should probably meet the wise by inserting the word "twice" before the word "convicted."

Senator O'Connor

- Then a man who has been twice convicted of some trivial offence may be as heavily punished as the man who has committed one serious offence.

Senator CLEMONS

- It would still be in the power of the Minister to do it or not to do it. It is not proposed for a moment to make the clause mandatory, but to say that it may be in the discretion of the Minister to cancel a man's licence if he has been twice convicted. For a first offence the penalty provided may be adequate punishment if enforced to the maximum, but Senator O'Connor must see that it is better that the Minister should have full power to punish more severely any repetition of the offence.

Senator Major GOULD

- This is another of the clauses under which wholesale powers are conferred upon Ministers when in many cases it is not intended that they should be used. There is no doubt that where these powers are given there should be some limitation of the offences that are to render a licensee liable to the cancellation of his licence. Before Senator Clemons made his suggestion it occurred to me that the clause might be amended so as to provide that this power should not exist with respect to trivial offences.

Senator Drake

- - What are trivial offences ?

Senator Major GOULD

- Under clause 22, it is an offence if a brewer does not provide reasonable office accommodation for the supervising officer, and there is a penalty of £20 attached to that offence. It is clear that for such an offence the penalty provided would be sufficient, and that there should be no possibility of the brewer in such a case having his licence cancelled. I think it would be well to add to the clause the words-
For which a penalty exceeding £20 is provided.

That would specify the class of cases in connexion with which this power might be exercised, and it would probably meet the wishes of Senator Dobson.

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Senator Sir FREDERICK SARGOOD

- I find that under the Licensing Act of Victoria, which affects the product of the brewer, there is provision for the removal or the cancellation of the licence, and it is looked upon as a very serious punishment, and can only be inflicted in the case of a third conviction. Of course such a punishment affects not merely the licensee of the house, but also the owner of the property. In the case of a brewery, a comparatively small offence by the holder of the licence should not be followed by so serious a punishment as the cancellation of the licence. I believe 'the power should be exercised only upon a second conviction, and I would prefer

that it should be as in the Victorian Licensing Act, only upon a third conviction.

Senator GLASSEY (Queensland). - Does any honorable senator imagine that he could find a Minister occupying a place of responsibility and trust such as this who would take away a man's licence, because he happened to commit some trivial offence? I have had as touch experience 'in Connexion with these matters as most 'honorable senators ; I have interviewed Ministers in Connexion with such matters, and I do not believe that what has been suggested is possible. The Minister leans rather too much the other way, and if he errs at all it is on the side of leniency. The suggestions made appear to me to show a want of confidence in the administration of the Commonwealth, which I think is regrettable. We must leave some discretionary power of this kind in the hands of the Minister.

Senator WALKER

- I hope the Vice-President of the Executive Council will accept a combination of the amendments proposed by Senators Clemons and Gould, and provide that the cancellation shall be only in a case where the licensee has been twice convicted of an offence the penalty for which exceeds £50.

Senator DOBSON

(Tasmania). - I move -

That the word "is." line 4, be omitted, with a view to insert in lieu thereof the words "has been twice." I do not want to be unreasonable, and I do not suppose for one moment that any Minister would do anything that would be harsh ; but Senator Glassey has himself admitted that he has had to pull Ministers coat-tails on behalf of some unfortunate constituent, and the honorable senator always found that the Ministers were pliable. I am sure the committee will see that it is the repetition of an offence which is the great thing. No Minister would think of forfeiting a man's licence for a small offence, nor do I think he would do it for a first offence, even of a grave nature. But if the offence is repeated, the Minister should have this power. From a cursory glance at the Victorian and Tasmanian Acts, so far as I can see, they contain no such provision. There are penalties of £100 and £200 provided for not stamping beer, and for using formerly used stamps or false stamps, but there is no provision for forfeiting a licence for any offence. As Senator O'Connor has not given us a precedent for this clause, and it is not contained in the Acts to which I have referred, I hope he will accept my amendment.

Senator O'CONNOR

- There is one case, and that is the case of Queensland, where the provision adopted is very much more stringent than this. The Queensland Act provides -

The Minister, on being satisfied that any of the requirements of this Act or the regulations are or have been wilfully contravened or evaded in any particular, may Cancel the registration and licence granted in respect to the brewery.

Honorable senators will see that under that section it is not required that there shall be any conviction at all, but if the Minister is satisfied that there has been any wilful contravention of the Act in any particular, he may cancel the licence. That should satisfy Senator Dobson as to whether there is a precedent for this clause. There must be some such power in the hands of the Minister, and I further object to the amendment because it seems to me that under it a man might be guilty of half-a-dozen offences, for which the penalty would not exceed £20. There might be a series of breaches of the law for which a man might be convicted, and no matter how many of these convictions were recorded against him, there would be no power to cancel his licence.

Senator Dobson

- That is not my amendment. I only propose to provide that the licence may be cancelled if the licensee has been twice convicted.

Senator O'CONNOR. - I understood that it was intended that the honorable and learned senator's amendment should be followed by the other amendment suggested by Senator Gould. I may say that I object to both of the amendments.

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Senator Lt Col NEILD

- The attitude of the Vice President of the Executive Council is rather remarkable. When on the first of this year we formed a 'Commonwealth, it was with the idea that we were going to 'take a step in advance, and that things were to improve ; but Senator O'Connor has succeeded in picking up from some harlequinade of Bananaland legislation a little proposal that places a disability on a gentleman who manufactures

something which he dignifies with the name of beer. If he is guilty of some impropriety, small or great, he is liable to have his licence cancelled. It seems to me that if we federated for the purpose of progress, we should not be harking back and placing the majority under the heel of the minority.

Senator Drake

- The majority are not fraudulent brewers, are they ?

Senator Lt Col NEILD

- I did not suggest anything so absolutely preposterous. I do not see that because there is an example - and perhaps a shocking example - to be found in the legislation of one of the States, that is a reason why the representatives of the other five should accept a provision of this kind. This seems to me to be a very harsh clause, and though it may appear an extraordinary thing, I venture, with a great deal of diffidence, to offer my support to the amendment proposed by my erratic friend Senator Dobson.

Senator CLEMONS

(Tasmania).- Feeling sure that

Senator Dobson

is in earnest with regard to this amendment, I rise briefly to point out to the Vice-President of the Executive Council that the insertion of these words will really strengthen the clause, and probably be the means of preventing the committal of these offences. If this power is given in a case where a man has been twice convicted of an offence, the clause will be a strong deterrent, and there will be less likelihood of any offences under the Bill being repeated.

Senator Dobson

merely wishes to emphasize the necessity for punishing a repetition of offences, and the amendment should be carried.

Senator Major Gould

- In order to assist the committee to come to a conclusion, if the amendment proposed by Senator Dobson is accepted, I shall be perfectly willing to forego moving the amendment I suggested.

Senator MILLEN

(New South Wales). This is one of those rare cases where I am able to say that I hope the Vice-President of the Executive Council will not alter the clause. Whatever objections there may be to giving the "Minister power to cancel the licence where a merely trivial offence has been committed, he should certainly have the power where a fraud has been committed, even though it has been committed only once. A man should not be given a second chance to commit a fraud upon the revenue.

If Senator Dobson can suggest an amendment which will distinguish between the two classes of offences, I shall be entirely with him.

Senator PEARCE

- I hope that the committee will not alter the clause in any way. It will be recollected that in the early part of this year a number of deaths occurred in the United Kingdom from drinking arseniated beer. In Australia at any time some impure substance may be mixed with beer, and in a case of that kind the Minister should have power to cancel the brewer's licence. There may be in the trade extreme cases which would need the extreme penalty of the cancellation of the licence.

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Senator MCGREGOR

- Is there anything wrong in giving to the Minister power to cancel the licence of a brewer ? It is absolutely necessary that the Minister should have the power, as Senator Pearce has clearly proved by the references he made. Cases might arise where it would not be to the interest of the community to give any person or company an opportunity of repeating an offence which had been committed in the manufacture of beer. The Minister will know how to deal with trifling cases. But where the safety of the public is concerned he will take the extreme step. Why should any man guilty of a great crime against society have an opportunity to commit another crime ?

Senator DOBSON

(Tasmania).- If

Senator O'Connor

thinks that this power is necessary for the protection of the revenue - and he knows that I supported that view all through the consideration of the Customs Bill - I have much pleasure in withdrawing my

amendment. I see that there is a penalty provided for almost everything. I feel perfectly certain that the Minister, for a first offence - for even a great offence - would inflict that penalty, and not take away the licence. Some of the traders are apprehensive that they will not be fairly dealt with, but I do not share their view.

Amendment, by leave, withdrawn.

Clause agreed to.

Clause 20 (Duty of brewers).

Senator Major GOULD

(New South Wales). - I understand from the Minister that this clause would not be used to the detriment of any person who had a place for the sale of spirits within 50 yards of the brewery, provided that he had the permission of the collector. I should like to obtain from

Senator O'Connor

a further assurance that in such cases this permission will be granted.

Senator O'CONNOR

- The clause was amended for the express purpose of meeting the case which Senator Gould has referred to. In some cases the brewer has alongside his premises a place in which he carries on the business of selling wines and spirits. The only object which the collector or the Minister has in view is to see that there is no possibility of defrauding the revenue, and if he has the opportunity of practically licensing such premises - that is, of saying whether the business shall be carried on or not - that is all that is necessary for the protection of the revenue. As to administration, Senator Gould can be well assured that there is no intention to capriciously refuse permission where everything is straight and above board on the part of the brewer.

Senator Sir Frederick Sargood

- Does the word " spirits " include wines ?

Senator Major GOULD

(New South Wales). - The word will include both wines and spirits. I am quite willing to accept the promise made by

Senator O'Connor.

I know that large sums of money have been invested in these places, and it was to avoid the proprietors being put to unnecessary loss that I desired to get that assurance.

Clause agreed to.

Clause 27 -

The duty payable on any beer shall be paid by the brewer before the beer is removed from the brewery.

Penalty : £100.

Senator DOBSON

- I move -

That after the word "brewery," line 3, the following words be inserted: - "but when the brewer has a delivery store more than one mile away from his brewery from which store he delivers all beer which he bottles, the collector may grant such brewer a permit to remove all beer bottled at his brewery to such store, and in such case the duty shall be paid on all such beer in bottles at and before it is removed from the store. Provided that any brewer having more than one brewery may transfer beer in bulk under permit from one of his breweries to another for bottling purposes."

This amendment, if made, will meet the case of two very well known breweries. The first is the Cascade Brewery, which is situated at the foot of Mount Wellington, in Hobart - about two and a half miles away from the delivery store and the bottling establishment. All the amendment seeks to do is to enable the collector to grant a permit to remove certain beer to the bottling establishment and delivery store, to be there bottled and dealt with. The amendment is also absolutely necessary on account of the stamp. The carter's note has to be so dealt with that the duty stamp will be half on one part of the note and half on the other. Therefore, if half is retained at the brewery and half at the bottling store, there is no part to go to the purchaser. It will be some advantage to the revenue to allow the bottled ale to be delivered from the delivery store. The proviso to the amendment is designed to meet the case of a brewery at Ballarat, which has three different establishments. When I asked the manager why he could not allow the bottled ale to go from one establishment, he said - " Some of my customers prefer the north brewery, others the south

brewery, and others the east brewery. Each customer likes his own particular brand, and so I am ordered to send bottled ale from a particular brewery. Ale in bulk has to go to the brewery where all the bottling plant is, and in that way I desire to carry on my business." The amendment enables a permit to be given by the collector or any of his officers for the removal of beer in bulk from one brewery to another in which the bottling is carried on. I think there can be no objection by the Minister to my amendment.

Senator STANFORTH SMITH

- This is a very reasonable amendment. The Beer Duty Act of Western Australia contains a somewhat similar provision -

The Minister shall cause permits to remove beer to be prepared in such form as he may think suitable. Any brewer may, upon obtaining a permit, to remove from his brewery to a depot, warehouse, or other place occupied by him, and used exclusively for storage or sale of beer in bulk, any quantity of beer of his own manufacture, not less than . 150 gallons at a time, without affixing the proper stamps on the vessels containing such beer at the brewery.

There are cases I believe in Western Australia where the storage of beer is separate from the brewery. Without this amendment the clause would inflict a very great hardship on a number of brewers who are carrying on a perfectly legitimate trade.

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Senator O'CONNOR

- There is a good deal in what Senator Dobson says as to the case of breweries such as he has described, and I understand that in several State laws a provision of this kind is made. The amendment no doubt will lead to increased work on the part of the collectors. It will necessitate closer supervision. On the other hand, I find that there is a penalty of £1 0< ' for a breach of any of these conditions. If beer is removed contrary to a permit - if the provisions of the law are not carried out - the offender is liable to a penalty of £100, and to the penalty of the forfeiture of his licence. I do not see much harm in the amendment.

Senator Dobson

- This provision is contained in the law of Tasmania, Victoria, and Western Australia.

Amendment agreed to.

Clause, as amended, agreed to.

Clause 37 -

Whenever beer upon which the duty has been paid becomes unfit for human use as a beverage before more than one-eighth of its quantity has been withdrawn from the vessel in which it is contained, a refund of the duty shall be made in the manner prescribed if it is returned in the original vessel to the brewery within 60 days after removal, or if it is destroyed by permission of the collector. The refund may be made by the issue of stumps. - *

Senator DOBSON

- I move -

That after the word "beverage," line 2, the following words be inserted - "and has been returned in the original vessel to the brewery from which it was delivered, or if it is destroyed by the permission of the collector, a refund of duty shall be made in manner prescribed."

The clause as it stands says, that not more than an eighth of the quantity shall have been consumed, and that it shall have been returned to the brewery in the original vessel within 60 days. Two limits are imposed - one as to quantity, and one as to time. The trade think that there ought to be no limits if they are to be dealt with in a reasonable manner. They quite agree that the beer should be returned in the original vessel, or else that a certificate should be obtained from the collector that the beer was destroyed as unfit for human use. If they give that evidence, they say they ought to have a refund of the duty paid by them. In some cases it may be reasonable to have a limit, but the one-eighth might be exceeded by a gallon. The ale might be sent to a district a long way from a port or a train, and it might not pay the brewer to incur the cost of bringing it back to the brewery. On the other hand, he might be ' kept waiting there simply because the collector's officer did not come along and give a certificate that the ale might be destroyed. In that instance, the limit of time existed, because the officer was not on the spot, and through no fault of the brewer. The brewer is entitled to a refund of duty without putting in this limitation as to quantity and time, which might impose a hardship upon him.

Senator O'CONNOR

- I do not see my way to consent to this amendment, the purpose of which is to allow duty to be refunded when it has been paid on beer which becomes unfit for human consumption, and which may be returned at any time and without any limit as to quantity. The clause is intended to meet the case where, perhaps, beer has been sent away, and some of it may have been consumed, and where the rest may have become sour and unfit for consumption before one-eighth of the total quantity has been consumed. But for the protection of the revenue the beer should be returned within a reasonable time.

Senator Keating

- Is the time here fixed reasonable for the Commonwealth 1

Senator O'CONNOR

- I think it is. We have to look to the protection of the revenue. It is well known that frauds are frequently perpetrated in reference to the return of beer. Publicans, will pour into a cask the leavings of bottles, the drainings from other casks, and little odds and ends of beer.

Senator McGregor

- And the water that they wash the glasses in.

Senator O'CONNOR

- These leavings are frequently endeavoured to be returned as beer that has gone bad, and a refund of duty is demanded. We should be disregarding the purpose of this Bill, which is for the protection of the revenue, if we left open the door to frauds of that kind. If a man has had beer for a reasonable time, and has consumed the principal portion of it, it is only right that the duty should be paid, and the clause is only intended to meet cases where beer has gone bad through some cause, after only a small portion has been consumed.

Senator DOBSON

(Tasmania). - I think that

Senator O'Connor

has unintentionally done an injustice to brewers. He has imputed to them what may, perhaps, be done by publicans on some occasions.

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Senator O'Connor

- I said publicans, not brewers.

Senator DOBSON

- This is not a question of the relations between the Excise department and the publicans. It is a question of the beer duty. I must ask my honorable and learned friend to absolve the brewers from doing what he says the publicans do. Does he mean to say that the publican and the brewer act in collusion - that the publican puts into a cask the drainings and leavings of other casks and sends the beer to the brewer, who then makes a demand for refund of duty? I have never heard of such a thing.

Senator Sir Frederick Sargood

- I have. I have heard it from the highest authority.

Senator DOBSON

- It may take place, but I have never heard of it. We might perhaps leave in the 60 days provision, but as to the quantity I must ask Senator O'Connor to give way a little. What is the use of saying that a refund may not be made if more than one-eighth of the cask has been used? Suppose half the beer goes absolutely bad, and the publican goes to the brewer and gets half a cask of good beer in its stead. There should then be a refund to the brewer on account of the half cask that has gone bad.

Senator Major GOULD

- I believe that the general practice is at present that where any portion of the beer goes bad the Government refund the duty on that portion to the brewer. If the "Vice-President of the Executive Council can see his way to provide that when at least half the beer has gone bad there shall be a refund of duty, it will be a fair provision. In New South Wales I believe there is no restriction placed on the return of beer at all. In that State if only a quarter of the beer is left in the cask, and the rest goes bad, an allowance would be made in respect of it. We do not want to do an injustice to the brewers.

Senator MCGREGOR

- The clause as it stands is a protection to the public. I am here in the interests of the public, and not in

the interests of hotel-keepers and brewers. The brewer can generally take care of himself. If the clause is allowed to stand as it is the brewer will take care to see that what he sends out is good beer, and that it will not go bad. Honorable senators are aware that the majority of hotels in nearly all the States are owned by the brewers. Those that are not owned by them are generally leased by them, and the publicans who are put in are tied almost hand, and foot. It is only in the free houses that if a brewer sends bad beer the publican can send it back. In the majority of instances publicans in tied houses cannot do so. It is more than their position is worth. I have drunk beer myself, and I know that in a majority of the tied houses the beer is not nearly as good as one gets in free houses. Every one who has drunk beer knows that. The simple effect of the clause will be that brewers will take good care that the beer they send out will not go bad, and in that sense it will be a useful provision in the public interest.

Senator Major GOULD

(New South Wales). - With regard to the question of time, I find that one of the New South Wales brewers says : -

In this State beer is carried very long distances into the back country, and in very many cases it would be quite impossible for the beer to be returned within the prescribed time. We instance beer carried by sea and river, and which is frequently 30 days on the journey ; beer carried to places on the Rivers Murray and Darling, which are at times unnavigable ; and beer forwarded to such places as Wilcannia, to be there stored for months until required by customers in the far west.

They say further that -

Beer is frequently tapped, and found at the offset to be in fair condition, but, if the draught is slow, it often happens that the beer becomes unusable when a . greater proportion than onetwentieth of the contents has been drawn, and brewers have to credit customers with returns amounting to half the original contents of the casks, or even less ; so that the clause as drafted would mean a very heavy loss to brewers. The New South Wales Act makes no stipulation as to quantity, and we maintain the same concession should be allowed under this Bill.

I quote this to show the Vice-President of the Executive Council the difficulties under which brewers labour.

Senator DOBSON

(Tasmania). - I ask leave to withdraw my amendment for the purpose of moving another one.

Amendment, by leave, withdrawn.

Amendment (by Senator Dobson) proposed -

That the words "one-eighth " be omitted, with the view of inserting the words " one-half."

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Senator Sir FREDERICK SARGOOD

- The more I look into this clause, the more dangerous it seems. The system of making a refund of duty on beer because it is likely to go bad is peculiar to the brewing trade. I know of no other trade in which the duty is refunded because an article goes bad. The importers of beer get no refund. Consequently, I do not see why there should be any refund at all; but, like other honorable senators, I have been waited on by those interested in the trade, and, as I understood them, they frankly acknowledged that there was a very great temptation in the 'direction Senator McGregor has referred to of filling up casks with water. One of them said plainly to me, " It is easy enough to let a cask stand open in the yard in wet weather." This was said to me by a very high authority - an expert. If one-fourth instead of one-eighth were provided for in the clause, it ought to be satisfactory. I shall vote against the proposal to make the quantity one-half.

Senator MILLEN

- When this matter first came up I was disposed to vote against both the clause and the amendment, but I feel inclined now to stand by the clause. There is the greatest possible danger in a provision of the kind. It is not a question of whether the brewer or the publican is given to fraud. But suppose the publican does return a cask, what is to prevent a brewer adding to that quantity of beer by putting in spoiled beer, and then pretending that the publican has returned it all to him ?

Senator Major Gould

- He has to keep books, and show all that is done.

Senator MILLEN

- If a brewer is prepared to say that a cask was brought back to him three ports full, he will have little

difficulty about altering his books to make them square with that statement.

Senator Keating

- That argument applies to the whole principle.

Senator MILLEN

- I am aware that it does, and I am dealing with the whole principle. I admit that it would be monstrously unfair if one brewer had an advantage which was not given to another, but if they are all brought to the same level no favoritism will be shown.

Question - That the words proposed to be omitted stand part Of the clause - put.

The committee divided -

Ayes 16

Noes 9

Majority 7

Question so resolved in the affirmative.

Amendment negatived.

Senator Major GOULD

- I ask the Minister in charge of the Bill to say whether he can see his way to alter the limitation of 60 days to 90 days?

Senator O'CONNOR

- There is one argument the honorable and learned senator used which seems to me to be worthy of some consideration, and that is with respect to the length of time it takes to convey this beer from any of the large cities to the places where it is to be consumed. So long as a reasonable limit is fixed, I do not want anything more, and I am prepared to accept the amendment.

Amendment (by Senator Major Gould) agreed to -

That the word "sixty," line 7, be omitted, with a view to insert in lieu thereof the word " ninety."

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Senator DOBSON

- Compromises over clauses of an Act of Parliament should not be treated quite in the same way as bargaining between man and man, and if the Vice-President of the Executive Council was prepared to agree to some compromise with me, and I tried to get something more, I should have no business afterwards to come back to him and hold him to his offer. But when a Minister offers one something by way of compromise, it is because he considers the offer a fair one, after hearing the discussion and the amendments proposed. I am sure that Senator O'Connor must now believe that one-fourth would be as fair as he thought it would be half-an-hour ago, when he mentioned the matter to me. The honorable and learned senator must know that brewers lose an enormous quantity of ale upon which they have to pay duty.

Senator O'CONNOR

- I should like to say, as the honorable and learned senator has made this a matter affecting me personally, that I suggested that we might split the difference" and make it a quarter, but the honorable senator did not accept that.

Senator Dobson

- Quite so.

Senator O'CONNOR

- I made the offer in the public interest, as it would have saved a considerable amount of time if it had then been accepted. The honorable senator would not accept it, but went to a division, and I do not now feel bound in any way by the offer previously made.

Senator Major GOULD

- I think it will still save time if effect is given to what the Minister was willing to do previously.

Senator O'Connor

- The offer was made privately to the honorable senator, and not mentioned to the committee, and as the honorable senator subsequently referred to it I stated exactly what took place.

Senator Major GOULD

- It was also I think stated to the committee. However, it may yet prevent a waste of time if the Minister will promise to recommit the clause if it is thought necessary to further consider the desirability of making the

quantity one-fourth instead of one-eighth. It would be a graceful act on the part of the Minister if he would consent to the recommittal of the clause for the purpose of making that alteration.

Senator O'CONNOR

- I am very sorry to say that I cannot consent to make any such alteration. The clause has already been very much amended in favour of the brewer by the extension of the time, as suggested by Senator Gould. I am not prepared to go beyond that.

Senator DOBSON

(Tasmania). - The Minister has stated that he mentioned the matter to me privately, and that I subsequently repeated what he said to the committee. If I have done anything wrong, I tender my apologies to the Minister ; but when an honorable senator who submits an amendment is informed by the Minister in charge of the Bill that, as a compromise, he will agree to a certain course being adopted, that can hardly be taken as a private communication. I hope the Minister does not mean to accuse me of making use of a private communication.

Senator O'Connor

- Certainly not. I did not accuse the honorable senator of having done anything wrong.

Clause, as amended, agreed to.

Clause 39 consequentially amended and agreed to.

Clause 40 (Size of vessels).

Senator DOBSON

(Tasmania).- I do not propose to press my amendment upon this clause, because I believe that quarts or pints mean reputed quarts or pints.

Clause agreed to.

Clause 42 -

No bottled beer shall be removed from a brewery unless a label setting forth the name of the brewer or brewery, and the place where the beer was made is affixed on each bottle.

Penalty : £50.

Senator Sir FREDERICK SARGOOD

- It seems to me that it will be necessary to insert . after the word "brewery," line 2, the words "or delivery store." In some cases beer will be bottled in the brewery, and we have provided for the case of the removal of beer bottled in the brewery, but in other cases the beer will be removed in bulk from the brewery to the delivery store, and bottled there, and we require to provide for the delivery of beer in bottles from the delivery store.

Senator MILLEN

- The point raised is, I think, a sound one, and perhaps the better way to get over the difficulty would be to commence this clause with the words - " Except as provided in section 27 no beer shall be removed from any brewery or delivery store." The clause would then make provision for the delivery of beer from either the one or the other.

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Senator O'CONNOR

- It is necessary that there should be some amendment made in this clause, and that we should provide that the beer should not be removed from a brewery or any delivery store as mentioned in clause 27. I move -

That the words "Except as provided by this Act" be inserted before the word "no," line 1.

Amendment agreed to.

Amendment (by Senator O'Connor) agreed to -

That after the word "brewery," line 2, the following words be inserted : - " or any delivery store referred to in section 27."

Clause, as amended, agreed to.

Clause 44 (Spoilt beer).

Senator MILLEN

(New South Wales).- I rise to ask

Senator O'Connor

whether, as the result of the amendment of a previous clause, it is not necessary in several clauses here

to insert the words " or delivery store."

Senator O'CONNOR

- The adoption of the committee's report will be set down, I hope, for Wednesday. In the meantime, I shall go through the Bill carefully, and see what consequential amendments are necessary, and, if it is necessary, I shall ask the House to recommit the Bill to make formal and consequential amendments. It is very difficult to say on the spur of the moment if any amendment is necessary.

Senator WALKER

- May I suggest to Senator O'Connor that, in the interpretation clause, " brewery " might be defined to mean " brewery or delivery store."

Senator O'CONNOR

- I am afraid that that cannot be done, but I will consider the suggestion.

Clause agreed to.

Clause 46 -

Officers shall have complete access to every part of any brewery at all times, and may examine, take account of, and note all beer and materials in the brewery and the making of the beer, and may examine and take copies of, or extracts from, all books and accounts required to be kept by the brewer for the information of the officers, and of all books kept by the brewer in relation to the purchase of materials and the delivery and the returns of beer.

Senator Sir FREDERICK SARGOOD

- This clause has been pointed out to me as a most serious one affecting secrets of trade. I am told that all these breweries have their own particular mode of brewing. I regret that this Bill, like the Victorian Act, does not make it penal to have certain drugs in the brewery. It does appear unfair that the officer, after having access to all these inner secrets, should be able to go and sell that information to some one, or probably get an engagement, and start in opposition. Surely there ought to be some means of protecting a brewer against such robbery.

Senator O'CONNOR

- Honorable senators, I think, will see at once that, if the law is to be carried out, the officer of the Government who has to be stationed in the brewery must have access to every portion of it, otherwise we might never be certain that the whole of the materials which are mentioned in the books, registers, and diaries are accounted for in the beer which is there, and the duty which is paid. The power of supervising, for the purposes of revenue, what is going on in the brewery would be quite useless without a power of this kind, It is similar to that which has existed before.

Senator Sir Frederick Sargood

- I am told not.

Senator O'CONNOR

- It has been exercised before. For instance, section 4 of the New South Wales Act is not in the same words, but it gives just as full power: It provides that every brewery and every public-house and warehouse where beer is kept or sold

Shall be open at all times to inspection by the collector or other duly appointed officer, who shall have power at any time in the day-time and with or without assistance to enter into and search every such brewery, warehouse, store, public-house, cellar, or other place herein mentioned, and to examine and take an account of all vessels or packages in which beer is contained or supposed to be contained.

Senator Sir Frederick Sargood

- His presence during the making of beer is the key of the whole thing.

Senator O'CONNOR

- I do not know that there can be any possibility of trade secrets leaking out in that way. I do not think that honorable senators need be in the least afraid that any patent rights will be infringed. Surely it is very important that the officer of the Government, who is there to see that everything is going on in such a way as not to defraud the revenue, should see what is going on, even at the time of the making of the beer.

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Senator STANFORTH SMITH

- I agree with Senator Sargood that there is a very considerable danger of trade secrets leaking out through the inspectors. I suppose that what establishes the superiority of one brewery over another is the

manner in which the ingredients are used in the manufacture of the beer or the proportions they use in the making of it. There seems to be nothing to prevent an inspector, if he were dishonest, from communicating these secrets to others at a very considerable profit to himself. We appoint an inspector, whom the brewer has no power over, and who, under the Act, becomes acquainted with the exact mode of manufacturing. That knowledge will be exceedingly valuable to another brewer. It may add in a certain degree to the security of the brewers if the inspectors have to make a declaration of secrecy in the same way as officials in the Post and Telegraph departments are required to do.

Senator O'CONNOR

- have a strong objection to these declarations if they can be avoided. I find that this clause does go beyond the provision in all the Acts I have seen, in giving the right to the officer to be present at the making of the beer. There may be some sacred and mysterious process in some part of the brewing. There is no desire to pry into that process, and I think the clause will be quite as effective for revenue purposes if that portion is omitted. I move -

That the words " and the making of the beer " be omitted.

Amendment agreed to.

Clause, as amended, agreed to.

Clause 52 (Cart notes to be produced).

Senator MILLEN

- Is this a usual . clause in Excise Bills? It is rather severe to provide a penalty in case a householder procures half-a-dozen bottles of beer and does not get a cart note. It is the sort of thing that must be evaded every day.

Senator O'CONNOR

- I must admit that there is a good deal in the criticism of the honorable senator, but I am informed that' the clause is necessary for the protection of the revenue. I will, however, consent to recommit the clause in order to give the honorable senator an opportunity of submitting any amendment upon it.

Clause agreed to.

Clause 53 (Officers may purchase samples).

Senator WALKER

- I should like to know what is the meaning of the provision at the end of the clause that an officer is to tender a reasonable price for samples ?

Senator O'CONNOR

- This is a provision that is generally found in Adulteration Acts for the purpose of enabling adulteration to be traced. If an officer suspects that any beer is adulterated, or is not in accordance with the law, he has a right to demand a portion of it on paying the price for what he obtains.

Clause agreed to.

Clause 56 -

No person shall add any liquid to beer after it has been removed from a brewery with intent to fraudulently increase its bulk.

Penalty: £20.

Senator STAN FORTH SMITH

- I move -

That after the word. " bulk," line 3, the following words be inserted : - " and no brewer or retailer of beer shall have in his possession any cocculus indicus,mixvomica, tobacco, tobacco juice, opium, aloes,faba amara, grains of paradise, cannabis indicus, or any extract, decoction, infusion, or other preparation, and all such deleterious substances so found in the possession of such brewer or retailer of beer may be seized by an officer of the department, and shall be forfeited."

This provision is taken from the Victorian Customs and Excise Act 1890. The object is to guard against the adulteration of beer. Adulteration is carried on to a large extent at present, and we know that cases of poisoning have occurred in Great. Britain through noxious drugs being put in beer. There have been cases in Australia where brewers have been found importing such drugs. It is our first duty to look after the health of the people rather than after the interests of the brewers. It is quite competent for us to insert in this Bill a provision prohibiting the use of noxious drugs.

Senator O'CONNOR

- No one will deny that it is a right thing to forbid even the presence of articles of the kind mentioned in the amendment in brewing establishments, but we must not forget that this is only a Bill for the purpose of enabling excise duties to be levied effectively, and for taking such precautions as are necessary for the prevention of fraud. The provision the honorable senator has referred to is a proper provision to be inserted in a Health Act, and in most of the States there are Health Acts which contain such provisions and give power to inspectors to carry out the duties which would be involved in conducting matters of this kind.

Senator Staniforth Smith

- This is an extract from an Excise Act.

Senator O'CONNOR

- It may be. In some cases, no doubt, these matters are very much mingled, but I think the Commonwealth has no general power to deal with health legislation, which is a matter for the different States to consider.

Senator Clemons

- That was not the contention when we were dealing with oleomargarine.

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Senator O'CONNOR

- That is a very different thing. It is a matter which is better dealt with in the State Act dealing with the adulteration of food. If we insert a provision of this kind in such a Bill as this, how is it to be administered? The officers under this Bill will be charged with the duty of looking after the interests of the revenue, and it seems to me they should not be charged with duties which properly belong to inspectors under a Health Act or Foods Adulteration Act. I have no hostility to the spirit of the amendment, but I do not think this is the right place for it.

Senator PEARCE

- I trust that the Government will take up the same position on this matter as they took up in dealing with the Customs Bill on the question of the importation of oleomargarine. If oleomargarine is a deleterious substance, surely impure beer adulterated with these chemicals is quite as injurious; An amendment has been agreed to, under which a Customs officer would not require to be present at the making of beer, and that is the time when these ingredients will be added. That renders it all the more necessary that this amendment should be accepted. Under a Health Act only occasional visits are made by inspectors, but the excise officer would be constantly on the premises of a brewery. I trust the committee will not accept the advice of the Vice-President of the Executive Council, but will deal with this matter as it is dealt with in Victoria, and not in a Health Act.

Senator Sir Frederick Sargood

- Under clause 3 of this Bill, when the excise on beer is passed by the Federal Parliament, all the State Acts will cease to have effect, and the result will be that the breweries in Victoria will be able to make beer out of anything they like.

Senator MILLEN

- Whatever may be said as to the merits of the proposed amendment, it should not be accepted as an addition to clause 56, but as a new clause. If it is accepted as an amendment to clause 56, any one who waters beer to increase its bulk will be subject to the same penalty as a person who adulterates beer with poisonous substances, and no one would say that there should be the same penalty for the two offences. I suggest that the amendment should be withdrawn with a view to proposing it as a new clause when the Bill is recommitted.

Senator STANIFORTH SMITH

- With the permission of the committee I desire to withdraw my amendment, with a view to submitting a new clause dealing with the matter.

Amendment, by leave, withdrawn.

Clause agreed to.

Clause 57 (Bottler's label).

Senator MILLEN

(New South Wales). - I think that clause 57 will be found to be a duplicate of clause 42. It is exactly to the same purpose, and one clause appears to have been cut out of one Act, and the other to have been cut

out of another Act, in the drafting of the Bill, if I may apply the term to an operation evidently performed with the scissors.

Senator Clemons

- Clause 42 provides that no bottled beer shall be removed from a brewery unless a label is affixed on each bottle, and clause 57 deals with beer bottled in any other place.

Senator MILLEN

(New South Wales). That is not a correct statement. Clause 42 says that no bottled beer shall be removed from a brewery unless a label is affixed to each bottle, but clause 57 does not say anything about removing beer from any other place than a brewery. Surely it is not intended that there shall be two labels put on a bottle of beer. No such thing as a bottling establishment is mentioned in either clause 42 or clause 57. There is only one place where the beer can be bottled, and that is in either the brewery or the delivery store. Surely it only wants one supervision for one label to go on one bottle.

Senator Drake

- The bottling of ale is a distinct business.

Senator Sir FREDERICK SARGOOD

- I think that in this clause, as in clause 42, we should insert the words, " or any delivery store referred to in section 27."

Senator O'Connor. - That is one of those matters which I shall look into.

Senator MILLEN

(New South Wales). - Is there to be no penalty if we have a second label on a bottle? Surely if there is a penalty provided in clause 52 there ought to be a penalty provided here.

Senator O'Connor

- There is a general penalty provided in clause 61.

Senator MILLEN

- A general penalty of £10 is provided in clause 61, as against a penalty of £50 in clause 42. The difference is too great. I move -

That the words " Penalty. £20 " be added to the clause.

Amendment agreed to.

Clause, as amended, agreed to.

Clause 64 (Power to make regulations).

Amendment (by Senator Millen) agreed to-

That the word "Minister" before the words "may make regulations" be omitted, and "GovernorGeneral " substituted therefor.

Clause 45 verbally amended and agreed to.

Bill reported with amendments.

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16:45:00

Senate adjourned at 4.7 p.m.