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1901-09-11

House of Representatives.

Mr. Speaker took the chair at 2 p.m., and read prayers.

ATTEMPTED ASSASSINATION OF PRESIDENT McKINLEY

Mr SPEAKER

I have to announce to the House that yesterday I forwarded the following telegram to His Excellency the Governor-General, for transmission to the Secretary of State for the Colonies, with the request that His Majesty the King would cause it to be communicated to the Government of the United States : -
For the House of Representatives of the Commonwealth of Australia I desire to express the utmost indignation at the attack on President McKinley, and the earnest hope that his life may be spared to his family and the nation.

F. W. Holder, Speaker.

I have received a letter from the Private Secretary to the Governor-General stating that His Excellency had transmitted the telegram as requested.

Minister for External Affairs

Mr BARTON

I wish to express the concurrence of the Government, and, I hope, of honorable members, in the course which you, sir, have taken. As the attack upon President McKinley was made known to us last Saturday, and the House meets for the first time since then to-day, it would not have been proper to allow so long an interval to elapse without some expression of the sympathy of this Parliament with the great Republic of the United States in the terrible attack which has been made upon a man who has always been distinguished for his sympathy with popular rights and the aspirations of his own great nation. I think the House will relieve me from the necessity of putting myself in order by concluding with a motion ; but I may add that I hope that, long before any possible prorogation, we shall be able to express by resolution our congratulations to the President of the United States upon his complete recovery.

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Sir WILLIAM McMILLAN

I think that all parties in this House will indorse most cordially your prompt action, Mr. Speaker, in sending this message of condolence, and expressing our horror and regret at the fearful crime which has been attempted upon one of the greatest men in civilized countries to-day. I am sure we are heartily thankful that there is every hope of his recovery, and we pray that that hope may be realized.

PETITIONS

Mr. GLYNN presented a petition, signed by 30 residents of the Commonwealth, praying that a federal project for conserving the waters and improving the navigability of the rivers may be carried out.

Petition received.

Mr. KINGSTON presented a petition, signed by 542 persons, praying that the retail liquor trade of the federal capital may be carried on by the Federal Government.

Petition received, and read.

Mr. A. McLEAN presented a petition from residents of Morwell, another from residents of Stratford, and a third from residents of Stratford, Valencia Creek, and Briagolong, praying that clauses 54 and 55 of the Post and Telegraph Bill may be retained.

Mr. A. McLEAN, on behalf of Mr. A. C. Groom, presented a similar petition from residents of Frankston and Langwarrin.

Mr. WINTERCOOKE presented a similar petition from residents of Portland.

Petitions received.

HANSARD

Publication of Friday's debates.

Sir WILLIAM McMILLAN

- I should like to draw the attention of the Prime Minister to the fact that the Hansard report of Friday's debates does not become available until the end of the following week. Last Friday there was a very important debate upon the second reading of the Immigration Restriction Bill, but the Hansard report of it will not be in the hands of honorable members until the end of this week, and in the meantime we shall

have to continue the discussion without it. I know that the difficulty has arisen because each member is supposed to correct the proof of his speech, and as most honorable members leave Melbourne on Friday night, they are unable to make their corrections until they return. I think, however, that it would be almost better to drop the practice of correcting speeches than to allow a week to elapse before the publication of the debates, especially as there is no proper report of the speeches in the daily press.

Minister for External Affairs

Mr BARTON

- I am obliged to my honorable friend for calling attention to this matter. The change in the original practice was adopted by the heads of the two Houses, with a view to facilitating the receipt of proofs of their speeches by honorable members, and perhaps, until we made Friday a Government day, the system did not work badly. I am sure, however, that the President and Mr. Speaker will take into consideration the representation which the honorable member has made. While not venturing to trespass upon their functions in a matter which I leave entirely in their hands, I should like to have it taken into consideration whether it would not be possible to issue the weekly number of Hansard on Mondays, so that it might be in the hands of honorable members in at least three of the States on the day before the resumption of business for the current week. If that can be done, I think it will be an improvement, though I am sure none of us wish to interfere with your functions, sir, or with those of the President.

Sir William McMillan

- I apologize, sir, for my inadvertency in not addressing my remarks to you in reference to this matter.

Mr SPEAKER

- There are two courses which may be followed in regard to this matter. One is the publication of Hansard, including Friday's debates, on Monday, but that will involve delaying the circulation of the report of Tuesday's, Wednesday's, and Thursday's proceedings for three days longer than at present.

Mr McDonald

- That will be very inconvenient for the Queensland mails.

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Mr SPEAKER

- The other course would be for honorable members to relinquish their right to correct Friday's speeches. If they are prepared to give up that right, there is no reason why the whole of the week's report should not be completed in time for the issue of the Hansard on Saturday. I shall be glad if honorable members will assist me in coming to a conclusion by making known to me during the afternoon their views on the matter.

Mr Barton

- I will begin by saying that I do not want to correct any of my speeches.

QUESTIONS

DEPUTY POSTMASTER-GENERAL OUTTRIM

Mr O'MALLEY

- I wish to know from the Prime Minister what action the Government has taken in regard to the complaint of Deputy Postmaster-General Outtrim against political patronage, and the irregular recognition by the Minister of the grievances of employees of the service ? Will the right honorable gentleman lay upon the table any correspondence that he has in regard to the matter 1

Mr BARTON

- The whole of the action taken is expressed in a few papers, which, at the request of the honorable member, I will lay upon the table of the House tomorrow. I cannot obtain them sooner.

Sir WILLIAM McMILLAN

- Does the Prime Minister intend to make any statement to the House in regard to the very remarkable action of Mr. Outtrim in giving to the press certain information connected with the public service ?

Mr BARTON

- The honorable member is virtually asking me to express an opinion, and I do not know that I can do that now ; but, if the House will forgive me for going beyond the usual limits of an answer to a question, I will say that I consider that a high official should set an example of discipline. If he has to complain of breaches of discipline in the communication of matters to outside sources - whether to the press or to members of this House - it is his duty to refrain from a similar breach in trying to bring about any reform

that he may think desirable. It is his duty primarily to deal with his official superiors, including his Minister, before he resorts to interviews with the press.

Sir William McMillan

- It was a most disloyal action.

Mr BARTON

- I shall say no more on the subject now, because of the promise I have just made to lay the papers upon the table to-morrow.

IMMIGRATION OF AFGHANS

Mr MCDONALD

- I desire to ask the Prime Minister if his attention has been directed to a telegram from Perth, Western Australia, to the effect that a further batch of 47 Afghans are on their way to Melbourne on the French mail steamer Tonkin I Will he take the necessary steps to prevent their landing ?

Mr BARTON

- The necessary action has already been taken in that case.

PERSONAL EXPLANATION

Mr GLYNN

- With the permission of the House I should like to make a personal explanation. Speaking on Friday, on the second reading of the Immigration Restriction Bill, I said -

On the whole, the number of Chinese amongst us is gradually declining, and I do not believe there are 12,000 in the whole of the States as against 45,000 in 1859.

What I intended to say was about 12,000 in "Victoria now, as against 45,000 in the whole of the States in 1859, and 43,000 in Victoria in 1859. I made an explanation immediately after resuming my seat, but I thought that as a matter of courtesy to the House I should remove all possible apprehension by this further statement this afternoon.

QUESTIONS

EXEMPT KANAKAS IN QUEENSLAND

Mr BAMFORD

- I would like to ask the Prime Minister a question with reference to the return relating to exempt kanakas in' Queensland, which on 14th June was ordered to be laid on the table. I may be wrong, but I thought that a couple of days would allow ample time for furnishing the return, and yet up to the present we have seen nothing of it. I would like to know when it will be laid on the table, because I understand that we shall soon be called upon to deal with the Pacific Islanders Bill, and it was with the object of gaining information relating to the subject of that measure that I moved in the matter.

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Mr BARTON

- My attention was invited to this matter before the meeting of the House. I can say frankly that I was not aware of the delay that had occurred, and I gave directions before the House met that the return should be expedited and laid before honorable members as soon as possible.

PUBLIC SERVANTS' INCREMENTS

Mr JOSEPH COOK

asked the Prime Minister, upon notice -

Whether he has read the utterance of the State Premier of New South Wales to the effect that a new regulation has been issued restoring the increments to certain public servants from £10 to £15 per annum ?

Whether he will see that the transferred officers concerned also receive the increments from the date of their transfer ?

Mr BARTON

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

I have not read the utterance referred to, but will procure particulars of the regulation.

I will make inquiry as to the number of transferred officers affected and the amount involved, and upon receipt of the information will give the matter full consideration. It may be stated that transferred officers are not, as a rule, affected by State laws or regulations passed subsequent to the date of their transfer.

TRANSCONTINENTAL RAILWAY SURVEY

Mr KIRWAN

asked the Prime Minister, upon notice -

Whether any information has been obtained as to the present whereabouts and the work done by the survey parties that are now examining the country intervening between the railway systems of South and Western Australia ?

Whether the right honorable the Prime Minister will lay before the House any such information as has been or can be obtained 1

Mr BARTON

- The answers to the honorable member's questions are as follows : - 1 and 2. I have been promised information on these subjects as the reports are received, and shall be glad to make any such information the property of Parliament.

TELEGRAPHIC COMMUNICATION WITH TARCOOLA

Sir LANGDON BONYTHON

asked the Minister representing the Postmaster-General, upon notice -

Whether the latter is now prepared to extend telegraphic communication to Tarcoola, seeing that the Government of South Australia have stated their readiness, on behalf of the Commonwealth, to undertake the construction of the line ?

Mr BARTON

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

The Postmaster-General is not prepared to at once extend telegraphic communication to Tarcoola, but such extension will be considered when money is available. To accept the assistance of the State Governments generally in the execution of works to be charged against the Government of the Commonwealth would be undesirable on many grounds.

PAPER

The PRIME MINISTER laid on the table the following paper : -

Correspondence re introduction of Japanese into the Northern Territory, received from South Australia- Ordered to be printed.

DISTILLATION BILL

In Committee(consideration resumed from 30th August, vide page 4374):

Postponed clause 12 -

Licences to distil shall be divided into the following classes : -

Spirit makers' licences authorizing the licensee to distil spirits from any material.

Vignerons' licences authorizing the licensee to distil spirits from wine or lees of wine for the purpose of fortifying wine.

Test still licences authorizing the licensee to use a still of a capacity of not more than one gallon for the purpose of distilling.

Mr McCOLL

- Since this Bill was under consideration last week, a meeting of some 50 or 60 vigneronns of Victoria and other States has been held. They sat for some four hours, and agreed to a schedule of amendments which they desired to have made in the Bill. A deputation waited on the Minister of Trade and Customs, and he promised to give consideration to these amendments, and I understood that the Minister was to have prepared amendments that, to a large extent, would meet the views of the vigneronns. We have not yet seen these proposals, and know nothing whatever about them, and I think it is scarcely the correct thing that we should be asked to consider these matters, which are of such great importance to so many people, without knowing beforehand what we are called upon to deal with. I do not wish to delay the business, but I think the consideration of the Bill might be very well postponed for at least an hour or two, so as to give us an opportunity of seeing what amendments the Minister has framed.

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Sir JOHN QUICK

- I join with the honorable member for Echuca in requesting that the Bill may be postponed until we have an opportunity of seeing the amendments which have been prepared by the Minister of Trade and Customs. The Minister promised that he would consider the proposals submitted to him by the deputation of vigneronns, and he seemed favorable to some of them; but we have had no intimation of the extent to

which the Minister has embodied the views of the vigneron in the amendments he has prepared, and it will be utterly impossible for those honorable members who are specially interested in the Bill to approach the consideration of the amendments without having an opportunity of seeing them beforehand.

Minister for Trade and Customs

Mr KINGSTON

- It is the wish of the Government to afford every opportunity for the consideration of this important Bill. The amendments have been prepared and are now with the Government Printer, from whom they may be expected at any moment. At the same time I would ask honorable members to allow me to proceed by introducing some of the amendments, which are of a very simple character. When we find the slightest trouble it will be time enough to press for a postponement. Dealing with this postponed clause, what I am proposing to do is to amend it by providing for a brandy-maker's licence in accordance with the wishes of the deputation that waited on me last week. I think that is a very simple point, which has been already discussed to such an extent that the representations of honorable members have moved the Government ; and we wish now to show to what extent we have been moved, and to give proof, at the earliest possible moment, of our intention, as far as we reasonably can, to meet the views that have been urged upon us. Why we should be delayed in this I do not know. As the clause now stands provision is made for a spirit-maker's licence, for which a fee of £50 will have to be paid ; and a vigneron's licence, at a fee of £5. What we now propose to do is to So alter paragraph (a) as to provide for two classes of spirit-makers' licences - one a general licence, authorizing the licensee to distil spirits from any material ; and a brandy-maker's licence, authorizing licensees to distil spirits from grapes and the lees of wine, as usual. We propose, also, to so alter the schedule as to provide that while a general licence can be obtained for a matter of £50, a licence limited to brandy-making, on the lines I have mentioned, can be obtained for half that sum. This point formed the subject of discussion at the deputation which was introduced to me by the honorable member for Echuca; and I cannot imagine that there can be any Objection to what was then so forcibly urged upon us and what we now propose to do.

Mr McColl

- The amendments, to a very large extent, will depend upon each other, and we shall want to see them as a whole before we can be in a position to judge of their relative value.

Mr KINGSTON

- It is a little hard that when we propose to take a step in order to meet the views of those who wish the clause to be amended, we should "be met with the suggestion that the matter should be postponed for a while. I confess that last week I thought that the honorable member for Echuca would welcome an amendment of this kind, and I would suggest that we should at once proceed to discuss it. As I have explained, the Bill, as it stands, provides for only one kind of spirit-maker's licence, for which a fee of £50 has to be paid. This was objected to by the deputation of vignerons, who pointed out that, in Victoria especially, a brandy-maker's licence at £10 was provided for. We discussed the question, and the conclusion to which we came was, that a brandy-maker's licence might fairly be issued, but that the £10 fee would be rather too little in view of the privileges conferred. After discussion, it was practically agreed that £25 would be a fair fee to charge, and we are now proposing to add to the descriptions of licences that may be granted, a brandy-maker's licence at a fee of £25.

Sir John Quick

- What about the conditions of the licence ?

Mr KINGSTON

- Those are provided for further on in the Bill. The conditions of the licence will be that the licensee can make brandy from wine for any purpose he likes, and that, having made his brandy, of course he will be able to clear it for use as may be desired, subject to whatever duty may be provided.

Sir William McMillan

- How does this fee compare with what has been paid in the States ?

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Mr KINGSTON

- There has been no such provision in any of the States, except Victoria, in regard to a brandy-maker's licence. That is the reason why the provision was not originally inserted. But on looking further into the question, we thought it would not be unfair, whilst not permitting the issue of a licence at £10 - which is

the fee in Victoria - to meet the case by providing that, instead of having the right to distil whatever he pleased, the licensee should distil only for brandy-making purposes from colonial wine. Therefore, we have introduced this provision, and have raised the fee to .£25.

Mr McCay

- Will the Minister say whether the privileges granted by this licence are the same as those granted under the £10 licence?

Mr KINGSTON

- They are.

Mr Isaacs

- What about the conditions 1

Mr KINGSTON

- The conditions which the vigneron will have to observe are practically those attaching to a general spiritmaker's licence. The distinction is that as they are allowed to distil so far as material is concerned only from a specified material, the growth of which in Australia we have every desire to encourage, they shall pay a lesser fee than that imposed for a general distiller's licence, but not so small a one as that payable in respect of a vigneron's licence. I propose to subdivide paragraph (a) into two parts. The first part will read - .

Spirit-Duikers' licences (1) general licences, authorizing the licensees to distil spirits from any material.

The second portion will read -

Brandy-makers' licences authorizing the licensee to distil spirits from wine or lees of wine.

Mr Watson

- Does that allow of distillation from skins 1

Mr KINGSTON

- I intend to introduce an alteration into the interpretation clause, including in lees the grapes, so as to avoid all doubt on the subject. I am sure honorable members will see that it was the intention of the Government to have all the proposed amendments before them.

Mr McColl

- I was never treated by a Government in this way before.

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Mr KINGSTON

- I am very sorry. If I had been able to carry out what I wished, the honorable member would not be in a difficulty, but under the circumstances which I have already explained, I am sure that his sympathy with the adoption of legislation on desired lines will induce him to hesitate in pressing his objection further* I move -

That after the words " spirit-makers' licences," in paragraph (the words " (1) general licences " be inserted.

Sir JOHNQUICK (Bendigo).- This proposal meets one of the principal objections urged by the deputation which waited on the Minister some time ago, and to that extent it is satisfactory. At the same time, it is desirable that we should have some idea of the conditions to be annexed to this .£25 licence. As the Minister is aware, the recent deputation suggested that the still and the plant which the holder of these intermediate licences are required to possess should not be so great, extensive, or expensive as those required of the holders of the £50 licences. The Minister has not given any indication of his opinion in regard to this matter. I hope that he will be able to propose less stringent conditions in regard to plant, still, &c, than those required under the .£50 licence. As a matter of nomenclature I believe the term " wine distillers' licences " would be preferable to that of " brandy-makers' licences." The former was the term suggested by the deputation.

Mr. McCOLL(Echuca). - We have no objection to the amendment so far as it goes. At the same time I object to the Minister charging us with a desire to delay the Bill. The deputation, which has already been referred to, waited upon the Minister on Thursday last, so that, there have been six days in which to prepare the amendments. Now, however, we are told they are in the hands of the printer. I do not think that this is acting fairly to honorable members. It is not fair to ask honorable members to proceed with the discussion of amendments which they have not had time to consider. I think that the amendment, so far as it goes, can be agreed to with the addition of the change suggested by the honorable and learned

member for Bendigo. The conditions attaching to these licences should, however, be embodied in the schedule. In answer to the honorable member for Wentworth the Minister said that the brandy-maker's licence was only in force in Victoria. I wish to point out that it was in force in Victoria under a £10 fee, and it was virtually in force in New South Wales under a £1 fee and £1 for stamp duty. In New South Wales the vigneron had the privilege of distilling their wines into spirits for the purpose of fortifying their wines, and also of distilling for the purposes of sale. They could also fortify for sale, for home consumption or exportation, by putting the wine in bond, receiving it from bond, and paying the duty whenever they required to sell it. I would point out that there is a very great difference between £10, £1, and £25. There was no agreement arrived at by the conference, which was held recently, as to a £25 licence-fee. I think that a £25 licence-fee is altogether too high, but that matter, I presume, can be discussed upon the schedule. I think that we ought to substitute the term " wine distillers " for "brandy-makers."

Mr KINGSTON

- I hasten to reassure the honorable member that I never suggested that any honorable member was trying to delay the passage of the Bill. The honorable member for Echuca has said that the Government ought to have been more prepared than we are. Our time is pretty well engaged one way or the other, and I think that the committee will sympathize with us in the matter. In talking about the sum to be charged, and in suggesting that in New South Wales distillers possess additional privileges to those possessed by distillers here, I think the honorable member was altogether wrong. I think so for two reasons. The first is that I do not know where in New South Wales any preference is given for the encouragement of local distillers. I know that they have not a single distillery there.

Mr MCCOLL

- They have vigneron's distilleries.

Mr KINGSTON

- They have distilleries for which a licence fee of £1 is charged. There are 70 of them. The privilege conferred there is to distil spirits for the purpose of fortifying their wines. It is not intended to permit them to distil generally for the purposes of sale. The provision which we are now discussing is, subject to a licence, to permit of them distilling brandy from grapes and selling it. To attempt to compare licences such as we propose with any licences existing in New South Wales is absurd. I do not see the possibility of instituting a comparison. The one confers a very valuable privilege and the other does not. As regards the question of the name to be given to the various licences I do not attach very much importance to that. But I would point out that the £10 licence in Victoria allows a man to distil spirits from wine or the lees of wine. Of course brandy is the article which they turn out from grape products. I think we may fairly adopt the term which we propose, but if on looking at the matter further the committee think that we ought to adopt a different term, well, what is in a name ?

Mr. McCOLL(Echuca). - I must take exception to what the Minister has said. The right honorable and learned gentleman says that there is no such provision in New South Wales. I would point out that section 21 of the New South Wales Distillation Act allows the vine-growers one still of a capacity of from 25 to 50 gallons, in which they can make brandy from wine or lees for the purpose of fortifying wine for their own consumption. The licence-fee is £1, and there is a stamp duty of £1. They have to get a certificate of character from two magistrates before the licence can be issued. They require two acres of land and to find securities for £200 not to sell or dispose of any spirits, and not to use the still for any purpose but that of distilling from wine or lees. They may fortify the produce of their own vineyards with such spirit. Section 23 fixes the licence-fee for a distiller at £10, for a chemist and druggist at £2, and for wine-makers at £1, with a stamp duty of £1. Section 128 provides that a vine-grower who is possessed of brandy distilled from grapes, the produce of his own vineyard, may apply for a permit to remove and bond his spirit for sale, and after bonding may sell and deliver such spirit, either for home consumption or for export, which is exactly the same provision as operates in Victoria at the present time.

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Mr ISAACS

- I understand that the Minister objects to the term " wine distillers' licences." I did not have the advantage of hearing why he prefers the term " brandy-makers' licences." Is it to prevent the vigneron from using their produce for any purpose at all . except that of making brandy 1 The wine distillers, I understand, are desirous of having a licence to make spirits from their wines, from their lees, or even from their skins, for

any purpose whatever. They want to have the power of utilizing those products, but they do not want the unlimited power which ordinary spirit-makers have of making any kind of spirits, from any kind of material, for any purpose. They want the power of using their material for any purpose in the way of making spirits and for using those spirits in any way they desire. Where is the necessity for restricting them by using the term "brandy-makers"?

Mr Kingston

- What spirit other than brandy is made from wine? We do not make rum from wine, do we?

Mr ISAACS

- Surely they can make spirits other than brandy. The term "spirits" is not limited to brandy.

Mr Kingston

- What other spirits can they make?

Mr ISAACS

- White spirit. They might sell that white spirit to the chemists or anybody else. Why are they to be confined to colouring and flavouring, and converting the spirit into brandy? Why deprive them of the right of utilizing their products to their own advantage? Why should these products be wasted, and the business thrown into the hands of large distillers? Wine distillers' licences have been asked for at a higher cost and under stricter supervision, and if under any regulations, which the Minister chooses to make, these growers can have the right to utilize to the last scrap their products and waste products, I see no reason why they should be limited to one particular class of spirit. The proposal may possibly defeat the object of the request which has been made; and this proposal takes me by surprise. There were no remarks at either of the deputations which I had the honour to accompany, pressing this view on the Minister, who will recollect he was specially asked whether he had any objections to place before the practical men then present.

Mr Kingston

- What was talked about was brandy-making.

Mr ISAACS

- Not necessarily, and it is difficult to meet the objections now raised. I would like to hear a fair business-like reason for limiting the request, or altering the terms. There must be some reason, of which we have not heard, and I would be glad to hear why the request has been departed from.

Mr KINGSTON

- One word in reply to the honorable member for Echuca, who has proceeded to discuss the terms of the New South Wales licence, and confirms every word I say.

Mr McColl

- No.

Mr KINGSTON

- Two things are provided for in the vigneron's licence of New South Wales - one fortifying, which is important, and the other, the distillation of spirits for the vigneron's own consumption.

Mr. McCOLL. - For sale as well.

Mr KINGSTON

- A further power contained in the Bill is that if a vigneron has a surplus he may dispose of it by permission of the collector, but the fortifying clauses are not intended to allow a lot of spirit to be cast on to the market; and we have the same thing in the regulations here. We have not yet come to the time when it is necessary to discuss the question what we shall call the licence, whether a wine distiller's, or a brandy maker's licence. From wine, brandy is produced, and undoubtedly the discussion proceeded on no smaller question such as is now suggested, but on the general question of the distilling of brandy.

Mr Isaacs

- Is there any objection to use the term then used?

Mr KINGSTON

- I do not know that there is, but we will discuss that on the next amendment I shall move.

Mr. McCOLL (Echuca). - Whom does the Minister propose shall be eligible for obtaining licences? The resolution come to by the conference was that wine companies, co-operative companies of two or more vignerons, and all persons eligible for vignerons' licences, should be eligible applicants.

Mr KINGSTON

- I am not proposing at the present moment to introduce any limitation. I am proposing, so far as this clause is concerned, to make the question who shall be an applicant, as large as in connexion with the spirit-maker's general licence.

Mr McColl

- Does the Minister propose to make the persons I have mentioned eligible ?

Mr KINGSTON

- I see no objection to that at the present time.

Amendment agreed to.

Mr KINGSTON

- I do not see any necessity to quarrel over the question of the term - whether we shall call them " brandy makers " or "wine distillers." It is a question of the privilege we give them. I move -

That after the word "material" the words " Wine distillers' licences, authorizing the licensee to distil spirits from wine or lees of wine" be inserted.

Mr. Isaacs. - Or skins?

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Mr KINGSTON

- I will put in a general interpretation of lees to include skins.

Mr. McCOLL(Echuca). -I suggest that if the words " grape-products " were inserted instead of "wines and lees of wines," the whole difficulty would be met.

Mr KINGSTON

- It shows that we are approaching the subject from a somewhat similar stand-point when I tell the honorable member that I had the words "grape products " in originally, but I came to the conclusion that it would be just as well to strike them out, and rely on our definition.

Amendment agreed to.

Sir JOHNQUICK (Bendigo).- Has the Minister made any provision in reference to test stills ? The Minister will- remember his attention was drawn to the necessity of an amendment that the test still provisions should not apply to test stills of a pint, or under that capacity.

Mr KINGSTON

- That point has been considered, and the conclusion come to is that there ought to be registration, "and a very small licence-fee exacted. We propose in due course to alter the schedule of fees, so that whilst the original charge of £1 shall apply generally, the fee for any test still licence for a still, not exceeding one quart in capacity, shall be a shilling. It is merely a question of notice, and of having a check.

Mr MCDONALD

- Would that provision cover stills used for the distillation of water for scientific purposes, such as assaying ? A case came under my notice where an assayer in Charters Towers was fined £50 for having a still in his possession. The Judge said at the time that he was compelled to inflict a fine, but the penalty >was ultimately remitted, as there was no attempt to evade the Customs in any way.

Mr KINGSTON

- This provision would not cover stills used for the distillation of water, aoid it would be monstrous if it did. I do not think we have any right to prohibit or regulate stills used, for instance, for the distillation of salt water in Western Australia. What we have a right to do is to regulate stills as far as is necessary for the protection or the revenue in connexion with the excise, and the Bill is intended to apply only to such cases.

Mr McDonald

- In the case I referred to there was a still found in the possession of the assayer.

Mr KINGSTON

- What was he doing with it?

Mr McDonald

- Distilling water for assaying.

Mr KINGSTON

- The provision ought not to apply to such cases, and I do not think it does apply. Clause 4 says that the Bill shall apply to the distillation of spirits on which any duty of excise is imposed by Parliament. Water is not a spirit, and is not subject to excise. I know what the intention of the Bill is, and if I find any room for

doubt I shall attend to the matter.

Mr HARPER

- Stills are used for manufacturing and other purposes, and unless some provision is made to meet such cases as those referred to by the honorable member for Kennedy, it might be held to be illegal to have a still in one's possession. There are a variety of processes in manufactures and arts in which a still is necessary, and the Government ought to have control, because, although ostensibly used for manufacturing purposes, such stills might be utilized for distilling spirits.

Mr KINGSTON

- It was a little difficult to determine what we should provide for, and what we should not. It is our duty plainly to keep within our powers, and I do not think our powers are of such a character as to enable us to interfere with stills intended to be used for purposes apart from the distillation of spirits.

Mr Harper

- Look at clause 10, which seems very definite.

Mr KINGSTON

- The interpretation clause says that a " still " means " any apparatus for or capable of distilling spirits."

Mr Harper

- Any of the stills I know of could be used for distilling spirits.

Mr KINGSTON

- I might be able to meet the objection by striking out the words " or capable of distilling spirits."

Mr Page

- That would not do.

Mr KINGSTON

- At any rate, I have shown what the intention is, and before the Bill leaves committee we shall, with the help of honorable members, provide for this objection. It is a subject I have not omitted to notice, but it is difficult to define where we should interfere.

Mr Glynn

- Would such interference not be ultravires ?

Mr KINGSTON

- I think it would, though I think we should have a right to require registration of any still which is capable of distilling spirits.

Mr V L SOLOMON

- Any still is capable of producing spirits.

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Mr KINGSTON

- I am sure we shall be able to meet the difficulty, but I think it is a question of registration rather than one of licence.

Mr PAGE

- How does the Minister propose to discriminate, seeing that the stills used for distilling water and for distilling spirits, are exactly the same? I know a case in which a chemist was in possession of an old still for years, and did not know what it was. I do not know what the Government can do, unless they make every one who has a still register it ; if a still be used legitimately, there will be no difficulty in registering.

Mr. HARPER(Mernda). - I think registration is absolutely necessary for the protection of the excise. In "Victoria, a bond, under a heavy penalty, has to be given to the Customs department by the owners of these stills, as a guarantee that they will not be used for any purposes such as the making of spirits or any other dutiable article. In this way the purpose for which the still is to be used is clearly and definitely stated, and the proprietor has no right to use it other than for that specific purpose.

Mr. McDONALD(Kennedy). - In clause 73 it is provided that -

No person shall - (1) Use or unlawfully have in his possession or custody, or under his control, or upon his premises, any illicit still.

A man might have a still on his premises for the distillation of water, and under this Bill he would be distinctly liable. . I understand that the Minister for Trade and Customs intends to deal with this point.

Mr V L SOLOMON

- I would call the attention of the Minister in charge of the Bill to clause 10, and ask him to read it in

conjunction with the definition clause, which describes a still as -
Any apparatus for or capable of distilling spirits.

In some of the States, notably South Australia, stills are licensed for the distillation of eucalyptus oil. Such stills are equally fitted for the distillation of spirits. I would ask the Minister to look into this point, and determine whether in making such a provision we do not clash with local legislation with regard to the distillation of eucalyptus oil.

Mr Harper

- Stills are used for many other purposes.

Mr V L SOLOMON

- I know they are. Nearly the whole of the water supply of the Western Australia gold-fields is distilled.

Mr. Mahon. - They use condensed, not distilled, water there.

Mr V L SOLOMON

- It is exactly the same thing. I do not know any Western Australia gold-field that is not dependent upon distilled water for its supply.

Mr Mahon

- Kalgoorlie uses practically no distilled water.

Mr V L SOLOMON

- It is almost entirely dependent upon distilled water.

Mr Page

- How does the honorable member propose to get over the difficulty ?

Mr V L SOLOMON

- That is not for me to suggest. The honorable member for Mernda said just now that for the protection of the revenue stills should be registered whether they are called condensing or freshwater stills. In regard to the interjection of the honorable member for Coolgardie, I would point out that some of the Kalgoorlie mining companies in which I am interested sell from 20,000 to 30,000 gallons of water every 24 hours for condensation purposes. The water is used for the supply of the fields.

Mr Page

- How much grog do the stills turn out?

Mr V L SOLOMON

- I do not believe that any of the condensers are used for illicit distillation. I suggest to the Minister that when the Bill has passed through its present stage he should recommit clause 10 and the interpretation clause, in order that this point may be fully and clearly dealt with.

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Mr GLYNN

- I would ask the Minister whether he does not think that clause 10 is ultra vires. It may be convenient to have such a provision in the Bill, but it is not necessary, and if it is unnecessary then I think it is ultra vires. Any power that is necessary for carrying out the provisions of the Constitution would be within the competence of this Parliament to give, but if it is not really necessary, and if it will interfere with State legislation and State rights, then I think it is ultra vires. This provision is not absolutely necessary. The rest of the Bill is aimed against illicit distillation. That is particularly clear. Having regard to clause 73, to which reference has been made by the honorable member for Kennedy, I would like the Minister to say whether it would not be better to strike out clause 10, if it is ultra vires.

Mr KINGSTON

- I do not think clause 10 is ultra vires. We have a right to legislate so far as is usual and necessary for the protection of the excise in connexion with distillation. To come to a conclusion as to what "necessary" means, I think the proper course to adopt is to look at the various statutes and see what the Legislatures of the various States and other countries have from time to time thought necessary for the protection of the revenue in legislation of this description.

Mr Glynn

- That cannot be the test. We cannot abrogate any State right.

Mr KINGSTON

- We have a right to do what is necessary in connexion with the matter.

Mr Glynn

- And which does not interfere with State rights.

Mr KINGSTON

- Where our right extends the State right is subordinate. We look at what is usual in determining this point, and I think I am justified in saying we invariably find a provision of this sort in the State laws. All the Acts with which I am familiar have a provision of this character in their very forefront. The departmental officers must know what is going on in relation to these stills. If they do not know where the stills are situate they are sure to be defrauded. The object of this clause is that no new stills shall be set up, or made, or purchased, or transferred, or imported without the knowledge of the department, It is one thing to have the still in the hands of an honest man, and another thing to have it transferred to a man who is not known. It is not to enable the department to arbitrarily refuse consent that we make this provision, but in order that we may know what is being done in regard to the introduction, setting up, or change in ownership of stills.

Mr Isaacs

- Surely it is incidental.

Mr KINGSTON

- I think it clearly is. Then there is the other point. The wish of the Government was not to interfere unnecessarily with stills which are not likely to be used for illicit distillation. We may be too lax or too severe, but while we do not want to interfere unnecessarily with the owners of stills, we do not desire to lose revenue. We have tried to draw a certain line, which we think is a fair one. The matter is, however, of grave importance. We will look into it carefully and see whether we have a proper definition of what is a still.

Clause, as amended, agreed to.

Postponed clause 28 -

Every distiller shall provide in connexion with his distillery reasonable office accommodation for the supervising officer, and where the distillery is distant more than two miles from a licensed public-house, board and lodging for the officer in each case to the satisfaction of the collector.

Penalty : £50.

Mr. McCOLL(Echuca). - There are some amendments proposed in previous clauses. I would ask the Minister whether he intends to recommit those clauses subsequently ?

Mr KINGSTON

- Yes ; but I shall have to take the schedule first. Under this clause we come to a matter which we debated at some length - namely, what is the duty of the distiller in regard to the provision of accommodation. A suggestion was made from the other side of the committee, and what we propose to do is this. We propose to strike out the arbitrary definition of the circumstances under which a distiller shall be called upon to provide accommodation, and to make the clause read that accommodation shall be provided when required by the collector. I propose afterwards to introduce a clause providing that any person providing board and lodging pursuant to the request of the collector shall be entitled to fair remuneration therefor, at such rates as may be agreed upon or prescribed. I do not like the idea of board and lodging at all. It may be necessary in some cases, but, I hope, very few. I move -

That the words, " where the distillery is distant more than two miles from a licensed public-house, board and lodging for the officer in each case to the satisfaction of the collector," be omitted, with a view to insert in lieu thereof the words, " when required by the collector board and lodging for the officer."

Amendment agreed to.

Clause, as amended, agreed to.

Postponed clause 41 -

Entries may be made by the distiller, and passed by an officer, and may authorize the removal of spirits for -

Home consumption.

Removal to a warehouse.

Exportation.

Mr Batchelor

- I should like to hear the opinion of the Minister in regard to the proposed amendment of the honorable member for South Australia, Mr. V. L. Solomon.

Mr KINGSTON

- The reasons of removal which are stated in the honorable member's amendment are all embraced in the term "Home consumption." It will, of course, be a question for consideration in connexion with the Tariff, whether the rates should not be different.

Mr. V.L. SOLOMON (South Australia). - Considering the amount of time which the Minister has taken to look into this question, I am surprised that he has not been better advised by his officers in regard to it. It seems to me absurd to say that the removal of spirits from the bond of a distillery to another place, for the purpose of fortifying wines, is removal for home consumption.

Mr Kennedy

- Is not the question more a matter for consideration in regard to the rates of duty to be imposed ?

Mr V L SOLOMON

- This is a machinery Bill which we have been told must be passed before the Tariff can be brought in, and we have therefore a right to provide in it the reasons for which spirit may be removed by the distiller. The clause at present provides for a removal for "home consumption," "to a warehouse," and for "exportation." I move -

That the following words be added to the clause : - " (d) For fortifying wines.

The manufacture of vinegar.

Methylation."

When spirit is removed for home consumption, it means that the moment the entry is passed, and the duty paid, it may be vended by merchants - subject, of course, to the licensing laws of the States - as freely as candles or any other commodity. With regard to the second reason for removal - " to a warehouse " - that provides a method for dealing with locally-made spirits precisely in the same way as if they were imported. When dutiable goods are imported, "the merchant either pays duty upon them at once, and they go direct into consumption, or he places them in bond, and the duty is not paid until they are required. The clause finally provides for removal for " exportation." It is not to be supposed that the Tariff which is to be brought in will place any duty upon colonially distilled spirits, which are exported to foreign countries, and if we may take the existing State laws as a criterion, the excise duty will be somewhat less than the import duty upon spirits. I take it that the term "home consumption" does not include a removal of spirits for the fortification of wine. Mr. Thomson. - Not unless there is payment of duty.

Mr V L SOLOMON

- Surely, if duty is to be paid, some distinction will be made between an ordinary " home consumption " entry, which will free the spirit absolutely for mercantile trading, and an entry for fortification of wines.

Mr Kingston

- Of course, there will.

Mr V L SOLOMON

- I am supported in what I propose, not only by my slight knowledge of Customs work, acquired by following mercantile pursuits during a number of years, but also by the opinions of the wine makers and distillers of South Australia, who say that, in addition to the three purposes mentioned in the clause, removal should be authorised for the three other purposes which I have named. Surely it is reasonable to suppose that spirits may be removed from a distillery for the purpose of fortifying colonial wine without paying duty, as if they were intended for home consumption ?

Mr Glynn

- Is not this rather a matter for discussion when the Tariff comes up ?

Mr.V. L. SOLOMON.- I do not think it is.

Sir William McMillan

- Will the spirit which the honorable member refers to go into a warehouse?

Mr V L SOLOMON

- It will not. Are colonial wines to be kept in a warehouse, unless there is an excise duty put upon them? Will the distiller who has in one branch of his premises a distillery, and in another a winery, have to put the wines into a warehouse, if he removes spirits from the distillery to the winery for the purpose of fortification, or if he sell his spirits to another vigneron perhaps a mile away, under prescribed supervision,

will they have to go into warehouse? Can this removal be spoken of as removal for home consumption? With all due deference to the Minister's advisers, I say that it cannot ; and unless the reasons for removal which I wish to add are inserted in the clause it will create confusion to persons in the trade.

Mr Isaacs

- What will be the effect of adding the words which the honorable member wishes to add ?

Mr V L SOLOMON

- I wish to provide three more purposes for which the removal of spirits may be authorized.

Mr Harper

- Will the honorable member look at clause 36 ?

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Mr V L SOLOMON

- That clause provides that a distiller may, subject to certain conditions, methylate spirits in his distillery, and, perhaps, in view of that provision, it is not so important to provide in clause 41 for the removal of spirits for methylation ; but it is undoubtedly important to give distillers the right to remove spirits from their distilleries for the purpose of fortifying wines in another building - of course under proper conditions - and for the manufacture of vinegar: The distillers and wine-makers have put it to us very clearly that it is necessary to use spirits for fortification purposes, and there are strong reasons why the proposed paragraphs should be included in the clause.

Mr WATSON

- I trust that the honorable member for South Australia, Mr. Solomon, will not press his amendment because, if the clause is altered as he proposes, it will provide by inference that spirits can be removed only for the particular purposes specified. If home consumption is specified as meaning certain things, only those things which are specified will be included within the meaning of the term, but as the honorable member knows, it is almost impossible to mention in a clause of this kind the various purposes for which spirits may be used in manufacturing and mercantile pursuits. Spirits are used for the manufacture of tinctures, essences, and perfumes, and for a variety of other purposes, and the Excise Bill should prescribe the duty to be paid on spirits used for certain purposes, spirits used for manufacturing purposes being "subject to a lower impost than those which are passed into human consumption. If the honorable member persists in his amendment it will have the effect of limiting the purposes which would come within the meaning of the term "home consumption."

Mr POYNTON

- I am not quite sure who is right on this question, but if the statement of the Minister is correct, it is evident that those outside who are very much interested in this matter are in ignorance as to what is proposed in this Bill. Not only the principal persons in South Australia who are interested in the Bill have asked for the insertion of the words now suggested, but I have this morning received a communication from a conference of Australian vignerons making a similar request.

Mr Kingston

- I told them last week that the words of the clause covered all that is necessary, and they were content at once.

Mr POYNTON

- I received a list of the amendments desired only this morning, and the list includes the insertion of the words proposed by the honorable member for South Australia, Mr. Solomon. If, however, the Minister says the clause as it stands will cover all that is required, I do not know that it is necessary to go any further.

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Mr Kingston

- The clause covers everything that is needed.

Mr. GLYNN(South Australia).- I saw some of the gentlemen who desired to have the clause amended, and I gave them an opinion, which I said I would try to verify, to the same effect as that now given by the Minister. I thought that this clause was analogous to clause 63 of the Customs Bill, which provides that all imported goods shall be entered for home consumption for warehousing or for exportation ; and the question whether spirits required for the purposes now suggested could be removed would depend upon whether the duty imposed upon them by the Excise Act was paid or they were free of duty. The

gentlemen who spoke to me were in doubt about the definition of the term " home consumption," but if they had had an authoritative opinion, such as that now given by the Minister, they would probably not have proposed the amendment.

Mr. ISAACS(Indi).- As I understand, there is no difference of opinion as to what is intended to be done, but I take it that the honorable member for South Australia, Mr. Solomon, approaches this matter in very much the spirit of apprehension with which various producers and manufacturers have regarded it. They look upon the term " home consumption " as indicating prima facie that everything coming under that head is to be dutiable in the ordinary way, and they therefore seek to include specific terms that do not generally carry the connotation. They desire that the three paragraphs should be inserted as distinguishing certain spirits from those coming under the definition of spirits used for " home consumption," but the Minister explains that it does not necessarily follow that spirits entered for " home consumption " are to be dutiable, or, if dutiable, are to be dutiable to the same extent, and as he also assures us that the three classes of Use referred to by the honorable member for South Australia do come under the heading of home consumption, I think we may accept the explanation and pass the Bill in the simpler form.

Mr THOMSON

- I do not think the objection raised by the honorable member for South Australia, Mr. Solomon, is altogether groundless - at any rate, if we look upon the term " home consumption " as having the same meaning as is attached to it in the Customs Bill. In that Bill it is stated that after delivery for home consumption, the Customs control over the goods shall cease. If there is to be a reduced duty, such as the Minister indicated there might be, on spirits distilled by vigneron, or on spirits used for certain purposes, it would be necessary to enter such spirits for home consumption, and it would be further necessary for the Customs officers to keep the spirits under their control until they were used for the purpose for which they were entered at a reduced duty. If that be the case, there is something in the objection of the honorable member for South Australia.

Mr Watson

- There is nothing to prevent that being provided for in the Excise Bill

Mr THOMSON

- No, perhaps not ; but to alter the Excise Bill in that way would be to make it out of all uniformity with the Customs Bill which we have already passed, and which says that anything delivered for home consumption shall be beyond the control of the Customs.

Sir William McMillan

- Surely the spirits would pass into home consumption under the specific terms of the Tariff?

Mr THOMSON

- Yes ; but the Customs Bill says that spirits delivered for home consumption shall be beyond the control of the Customs.

Sir William McMillan

- But the spirits would have to pay the differential duty according to the Tariff.

Mr THOMSON

- But if the ordinary duty was 10s., and there was a reduced duty of 5s. on spirits used for certain purposes, and control ceased after spirits were entered for home consumption, the department would have no security that the spirits delivered at the lower rate of duty were devoted to the purposes for which they were passed.

Sir William McMillan

- That would come under regulation, I suppose.

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Mr THOMSON

- That would be a roundabout way of arriving at the same result as the honorable member for South Australia, Mr. Solomon, proposes to bring about by direct means.

Mr. V.L. SOLOMON (South Australia). - The whole object of this clause seems to be to lay down the conditions under which a distiller may remove spirits from his distillery to other places. In the first place he is permitted to remove spirits to a bonded warehouse, where they will be under Customs control until the excise duty has been paid. In the next place spirits removed for exportation will be under control until they

reach the vessel by which they are to be exported, and are entered outward. The term home consumption is undoubtedly meant to cover the action of freeing the spirits from all further control of Customs by the payment of the highest amount of duty provided for. In South Australia the excise duty is 10s. per gallon on spirits for home consumption, but only 6d. or 1s. per gallon is paid on spirits to be used for the fortification of wines grown in South Australia. Surely spirits used for the fortification of wine do not come under the term home consumption. The wine-maker may not require even to take his wines out of the bond. Having mixed a certain quantity of spirits in his wines, he may not desire to pay duty on those spirits until such time as he clears the wines out of bond after they are matured, and the term "home consumption" does not cover such a case as that. I am taking up my present position as the result of representations from the wine-makers and distillers of South Australia, who have given it as their carefully considered opinion that the Bill requires amendment in the direction I have indicated, and we have just heard from the honorable member for South Australia, Mr. Poynton, that the Victorian wine-makers take exactly the same view. Against these opinions we have that of the Minister for Trade and Customs, who has not had a great experience in regard to distillation or wine-making, but is doubtless relying on the opinions of some of his officers. It seems to me that these two or three extra paragraphs will make the Bill more perfect, and I think that in view of the strong opinions held by those most interested, the committee might well agree to them. I trust that the Minister will see fit to permit of these additions being made. They can do no harm, and I think that the opinion of those honorable members who know most of the trade is entitled to some little consideration.

Amendment negatived.

Clause agreed to.

Postponed clause 52 -

No vigneron's licence shall be granted to, or held by any person, unless he is the occupier of at least ten acres of vineyard in bearing.

Mr KINGSTON

- I move-

That the following words be added to the clause : - "or is the proprietor of a winery."

It has been pointed out that there are persons whose presence is a great advantage to the district in which they are located. These persons buy grapes, make wine, treat it, and do everything that they possibly can for the purpose of turning out a good article. Yet they are not able to obtain the privileges which are granted to the vignerons so long as the issue of vigneron's licences is confined to persons who have ten acres of vineyard. The amendment will enable a vigneron's licence to be granted to the proprietor of a winery. We propose to define " winery " in the interpretation clause, and we are considerably indebted to the honorable member for Echuca for the suggestions which he put upon the notice paper, which suggestions we have utilized in the preparation of the definition. I am only too delighted to acknowledge our indebtedness.

Mr Watson

- What is, the legal interpretation of " winery " ?

Mr SYDNEY SMITH

- If the Minister insists upon an area of ten acres he will exclude a large number of vignerons in the State of New South Wales.

Mr KINGSTON

- " Winery " means an establishment where wine is made from purchased grapes, and where not less than 200 tons of grapes are annually purchased from growers, and which is declared to be a winery by proclamation. I understand that there is a disposition to reduce the area.

Mr Watson

- There is a very considerable disposition.

Mr KINGSTON

- When a man having ten acres of vineyard is entitled to the privileges conferred by a vigneron's licence, ought not a similar privilege to be granted to men who have banded themselves together and established a winery, are purchasing grapes and manufacturing wine ? A winery, I venture to think, is a great boon to any district, and a great advantage to wine-growers particularly. It is something on the lines of the local butter factory. It is infinitely better to have wineries established than to have a lot of little stills dotted all

over the place. Where a winery is an establishment of the character referred to, where it is benefiting a district to the extent of purchasing 200 tons of grapes annually, and where any possibility of difficulty can be avoided not only by requiring proof of this, but by limiting the operation of the clause to cases where the winery is declared by proclamation, I think the provision is as safe as safe can be.

Mr. WATSON(Bland).- Before the Minister's amendment is put, I desire to move -

That the word " ten " be omitted, with a view to insert in lieu thereof the word "two."

In New South Wales at the present time the minimum area necessary to qualify for a vigneron's licence is 2 acres. Any honorable member can easily see that the sudden jump from 2 to 10 acres as a minimum area practically means ruin to a number who have been encouraged by the State laws to invest their capital, not only in vines, but also in cellars and the necessary plant for wine making. I understand that the Minister suggests his amendment as a way out of the difficulty in regard to the area. I take it that the Minister is putting forward his proposal in regard to a winery with a view to allowing the small area men, where they cannot obtain a vigneron's licence, owing to the small area which they occupy, to sell their grapes to a winery. I should like to quote an authority, which I think the Minister will respect, namely, Professor Perkins, of South Australia. That gentleman states in an article in the Australian Vigneron of 8th January last -

To-day the grower should be the wine-maker ; his perishable crop should not be under the whip hand of the wine-maker. As soon as the capacity of the wine-maker's cellar is reached he will not buy, and the grapes rot in the vineyard. These and other changes in prevailing conditions put the grower of grapes at his wits' end to dispose of his crop. In 1895, 350 tons of grapes were wasted, and 250 tons sold at unremunerative prices. One hundred acres of vines were uprooted in one locality alone.

The condition of affairs which obtains in South Australia should be a warning to the Minister in charge of this Bill. In that State the result of existing legislation has been to build up monopolies in regard to wine-growing and spirit licences.

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Mr V L SOLOMON

- It has been highly conducive to a better class of wine.

Mr WATSON

- It has been highly conducive to the interests of the large companies running the show, but it has not been to the advantage or protection of the small individual who is trying to make a home for himself and his family. There is no one in this House who seeks to perpetuate the evils which have existed in New South Wales. We had a lack of supervision there which rendered possible evasion of the revenue. There was no proper control by the Customs in regard to the time at which and the places in which spirits were made. But surely the genius of the Minister and his officers can find some way by which, consistently with the issue of licences to distil to small vignerons, we can safeguard the revenue by insuring that they shall distil only in the presence of a Customs officer, and on the payment of a fee which will not be beyond their means. I trust that honorable members will hesitate before they consent to a clause which practically wipes out of existence the small vignerons right through the country districts of New South Wales.

Mr Harper

- By giving them a greater facility.

Mr WATSON

- Surely the honorable member has not read the clause. In New South Wales, under the present law, if the vignerons have 2 acres or more of vines, they have a right to distil for fortifying purposes. This clause proposes to place the minimum area at 10 acres. The result of such a provision, if adopted, will be that all those vignerons who possess between 2 acres and 10 acres will have to surrender their stills to the Government. Moreover, these people, having no outlet for their grapes for table purposes, will be compelled to uproot them altogether.

Sir William McMillan

- How many gallons of wine would be represented by 2 acres ?

Mr.Conroy. - Not more than 400 gallons.

Mr Harper

- Would it pay to keep a still for that small quantity? Would there not be illicit distillation?

Mr WATSON

- A large number of them do it. Some of the wine is very good. I quite agree with the honorable member for Mernda that the revenue has to be safeguarded. But are we to confess that it is beyond the inventive genius of the Minister to propound a scheme which will protect the revenue, and at the same time not unduly harass and hamper these people ? I do not know that there is a very large number of vigneron with 2 acres and under. I know, however, that there is a considerable number who have less than 5 acres.

Sir William McMillan

- Would not the cost of supervision run away with all the revenue ?

Mr WATSON

- I think it would be possible to arrange that an officer of the police might act for the Commonwealth, under some circumstances. I trust that this minimum of 10 acres, which has produced such an awful condition of affairs in South Australia, according to the report of the viticultural expert of that State, will not be perpetuated under this Bill.

Mr. POYNTON(South Australia). -I am afraid that much said by the last speaker is too true, and that to limit the number of distillers makes it possible for monopolies to be established. One illustration of this was brought under my notice last week, as having occurred last year. I am informed that muscatels in South Australia, under monopoly, realized only £3 10s. per ton, as against £5 10s. in New South Wales. This was attributed to the small number of buyers, and the conditions laid down under the Act, and the statement was borne out by what was said by the inspector of South Australia in his report.

Mr Harper

- Is there no difference in the qualities of the grapes?

Mr POYNTON

- If there were any difference in the quality, I think it would be to the advantage of South Australia. Whether the area should be two acres I am not prepared to say, but I should like to hear from the Minister what his justification is for proposing ten acres, and whether he does not think such a provision would play into the hands of the companies who can fix the price they pay for grapes.

Mr JOSEPH COOK

- It is quite clear that if the Bill passes as drafted, it will mean death to the small growers scattered over this continent. In New South Wales particularly, the number of growers is very large, and the area cultivated very small ; but I venture to say that the growers who occupy the small areas are capable of making excellent wine, as I believe they do.

Mr Watson

- And they make a living.

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Mr JOSEPH COOK

- They make a living for themselves and their families, and are altogether a decent and respectable set of men, who are as much entitled to consideration in connexion with a Bill of this kind as are the larger growers and distillers. It is quite clear that the Bill has been drafted rather on South Australian lines than on lines pertaining to the other States, and one has only to appeal to the figures to find this so. We are told, for instance, that in South Australia there are only twelve stills to 20,000 acres of vines. Mr. McColl. - There are eight large stills and ten small stills in South Australia.

Mr JOSEPH COOK

- That means eighteen stills for 20,000 acres of vines. I do not know the relative proportions in Victoria, but in New South Wales there are 70 stills for 8,000 acres. The assertion that the small men produce an inferior class of wine is absolutely unjustifiable. In my own electorate there is a grower who has four acres of vines, and that man has taken 21 first-class prizes for his wines, all over the continent of Australia. He writes to me to say that if this Bill passes as proposed it will simply kill his occupation ; and his case is representative of a large number. If we have fewer of these stills those who grow grapes for a livelihood will be placed more and more under the thumb of those to whom they are forced to sell ; and the instance given by the honorable member for South Australia, Mr. Poynton, ought to convince the whole of the members coming from that State that the proposal of the Minister is wrong. The statement that £2 less was given for South Australian grapes than for grapes in New South Wales, was made by a wine expert living in Albury, and made deliberately.

Mr Harper

- Were the grapes of the same quality?

Mr JOSEPH COOK

- So that gentleman says, and he is a wine expert, who grows his own grapes. I venture to say that the honorable member for Mernda knows the gentleman to whom I am referring, and if I were to mention the name, which I am prepared to do privately, the honorable member will be convinced that my authority is fully reliable.

Mr Kingston

- I fancy grapes are a good deal scarcer in New South Wales than in South Australia.

Mr JOSEPH COOK

- We have gluts in the market at various periods, as there are elsewhere. But the point is, are we going to crush out the small men, who are now making a good living?

Mr Harper

- Certainly not.

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Mr JOSEPH COOK

- But the proposal of the Minister will undoubtedly do so. If the proposal does not obliterate the small man altogether, it will bring about a fall in the price of his primary product, or will so hamper him with restrictions as to compel him to abandon his business. That is precisely what we do not want to do. We want to protect the revenue and make the supervision as efficient and adequate as possible ; but at the same time we ought to do nothing to interfere with the number of small growers who are trying their very best to make a living for themselves and their families. It is proved that just as good wine can be made by the small manufacturer as by the large one, by the fact that the prizes as a rule go to the former. Seeing that the revenue need not necessarily suffer by continuing the privileges these small men now have, and seeing that the quality of the wine need not suffer, there seems to be no reason why the Minister should seek to centre the wine production in the hands of a small number of rich individuals, and to deprive the smaller growers of the privileges they should undoubtedly enjoy.

Mr. PAGE(Maranoa). - It is most peculiar that as soon as " boodle " is touched there are plenty of honorable members here to get up in its defence. If the small man is to get any protection, it is Parliament that ought to give it to him. I am sorry there is at present no honorable member representing Darling Downs, but I can say that there we have a number of farmers who grow grapes, relying on that crop to pay their rent. All that the amendment asks the Government to do is to place the limit at two acres instead of ten, and so help the small man and the industry generally ? Many a man has made a good living on two acres in Queensland, where we have plenty of land. I am sure the Minister would be the last to desire to crush the small man, and will, when he knows how the smaller limit enables a good livelihood to be made for the grower's wife and family, accept the amendment. We do not desire to harass the Government, but we want a square deal for the poor man as well as for the rich man. The party to which I belong desires no monopoly, but contends that every man should have equal rights, and an equal chance in life. I suppose that if it be that grapes in South Australia realize £2 10s. per ton less than grapes in New South Wales, the same disproportion will be found elsewhere. A man ought to have a chance of making his own wine instead of being compelled to take it to a central wine-maker, and either accept the monopolist's price or allow his produce to go rotten. We are sent to this House to do away with monopolies, and while we have a voice and a seat here we will work to that end.

Mr E SOLOMON

- I hope the Minister will take into consideration what has been urged by several honorable members. In Western Australia grape growing is almost a new industry amongst the small farmers, and it would be some encouragement to them if they were allowed to have the licences asked for. For years even in Western Australia growers have been obliged to sell at a sacrifice to those who were in a better position to make wine, and I hope the Minister will accept the amendment.

Mr. WINTERCOOKE (Wannon). Before we come to a decision, perhaps the Minister would inform the committee why the minimum is placed at 10 acres in South Australia.

Mr Kingston

- It is 5 acres in South Australia.

Mr WINTER COOKE

- Why is it found necessary to double that area, seeing that in New South Wales the minimum is 2 acres 1
It is possible that in South Australia a minimum of 2 acres may have been increased to 5 acres, but 10
acres seems a big increase to make without good reason being shown. If it is to the public interest that
the small men should suffer, their suffering is only in accordance, I am afraid, with a good deal of
legislation, because the public interest must be taken into consideration rather than the interests of a few
people. The onus of proof, however, of doing any one harm - and undoubtedly harm would be done to the
small growers by this proposal - lies on those who seek to make the alteration. I am at present strongly in
favour of the amendment of the honorable member for Bland, because it seems clear that injury is going
to be done to certain small owners, without any proof being given that the public will be benefited. ! 14 e 2
Mr. HARPER(Mernda).- When the Bill was introduced the Minister gave a very good reason for this
proposed change. He was careful not to make a broad general statement that might be considered unjust
to some ; but he stated, in measured terms, that there was a very large amount of illicit distillation going
on in small stills. That was the statement he made as the justification of this proposal. I am not personally
conversant with the facts, but I have heard a great deal, on the subject, and I am informed that in certain
districts - in Victoria, at any rate - a very large amount of illicit distillation is carried on. Quantities of spirits
go into consumption, often of an inferior quality, from stills which are not illicit stills, because they are
legally sanctioned but are used for an illicit purpose. If that be the reason the Government have
introduced the provision, it is a reason the committee cannot disregard. The matter has been discussed
this afternoon as if it were a question of the small man against large men.

Mr Page

- So it is.

Mr HARPER

- I do not think it is. The honorable member might as well tell me that it is to the very great detriment of the
small man that butter factories and central sugar mills have been established. The same argument would
apply.

Mr Watson

- The large men will not distil better spirits. They may distil worse.

Mr HARPER

- They may; but the probability is that they will distil much better spirits.

Mr Watson

- That does not necessarily follow.

Mr HARPER

- I am not dealing with the question of the quality of the spirits. The establishment of central butter
factories and sugar mills for the purpose of taking the produce of the small men has been of undoubted
advantage to them.

Mr Page

- It is all right if the price is fixed.

Mr HARPER

- But the price of milk, for instance, cannot be fixed if there is only one factory in the district.

Sir Malcolm McEacharn

- -The local residents are all shareholders in the district factory

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Mr HARPER

- They ought to be, but very often they are not. The ordinary question of supply and demand must be
considered. I apprehend that the men who own these central factories keep them going for the purpose of
making money out of them. They must have the produce, and they must pay a fair price for it in order to
get it. With regard to wine making it seems to me that if we look at the matter fairly we shall see that this
is a proposal which is certainly in the direction of concentrating the industry, and giving the small growers
an advantage in relation to the sale of their grapes which they cannot possess individually. Throughout
France, Switzerland, Germany, and other European wine growing countries, the great bulk of the grapes
are grown by small men, who take them to central establishments, where they are converted into wine.
The great drawback to the industry in Australia is that there are so many small lots of wine, all differing in

quality, that no settled market can be obtained for them. The sooner the industry is organized on reasonable principles - and this is one slight step in that direction - so as to secure a uniform quality of wine, the sooner we shall have a successful and large trade. It is the same in regard to the manufacture of butter. Until the small maker was superseded by the central creamery and butter factory we could never produce butter for export. Honorable members know what a change has taken place. The principle is identical, and it is even more necessary in the case of wine making that we should centralize the industry. There is no objection whatever in the interests of the small men to the proposal made by the Government. Above all, the necessity for the Government's action must be apparent, if it be true, as the Minister has indicated - and as I, with many other honorable members, believe - that the small stills lead to an immense amount of illicit distillation and demoralize the districts in which they are situated.

Mr CONROY

- In dealing with this question we must remember that it is necessary to protect the revenue, and that we cannot grant licences to men to distil in any place they may think fit. It seems to me, however, that the amendment proposed by the honorable member for Bland, fixing 2 acres as the limit, is objectionable, because that limit is rather small. After all, the quantity of wine that could be made from 2 acres would not average more than 300, and perhaps in wet seasons, when it would be necessary to fortify, 400 gallons ; I certainly think that that limit is too small. In South Australia the wine-growers who distil can pay Customs duty on the spirits they use in fortifying to the extent of 6d. a gallon instead of the higher excise duty of 10s. That is a very great difference. I should like to know whether the Minister proposes to make any allowance in such cases. When a man has no still of his own he must purchase the spirit from another for the purpose of fortifying his wine, and it must be used in the presence of an officer. Is there to be any reduction in the amount of excise duty payable, or does the Minister think it would be going outside the spirit of the Bill to make any such provision ? It is rather a surprise to me to find those honorable members who are the strongest advocates of temperance, most anxious about the wines. As a wine drinker, I am prepared to encourage every wine-grower in the country if need be. I think the minimum proposed in the amendment is too small, and that the expense of supervision would be so great that it could not be advantageously carried out. On the other hand, I believe that the area proposed in the Bill is rather large.

Sir William McMillan

- Make it 5 acres.

Mr CONROY

- If we could come to some compromise fixing the limit at 5 acres the wishes of the whole committee would be met. We ought to move rather cautiously, and not make the maximum as large as provided for in the Bill.

Mr KINGSTON

- I think that if there is one thing of which honorable members generally will acquit Ministers, it is of having any intention whatever to unnecessarily harass the small man. The small man very often constitutes, by aggregation, the bulk of the industry. I was a little bit surprised to hear so much force thrown into the criticism of the clause as it stands, when the matter to which I had just drawn attention was rather an extension of its terms in the direction of liberalism.

Mr Watson

- But it has no value.

Mr. KINGSTON.- The other matter had not been discussed at all. No doubt some of us - I am sometimes guilty of it myself - speak with more apparent force at times than the occasion justifies. The point which has been put is that we should not crush the small man who owns a still. We do not intend to do anything of the sort. We let him go on.

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Mr Watson

- Where is that provision ?

Mr KINGSTON

- The principle is contained in clauses 24 and 25. Men working stills may still work them.

Mr Watson

- Clause 24 does not say that shall be done. It simply provides that nothing shall prohibit the issue of licences in respect of any still or premises lawfully in use for distilling at the coming into operation of the

Act.

Mr KINGSTON

- If we make that point clear, will it suit the honorable member?

Mr Watson

- Yes.

Mr KINGSTON

- Well, I am going to do that. The next point made by the honorable member for Bland was that the proposed amendment was, to a great extent, supported by a quotation which he read from Professor Perkins, our highly respected agriculturist. I have not the whole extract here, but I do not think that it applies to the question of distillation.

Mr Watson

- Oh, yes; it does.

Mr KINGSTON

- I think it applies rather to the association of wine-makers, by the establishment of a common winery, so that they may make the wines themselves on terms which will be just to all, rather than be at the mercy of the individual speculator who can dictate his terms.

Mr Watson

- It gives the impression that they cannot make wine there, because they cannot distil spirit to fortify it.

Mr KINGSTON

- I do not think so. It is difficult for us to discuss the question when we have not the whole report before us ; but, upon examination, I think, the position for which I am contending is absolutely apparent. Professor Perkins writes -

To-day, the grower should be the winemaker.

Distillation is not even once mentioned. Then, he goes on -

His perishable crop should not be under the whip-hand of the wine-maker. As soon as the capacity of the wine-maker's cellar is reached, he will not buy, and the grapes rot in the vineyard. These and other changes in prevailing conditions put the grower of grapes at his wits' end to dispose of his crop.

Mr Watson

- The man with less than 10 acres is in that position.

Mr KINGSTON

- It applies to the man with 15 and 20 acres and more. I am strongly of opinion, from what I know of Professor Perkins, that in the report in question he is dealing generally with the desirability of vine-growers associating; that instead of being compelled to sell their grapes and perishable commodities for that which they can get when at the mercy of a monopolist in a grape-buying district, they should associate for the purpose of establishing central wineries - just as central creameries and dairies have been established - and thus secure a market for their produce, and get the fullest benefit from the turning of their grapes into wine, just as dairymen do now from turning their milk into butter. Then there is another point : The existing conditions are altogether insecure, as regards the protection of the revenue - there is no get away from that. In my reply, on the second reading debate, I put this point very strongly, but to-day I can speak even more strongly upon it, because I have since had the advantage of meeting the vine-growers. They do not hesitate to tell me that the position is not as it ought to be ; that the Customs officials rely for protection of the revenue on returns and occasional visits.

Mr Kennedy

- That applies to one class of licence only.

Mr KINGSTON

- But it is one of the largest ; and it is, of course, most important.

Mr Kennedy

- The most numerous.

Mr KINGSTON

- And the most difficult to supervise.

Mr Harper

- Because of the smallness of the areas.

Mr KINGSTON

- Yes.

Mr Kennedy

- Regulations have never been made for their supervision.

Mr Watson

- The honorable member for Moira is correct so far as New South Wales is concerned. We have no regulations there.

Mr KINGSTON

- They have not any such regulations in New South Wales, and if they had, it would be very difficult to enforce them, because of the distance separating the stills. An army of officers would be necessary.

Mr. Watson. - Could not the department charge them for the spirit distilled?

Mr KINGSTON

- And rely on them for the returns?

Mr Watson

- No ; put an officer there.

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Mr KINGSTON

- But there are 70 small stills in New South Wales for which it would be difficult to provide. Bather than take any man's living from him, or deprive him of certain privileges which he has hitherto enjoyed, we will provide that people who at the present have vigneron's stills shall not be deprived of them. That I think fairly meets the case, but at the same time I should not be dealing fairly with the committee if I did not say that I think it will be a good thing for everybody concerned when, instead of having a number of small Stills, each turning out a small amount of spirit of varying qualities, we have central stills worked on the lines of the Central butter factories, where all those interested become associated for the common benefit, expert assistance can be obtained, and the best article can be manufactured. The position is very strongly put in a letter to the Daily Telegraph in Sydney, written by a gentleman from South Australia, who is an expert in this matter, and who is very hopeful, as I am, of the future of the wine industry. He says - The wine industry, if allowed to expand into its natural growth, will become one of the most important natural products of Australia, and rival our wheat production in value and extent. But it will never expand in New South Wales at anything like the same rate as in South Australia if small growers of grapes are allowed stills to fortify wines whose natural saccharine contains enough alcohol, if properly fermented and matured, to make a wine up to 28 degrees of strength.

I understand that the inexperienced winemaker has recourse to the added spirit, when he would turn out a very much better article if he did not use it, but allowed the wine to become further fermented. The writer of the letter, Mr. H. J. Scott, goes on to say -

The fact is known to all in the trade that the small wine-maker of 2 or 3 acres is doomed; he must, in the course of natural law, give way to the larger co-operative wineries or winemakers.

What is co-operation but a combination for the benefit of the small people engaged in any industry ?

Mr Watson

- Is that gentleman floating a company ?

Mr KINGSTON

- I do not think he is, but there would be no harm if he were, as I am sure every wine-maker in the district in which the company was to be floated would be delighted to join in any scheme of union for the common good. Mr Scott proceeds to say that the small wine-maker must give way to the larger co-operative wineries -

Simply because the tastes of the wine-drinking community demand that a wine of a uniform character and quality shall obtain year by year. It is because of the small wine-maker producing wine by the rule-of-thumb process, and then adding to it crude spirit, full of fusel oil, that much of the obloquy at present attached to Australian wines is due. He is to blame because our people will not drink some of the stuff placed before them, and until there are vine-growers and winemakers in New South Wales that industry will, be always lagging behind.

I think our proposition is a fair one. I propose to make provision for the encouragement of wineries which are intended to be co-operative. I would ask the honorable member not to press his amendment, but to accept my assurance that I will make it clear in clauses 24 and 25 that where a man has a licence by

virtue of the possession of a couple of acres of vineyard, his licence shall be continued.

Sir WILLIAM MCMILLAN

- I think we should come to a conclusion in this matter, because, after all, it is a question of degree. I quite agree with the Minister that, in most cases, the same principle as has been applied to the manufacture of butter with such great success throughout Australia might be equally well adapted to the circumstances of the wine industry, where a number of vigneron are gathered together in a certain area. At the same time, however, there may be isolated cases, in some of the States where the winegrowers may not have the advantage of a central depot, and as 2 acres seems to have been the minimum in most of the States, I think it will be a fair compromise now to provide for a minimum of 5 acres. In framing these Commonwealth laws we should not take too restrictive or too harsh a view, and if the Minister will consent to fix the minimum at 5 acres he will meet every objection.

Mr. McCOLL(Echuca) - I would point out to the honorable member for Bland that the proposal to extend vigneron's licences to wineries is not intended to hurt the small growers.

Mr Watson

- I did not say it was, and I was not objecting to that.

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Mr McCOLL

- - As a matter of fact, the wineries are only asking for the same privilege as the small grower is to enjoy. In regard to the condition of affairs in South Australia which has been referred to, it is quite correct to say that there the small growers are completely under the heels of the wine-makers. Professor Perkins, in his evidence given before the Royal Commission on Refrigerating

Stores and a Central Wine Depot in 1900, stated -

The wine business is merely in the hands of the large growers almost exclusively. The small growers grow grapes and sell them. Personally, I have been opposed to this arrangement, not taking the part of the small grower against the big, but on the stand that, as the arrangements exist at present, the grape-growers are on one side, and wine-makers on the other. The acreage under vines will not extend because the prices offered for grapes were not such as to encourage the vigneron to extend their vineyards. The price paid for Mataro has gone as low as 30s. per ton. The small grower would make two or three times as much by manufacturing the wine.

Small growers have been kept down in South Australia because they have not had the privilege of making the best use of their product in the same way as have vigneron in the other States. Two acres is rather a small area. The matter of vigneron's licences was discussed at a recent meeting of vigneron, and although they wished the area reduced, they did not go so far as to suggest an area of 2 acres, because most of the vineyards in Victoria would come within a 10-acre minimum. Still they were willing to make common cause with the growers of New South Wales, where the holdings are of less area, as a rule, than in Victoria. If the present rights as to the size of buildings and stills and vineyards are preserved to those who now have stills, a minimum of 5 acres would meet all requirements, and I therefore trust that the Minister will give way in this matter. The Minister states that it is not his intention to crush the small growers, but we can only judge of intentions by what is set forth in the Bill, which would have had the effect of crushing out the small growers. I am now satisfied that the interests of the small growers will be protected.

Mr KINGSTON

-I cannot admit for a moment the soft impeachment that the Bill would have had the effect of crushing the small wine growers. I am agreeable to adopt the 5-acre instead of 10-acre limit, and reserve all rights to present licensees. A great deal has been said about the success of small vineyards, and I wish them every success ; but I think, on examination, it will be found that the money which has been made has been derived from wine-making and not from the distillation of spirits.

Mr. WATSON(Bland).- I think the suggestion now assented to will meet the case very fairly. The trouble I feared was in connexion with a number of those people who had been selling only just as much wine as was necessary each year to afford them the means of subsistence, and putting by the balance in their cellars to mature, so that it might afterwards be sold at better prices. I was afraid that these people would be placed at a disadvantage. Of course they have used a still for producing the spirit necessary for fortifying purposes, and although this class of still is not appreciated by the Minister, I know that very good

wine has been produced at these vineyards.

Mr O'MALLEY

- I regret that the leader of the equal rights party has not adhered to his 2-acre proposal, because if it is a good thing that spirits should be manufactured, why should the small man be shut out and opportunities be given to the monopolist ? It seems to me that if it is a good thing for the morals of the community that every facility should be offered for wine-making, the minimum should be reduced down to an acre. Why should the 2-acre man have to depend upon the 5-acre man? It appears quite unreasonable to allow a man who has now a still on a 2-acre vineyard to continue to use that still, and to refuse a similar privilege to a new man unless he can show that he is the possessor of 5 acres of vineyard. Instead of promoting freedom we are bringing about a condensation of tyranny and monopoly.

Mr KNOX

- If the argument of the honorable member for Tasmania is to hold good, there is no reason why we should not go right back to the man who has one grape vine and sits under it.

Amendment amended and agreed to.

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Mr KINGSTON

- I move-

That the words " or is the proprietor of a winery " be added to the clause.

A " winery " will be defined elsewhere as an establishment where wine is made from purchased grapes, and where not less than 200 tons of grapes are purchased from growers during the season. We only ask honorable members to affirm the principle that a winery shall have the same opportunities of distillation as has a vigneron.

Mr. V.L. SOLOMON (South Australia).I wish to point out that the term " winery " is intended to mean an establishment which treats not less than 200 tons of grapes annually. Before we insert the word " winery " it seems to me that we ought to know what that term means. Otherwise we are legislating in the dark. We have already discussed the conditions under which a man shall be permitted to have a still. We have agreed that he shall not have one unless he has 5 acres of vines. Why, therefore, should we not insist that a winery shall be capable of treating a certain quantity of grapes per annum ? The definition of " winery " which the Minister proposes to insert, should, I think, be made clear before we insert that word in this clause.

Sir MALCOLM MCEACHARN

- I think it is quite right to insert the word " winery " here, because the Minister has already stated that he will afterwards define that term. In Victoria wineries are subsidized to the extent of 2,000. It would be manifestly absurd to say that we are going to give £2,000 to a vigneron who was going to treat only 15 tons of grapes annually.

Amendment agreed to.

Clause, as amended, agreed to.

Postponed clause 54 -

All operations and fortifying of wine shall be carried on in the presence of an officer.

Mr. McCOLL(Echuca).- The question of the operations being carried on in the presence of an officer received a good deal of attention at the recent conference of vignerons. They wish the definition of the word " officer " to be extended. Under clause 6, the word "officer" means an officer of Customs. The great body of the vignerons desire that there shall be some local officer representing the Customs to whom they can have ready access, because frequently they require to proceed with the process of fortification upon very short notice. "Unless they can apply spirit to fortify their wines, they will sometimes lose their whole season's vintage. To send to Melbourne for an officer would involve them in very great expense, and cause a delay which might result in the loss of their whole vintage. I move -

That, after the word "wine," the words "and the manufacture of vinegar" be inserted, and that the following words be added to the clause - " or other authorized person, and it shall be lawful to appoint any justice of the peace, police officer, or constable to supervise the conveyance and application of spirits for the purpose of fortification of wine, the produce of any Australian vineyard under the provisions of this Act, and he shall forward a sample of the fortified wine under seal to the chief Customs officer of the district in which the vineyard is situated."

Mr KINGSTON

- I think that the honorable member's purpose would be better achieved by an extension of the meaning of the word " officer." If the honorable member will withdraw his amendment, I will deal with the matter in the interpretation clause.

Mr McColl

- I am quite agreeable to do that.

Amendment, by leave, withdrawn.

Amendment (by Mr. V. L. Solomon) proposed -

That, after the word "wine," the words "and the manufacture of wine vinegar " be inserted.

Mr KINGSTON

- The honorable member for South Australia sees that this limitation applies at the present moment simply to the fortifying of wine. We have made no reference to the subject of the manufacture of vinegar. It is not necessary. I ask honorable members not to accept an amendment of the character referred to, which will only have a tendency to confuse and complicate matters.

Mr. V.L. SOLOMON (South Australia). - The Minister is wrong in saying that we have not had this matter alluded to. I think there was an amendment upon the paper in reference to it. The words were dealt with, but in a thin House. If necessary I will press this matter upon the motion to report.

Amendment, by leave, withdrawn.

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Mr McCAY

- The Minister, I understand, has stated that he will endeavour to meet the honorable member for Echuca by an amendment of the interpretation clause. I would suggest that the Minister had better walk very warily, because " officer " means an officer of Customs who has all sorts of powers under the Bill. Notwithstanding the great value we all attribute to the constabulary and the judiciary of the peace, it will, nevertheless, be undesirable to enlarge the interpretation of "officer" to any material extent. An amendment of the interpretation clause would either give a great deal more power to extra persons than they ought to possess, or would interfere with the artistic character of the drafting. We should have a general interpretation of " officer," and, at the same time, a restriction of that definition in a certain specified clause. I am afraid that if the Minister extends the meaning to meet one case, he will be giving power, under other clauses of the Bill, to persons whom he does not intend should possess them ; and it would be much wiser if he wishes to extend the definition of the person who may do this particular duty, to extend it in this clause and not in the interpretation clause. We know what wide interpretations often lead to in the law courts.

Mr KINGSTON

- There is a good deal in what the honorable and learned member says, and further consideration will be required as to the best way of meeting the difficulty. But the amendment of the definition which I have in my mind would, I think, enable what we desire to be done in a limited way, and, at the same time, would meet the views of the honorable member for Echuca.

Mr McCay

- That is only by regulation or Ministerial selection.

Mr KINGSTON

- Selection, of course.

Mr McCay

- I do not like Ministerial selection.

Mr KINGSTON

- It is a power which should be carefully conferred and carefully exercised.

Clause agreed to.

Clause 55 -

Every person to whom a vigneron's licence has been granted shall, if the officer's services are required for more than one day, provide upon his premises, when they are distant more than 2 miles from any licenced public-house, board and lodging for the officer to the satisfaction of the collector whilst services of the officer are required.

Penalty : £20.

Mr WATSON

- Will the Minister consent to a provision in this clause similar to that which he made in clause 28 ?

Mr KINGSTON

- Of course I will make a general provision. I move- -

That all the words between "shall" and ' penalty " be omitted, with a view to insert in lieu thereof the words "if required by the collector provide board and lodging for the officer."

Mr McColl

- Without any definition as to distance ?

Mr KINGSTON

- The discretion will be with the collector.

Mr Poynton

- It is understood, I suppose, that a reasonable amount shall be paid for the board and lodging.

Mr MCCOLL

- I would suggest that the words " at such reasonable rate as shall be determined" be inserted.

Mr KINGSTON

- The reason some such words do not appear is that there is later on a general clause to the effect that every person providing such board and lodging, shall be entitled to a fair remuneration.

Mr V L SOLOMON

- There was slight misapprehension over a similar clause, and I then accepted the assurance of the Minister that another clause would be inserted providing for reasonable remuneration. But in the previous clause we provided that there should be a penalty of £50, and attached to the present clause is a penalty of £20. I do not think there ought to be such a penalty.

Mr Kingston

- If a person does not do the reasonable thing required of him, there must be a penalty.

Mr. McCOLL(Echuca). - I would again suggest a limitation of the distance, because the collector might be unreasonable, and a very arbitrary power is given him. I think 5 miles would be sufficient.

Mr Kingston

- No person would have to provide this board and lodging unless required to do so by the collector, and then payment will be made.

Mr ISAACS

- I do not think the Minister quite sees the full extent of the provision. The collector will probably not make himself personally acquainted with the situation of a vineyard, and may give his directions from Melbourne or from some far-distant place. I did not raise the question on a similar provision applying to the big distiller, but it becomes much more important when it refers to the small vigneron. Why should the collector have power to require board and lodging to be supplied, unless some distance from an hotel is specified ?

Mr Kingston

- We cannot have an arbitrary limitation.

Mr ISAACS

- A vigneron might have to build for the purpose of providing accommodation for the officer, and yet he is only to receive remuneration for meals and bedroom. Some of these vignerons have just sufficient room for their own families, and it is very hard indeed that they should be compelled under a penalty to provide lodging and accommodation to the satisfaction of the collector, and yet receive only remuneration in part. In connexion with the smaller men such a provision ought not to be in the Bill.

Mr KINGSTON

- The words "to the satisfaction of the collector" have been struck out.

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Mr Glynn

- The vigneron can provide accommodation anywhere, according to the clause.

Mr KINGSTON

- If I recollect rightly, we had a long discussion on this very point, and it was properly represented from various quarters that to fix an arbitrary line would be altogether a mistake.

Sir Malcolm McEacharn

- I think the whole clause ought to come out.

Mr KINGSTON

- I do not think it should be omitted, because it provides a convenient way of economically meeting the position. I expect that in 99 cases out of 100 the officer will be welcome and not charged at all, but still provision must be made for the hundredth case in which an officer might be starved.

Mr THOMSON

- I think it was I who suggested the omission of any provision as to distance, as a factor in deciding whether residence by the officer was necessary or not.

Mr Kingston

- I do not anticipate any difficulty in the working of the provision.

Mr THOMSON

- The wording I suggested was that where, in the opinion of the Minister, the situation of the distillery renders it necessary, lodging or board and lodging shall be provided. The honorable and learned member for Indi wants something to show the deciding factor.

Mr Kingston

- The power is not likely to be arbitrarily exercised.

Amendment agreed to.

Clause, as amended, agreed to.

Postponed clause 57 -

No spirits shall be used for fortifying wine unless they are of a strength of at least 50 degrees above proof, and the duty (if any) has been paid.

Penalty: £20.

Mr KINGSTON

- There was a discussion when the clause was last before the committee as to the strength of the spirit which should be used for fortifying wine, and the Government now propose to strike out the word "fifty" and insert "thirtyfive." We also propose to insert the words "are approved by the collector or " after the word " wine."

Mr WATSON

- If the minimum strength of the spirit is fixed at 35 degrees above proof, why should the approval of the collector be necessary? The previous clause lays it down that spirits distilled by vigneron, until used for fortifying wine, shall be subject to the control of the Customs, which, of course, means the collector. But I do not see the need for the insertion of the words "approved by the collector" here. I would urge upon the Minister the desirability of further reducing the strength of the spirit to be used. I have been informed by persons qualified to give an opinion on the matter that the higher the strength of the spirit used the more likelihood there is of the flavour, bouquet, and other peculiarities of the wine being destroyed, so that if the strength is too high, the brandy will almost lose its character altogether.

Mr V L SOLOMON

- The opinion of those in South Australia best able to judge is that to use spirit 50 degrees above proof would be very detrimental to the better classes of their wines. In some wines they frequently use well-matured old brandy of a strength very little above proof, but a provision such as that in the clause would prevent them from fortifying those wines with such spirit, and would require them to use crude high-proof spirit which would materially affect their flavour. It has been suggested that the Minister should be allowed a discretionary power in this matter, and amongst the amendments of which I have given notice is the omission of the words "of at least fifty degrees above proof," with a view to inserting "approved by the collector."

Mr McColl

- It would be better to fix a rate.

Mr V L SOLOMON

- If we provided that spirit 35 degrees above proof should be used, that would be too strong for some of the superior fine flavoured wines. So many differences arise by reason of the variety in character of the wines that have to be fortified that it is necessary that the collector should be able to use his discretion in determining the strength of spirit to be used. If it were fixed absolutely at 35 degrees above proof it might be too high, and if fixed at proof it might be too low.

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Mr SYDNEY SMITH

- I suggest that the Minister should be allowed to deal with this matter by regulation. That would be far better than leaving it to the collector. There can be no doubt this is a difficult matter to determine, and, if the Minister had power to make regulations, those concerned in the industry could make representations to the Government on the subject, and suggest such regulations as they thought necessary, and it would be within the power of the Minister to alter any regulations, if he saw cause to do so.

Mr Kingston

- But, until the Minister can make regulations, the collector might have power to decide.

Mr SYDNEY SMITH

- It would not take long for the Minister to issue regulations. They could be issued within 24 hours. I think it would be better to say " as prescribed." If the strength is fixed in the clause, the Minister will be unable to take into consideration representations made to him by those concerned in the industry.

Mr SALMON

- It seems to me that the Minister has come to a determination in regard to this question of strength after due consideration and advice, and I should be very loath to see a free hand given to the Collector of Customs or to any future Minister with reference to this matter. There is a much larger question at stake than the convenience of a section of those who make wine, and that is the character of Australian wines. I regret that so many facilities are given to vigneronns under the Bill to fortify their wines.

Mr Kingston

- Some wines require to be fortified.

Mr SALMON

- I understand that that is so, but those who have had experience of vigneronns must recognise that very crude, not to say deleterious, spirit is often added to wines. I should like to see it provided that only spirit distilled from wines shall be used for fortification.

Mr Watson

- That is provided.

Mr SALMON

- Under clause 57 vigneronns are allowed to go to any bond and take out spirits on which duty, if any, has been paid. A case came under my observation where application was made by a very large vigneron to use a certain quantity of spirits for fortification, but permission was not given to him, because, in the opinion of the Government officer, the spirit applied for would be deleterious to the wine. Nevertheless the man was prepared to add that spirit to his wine, and then send it out for consumption. I understand that the distillers of Adelaide have asked that certain alterations shall be made in the Bill, one of which is in the direction of allowing potatoes to be used for the purpose of distillation, so that it might be possible for that spirit to be used for fortification. I think that 35 per cent, over proof is quite high enough, and that we shall not be doing our duty if we allow the determination of the strength to fluctuate at the will of the Minister or of the collector.

Mr McCOLL

- I think the limit of proof should be stated in the Bill, because unless it is the vigneron will never know to what strength he must distil his spirit, and, not knowing what strength the collector may require, he must distil to a higher strength than he would otherwise do. In many cases the small stills will not distil up to a high strength. Some of them will not distil more than 25 to 30 per cent, overproof. If the matter is to be left open the wine-grower will have no idea of the strength to which he will require to distil. I certainly think that we shall be safe in following the present practice of allowing 25 per cent, overproof.

Mr Kingston

- But the wine-growers are willing to have the strength fixed at 35 per cent.

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Mr McCOLL

- The "Victorian vigneronns agreed to that. It was represented subsequently by others that in New South Wales the stills are of less capacity, and that 25 per cent, would be quite high enough for them. It is our desire to meet their wishes if we can do so. It would be a very wrong thing not to fix any limit. We should let the vigneronns know what they have to do. It is stated by experts that a brandy that contains a lower

percentage is the better spirit. In the circular sent out by the Corowa vignerons, it was stated that - Every man who has the slightest knowledge of wine distillation is aware that brandy is at its best when it is distilled with the strength of from 66 to 72 per cent, of alcohol.

Proof spirit is 57 per cent., and that would bring it down to 20 per cent, over and above proof spirit.

Another point to be mentioned is that the vignerons will have to distil very high, because under the laws of this State, at all events - I am not sure of the requirements in the other States - they are not allowed to fortify their wines with spirits less than -six months old. It is represented that this is a mistake, because the spirit will mature together with the wine, and that the vignerons should be allowed to use the spirit as soon as it is made. The vigneron is required to fortify his wine from 5 to 7 per cent, over and above the necessary strength, because in the six months it will lose that percentage in strength.

Mr. WATSON(Bland).- I trust the Minister will see his way clear to consent to a reduction of the strength.

Mr Kingston

- I am proposing a reduction to 35 per cent.

Mr WATSON

- But I suggest a still further reduction. If the honorable gentleman cannot do so, then I shall be in favour of having the strength "as prescribed." I am assured, in the first place, that 35 per cent, strength would not only be contrary to the view put forward by the honorable member for Laanecoorie, but absolutely beyond the possibility of working out with the stills already in existence in many parts of New South Wales. They will have to get new stills if anything above 25 or 28 per cent, overproof is proposed. Experts put it forward that if the vignerons go above 30 per cent, overproof, grain spirit is just as good as spirit made from wine, for the reason that all the characteristic elements of the wine spirit are taken out with the higher distillation.

Mr Isaacs

- That is not a universally shared opinion.

Mr WATSON

- I do not say it is, but nevertheless it is held by a great number of experts. They say that if wine is distilled at too high a strength, the characteristic aroma and other good points are lost. If that is so, it would be manifestly foolish to insist on the one hand upon a high strength of spirit, and on the other upon only wine being employed. Personally, I think tod or the lees should be used, but we should not place the minimum so high as to prevent it from being effectively employed. In view of the fact that nearly all the stills in New South Wales are incapable of distilling at a higher strength than somewhere about 30 per cent, overproof, I would urge the Minister to reduce the minimum strength below -35 per cent., or allow it to be prescribed by regulation.

Mr GLYNN

- I understand the Minister is making it a condition that if spirit above 35 degrees is used, the approval of the department's officers will still be necessary.

Mr Kingston

- Yes.

Mr GLYNN

- The idea of the distillers of Adelaide - with some of whom I have had a chat in regard to these proposals - is that if the officer approves in any case, that that case ought to be made an exception to the 50 degrees proposed in the Bill, because they say he is an expert. It seems to me that their reasoning is upheld by the Minister, because he wants now to make the approval of the officer a condition in all these cases. There must naturally be 35 degrees.

Mr Kingston

- There might be something wrong with the spirit.

Mr GLYNN

- Does not the Minister assume that this officer is an expert %

Mr Kingston

- Yes.

Mr GLYNN

- The ground upon which this request has been made, and upon which the honorable member for South Australia, Mr. V. L. Solomon, has tabled an amendment, is that the officer is capable of judging, even

where the strength is less than 50 degrees, whether the spirit should be used. If he is, then I think no harm could be done in passing the amendment. What I desire to ask the Minister, however, is how it is that we have authority to pass such clauses as these ? I notice that there are several clauses in the Bill which regulate the percentages of wine and degrees of proof. Is that essential to excise? It seems to me to be coming very near the border-line of what is outside our constitutional powers.

Mr Kingston

- I know that certain clauses have to be very carefully considered.

Mr GLYNN

- Several of these clauses strike me as being outside our powers. By way of analogy, I refer to clause 58. The objection holds good in that clause. It is really not essential for the purposes of excise that this provision should be made ; and, if it is not essential, then it seems to me that a great many of these provisions are ultra vires of the Constitution. I do not know what is the Minister's opinion upon the point. I am merely asking for information. How is it that this clause is put in a Bill, which is simply to regulate the collection of excise revenue?

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Mr KINGSTON

- It is intended for the regulation of the collection of excise revenue and all matters incidental thereto. It is very proper in connexion with distillation to provide not only what rates shall be charged for the goods going into home consumption, but the mode in which the spirits, whilst they are under our control, shall be utilized. I know that it is very difficult to avoid the point at which a doubt can be raised as to where federal jurisdiction ends and State rights commence. For that reason I have left out some clauses which not unusually appear in Distillation Bills. I have striven to avoid trespassing on State rights. In clauses which simply give facilities for the distillation of spirits to be used in a certain way, it may be possible that certain privileges with regard to duties may be attached, and it is right that we should say how that right should be exercised, and to what it should extend. We are simply limiting what we intend to be done, and declaring the intention of the Legislature.

Mr Glynn

- The Bill is prescribing something for health purposes.

Mr KINGSTON

- We are simply prescribing in what respect and to what extent these provisions are to be made, how they shall be exercised. Surely we have a right, in the fixing of any duty, to say that this excisable commodity shall go at this or that rate and on certain conditions for a specific purpose. I sympathize with what has been said by the honorable member for Laanecoorie - that it is a pity that we cannot have wines altogether pure. There is a prejudice naturally against fortification, and I am hopeful that our wines will largely sustain the reputation they have acquired on account of their purity, and because of the absence from them of all but the natural spirit in the wine itself. We know that whilst fortification can be dispensed with in a great many cases, experts state that it cannot be dispensed with in others, and that particularly in regard to wine for export it is not only necessary in order to suit the taste of the consumers in those countries to which the wines are exported, but to preserve it during the voyage, that a certain amount of spirit should be used. We have been considerably troubled in determining what the limit should be. We have had the advantage of the advice of our officers. We proposed originally that the strength should be 50 per cent. above proof. There is no doubt whatever that the greater the strength the greater the purity.

Mr Watson

- That does not apply if the material is invariably good.

Mr KINGSTON

- It is not necessary to enter into a full discussion of that subject at the present moment, but we are prepared to take the Bill in the shape that is now proposed. We have met the objection to the extent of reducing the strength of the spirits to 35 per cent., and we also propose to accept the provision as to the collector. We are perfectly prepared, seeing that it is quite possible that some fresh light may come necessitating a different course of action which should not involve the passing of a Bill, to take power by regulation to deal with the matter further. We desire to be reasonable, and if the committee will co-operate with us to that extent we will make these amendments. I move -

That the words " unless otherwise prescribed " be inserted before the word " No," line 1.

Amendment agreed to.

Amendment (by Mr. Kingston) proposed -

That the words " approved by the officer and" be inserted after the word "are," line 2.

Mr ISAACS

- I should like to know what is to guide the officer in giving his approval? We shall have officers all over the continent who will have different ideas.

Mr Conroy

- Would not that be met by regulation ?

Mr ISAACS

- The clause does not say so, but leaves the matter entirely to the discretion of the officer, and I think the wording is too open. If the spirit is of a certain strength, that will afford some guarantee of purity, and if the approval of an officer is to be required the matter should not be left entirely to his unfettered discretion.

Mr Kingston

- That would not be so.

Mr ISAACS

- It seems to me that as the clause is now worded the vigneron would be entirely dependent upon the sweet will of the officer.

Mr KINGSTON

- I take it that the clause should be read as providing that the spirit shall be approved by the officer for the purpose for which it is to be used.

Mr Isaacs

- But what is to be the basis of his approval?

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Mr KINGSTON

- The fitness of the spirit for the use to which it is to be applied. And I think the clause shows plainly enough what is intended. If a vigneron desires to use spirit for fortifying wine, the officer will have to apply his expert knowledge, and say whether it is fit to be used for that purpose. There will not be that absence of uniformity which the honorable and learned member for Indi suggests, because we shall have federal control, and it would be simply monstrous if we were to allow one rule to apply in one part of the Commonwealth and another rule in some other part. All the distiller has to do is to get the approval of the officer, but the officer will have to carry out instructions from head-quarters which will apply to all the States, and require the exercise of discretion on ordinary lines in every particular case. I do not anticipate any difficulty, but if the honorable and learned member would like the clause to provide that the spirit should be approved of by the officer " as fit for such use," I would not object to make the necessary amendment.

Mr Glynn

- Could not the Minister make a regulation obviating the necessity of obtaining the approval of the officer if it is found inconvenient ?

Mr KINGSTON

- Yes, I could do that.

Amendment agreed to.

Amendment (by Mr. Kingston) proposed -

That the word "fifty" be omitted, with a view to insert in lieu thereof the words "thirty -five."

Mr. V.L. SOLOMON (South Australia). - I hope the Minister will consent to reduce the figures to twenty-five. According to the leading wine-makers in South Australia, the stipulation that spirit should be of such high strength as is now proposed by the Minister would preclude them from using choice well-matured brandy for the fortification of superior wines. It is all very well for the Minister to say that the higher the degree of strength the greater the purity of the spirit, but my experience, which has perhaps been a little more practical than that of the Minister, has led me to the knowledge that Queensland rum, which will go 35 to 36 degrees over proof, is not purer than French brandy, which is, perhaps, only one degree over proof. In many instances the greater the strength the more crude and the more harsh the spirit is.

Mr Kingston

- Harshness is not inconsistent with purity.

Mr V L SOLOMON

- The purity of spirit is judged by its effect upon the human constitution, and, so far as that is concerned, harshness is very undesirable. If crude harsh spirit is used for fortifying delicate wine, it destroys all the fine flavour and aroma that should properly belong to the wine, and I think that we might very well make the concession now desired.

Mr Kingston

- As we are safeguarded by the approval of the officer, I will meet the honorable member half-way and make it 30.

Amendment, as amended, agreed to.

Mr. McCOLL(Echuca). - I understand that the approval of the officer is only re-' quired when it is desired to vary the conditions prescribed by the Bill. I would ask the Minister whether it is proposed that the officer should approve of all spirit used for the fortification of wine ?

Mr Kingston

- Yes ; the whole thing is hedged round by the relaxing conditions of the regulations.

Mr. ISAACS(Indi).- This clause is a very important one, and a great deal may depend upon it. The Minister has said one of the effects of the clause will be to secure the purity of Australian wines. Undoubtedly that is an admirable object, and if we can attain it I do not see why we should not try to do so. The reputation of Australian wine means a very great deal to those engaged in the industry, and, through them, a very great deal to the whole of Australia, and I quite go with the Minister in his attempt, which I trust will be successful, by means of this clause to carry out that object. There are, however, two things to which I desire to draw his earnest attention. One of these is the objection to the concluding words of the clause.

Mr Kingston

- I am going to strike those out.

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Mr ISAACS

- I am glad to hear it, because that will leave the matter entirely open for consideration when the Tariff is introduced. The next point is in connexion with the Tariff also, and it is better to mention it now, because it should receive the serious consideration of the Minister. In America the Federal Congress has, with the same object in view as I have just referred to, namely, the maintenance and the improvement of the reputation of American wines, adopted in its Tariff Bill of 1890 provisions calculated to effect that desirable end ; and the Minister will find in the Acts of Congress .of 1890, cap. 1244, a portion of the' Tariff Bill which is called the Internal Revenue portion - clause 42 and subsequent clauses - -a series of provisions very ingeniously, very carefully," and very fully framed for the purpose of advancing the cause of American viticulture. The mode in which that is effected is, roughly speaking, as follows : - Wine producers, who are also licensees of a still, are at liberty to use, free of duty, wine spirit for the fortification of the wines they produce, and, in addition to that, wine producers are at liberty to use, also free of duty, wine spirit procured from the warehouse in bond and taken to their own vineyard, and there used under the strictest supervision. All the details are given in the Act to which I have referred - except details which are dealt with by regulation - and as the whole matter is set out very fully, one can there see the means by which great encouragement is given both to the production of wine spirit and to the production of wine itself. Besides that, the plan there adopted* has the advantage of securing the reputation of American wines in this regard, that it is known that a strong inducement "is given in America to use pure wine spirit. That is what we ought to do here. In Victoria the State law already provides that only wine spirit shall be used in the fortification of wines, and it is a pity that a similar law is not in force in the other States.

Mr Conroy

- Is it the case on the Continent 1

Mr ISAACS

- I think it is the case in France. I am informed so, at any rate. I think it would be very advantageous if we were able to place before the world the fact that Australian wine can be regarded as free from foreign spirit. We know that wine spirit mixed with wine improves it, and that wine so blended improves with age. But if it is mixed with inferior spirit, such as potato spirit - which is a dead spirit - we know that it will not

improve, but will, on the contrary, deteriorate. It has proved an excellent advertisement for Victorian wines that these regulations are in force here. I ask the Minister with a view to preserving and enhancing the reputation of Australian wines, and of encouraging the production of wines of a high and uniform class, to do what was done in 1890 by congress in America, namely, to encourage the production of wines fortified with wine spirit. In the annual report for 1889 and 1890 of the board of the State Viticultural Commissioners of California a very full account is given of this matter. I should be glad if the Minister would have that report looked into by his officers, because he will there see what a long struggle they had in California to secure the passage of that Act. It has been regarded as a triumph for viticulturists there, and I think that a similar method, if adopted here, would have the most beneficial results.

Amendment (by Mr. Kingston) agreed to-

That the words "and the duty if any has been paid" be omitted.

Mr. McCOLL(Echuca). - I move -

That after the word "proof" the following words be inserted : - " Any vigneron, winery, or Australian wine merchant requiring spirit for the fortification of Australian wine, may procure the same free of duty, or at such special duty as may be decided upon by Parliament from any bond (such fortification to be done under the supervision, and in the presence of a customs officer or other authorized person), or he or they may obtain the spirit required for the purpose aforesaid from any person having spirits in bond, or from any holder of a wine distiller's licence (£10), and the spirit shall be taken in charge of a Customs officer or other authorized person and used for fortification in his presence."

There are two or three objects sought to be achieved by the amendment. One of these has already been conceded by the Minister. The next is that the Australian wine merchants should have the privilege of fortifying their wines. This proposal has been made by the wine merchants dealing in Australian wines, who urge that if they are allowed the privilege of obtaining wine free of duty they will be able to give a better price to the growers than they do at the present time. I do not propose to press the question as regards duty. If the wine merchants can obtain this privilege they will be better customers to the wine-growers than they have been hitherto. As a result, too, of allowing them to fortify their wines, they will be able to produce a much better article, and to give a higher price to the growers. The other provision, that wine-growers shall be able to obtain spirits free from any one- having them in bond, will go a long way towards the prevention of the multiplication of the smaller stills. We do not wish to multiply the number of small stills, but we do desire that all growers shall have the advantage of obtaining the spirits which they require for purposes of fortification. I ask the Minister, what are his views concerning this matter 1

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Mr KINGSTON

- I have looked carefully into the matter, and have arrived at the conclusion that at present it is entirely a question of the terms upon which the spirit is delivered. Under these circumstances I do not see how we can deal with it here. It is a question of whether we shall give the wine merchants power to clear spirits free of duty for purposes of fortification." I do not think this is the time to deal with the matter. It must be a question for consideration when the Tariff is under discussion.

Sir MALCOLM McEACHARN

- If the matter is not dealt with now, I feel that it will not be dealt with at all. The position is one which is not only of advantage to the wine merchants but also to the vignerons. The smaller vignerons have a quantity of wine upon their hands. The merchant will purchase only the best quality of it. Only the larger vignerons who have stills can fortify their wine, whereas, if the merchants possessed the same privilege and could obtain their spirits free for the purposes of fortification or upon payment of such duty as may be fixed, our vignerons would have a double market. There are more than 100 wine merchants in Melbourne alone. The object of the amendment is to help the smaller growers.

Mr Kingston

- We are not shutting them out. We are leaving the question open altogether.

Sir MALCOLM McEACHARN. - I fail to see how the Minister can deal with this matter under the Tariff. We ought to deal with it under this Bill. It will be extremely unfair to merchants and to the smaller vignerons if we do not allow the former the right to fortify their wines.

Mr KINGSTON

- I confess I do not see how the matter can possibly be dealt with here.

Sir Malcolm McEacharn

- The question is whether we shall allow the merchants to fortify at all.

Mr KINGSTON

- We are not making any provision as regards merchants. We have made a general provision as regards fortification, applicable only to those who, so far as distillation and fortification are concerned, come within the provisions to which I refer.

Sir MALCOLM McEACHARN (Melbourne). - The Minister has made provision by the insertion of the word "wineries," and therefore he ought to make a similar provision in regard to merchants.

Mr Kingston

- Does the merchant want to keep a still ?

Sir MALCOLM McEACHARN

- No. He merely wants to be able to produce his spirit and to fortify his wine. I do not see that the Minister has put forward any real objection to the amendment.

Mr Kingston

- I have put no limit whatever on the question of fortification.

Mr KENNEDY

- I do not see that any necessity exists for specifying who shall possess power to purchase spirit for the purposes of fortification. If such a necessity did exist we should have had to provide that all those vigneron within the Commonwealth who have not stills of their own shall have the power to purchase spirit. In Victoria there is a considerable number of wine merchants who have not stills of their own and who have to purchase spirit for fortification purposes. I apprehend that the wine merchants occupy exactly the same position. All that this Bill prescribes is the conditions under which stills shall be used and by whom they shall be used. Who shall obtain wine for the purposes of fortification is altogether another question.

Mr. McCOLL(Echuca). - When the conference considered this matter there was a provision in the Bill that the duty should be paid. I quite recognise that the question of duty is a secondary one. If the Minister assures me that we shall have an opportunity of discussing this matter when the Tariff is under consideration I shall not press the amendment at the present time.

Amendment, by leave, withdrawn.

Clause, as amended, agreed to.

Postponed clause 58 -

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

Penalty: £20.

Mr ISAACS

- This clause provides that for the improvement of Australian wines, and in order to secure for them a good reputation, they shall not contain more than 35 per cent. of proof spirit. I move -

That after the word "spirit" the following words be inserted - "nor with any spirit except pure wine spirit."

The adoption of this amendment would announce to the world that no Australian wine is fortified with anything but pure wine spirit. I think that the observations which I made on the previous clause are sufficient justification for the amendment which I now propose. It would be a splendid advertisement for the whole of Australia if the wine buyers of the world could see on the face of our Federal Act a provision forbidding the adulteration of our wines with any impure spirit.

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Mr McCOLL

- I support the amendment submitted by the honorable and learned member for Indi. As the law stands at present, wine may be fortified by spirit the product of potatoes, beet-root, or any other kind of grain or root.

Mr Kennedy

- In some of the States only.

Mr McCOLL

- I think that the practice should be made uniform. It must appeal to the common sense of honorable

members that to fortify Australian wine with spirit the product of roots, grain, or any substance from which spirit has to be made by the addition of sulphuric acid in order to extract the sugar from the starch, is not at all a proper proceeding. Therefore, in the interests of the wine-growers themselves, the amendment is one which should be strongly supported by this committee.

Sir JOHN QUICK

- This was one of the proposed amendments brought under the attention of the Minister by the deputation which waited on him quite recently. It was considered by the conference of vigneron.

Mr. V. L. Solomon. - All Victorians.

Sir JOHN QUICK

- New South Wales was represented, and a very strong expression of opinion was given that some provision of the kind should be made in order to strengthen the reputation of Australian wines. The amendment suggested was that spirit used in the fortification of Australian wines should be restricted to pure wine spirit. It was considered by the conference that, inasmuch as the Bill contains a provision as to the alcoholic strength of Australian wines, there should be no objection to going a little further and limiting the alcohol used to pure wine spirit.

Mr McCAY

- Clauses 57 and 58 seem to me to be placed under the wrong heading when they appear under "Vignerons." By the Acts Interpretation Act the headings are a part of the Act, and it might be held that these clauses were limited in their effect to vigneron, which would largely defeat the object in view.

Mr Kingston

- I thank the honorable member. I will look into the matter.

Mr V L SOLOMON

- The amendment proposed by the honorable and learned member for Indi is a most important one, and so far as the arguments he has submitted in its favour are concerned, I agree with him. At the same time, I am not sure but that we should be doing considerable wrong to some of our winegrowers by this limitation.

Sir Malcolm McEacharn

- To winegrowers of South Australia.

Mr V L SOLOMON

- I am not at this moment speaking specially of South Australian or any other wine-growers.

Sir Malcolm McEacharn

- But South Australia is where potato spirit is made.

Mr V L SOLOMON

- I may speak of South Australia, because I happen to have lived there for so many years, and because it is a State in which vine-growing and wine-making have assumed very considerable, and important proportions, which I hope will be imitated in other parts of the Commonwealth before long to even a greater extent. From the start I have said candidly that the information I had to give to the committee, and the amendments I have moved, have been given to me and instigated by a large number of wine-growers and distillers of South Australia, who are my constituents. These gentlemen have given me that information in the same way as the vigneron of Victoria have given information to the honorable members for Echuca, Indi, and Bendigo, none of whom, I suppose, has any great personal knowledge of wine-making or distilling. I should like the Minister to ascertain whether, by passing this amendment, we preclude, not only potato spirit, but spirit made from wheat, barley, and malt - spirit which at the present time is being sold in Victoria. We know perfectly well that some of the Victorian brandy we hear so much about contains a large proportion of spirit distilled from wheat.

Mr Mauger

- Victoria is not peculiar.

Mr V L SOLOMON

- I do not say that Victoria is peculiar in this respect. I merely point to the fact that if the spirit I have mentioned is sufficiently good to obtain prize medals under the name of brandy, however peculiar the brandy may be, it should be good enough for the fortification of Australian wines.

Sir John Quick

- We want to encourage the pure wine industry.

Mr V L SOLOMON

- But when we place in the four corners of the Bill a provision of the sort proposed, we maybe imposing a restraint on trade and manufacturing industry, and it would be just as well to look more closely into the matter, and see whether we are justified on grounds of health, or from the point of view of the improvement of the wines, in going to that extent. I think it is fairly recognised that potato spirit is somewhat detrimental to wines, though personally I am not quite certain of the fact. "We may, however, admit that potato spirit does not improve Australian wines ; but to include in this bar, spirit that can be distilled from grain, and which is being distilled every day, I think is wrong. I admit I am speaking without any definite knowledge on the subject, and I would ask the honorable and learned member for Indi. not to press his amendment now, but to have the clause recommitted later on, when we have a reprint of the Bill, and we are able to speak with more definite knowledge, having put the question fairly and properly before the various manufacturers.

Mr Isaacs

- The amendment might be carried now, and reconsidered on a recommitment of the clause.

Mr V L SOLOMON

- That is an old game with which we are familiar, and I would really ask the honorable and learned member not to press his amendment, which, in my present state of ignorance, I should be forced to oppose.

Mr KINGSTON

- This is a question of an important character, and I do not think we should rashly decide it. I agree thoroughly with what the honorable member for South Australia, Mr. Solomon, has said, and I shall see that official reports are obtained as to the suitability of other spirits for fortifying wines, and I shall bring these reports before the committee before we lose control of the Bill. Under the circumstances, I hope the honorable and learned member for Indi will allow the clause to pass as drafted.

Mr ISAACS

- The offer of the Minister is a very fair one indeed. None of us want to do anything but what is best to the whole continent, or anything which would precipitately injure the trade of Australia, or unnecessarily fetter the production of wine. If the Minister will obtain official reports, and lay them before the committee in time for us to properly deal with them, I shall be thoroughly satisfied.

Mr Kingston

- I shall call for reports, and re-submit this clause to the committee.

Mr McCOLL

- I should be glad if the Minister would obtain something more than official reports. I should like to see reports from the growers and large distillers, so that we may know their opinions.

Amendment, by leave, withdrawn.

Clause agreed to.

Motion (by Mr. Kingston) agreed to -

That the following new clause be inserted before clause 80: - Any person providing board and lodging for an officer, pursuant to the request of the collector, shall be entitled to fair remuneration therefor at such rates as may be agreed or prescribed.

Schedule 1 -

Mr KINGSTON

- I move-

That after " spirit maker's " the word " general " be inserted.

This is to carry out the division which it was intimated would be made in regard to the two classes of spirit-makers' licences, one being a general licence, and the other a wine distillers' licence.

Amendment agreed to.

Mr McCOLL

- Has the Minister reconsidered the question whether the licence-fee is not too high ? It is a great jump from £10 to £50 for a licence-fee which applies to all sizes of distilleries. A distillery which turns out only 3,000 or 4,000 gallons has to pay the same amount as a distillery which turns out 300,000 or 400,000 gallons.

Mr Conroy

- We do not want a lot of small distilleries.

Mr McCOLL

- The small distilleries turn out better material than the large stills. There are general distillers carrying on their trade in various parts of the Commonwealth under a licence-fee of £10, and an increase from £10 to £50 is a big one.

Sir JOHN QUICK

- As the Minister has agreed to create an intermediate distilling licence at £25, we might reasonably accept this proposal of £50.

Amendment (by Mr. Kingston)proposed -

That the following line be added to the schedule: - "For every spirit-maker's wine distilling licence, £25. "

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Mr KENNEDY

- I take it that the licence the Minister is providing for is equivalent to what is known in the State of Victoria as a vineyard-still licence, which gives the licensee only the right to distil spirits from grapes the produce of his own vineyard. I think, therefore, that the fee provided for is too high, because the distillation that is done under these licences is. very limited, and it takes place under conditions which allow of no abuse of the regulations, and no loss to the revenue. At present there are, I think, seven or eight of these licensees in Victoria, and they pay £10 a year each for their licences.

Mr Kingston

- I think there are five of them.

Mr KENNEDY

- To my knowledge at least two of them will go out of the business if a licence-fee of £25 is imposed. After distillation, a considerable length of time is required to enable the spirit to mature sufficiently to be put upon the market, and I know 'one distiller who has gone to the expense of erecting a plant and paying a licence-fee for five years, but who, up to the present has reaped no benefit from the enterprise, except by the distillation of a certain amount of spirit for the fortification of wine made from grapes other than the Guard a Blanca from which he distils. It occurred to me, when a comparison was made by an honorable member of the value of the grapes in some of the States, that perhaps in one case a class of grape was used for wine making which was not suitable, but which would have been very suitable for raisin making.

Mr Poynton

- In the cases I referred to muscatel grapes were used in each instance.

Mr KENNEDY

- There are varieties of muscatels which are not suitable for wine making.

Mr Harper

- A great deal depends on the character of the soil. .

Mr KENNEDY

- No doubt the character of the soil is of great importance. In the case to which I refer, the licensee has something like 7,000 gallons of spirit on hand. He uses his still for only five weeks of the year, and, as it and the buildings are entirely under the control of the Customs, and cannot be used unless a Customs officer is in attendance, there can be no leakage of - revenue. While these licensees are quite prepared to submit to the present conditions, they regard £25 as too high a fee. They are not permitted to purchase the produce of other vineyards for distillation purposes. If the Minister is not prepared to reduce the fee to £10, he might extend to existing licensees the consideration he has already extended to vigneron who hold only 2 acres of vineyard. I do not think there are any similar licensees in the other States. 14 f 2

Mr Kingston

- No £10 licences are issued in the other States. The practice of issuing such licences is peculiar to Victoria.

Mr KENNEDY

- At any rate, a vested interest has been created, and, as I have said the increase of the licence-fee will cause at least two licensees to cease operations. The Minister has admitted that every precaution is taken for the protection of the revenue, and, as there is no risk of loss, he might, at least, allow the existing licensees to renew at the present fee for some time to come, providing, perhaps, that within a

reasonable time the fee shall be increased to £25.

Mr KINGSTON

- I do not think I can do what is suggested. There is a great risk of hard cases making bad laws, and to provide in this case that where existing State legislation is below the level of Federal legislation the former shall prevail would be a mistake.

Mr Kennedy

- I do not suggest that.

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Mr KINGSTON

- We have provided that people who have stills shall not be harassed, and we have made liberal provision for the continuance of existing rights. These £10 licensees have for years enjoyed privileges which other distillers in the Commonwealth have not enjoyed, and to ask that the £10 licence-fee shall be continued to them is, I think, unfair. They have not hitherto been paying sufficient for the services required by them of the Customs officers, because it costs the department as much to control these small distilleries, from which they get only £10 a year, as it costs to control the large general distilleries for which they are paid a fee of £50 a year. I think that in matters of this sort we must be uniform. Although I should like to meet hard cases, if we adopted the honorable member's suggestion, we should be introducing a system which we could not defend, because we should be making competition throughout Australia unequal.

Amendment agreed to.

Amendments (by Mr. Kingston) agreed to-

That after the word "licence," line 4, the words "exceeding one quart in capacity" be inserted.

That the following new line be added to the schedule : - " For every test-still licence not exceeding one quart, one shilling."

Schedule, as amended, agreed to.

Schedule II.-

The

Distillation

Act 1901.

Scale of amounts in which licensees are to give security : -

Sir William McMillan

- Is not £500 rather a large security to ask of a small vigneron who may perhaps have only five acres of vineyard ?

Sir JOHN QUICK

- I would suggest that the amount of security required from persons obtaining wine distilling licences should be reduced. A security of £2,000 might be required of the general spirit makers, but a lower amount should be sufficient for persons holding wine distilling licences.

Mr McCOLL

- I think that the amount of guarantee required from general distillers is too large. It is double the amount at present required. Many small distillers turn out only 700 or 800 gallons a year, and, by making these sums too high, we play into the hands of the big men. In Queensland there are six distilleries, which produce amongst them 150,000 gallons per year. I do not know what the guarantee is there, but in Victoria it is two of £500 each. Now it is proposed to require two of £1,000 each. What is the reason for the alteration. In the case of a vigneron's still, how is a man with 5 acres of a vineyard going to get a guarantee of £500! The conference considered the point, and said this could not possibly be done. They suggested that the guarantee should remain as it is at the present time. It is quite enough for any man with from 2 to 5 acres to find. I should like the Minister to say why these rates have been doubled.

Mr KINGSTON

- There is no wish to provide anything impracticable, but we look to the development of our wine industry. The bigger the concern the greater the security and supervision necessary, but we are not wedded to any particular sum in regard to a matter of this kind. It is not so much a question of security as a desire that the department shall be able to keep its eyes on the business generally.

Mr JOSEPH COOK

- Leave the security in the case of a vigneron's still at £200.

Mr KINGSTON

- I will make it £250. I will cut each of these proposed securities down by half.

Mr McColl

- What has been the reason for doubling the rates ?

Mr KINGSTON

- Are we not to develop the industry ?

Mr McColl

- But this proposal would crush it out.

Mr KINGSTON

- I am sure there is no wish to crush it. In view of the glowing accounts given of this industry - in which I thoroughly believe - I thought I was only asking what was reasonable. However, it is not worth while quarrelling over, and I am sure honorable members will be satisfied by the 50 per cent, concession which I propose to make.

Mr Poynton

- What about the £25 licensees ?

Mr KINGSTON

- They are fairly big distillers, who can well afford to give the guarantee proposed. I move - That the figures "2,000 " be omitted, with a view to insert in lieu thereof the figures "1,000."

Amendment agreed to.

Amendment (by Mr. Kingston) agreed to-

That the figures "500" be omitted, with a view to insert in lieu thereof the figures "250."

Amendment (by Mr. Kingston) proposed -

That the figures " 100 " be omitted, with a view to insert in lieu thereof the figures " 50."

Mr GLYNN

- Does the Minister in charge of the Bill think that security will have to be given for each test still? Under clause 12 licences are to issue for the use of stills. Paragraph (c) of that clause refers to the use of test stills, and in the remaining paragraphs reference is made to other stills for distilling spirits. There is a slight doubt as to whether a licence will not be necessary for each test still. I am informed by some of the vignerons that in certain cases they have as many as six test stills on their premises. It may be, therefore, that a separate licence and a separate security will be required for each. It is a matter of doubt, and I merely advance it for consideration.

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Mr Kingston

- I will look into it further.

Amendment agreed to.

Schedule II., as amended, agreed to.

Schedule III.-

There must be erected in the still house - (a) A still capable of exhausting at least one hundred and fifty gallons of wash in an hour, or a wash still capable of containing at least six hundred gallons, and also capable of containing double the quantity which the low wines or spirit still is capable of containing.

Sir JOHNQUICK (Bendigo). - I desire to suggest an amendment in clause vi. of this schedule. Under the heading of "plant" it is provided that there must be erected in the still-house "a still capable of exhausting at least 150 gallons of wash in an hour." It will be observed that that requirement of 150 gallons of wash per hour is one which, under the Bill as it stood originally, was applicable to distillers generally, to £50 licences. I want provision made for a reduced plant in the case of wine distillers with £25 licences, and I suggest that words be introduced providing in the case of holders of wine distillers' licences that they shall be required to have only a still capable of exhausting at least 50 gallons per hour. That was the suggestion made by the deputation which waited on the Minister, and I believe it is one which will meet the requirements of the case.

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Mr KINGSTON

- What I understood from the deputation was that they were dealing with existing cases only, and not desiring to lay down a general law for the future. As regards existing cases we are making the necessary

provision under clauses 24 and 25, but so far as the future issue of spirit-makers' licences is concerned, I did not understand that there was any objection to the size of the still.

Mr. McCOLL(Echuca). - Not only in regard to wine distillers' licences, but in relation to general distillers' licences objection is taken to this clause. It provides that at least 150 gallons per hour of wash shall be exhausted. There are distilleries that cannot possibly do that amount of work. The Bendigo distillery takes three hours to put through 150 gallons. It cannot do more than 50 gallons per hour. The object of this provision apparently is to induce people to use patent stills. It is well known that the patent still does not give the best liquor. I have many letters to show that the best liquor turned out in all countries is made from pot stills. In England there are only ten distilleries and all of them use patent stills which turn out thousands of gallons per day. In Scotland there are 113 pot stills and only 13 patent stills, while in Ireland there are 2'2 pot stills and 8 patent stills. The pot stills make the best liquor. As the Minister has said on several occasions that the largest stills make the purest liquor, I would point out that the purest liquor is that which no one can drink. It is divested almost entirely of all by-products which go to give it that particular flavour which creates the market value. In the evidence given before the Select Committee in England, it was proved that patent stills produce the liquor at a cost of about 1s. per gallon, while the cost of the liquor produced from pot stills is from 2s. to 3s., but that the liquor produced from pot stills brings two or three times as much as that from the patent stills. The patent still produces an absolutely silent spirit. It has to be kept for six months and then flavouring and various other things are added, according to the desire of the manufacturer. In Victoria we give a special privilege to those who use pure malt for the production of whisky, or wine for the production of brandy. We do that, not only to encourage our growers, but because we know that purer liquor is obtained in this way than from the patent still, which uses anything indiscriminately. Therefore I propose to move that the words " one hundred and," be omitted so as to make the clause provide that a still capable of exhausting at least 50 gallons of wash in an hour must be erected. Why should we compel the distillers to use a certain size ? Such a provision does not tend to the production of better liquor or the getting of more employment.

Sir JOHNQUICK (Bendigo).- Before that amendment is proposed I desire to submit a prior one. The object of the prior amendment is to discriminate between the two classes of licences that have been created, and to define the extent of the plant that is to be required in the case of a general distiller's licence, and also the extent of the plant required in the case of a wine distiller's licence. In order to submit the matter in a tangible form, I move -

That the words "in the case of a general distiller's licence" be inserted after the word " exhausting," line 3. The amount of the wash per hour to be turned out can be discussed afterwards. I will subsequently propose to insert " and in the case of a wine distiller's licence" after the word "hour."

Amendment agreed to.

Amendment (by Mr. McColl) proposed -

That the words "one hundred and," lines 3 and 4, be omitted.

Mr KINGSTON

- I think the distinction drawn by the honorable and learned member for Bendigo is a fair one, and that whilst, as regards the general distillers, we should allow the schedule to stand as it is, we should specify a lesser quantity with regard to the stills of wine growers.

Mr WATSON

- I understand the objection of the honorable member for Echuca to the compulsory use of larger stills extends beyond those used for making spirit for wine fortification purposes. I gather from what the honorable member said, that a still of large capacity must of necessity be other than a pot still, and that the provision, as it stands, would practically prohibit the use of pot stills for whisky making.

Mr Kingston

- Oh, no.

Mr WATSON

- I understood the honorable member for Echuca to say that unless stills of small capacity were allowed to be used, distillers would be compelled to use patent stills. I think it would be well for the Minister to take power to licence any kind of still. It is doubtful whether we are well advised in attempting to deal in this schedule with a lot of detail matters that should really be contained in regulations. I presume there is some power given for the alteration of these provisions as necessity may arise.

Mr KINGSTON

- Of course these are minor matters which should properly be made the subjects of regulation, but it is very desirable in a matter of this sort to make the position as clear as possible from the outset. It would be a mistake to lay down hard-and-fast lines, but we have power to make alterations under clause 80, which states that these conditions set forth in the schedule shall remain in force "until otherwise prescribed."

Mr Glynn

- The danger is that the variation from the original provisions will not appear on the face of an Act of Parliament.

Mr KINGSTON

- But even that is better than having no regulations in the Bill at all.

Mr Glynn

- I do not think so, because men may be deceived by what appears on the face of the Bill if they are unaware of any variations.

Mr KINGSTON

- I think it is highly desirable that we should as far as possible let our distillers know the whole of the law from the outset.

Mr McCAY

-What is the objection to pot stills?

Mr KINGSTON

- Stills of slow capacity involve a waste of the officers' time, which is not desirable.

Mr Watson

-Could we not have a number of pot stills in the same establishment, bringing the capacity of the distillery up to a certain quantity, as they have in Scotland now.

Mr KINGSTON

- That might be done. I ask honorable members, as far as they conscientiously can, to allow us to pass these regulations in the shape now recommended. They are the result of the consideration of expert officers, and we have ample power to alter them. At the same time, I do not blame honorable members for trying to alter them now.

Mr. McCOLL(Echuca). - The reason the Minister has given is the lamest he could possibly give. The object seems to be to save the time of the excise officers.

Mr Kingston

- And to save the country's money.

Mr McCOLL

- In order to save the time of the excise officers, the Government propose to give the public inferior liquor, and to crush out a lot of the distillers now carrying on business. I think the Minister has not looked into this matter sufficiently. I would like to know if he could tell us how this proposed change would affect the distillers now carrying on business in the Commonwealth. Have any inquiries been made, or have these provisions been submitted to the distillers with a view to ascertaining how they would be affected? It seems to me that this is simply an officers' Bill, framed to suit themselves, without regard to the industry they are dealing with.

Mr HARPER

- I do not think it is quite fair to the Minister that the matter should be put as the honorable member for Echuca has submitted it. The distilling industry has had a great deal of encouragement and a great deal of consideration in every way.

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Mr McColl

- The honorable member is speaking for Joshua Brothers.

Mr HARPER

- I am not speaking for Joshua Bros., and I think it is a most improper thing for the honorable member to say so. We must remember that we are dealing with this matter in the public interest, and that the prime object is to see that the revenue is protected.

Mr McColl

- The prime object is to secure the health of the people.

Mr HARPER

- We are not dealing with a Health Bill, but with an Excise Bill, and our duty is to see that whilst proper facilities are given for distillation, the revenue is properly protected. Under the Customs Bill, those who carry on businesses that require Customs supervision have to pay for that supervision, and I think that those who carry on distilleries ' should be equally prepared to defray the cost of properly protecting the revenue. The Government are proposing to issue vigneron's licences at £5 each, and if proper Supervision is to be exercised over the operations of these stills, it will involve a cost of probably five times the amount of the licence fees. I think that those who are interested in the distilleries should not push the Minister so hard after the extreme concessions which have been made.

Mr KINGSTON

- I must take exception to the remarks made by the honorable member for Echuca. He represented that the proposal contained in the Bill would necessitate the remodelling of some of the distilleries at present in operation. I say, most emphatically, that this is not the case, because provision is already made, and is intended to be more clearly emphasized that no alteration of the existing conditions shall be required.

Mr McColl

- That has never been stated yet in regard to distilleries.

Mr KINGSTON

- Why, I have been harping on clauses 24 and 25 time after time.

Mr McColl

- The point has never come up before, except with regard to vigneron's stills.

Mr KINGSTON

- Clauses 24 and 25 will apply to all distilleries, and I am sorry that the attention of the honorable member has not been sufficiently drawn to the fact that provision is made that no existing still will be in the slightest degree interfered with. I hope that now that this is clear to him he will not persist in his amendment, but rather accept that of the honorable and learned member for Bendigo, which sufficiently meets the case with regard to winemakers' stills. I know that, despite the remarks made from time to time, the Government are acquitted of any desire to oppress the small distillers.

Mr KENNEDY

- It is perfectly right that the Minister should defend the Government, but we know that Ministries, with the best of intentions, sometimes arrive at results which surprise themselves. Honorable members who claim to have some little knowledge of the wine industry have attempted to assist the Ministry in perfecting the Bill.

Mr Kingston

- I am obliged to honorable members - I say that with all sincerity.

Mr KENNEDY

- The obligation is mutual. I would like an expression of opinion from the Minister as to whether the whole of the conditions in the schedule as to the capacity of the different vessels within the still-house, and as to the spirit store and the warehouse, as well as those relating to the size of the still, will apply to the vineyard still licences.

Mr Kingston

- No.

Mr KENNEDY

- If the committee were clear about that, and were assured that the conditions pertaining to the intermediate licences would be in keeping with the smaller fee and the restricted privileges, we might fairly accept the Minister's statement of the situation. I would remind the honorable member for Mernda that the still licensees have to pay for the officers who are engaged in the work of supervising their operations.

Mr HARPER

- The officers cost a good deal more than is represented by the supervision fees.

Mr KENNEDY

- I have yet to learn that the Customs department pay their officers £350 a year and travelling expenses in every case. The still licensees are required to pay £1 a day and railway fare and travelling allowances, and if an officer goes from a distillery to supervise the mixing of spirits in a store, he has to be paid for at

the rate of three shillings an hour. The Commonwealth will naturally be expected to pay their officers a fair and reasonable remuneration.

Mr Harper

- If they were constantly employed the Commonwealth would not need to pay them anything.

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Mr KENNEDY

- They are to be paid for the time occupied in the performance of the duties appertaining to the particular still or store in regard to which they exercise supervision by the holder of the licence. In the face of such a provision I fail to see where the dead loss arises of which the honorable member for Mernda spoke. I am prepared to accept the Minister's assurance that conditions on a parity with the amount of the licence will be made in regard to the holders of £25 licences.

Mr KINGSTON

- I am obliged to the honorable member for Moira for calling attention to a point on which he desired a little information. Of course the reading of these regulations is not an interesting work, so that honorable members cannot be expected to have mastered them all. At the same time it is as clear as clear can be that these regulations have no reference whatever to ordinary vigneron's licences.

Mr Kennedy

- I understand that. It is the licence which has been put into the Bill this evening to which I refer - the £25 licence.

Mr KINGSTON

- I shall not give an assurance of that character. It will be the reverse. To all intents and purposes the holders of the £10 licences are carrying on distilleries. They have to observe the same precautions in regard to the spirit store and the warehouse as does the ordinary distillery.

Mr Watson

- Have they stills of the size which the Minister insists upon ?

Mr KINGSTON

- We propose to make provision for a lesser size as regards the vineyard distilleries. The amendment of the honorable and learned member for Bendigo says, in effect, that as regards the general distillery this provision is good enough, but as regards the vineyard distillery, a lesser capacity should be prescribed. In that I am perfectly agreeable to meet the committee. Over all this is the saving clause that no existing distiller will be prejudiced by an alteration in the capacity. Regulation 4 lays down certain requirements which must be complied with to the satisfaction of the collector in relation to very distillery licensed under a spiritmaker's licence. The vigneron's licences are dealt with separately under regulation 84, and do not apply here.

Mr. WATSON(Bland).- Would not the position be met, so far as the revenue is concerned, if, under this regulation, the owner of a distillery was willing to put in three pot stills, each of 50 gallons capacity? In that case the supervision could be accomplished by one officer, and the expense to the State would be no greater than if one patent still of 150 gallons capacity were in operation. I should like the Minister to consider that point. If the remarks of the honorable member for Echuca have anything in them, this seems an improper attempt to tie distillers down to use one particular kind of still.

Mr McColl

- It could be met by striking out the word " a " at the beginning of paragraph (a), and by using the word " stills " instead of " still."

Mr KINGSTON

- I cannot, without expert advice, answer the question as to whether three pot stills would do as well as one patent still. But under the circumstances, I will allow the clause to be amended in the way suggested by the honorable member for Echuca, and then if I find that I want it altered, I shall not hesitate to inform honorable members, and to ask them to take the necessary action.

Mr V L SOLOMON

- Would not the word " still " under the Acts Interpretation Act include " stills " ?

Mr Kingston

- It does as a rule.

Mr V L SOLOMON

- Perhaps the better way to make the alteration would be to insert after the word " still " the words "or stills."

Mr McColl

- Yes, I think so.

Mr KINGSTON

- The Acts Interpretation Act provides that words of the singular shall include the plural, and that plural words shall include the singular. At the same time that provision is hedged round by the words "unless the contrary intention appears." I do not mind inserting the words "or stills," but I am very much afraid I shall have to ask the committee to deal with the matter further.

Sir JOHNQUICK (Bendigo). - I think that the amendment suggested by the honorable member for South Australia is a wise one, and will probably meet the object of the honorable member for Echuca.

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Mr MCDONALD

- There has been an awful lot of time wasted over this matter. I cannot understand the action of the honorable member for Echuca in taking such a leading part in this agitation on behalf of the small distiller. I understand that the honorable member is a strong teetotaller. I think that he will occupy a rather unfortunate position so far as the temperance party is concerned when he again faces the electors. His grievance appears to be in determining whether we shall get whisky distilled from pot stills or from patent stills. I do not know that there is a very great difference between the two, but the honorable member thinks that there is. He says, in effect, that the whisky distilled from the patent stills is rank poison, and can be manufactured for about 1s. a gallon. I am really surprised that he should advocate the distillation of whisky from any kind of still. He has told the committee that whisky distilled from pot stills costs 3s. a gallon, but that when it comes from patent stills all sorts of ingredients have to be put into it in order to make it a palatable decoction. He is showing an amount of anxiety over this matter that I cannot understand, because as a temperance man he ought to have taken the opposite course, and have backed up the Minister in trying to do away with distilleries. Such action would have been in the interests of the country and of the party to which the honorable member belongs.

Mr. McCOLL(Echuca). - I do not know that my private habits have anything to do with the matter before the committee. If it will comfort the honorable member for Kennedy, I may inform him that I am not a teetotaller. I have paid some attention to this matter because I felt sure that the honorable member would let it go by the board and pay no attention to it. But while I am not a teetotaller I could wish that every one were teetotallers. As we cannot have that, the next best thing we can do is to see that what people drink does them as little harm as possible. That has been my aim. I am very glad that the Minister has conceded this point. By the insertion of the words " or stills," those who wish to use pot stills will have the privilege of doing so.

Mr. HARPER(Mernda).- I was asked by the honorable member for Moira how there can be a loss to the State in connexion with the issue of these licences. I would point out that the staff to administer this Act will have to be maintained all the year round. The department is required by the regulations to furnish an officer upon 24 hours' notice. These men, therefore, must be ready for duty immediately they are required. The honorable member must see that although a vigneron may have to employ an officer for two days at a stretch, and will have to pay for his services during that period, if the officer is kept for six months with little to do, the department will be the loser. The department will have to keep a large staff, which will only be employed for a short time during the year. The Government are, therefore, bound to spend much more money than they will receive from the issue of licences.

Mr KINGSTON

- I think that the object of the honorable member for Echuca would be met by an addition to the end of the clause.

Mr McColl

- I ask leave to withdraw my amendment.

Amendment, by leave, withdrawn.

Amendment (by Sir John Quick) agreed to-

That after the word "hour," line 4., the following words be inserted : - " and in the case of a wine distiller's licence, at least 50 gallons in an hour."

Amendment (by Mr. Kingston) agreed to-

That at the end of paragraph (a), after the word "containing," the following words be inserted: - "In lieu of one still of the required capacity, two or more stills aggregating the required capacity shall suffice. "

Mr. McCOLL(Echuca).- Regulation 9, relating to plants, provides - " Every feints receiver must be connected with the safe at the end of the worm of the still by one close metal pipe," &c. I think there is an omission, and that after the word receiver the words " or low wines charger " should be inserted.

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Mr Kingston

- I will look into the matter.

Mr. POYNTON(South Australia).Regulation 8, dealing with the process of distillation, provides that -

No distiller shall mash or make wash or use a still between 12 o'clock noon on Saturday and 2 o'clock in the forenoon on Monday.

I would suggest that the words " except by authority " be inserted after the word "shall."

Amendment (by Mr. Kingston) agreed to-

That after the word " shall " the words " except by authority " be inserted.

Mr. McCAY(Corinella). - I know nothing about the process of distilling, but I am told by gentlemen who do know, and who have certainly displayed the utmost reasonableness in considering the Bill, that regulation 11 dealing with the process of distillation might mean a week's loss practically the use of the plant. The regulation reads -

No distiller shall begin to mash or use any material for the production of spirits liable to one rate of duty until all spirits produced liable to any other rate of duty have been conveyed into the spirits or feints receiver."

From what I am told this regulation does not seem to be a desirable one in the absence of any cogent reasons to the contrary.

Mr KINGSTON

- I think it is right to have this regulation, although there may be special cases in which it is not wanted. I move -

That after the word " shall" the words "except by authority " be inserted.

Mr McCay

- Will the Minister make inquiries in addition?

Mr KINGSTON

- Yes.

Amendment agreed to.

Sir MALCOLM MCEACHARN

- Regulation 32, dealing with the process of distillation, provides -

All feints produced by and remaining from a previous distillation may be mixed with the low wines or feints produced by a subsequent distillation, and the process of re-distilling feints may be repeated as often as the distiller thinks fit, provided that they are the produce of the same kind of material.

I am advised that to keep separate feint receivers, with all the necessary connexions, will be extremely inconvenient, and a suggestion has been made that for the few last words the following should be substituted - " Provided that such feints are liable to the same rate of duty."

Mr KINGSTON

- I do not quite like the idea that spirits should be made from all sorts of things, and not confined to one ; and evidently the regulation was drawn up with a view of preventing the mixing of potato and wine spirits. I do not mind amending the regulation so as to give the necessary authority to remove the limitation where it can properly be removed, and I move -

That the words " they are " be omitted, with a view to insert in lieu thereof "except by authority to the contrary the mixed feints must be."

Amendment agreed to.

Sir MALCOLM MCEACHARN (Melbourne). - Regulation 37 provides that -

Feints arising from re-distillation may be mixed with feints produced from the same kind of material.

I have to request that an amendment be made similar to that just passed in regulation 32.

Amendment (by Mr. Kingston) agreed to-

That the words "or by authority with other feints" be added to the paragraph.

Sir JOHNQUICK (Bendigo).- Regulation 40, dealing with the material store, provides -

The distiller shall-

Keep his material store account book written up daily and balanced monthly. (b) Produce the book when required by an officer.

Check the balance of any stock of material on hand when required by an officer.

Pay duty on the quantity of spirit that any material found deficient was capable of producing.

I would suggest that the words " unless such deficiency is explained to the satisfaction of the collector" be added to subclause (d).

Sir MALCOLM McEACHARN (Melbourne). - I was going to ask the Minister to allow the following words to be added to that paragraph - " reasonable allowance being made for the rent of storing, kiln drying, and malting."

Mr POYNTON

- I have had an amendment on the notice-paper for some time to the same effect as that suggested by the honorable and learned member for Bendigo. As the regulation stands now, it makes it absolute that no allowance shall be made for any reason whatever. I move -

That the following words be added : - "unless he explain such deficiency to the satisfaction of the collector."

Mr Kingston

- Will the honorable member adopt the words which we have been using throughout, and make the amendment read -

Unless any deficiency is accounted for to the satisfaction of the collector.

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Mr POYNTON

- I am willing to do that.

Amendment amended accordingly, and agreed to.

Mr. McCOLL(Echuca).- I wish to call attention to rule 44, which says that -

Each vat must be (a) of a capacity of not less than 500 gallons.....

I have been told that in some distilleries they are using vats of a capacity of only 180 gallons, but I understand that the honorable member for South Australia intends to move that the capacity be reduced to 200 gallons. I ask the Minister to accept the honorable member's amendment.

Sir JOHNQUICK (Bendigo). - I think that in this rule a distinction should be made between the size of the vats used in a general distillery and the size of the vats used in a wine distillery. I have not heard any serious objection to the use of vats of a capacity of 500 gallons under a general distiller's licence, and therefore I move -

That, after the word "capacity," the words " in the case of a general distiller's licence" be inserted.

I intend to follow the amendment by a proposal to add to the rule the words -

And in the case of a wine distiller's licence a capacity of not less than 80 gallons.

I understand that there is a distillery at Bendigo, which would probably be used under a wine distiller's licence, which has a vat of the maximum capacity of 80 gallons.

Mr KINGSTON

- It would be better to say " in the case of a general distillery."

Amendment amended accordingly, and agreed to.

Amendment (by Mr. Poynton) proposed-

That the word "five" be omitted, with a view to insert in lieu thereof the word "two."

Mr KINGSTON

- I venture to think that in the case of a general distillery 500 gallons is not too large for the minimum capacity of a vat. We do not want to have a number of small vats all over the store, and the minimum prescribed will be a convenient one to the distillers, and advantageous for the purposes of checking. I am prepared, however, to allow vats of a smaller size to be used in a wine distillery.

Mr. POYNTON(South Australia).The request for the amendment comes from some of the largest distillers in South Australia. The distillers say that the minimum prescribed is larger than is used now. Some of them say that the minimum capacity should be reduced to 100 gallons, and they are unanimous that a

capacity of 200 gallons is quite large enough.

Mr Kingston

- There will be no prohibition as regards existing plant.

Mr. V.L. SOLOMON (South Australia). - I hope that the committee will agree to the amendment. Although the Minister says that the Bill does not refer to existing distilleries and plants, clauses 24 and 25 offer very little protection, because it is there enacted that where premises in respect of which a licence has been issued under a State Act are not in accordance with the prescribed conditions the collector may fix a time within which the distiller must comply with them. I hope that the honorable member for South Australia, Mr. Poynton, will insist upon his amendment, which is needed to meet the requirements of a great many of the moderate-sized distilleries. The rule provides that the vat is to be at least 3 feet from the ground or floor, and so placed that the whole exterior surface can be thoroughly inspected without inconvenience. Therefore I do not know what object there can be in requiring that it shall be so large.

Mr KINGSTON

- I have already referred to the clause which allows distilling to be continued under existing conditions, and so that the notice to comply with the prescribed conditions may not be issued at the sweet will and pleasure of the collector, I propose to amend the clause so as to provide that only in the event of anything occurring which, in the opinion of the collector, shall render it necessary for the conditions to be complied with, shall such notice be given.

Mr. McCAY(Corinella). - Unless my memory plays me false, while clauses 24 and 25 were under discussion the Minister drew attention to the fact that they were entirely optional, and pointed out that some honorable members had misunderstood them when they stated that they would allow the small and improper still to remain in existence instead of the perfect article required under this measure. That statement does not seem quite consistent with the Minister's reference to the clauses now.

Mr KINGSTON

- I think the honorable and learned member is in error ; but, however, I intend to make the clause plain, so that all who run may read.

Mr. GLYNN(South Australia). - I understand that the Minister intends to insert after the word "conditions" in clause 25 the words -

And anything shall thereafter occur which in the opinion of the collector shall render it necessary that such conditions or some of them should be complied with.

Is the Minister willing to strike out the words "in the opinion of the collector"?

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Mr Kingston

- I think there is a good deal to be said in favour of striking them out.

Amendment agreed to.

Amendment (by Sir John Quick) proposed -

That the words "and in the case of a wine distillery not less than eighty gallons " be added at the end of the line after the word "gallons."

Mr KINGSTON

- I think the principle of making a distinction in favour of the wine distiller's licence has something to recommend it. AVe have recognised this before in dealing with the capacity of the stills, but I should certainly have resisted so low a limit as 80 gallons but for the clear way in which the committee has indicated its opinion on the subject.

Amendment agreed to.

Sir MALCOLM MCEACHARN (Melbourne). - Rule 48 provides -

Every cask brought into the spirit store must be in sound condition and have legibly cut or branded or painted in oil colours the following particulars : -

On the outside of one end of the cask the name of the distiller or of the distillery, and the place where the distillery is situated.

On the other end of the cask its consecutive number and weight, and when filled with spirits its gross and net weight, the number of gallons it contains, and when rates of duty differ according to the material from which the spirits are made a letter denoting the material from which the spirits are made.

The gross weight of a cask necessarily alters at certain periods, and I think that this rule might be brought

into accordance with the Victorian Act which provides for the number and the tare being shown on the cask. I move -

That the words "its gross and net weight" after the word "spirit," line 3, be omitted.

Mr Kingston

- I do not mind those words being struck out.

Mr. V.L. SOLOMON (South Australia). - I would ask the honorable member to withdraw his amendment temporarily to permit me to move that the words " and weight " be struck out of the first line. I do not see the object of giving the weight of the cask at all. It is not necessary according to present practice, and I see no good object to be gained by providing for it here.

Mr KINGSTON

- It is useful to ascertain the tare of a cask in order that the spirit contents may be more readily computed. AVe are not proposing any departure from the ordinary practice.

Mr V L SOLOMON

- If the words " and weight " in the ninth line are necessary, the words which the honorable member for Melbourne proposes to strike out are equally required.

Sir MALCOLM McEACHARN

- I do not profess to know a great deal about this matter, but the amendment is in accordance with the views of those who understand the business. They point out that it is not necessary to provide for the gross and the net weight of the cask being given, because the weight is a varying quantity.

Amendment agreed to.

Mr. POYNTON(South Australia).Rule 59 reads as follows : -

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

I move -

That the words "and the place where the spirits were distilled" be omitted with a view to insert in lieu thereof the words " or the name of the purchaser or exporter."

It is represented to me that it is not necessary to mention the name of the place where the spirits are distilled, but that the words suggested will meet the case.

Mr. V.L. SOLOMON (South Australia). - - The object of the proposed alterations, as explained by some of the wine and spirit merchants of South Australia, is to permit merchants to place their own distinctive brands on spirits which may be purchased, blended, and bottled by them. They represent that if they comply with the conditions as to bottling spirits and have a reliable man's name on the case and the label, they should be allowed to put their own brand on, and not be forced to sell the spirit as coming from any particular distillery. That is a perfectly reasonable trade custom.

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Mr KINGSTON

- I venture to think it is a fair thing to keep the clause as it stands. In the administration of an Act of this sort the authorities desire to know the truth. They wish to be assured that when a case of spirits goes out - the purchaser may do what he likes with it afterwards - its place of origin should be known. Accordingly it is declared here that every case going out shall have branded or painted thereon the name of the distiller, or the name of the distillery, and the place where the spirits were distilled. I venture to think that that is a justifiable, simple, and ordinary practice. There is no provision which prevents the case, after it is entered for home consumption, being marked as the purchaser pleases, but in the distillery I think it should be marked with the name of the distiller who has distilled the spirits.

Mr. GLYNN(South Australia). - I do not think that this provision applies to the distiller at all. It applies to the store, and the request made by the honorable member for South Australia, Mr. Solomon, therefore, is a proper one. What the people to whom he referred desire is to have their marks put upon the bottles or cases.

Mr KINGSTON

- The honorable and learned member for South Australia has hardly studied this Bill with that close attention which he usually bestows upon matters. I would point out that the spirit store is part of the distillery so far as this provision is concerned. In the distillery we have the still, the spirit store, and the spirit warehouse, which is a Customs warehouse to all intents and purposes. The spirit store in the

distillery is the place where the blending is done. When the blending is done then the case is marked in the way provided.

Mr Glynn

- The spirit store may be separate, though.

Mr KINGSTON

- I can assure the honorable and learned member that it cannot. The spirit store is intended for the purpose of flavouring and blending, and it is there that these operations are carried on. The next procedure is as regards removing the cased spirit into the warehouse. I think it is highly essential that the source of security to the Customs conferred by this rule should be preserved.

Mr. GLYNN(South Australia).- The Minister may be right, but two distillers explained to me that, apart from the distillery altogether, there are persons who export whisky, and who wish to have their particular brands put upon the bottles and the cases.

Mr. BATCHELOR(South Australia).I would point out that in the business of blending some people prefer to use their own labels. They cannot put on the cases the places where the spirits were distilled, the name of the distillery, and a whole lot of information of that kind. There are people who go into the business of blending and issuing spirits to the public under their own name, and it does not appear to me that there is any advantage in preventing them from so doing. They are under complete control all through, and there is no possibility of any evasion of the payment of duty.

Mr. McCAY(Corinella). - I think that the honorable members who have spoken must be under some misapprehension. These are regulations relating to what the distiller has to do. Whatever Act the man who purchases spirits from various distilleries and blends them in a building of his own may come under, he certainly will not come under this Act. I think that there are a number of clauses in this Bill which go beyond our constitutional powers. I might instance the clause which we amended upon the motion of the honorable and learned member for Indi, having reference to the fortification of wines. I think that provisions of that kind are entirely beyond our constitutional power. However, the Ministry must take the responsibility in a matter of that sort.

Mr Isaacs

- That provision is not more unconstitutional than are many others in the Bill.

Mr McCAY

- I do not say that it is.

Mr. V.L. SOLOMON (South Australia). - Why should a man who is going to sell or export spirits be prevented from putting his own name upon them? The amendment simply declares that when a distiller sends his spirits out of his store in cases he shall put his name upon the cases, so that if bad spirits are sent out from one distillery they shall not have the chance of being passed off as good spirits from another distillery.

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Mr KINGSTON

- I can make it abundantly clear that the spirit store is part of the distillery where practically distilling operations are carried on, and where we have the right to see that the cases of spirits bear the brand of the distiller for the security of the revenue and as a guarantee of their genuineness. The scheme of the Bill is to be found in rule 4. There is to be an application for a spirit-maker's licence. Every distillery must comply with certain conditions which are there prescribed. There must be on the premises (1) a material store, or store for the reception of material; (2) a spirit store for the storing of spirits pending warehousing ; (3) a warehouse for the warehousing of spirits. Why this spirit store is provided is clearly set out in rule 41, which says -

The spirit store is for the purpose of carrying on therein the flavouring, colouring, blending, and bottling of spirits, and the putting of spirits into casks.

The provision here is simply that when these operations are carried on in the spirit store, in the course of the removal of the goods to the warehouse, which is the next place to which they go, these marks shall appear for the purposes I have mentioned.

Mr V L SOLOMON

- I do not know that there is any greater virtue in having the marks of the distiller placed upon the cases than there is in having the number or letter which the collector may direct placed upon them. The object of

the amendment is to avoid hampering the distiller in selling his spirits. If a distiller sells twenty quarter casks of spirits to a retailer, who in the course of his trade also desires to send out brandy or whisky distilled in a certain distillery, why should we prevent him from having his own name placed upon the bottles or cases ? The proposal of the honorable member is that every case shall have branded or painted upon it the name of the distiller or the name of the distillery or the name of the purchaser or exporter. The purchaser for convenience sake prefers to have these spirits bottled in the warehouse before he takes them away. The adoption of the amendment would not interfere with the concluding words of the rule which are the safeguard of the Customs, and which read - "And any number or letter which the collector shall direct." What more of a safeguard is required ? Why should we force a distiller to clear his spirits in quarter disks or hogsheads, and why should we compel the purchaser to take them away so that they can be mixed with inferior spirits if he so pleases, and then sent out broadcast to other places? The proposal of the honorable member for South Australia, Mr. Poynton, is a much better safeguard. All he asks is that the man who purchases and distributes the spirits shall be able to have his name and brand put on the cases, in addition to the distinctive number and mark by the collector. If the amendment be not made, the man who is going to bottle the spirits will be able to blend them as he pleases. This is not an amendment of much moment, except that it facilitates the operations of the wine maker and the retailer or spirit merchant.

Mr THOMSON

- I think there is something in the arguments which have been advanced in favor of the amendment. There is no intention on the part of the Customs authorities to follow spirit in its distribution, and see that it carries the name of the distiller or distillery, because, under the circumstances, if the spirit is cleared in casks it can be repacked in any way it is thought fit. In rules 59 and 58 power is taken to interfere quite unnecessarily with the method of packing and distributing spirits, though I would not object to that if it meant that the public would be secured good spirits, but there is no such security.

Mr Kingston

- It will at least give information outside.

Mr THOMSON

- No, because the spirit can be cleared in casks, and bottled in any way the bottler chooses. If the spirits are going to be duty paid from the spirit store, I do not see why the distiller should be compelled to go to the expense of cases to contain the bottles, as he must do according to rule 58. It would be quite sufficient to have the spirits in bottles delivered loose, if so thought fit, seeing that they might have to be taken just across the road. By rule 59, unless the Minister has some reason beyond that he has stated, we are making provision that has no effect, as regards security to the public, but which will have a very detrimental effect on the distillers and those who purchase from them.

Amendment negatived.

Mr. McCOLL(Echuca). - I move -

That the following words be added to the rule - "also the materials of which the spirits have been made." The object of the rule is to give people the truth and the spirits are in a place where there will be no difficulty in placing this information on the cases.

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Mr KINGSTON

- The question of placarding the particular materials from which the spirits are made is one which had better be left to State regulation. I have indicated the Government's intentions and I hope the Commonwealth will support me.

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

Ayes 26

Noes 19

Majority 7

Question so resolved in the affirmative.

Amendment agreed to.

Rule 60-

No label shall be affixed by a distiller to any bottles containing spirits, unless the collector has given his permission in writing to the affixing of such labels.

Amendment (by Mr. McColl) proposed -

That the following words be added to the rule - " and each label shall state the materials of which the contents are made."

Mr KINGSTON

- I would suggest to honorable members generally that this will afford us an opportunity of reconsidering our position to some extent, or at least of refraining from going to lengths which it is almost impossible to defend. There are numbers of articles which enter into daily consumption, the contents of which we do not know. We can make a general declaration as to the articles from which spirit may be distilled, but it does seem to me that whilst we can do this, that, and the other for the protection of the revenue in a distillery, to go a long way beyond that, as we propose now, and practically to say that every bottle which goes out of a distillery is to bear on it a declaration as to the material of which the contents are composed, is going to a length to which I should be sorry to think the committee is prepared at present to agree.

Mr Cameron

- It is perfectly ridiculous.

Mr KINGSTON

- I know there is sometimes an inclination to vote in a way which upon reflection we can hardly sustain, and I venture to say that an example of that was afforded to some extent in connexion with the last vote. Of course I respect the decision of the committee and bow to it, but I ask honorable members to consider whether it is desirable to make a provision of the character now proposed, and which seems to me to be altogether unusual.

Mr Cameron

- Is it done anywhere else?

Mr KINGSTON

- I have never heard of it. It seems to me that it goes beyond the limits of our jurisdiction in dealing with matters of private enterprise, and generally trespasses on State rights.

Mr Poynton

- Even the Food and Drugs Act does not go so far as that.

Mr KINGSTON

- The Commonwealth Constitution did not intend to give us this power. Let us do what is a fair thing in connexion with excise. The States to whose jurisdiction this question of health legislation properly belongs would have a right to complain if we pushed the matter further than we have done already. Under all these circumstances I beg honorable members to consider whether it is desirable to go further ; whether it would not be well to hold our hands, and even, if necessary, to reconsider at an early opportunity the decision which we have just come to.

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Mr ISAACS

- I think the Minister in charge of the Bill has pressed his argument a great deal too far. In the first place, the vote we carried a moment or two ago was the main one, and this is only consequential upon it. The vote we carried was that if spirits were bottled and then placed in a case the case should bear this information. It is quite evident that without this provision when the bottles are taken out of the case the benefit sought to be derived might be lost. Unfortunately, however, the regulation does not go the length that the Minister supposes. I wish that it did. Even the addition proposed by the honorable member for Echuca will not make it compulsory to put such a label on every bottle. The rule in its unamended form provides that -

No label shall be affixed by a distiller to any bottles containing spirits, unless the collector has given his permission in writing to the affixing of such labels.

The honorable member for Echuca proposes to add words providing merely that if a label is put on a bottle - it not being compulsory to put it on - that label shall contain this information. Therefore, the Minister is pressing his objection to the amendment much too far. Another argument put by the Minister was - " Why should we go out of our way to insist on the material being mentioned?" We should do so, because the Bill now provides for two classes of spirit-makers' licences, one to enable a man to make spirits from wine products alone, and the other to make spirits from any material. It is most essential, it seems to me, that when spirits are made the Customs department should know what are the materials

used, for the protection of our revenue and in order to see that the spirit-makers, or at all events some of them, are not evading their just obligations. Thus, from a Customs standpoint alone, the Minister ought to welcome the proposed addition to the rule.

Mr WATSON

- It seems to me that the amendment proposed by the honorable member for Echuca does not go any great distance further than clause 75 as passed. In that clause the right honorable gentleman has laid down that "no person" - I presume that includes publicans, retailers, and others - shall

Sell spirits of a less strength than 25 degrees underproof.

Then it goes on to enumerate quite a number of matters. It provides that no person shall -

Sell any Australian wine containing more than 25 per cent, of proof spirit, or add any wines to spirits for the purpose of breaking down or reducing the strength of the spirits. do not see that the amendment now proposed is inconsistent with the spirit or intention of clause 75. We are not going one iota further, so far as the general effect is concerned, while so far as the consumption of spirits is concerned I think we are taking a very proper precaution.

Mr Cameron

- Is it done in any place in the world where spirits are produced 1

Mr WATSON

- What objection is there to be urged to the present, proposal that could not be urged with equal justice against clause 75 1

Mr V L SOLOMON

- The honorable member for Bland has just called attention to a clause in which we have evidently made a very serious slip. He points to that clause as a reason why we should go further, and pass the amendment proposed by the honorable member for Echuca. If the use of the word "person," in clause 75, is going to cover hotel-keepers who are at the present time under different laws in each State, it seems to me that it is going a little beyond the Constitution ; that it is trenching very much on State rights.

Mr Watson

- What about the provision in regard to "exhausted tea" in the Customs Bill ? It is on the same line.

Mr V L SOLOMON

- I do not know whether tea is to be dealt with in that Bill as it is in all the States. I think it is dealt with in the different States in the same way, and that the power to legislate in regard to it has been handed over to us. The provision that no person shall break down spirits by the introduction of wine, &c, will undoubtedly interfere with licensed victuallers, who in all the States are subject already to special legislation. We have special legislation in South Australia dealing with the bottling of wines and spirits, which specifies that imported spirits or imported wines bottled in that State must bear a certain label stating clearly that they are imported, and bottled in South Australia, and giving the name of the person bottling them. Nothing whatever is said about the materials from which they are made. As far as I know the only case in which that requirement is imposed is in regard to poisons under the Goods and Drugs Act. I am pointing out these aspects of the question in order that the Minister may look back, as he said just now, at certain portions of the Bill and see how far we are going. It is useless to pass an Act which trenches on the rights of the States and upon their existing legislation, and which is not well within the limitations of an ordinary Customs Bill or Distillation Act.

Mr Higgins

- We have the same law in Victoria as to the contents of certain medicines.

Mr V L SOLOMON

- Exactly. The South Australian measure does not stipulate what the honorable member for Echuca proposes, that the label shall show what the spirits are made from. I quite agree with the honorable member's desire that something of the kind should be done, but I do not think this is the place to do it. It can be better dealt with, and should be dealt with, in a separate measure on the same terms as those relating to the labelling and retailing of imported bottled spirits, but it should not be introduced into this measure.

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Mr HARPER

- There is one objection I see to this proposal, as well as to the amendment we have just carried, and that

is that we are applying to spirits bottled in Australia a different rule from that which will prevail in regard to imported spirits.

There is no provision of this kind in the Customs Bill, so that potato or any other land of spirit may come into this country, whilst our own distillers will be debarred from making any such products.

Mr McColl

- We will stop that under the Tariff.

Mr HARPER

- It may not be possible to do so, and we must be careful not to place our own distillers under any disability as compared with those beyond the Commonwealth.

Mr SALMON

- I quite agree with the honorable member for Bland, that in another case we have already gone as far as the amendment now proposes to go. We have protected the consumer against exhausted tea, and we are protecting the public against wines and spirits of bad quality, and surely we are entitled to go to the length now proposed. All matters relating to distillation have been handed over to us as a Commonwealth, and it becomes our duty to do everything we can to protect the consumer as well as to study the revenue. If any proposal in this direction were brought forward in any of the State Parliaments, its sponsor would be at once met by the objection that any attempt to deal with the matter would be an intrusion upon the realm of the Commonwealth. No arguments can be used against such an amendment as the honorable member has proposed, except those which might be brought forward in the interests of a dishonest distiller. The man who uses proper materials will have nothing to fear from any such restriction.

Mr Conroy

- What are proper materials ?

Mr SALMON

- I can tell the honorable member what are improper materials ; potatoes, for instance.

Mr Conroy

- Potatoes are not improper materials.

Mr Harper

- Can the honorable member chemically distinguish one spirit from the other?

Mr SALMON

- Potato spirit can easily be distinguished from corn spirit, and even the man in the street who does not know anything about the chemical constituents of potato or corn spirit would be able to immediately tell the difference between the two by the effects produced upon the human system. The proposal of the honorable member for Echuca does not trench in any way upon the rights of the States, but this is the proper place, and now is the proper time, for us to make the provision necessary to protect the consumer against bad spirits. We have something more than the collection of revenue to look after, and that is shown by the instance referred to by the honorable member for Bland.' The statement that no similar provision has been made in any other country in the world surely ought not to weigh with us, seeing that we hope shortly to pass legislation dealing with aliens such as has not been passed in any other country. I hope we shall agree to the amendment, in order that we may lay it down as a principle that it is our duty to protect the consumer as well as the Government.

Mr CONROY

- If the honorable member for Laanecoorie will look up Fownes' Chemistry, he will see that the interjection I made was perfectly correct, and that, whether alcohol is distilled from potatoes or grain, under certain conditions, there is absolutely no difference whatever. When certain lower oils are left in the spirit no doubt there is a difference ; but when it comes to a question of pure alcohol, apart from the flavourings which are used to make the different spirits which pass into the market for human consumption, there is practically no difference between potato and grain spirit. We ought to be guided by chemists in this matter, and the whole question should be reconsidered with a view to the recognition of the fact that, so far as the public are concerned, alcohol, if it may be considered wholesome at all, is just as wholesome if distilled from one thing as from another. If there is any prejudice in the minds of the people with regard to the source from which the spirits come, we are likely, by passing the amendment, to strengthen that prejudice against our own distillers. It is very questionable whether any such provision as that now

proposed could be enforced, and it is also a question whether, by passing the amendment, we shall not be overstepping the limits of the Constitution.

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Mr THOMSON

- When I listened to the Minister's very earnest words, requesting the committee to go back on what they had already done, and not to do what they proposed to do, I was reminded that equally earnest words were addressed to him by various honorable members when the Customs Bill was before us. Then the Minister found a hundred reasons why we should provide for the purity of imported goods. It has been pointed out that, if we deal with this matter as proposed, we shall be treating our own productions differently from imported goods under the Customs Bill. In that Bill we actually, under the pressure of the Ministry, passed a clause which stated that an article which was allowed to be manufactured in this country would not be allowed to be imported into the Commonwealth, and on the 59th rule in this Bill, where the objection was raised that the Minister's proposal would have the effect of hampering trade, he insisted upon its being passed. Under that rule it will be necessary, in the case of spirits bottled within the Commonwealth, for the name of the distillery and the place where the spirits were distilled to appear on the casks and cases, although no such provision is made regarding imported spirits under the Customs Bill. The Minister refused to listen to the representations that trade would be unnecessarily hampered, or that we might be exceeding our powers under the Constitution. It was shown that all restrictions could be escaped by the payment of duty upon the spirits, and by then dealing with them in a free store, just as the provision now sought to be made can be escaped, because spirits can be taken into a free store and dealt with without any of the labelling that the honorable member for Echuca contemplates.

Mr A PATERSON

- I do not take much interest in spirits, so far as their manufacture is concerned, but I take some interest in truth, and I would like the committee to consider the enormous amount of lying that will probably be indulged in in connexion with the declarations that it is proposed to require from those who are dealing with these spirits. There will be a good deal of lying in connexion with the declarations on the cases, and there will be twelve times as much lying in connexion with the labels on the bottles. I shall oppose the amendment altogether.

Mr McCOLL

- I do not see how it can be contended that we are encroaching on State rights, because everything relating to distillation comes within our purview, and we have a perfect right to place whatever restrictions we think necessary upon the distillation of spirits. If we pass this legislation the States will no doubt take the matter up at the point where we leave off, and will make regulations which will protect the public against the improper manipulation of spirits after they leave the distillery. From what I know of the various State legislators they are just as anxious to protect the public as we are.

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

The committee divided -

Ayes 27

Noes 21

Majority 6

Question so resolved in the affirmative.

Amendment agreed to.

Mr. POYNTON(South Australia).Rule 6 1 says that -

A distiller may apply in writing to the collector to re-vat any spirits stored in his spirit warehouse, and the permission may be granted or refused.

I move -

That the word "apply" be omitted, with the view to insert in lieu thereof the word "notify" ; and to insert after the word "collector" the words " his intention" ; also that the words "and the permission may be granted or refused" be omitted.

Those who are authorities upon this matter assert that they must have more latitude than is conferred by this rule. I ask the Minister if he cannot meet me upon this question ?

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Mr KINGSTON

- The position is that the spirit warehouse is a Customs bond, and the provision is to allow spirits to be taken out of the warehouse, where they are under lock and key, back into the spirit store for the purpose of blending. I do not think that any objection can be offered to that, but I cannot agree that such action ought to be left entirely to the discretion of the distiller. It would be highly undesirable that spirits should be taken out at any moment without any consideration as to the presence of an officer. If the honorable member for South Australia is willing to accept the rule in the following form, I am prepared to meet him : - Spirits may be removed from the warehouse to the spirit store for re-vatting with the permission of the collector.

It is in the spirit store that the re-vatting and blending operations are carried out. Rule 41 says - The spirit store is for the purpose of carrying on therein the flavouring, colouring, blending, and bottling of spirits, and the putting of the spirits into casks.

Then in casks they are removed to the warehouse.

Mr V L SOLOMON

- In support of the contention of the honorable member for South Australia, Mr. Poynton, I would point out that this proposal refers to the re-vatting of spirits stored in a distiller's spirit warehouse. Those who suggested this amendment say that after the spirit has been finally dealt with, it may be necessary in some instances to allow it to remain in the warehouse for twelve or eighteen months to mature before being finally blended. They desire, therefore, the opportunity of re-vatting for blending purposes.

Mr Kingston

- We do not allow operations to be carried on in the spirit warehouse. They are all undertaken in the spirit store.

Mr V L SOLOMON

- This provision sets forth that a distiller may apply in writing to the collector to re-vat any spirits stored in his spirit warehouse.

Mr Kingston

- Because the spirits, before they get into the warehouse, have been re-vatted in the spirit store, and he wants them taken back to the spirit store.

Mr V L SOLOMON

- The only point is whether the distiller should have to apply in writing to the collector, and that the collector should then have the right to permit or refuse. It would be better, as suggested by the amendment, that the distiller should merely notify his desire, and should then have the right, under proper Customs supervision, to have these spirits returned to the store for re-vatting and blending purposes.

Mr KINGSTON

- To strike out the last words as suggested by the honorable member for South Australia, Mr Poynton, would be giving up too much control, but this is a case in which every reasonable facility should be afforded not inconsistent with the ordinary Customs control of a bonded store. I do not mind making the rule to read that a distiller may, by authority, re-vat in the spirit store any spirits stored in his spirit warehouse.

Mr Poynton

- That is still open to the objection that there may be a refusal.

Mr KINGSTON

- It is an expression used very often when a thing does not happen as a matter of course.

Mr Poynton

- Is there any reason why there should be a refusal ?

Mr KINGSTON

- The request might be made at a certain moment when the business could not well be attended to.

Mr Poynton

- It is generally understood that permission will be given?

Mr KINGSTON

- Undoubtedly.

Amendment, by leave, withdrawn.

Amendment (by Mr. Kingston) agreed to-

That all the words after "may" be omitted with a view to insert in lieu thereof the words "by authority re-

vat in his spirit store any spirits stored in his spirit warehouse.

Sir MALCOLM McEACHARN

- Rule 75 reads -

All casks, if not removed within three years, shall at the expiration of that time be examined by an officer, and the duty upon any difference or deficiency between the quantity ascertained on the spirits being first warehoused and the quantity found to exist at such examination, subject to the specified allowance or to such greater allowance as may be sanctioned by the collector, shall be paid, and the quantity found in the casks shall either be re-warehoused by the surrender of the existing certificate and the issue of a new certificate, or the duty shall be paid thereon.

It is thought to be a great hardship that goods should have to be re-bonded every three years, and as this clause is only intended to operate where suspicious circumstances are likely to arise, the Minister might very well add something to leave it optional to the collector and not obligatory.

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Mr KINGSTON

- I am not sure that it is not a good thing to provide for the periodical overhauling of the contents of the warehouse, but, at the same time, there may be special cases which will render a little discretion necessary and proper. I move -

That after the word "time," line 2, the following words be inserted - "or such further time if any as may be allowed by the collector."

Mr McCOLL

- There are two amendments desired by the vigneron's conference in rule 87, which provides that; - Vignerons' licences shall not be granted in respect of stills of a capacity of less than two hundred gallons, or which are not capable of exhausting fifty gallons of wine per hour.

When that rule was drawn, the area was intended to be 10 acres, whereas now it has been reduced to 5.

It is said, however, that a 200 gallon capacity would be large enough for 50 acres, and I move -

That the words "two hundred" be struck out with a view to insert in lieu thereof the word "fifty," and that "fifty" be omitted with a view to insert "twenty" in lieu thereof.

Mr ISAACS

- I hope the Minister will accept the amendment, because this is a matter which means the continuance or abandonment of these stills in the case of a number of vignerons.

Mr Kingston

- I am making provision for existing stills.

Mr ISAACS

- But we have to consider those persons who may want to come into the business afterwards. We must not forget that the industry, important as it is at present, is really in its infancy, and I hope that we shall, by reducing the capacity of the exhausting power of stills, place it within the reach of smaller growers in the future to be able to develop their own vineyards and produce their own wine.

Amendments agreed to.

Mr. McCOLL(Echuca).- Rule 88 provides that -

Before a vigneron's licence shall be granted or renewed there must be erected upon the premises a spirit store which must -

Be a building of stone, brick, or concrete.

It is pointed out that in some parts it may be difficult to get either stone, brick, or concrete, and it is therefore desired to have inserted the words " or other approved material." I move -

That the words " or other approved material" be added.

Amendment agreed to.

Mr. McCOLL(Echuca). - An amendment is required in Rule 90, which is as follows : -

A feints receiver of not less than one hundred gallons capacity, and a spirit receiver of not less than two hundred gallons capacity, must be kept in the spirit store.

I move -

That the words "one hundred" be omitted, with a view to insert "thirty-five," and that the words " two hundred" be omitted, with a view to insert "sixty."

Amendment agreed to.

Mr. McCOLL(Echuca). - A strong objection has been made to the seven days' notice in Rule 93, which is as follows : -

Every vigneron shall give to the collector at least seven days' notice of the day and hour when he intends to commence distilling.

It is felt that this is altogether too long, and that the circumstances of the operation would not permit seven days' notice to be given. It should be three. I move -

That the word "seven " be omitted, with a view to insert the word "three."

Amendment agreed to.

Rule 97-

If the quantity of spirits produced is less than the quantity of spirits which should have been produced, the vigneron shall pay duty on the deficiency, unless such deficiency is explained to the satisfaction of the collector, and no distilling operations or mixing of spirits with wine shall be allowed until the duty demanded on any deficiency has been paid.

Mr McCOLL

- It is desired that some such words as "or until such deficiency shall be satisfactorily explained " be inserted in this rule.

Amendment (by Mr. Kingston) agreed to-

That the following words be added : - " or until such deficiency is accounted for to the satisfaction of the collector."

Mr. McCOLL(Echuca). - It has been pointed out to me that under regulation 99 a vigneron ought to be required to give the collector only twelve hours' notice of his intention to mix spirits with wine. I hope that the Minister will see his way to reduce the length of the notice from twenty-four hours to twelve hours.

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Mr KINGSTON

- I am afraid that twelve hours' notice will be too little. We do not want to harass the vigneron ; but at the same time we cannot be always there, and if twelve hours' notice only is to be required I am inclined to think that it will be difficult to exercise any supervision. Of course the circumstances are not the same as in Victoria at present. There are cases where distilleries are, or may be, situated in much more remote districts, and twelve hours' notice I am sure would place difficulties in the way of the presence of an officer which might not be altogether desirable. I ask the honorable member not to press for an amendment. Surely 24 hours' notice is not too stiff.

Mr McColl

-I shall not press the matter.

Mr V L SOLOMON

- It would require an army of officers if we reduced the length of the notice.

Mr. McCOLL(Echuca). - Some consequential amendments ought to be made in regulations 100 to 104 inclusive. In the body of the Bill we struck out the references to the duty, and therefore the references to the duty ought to be omitted from these regulations.

Mr KINGSTON

- -I am willing to amend these regulations so as to bring them into harmony with what we have done in the Bill.

Regulations amended accordingly.

Mr ISAACS

- I find that regulation 105 provides that -

Two or more vignerons having each a vigneron's licence may, by permission, use a portable still, to be removed from time to time to the licensed premises where its use is required.

On the second reading of the Bill, or in committee on an earlier clause, I suggested that the Minister should agree to have a power enabling two or more vignerons to use one still, not portable, but remaining on the premises of one of them, where the same supervision could be exercised. Such an arrangement would be better for the Customs department and for the vignerons themselves. I hope the Minister will see his way to permit that to be done. I move -

That the following words be added to the paragraph : - " or a still situated on the premises of one of them."

Mr KINGSTON

- I think that is permitted already, and I do not think the amendment is wanted, because I have already agreed not to limit the vigneron to the distillation of spirits to fortify his own wines. That was struck out just now for the purpose of getting over the difficulty.

Mr ISAACS

-That will not meet the case at all. The Minister has struck out some words which restricted the use by a vigneron distiller of the spirits he distilled for his own wine, but he has not the power to sell the spirit he distils, unless he gets special permission, and I do not know what use it is going to be to him to be told that he may make a present of it to somebody else. He has not the right of sale, but the spirits he distils may be used for some one else's wine. Under regulation 105 two or more vignerons may have one still between them, provided they move it about, and all I want is to give them the power to use a still if they choose to keep it in one place. It will make no difference to the Customs department, as it will be subject to supervision. I only want to do away with the necessity for moving the still about, where that can be avoided.

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Mr Kingston

- I do not think the amendment is wanted, but as it is in compliance with our intention, I have no objection to it.

Mr. McCOLL(Echuca).- This is an amendment which I understood the Minister was strongly in favour of. The object of it is to have one still which may be used by two or more people, each of whom will have a licence.

Amendment agreed to.

Amendments (by Mr. Kingston) agreed to-

That after regulation 105 the following regulations with respect to test stills be inserted - 105a.

Applications for test still licences may be in Form J. 105b. Test still licences may be in Form E. 105c. The holder of a test still licence who does not renew his licence shall secure his still to the satisfaction of the collector.

That the following new form be inserted after form " C " in Schedule III : -

The Commonwealth of Australia.

The Distillation Act 1901.

This licence is issued under and subject to the provisions of the Distillation Act 1901, and the regulations thereunder to (name) (occupation) and authorizes him to distil spirits from grape products only upon his premises, situated at (street or road) (locality). This licence expires on the 31st day of December, 19 , and is renewable annually on payment of the annual licence-fee unless suspended or cancelled in the meantime.

Mr MAHON

- In connection with form K I would ask the Minister whether it is intended to require all persons who are working salt water stills to take out a licence?

Mr KINGSTON

- No. It is not intended to interfere with them at all. I move that the form be amended to read as follows : - FORM K.

Commonwealth of Australia. - The Distillation Act 1901.

Test Still Licence.

This licence is issued subject to the Distillation Act 1901, and the regulations thereunder to (name) (occupation), and authorizes him to use upon his premises situated at (street or road) (locality) for the purpose of distilling. This licence expires on the 31st day of December, 19

Schedule agreed to.

Bill reported with amendments.

ADJOURNMENT

Commandant of New South Wales Defence Force

Motion (by Mr. Kingston) proposed -

That the House do now adjourn.

Mr CONROY

- I wish to ask the Minister for Defence whether it is true that a new Commandant of the New South Wales Defence forces has been appointed?

Minister for Defence

Sir JOHN FORREST

. - The commandant ship of the State referred to is not yet vacant, and will not be vacant till the end of the year.

Mr Conroy

- There is a rumour of that sort.

Sir JOHN FORREST

- There is no foundation for any such rumour.

Question resolved in the affirmative.

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23:10:00

House adjourned at 11.10 p.m.