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1901-10-31

House of Representatives.

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

PERSONAL EXPLANATION

Mr BRUCE SMITH

- When I was addressing the House on Tuesday night, in the middle of a lengthy passage, which required some observance of continuity in its delivery, the honorable member for Eden-Monaro made an interruption, which was entirely irrelevant, to this effect - "Were you not a protectionist in 1898?" to which I gave the flattest denial. He then said - " Were you not nominated by a protectionist association ? " to which also I gave the flattest denial. Last night the Minister for Home Affairs, notwithstanding these denials, again brought the matter before the House - with characteristic magnanimity, in my absence. He affected to be unable to quote from a letter--

Sir William Lyne

- I quoted it.

Mr BRUCE SMITH

- The honorable member made a very short quotation from it, but never quoted the answer.

Sir William Lyne

- Yes, I did.

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Mr BRUCE SMITH

- The letter and the answer together contain a full explanation of my attitude. The election took place in 1898. It was a question between the right honorable gentleman leading the Government and the right honorable member leading the Opposition in this House. The question was one entirely of federation - whether the movement should be pushed on or whether it should be left in statu quo. I stood for the Clebe electorate, and I supported the right honorable gentleman at the head of the Government, because I recognised in him the one man upon whom the federal cloak of Sir Henry Parkes had fallen. The question of free-trade or protection was never raised. A protectionist association wrote to me to inform me that they intended - not to nominate me, but - to give me their support on federal grounds. I wrote back acknowledging the offer, as I was bound in courtesy to do : taking care that I should not be associated in any way with the protectionist cause. I lost that election, but I can say safely that the question of protection or free-trade never came before the country in any way. Therefore I say to the Minister for Home Affairs, who is familiar with the history of political questions in New South Wales, that it was a most unbecoming and most unjust thing to have said, especially in my absence. I am not anxious about his good opinion, but I am anxious that the very large number of honorable members who are not familiar with my political career should not be left under the impression that I have ever wavered on this question - even one hair's breadth - in 30 years. I can challenge any one to produce any sentence which I have ever uttered or written in that period which involves the slightest qualification of my adherence to free-trade principles. I wish the House to know that I invite the Minister for Home Affairs, or any other honorable member, or any member of the public outside, to quote any sentence ever uttered or written by me which in any way qualifies my adherence to the cause of commercial freedom.

Mr JOSEPH COOK

- It is like all the rest of his tortuous statements.

Sir WILLIAM LYNE

- I take no notice of the honorable member for Parramatta, because he is beneath it.

Mr JOSEPH COOK

- I must be pretty low down.

Mr SPEAKER

- Order.

Sir WILLIAM LYNE

- I regret that the honorable and learned member for Parkes was not here last night, but, because he was away, I was not going to curtail my remarks.

Mr BRUCE SMITH

- The honorable gentleman did tell me that he was going to quote something, but he did not tell me what it was.

Sir WILLIAM LYNE

- The honorable and learned member stated that I did not read his answer. If he will read the report of my speech he will see that I read the letter from the Protectionist Union and his reply.

Mr BRUCE SMITH

- The whole of it ?

Sir WILLIAM LYNE

- Yes.

Mr BRUCE SMITH

- Then it explains itself.

Sir WILLIAM LYNE

- The honorable and learned member has dropped into an error in thinking that I wished to take any advantage of him. I stated that he had been supported by the Protectionist Union in the election for the Glebe.

Mr Wilks

- That his how he lost the seat.

Sir WILLIAM LYNE

- That is what the honorable member said last night. I read in justice to the honorable and learned member the letter from the Union to him and his reply. I could not do more or less.

MOTION OF CENSURE

Debate resumed (from 30th October), on motion by Mr. Reid -

) That this House cannot accept the Financial and Tariff proposals submitted by the Government -
Because they would place the finances of the Commonwealth and the States upon an unsound and extravagant basis.

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

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

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

Mr WATKINS

- I trust that the few words I intend to contribute to the debate will be accepted as the opinion of a man whose desire is to see a Tariff constructed that will suit the whole of the requirements of the Commonwealth, and bear the least heavily upon the producers. I am quite willing to admit that those honorable members who hold opinions different from mine on this all-important subject are equally honest in their intention to do likewise. I recognise the all-importance of this occasion when it is the desire of the members of this Parliament, if possible, to frame a Tariff which, we trust, will last for some years to come. Accepting that as the intention of honorable members--

Mr Conroy

- Never.

Mr WATKINS

- Of course I cannot accept the opinion of one honorable member. I believe that the opinion of the majority of the Opposition is that we should endeavour to do so.

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Mr Conroy

- Not a Tariff in which such injustice prevails !

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Mr WATKINS

- I view the position to-day in just the same light as that in "which it appeared to me prior to federation. I recognised then, as I recognise now, that it will be necessary for us to have a Tariff perhaps somewhat

higher than some of those which have hitherto been in operation in one of the States. I did not stand alone in that opinion. "When we were opposing the Federal Enabling Bills - and I say candidly that I opposed both - we had on our side, in connexion with the opposition to the first Bill, the leader of the Opposition, and the majority of honorable members who are supporting him. These honorable members pointed out that a higher Tariff would have to be imposed upon the imports into New South Wales, and their opinion was exactly the same as our own. Before, however, the second Bill was submitted to a referendum of the people of New South Wales, many of these honorable members altered their opinion and supported the second measure, although it did not differ in its financial aspects from that which was first submitted. I now tell these honorable gentlemen with all candour and all respect that, if I could believe that the State to which I belong had been placed in a bad position by joining the Federation, I should not take any responsibility myself, but should throw it upon those who upon one occasion pointed out the dangers that were to be apprehended, and on the second occasion lulled the fears of the people, and asked them to join the Federal Union. These are the men who must be blamed if blame is to be attached to any one. I do not go so far as to say that the State of New South Wales will suffer to the extent that some honorable members predict. I had other reasons for opposing the Federal Constitution, which I shall not disclose now. The position in which we stand to-day is that we have a Tariff before us which is intended to provide for the wants of the whole of the States of the Commonwealth. I am not altogether satisfied with it, but up to the present time, although I have listened anxiously, I have heard nothing proposed by the Opposition that could take its place. I admit that during the late, federal elections the free-trade party - as we knew them in New South Wales - acknowledged that it would be necessary to impose customs taxation ; but they indicated that their taxation would differ in its incidence from that which they expected to be proposed by the Government. That is the position that they then assumed, but we have not had any form of taxation suggested by any one who has spoken on the Opposition side - in fact, we have heard nothing but declamation against the way in which the Tariff now before us would press upon the producing classes. The Baily Telegraph, a free-trade journal in New South Wales, has . proposed a Tariff which, in my opinion - bad as this Tariff may be - would in some respects press more heavily upon the producing classes of the Commonwealth. If we take another organ which has supported their policy, a paper called Ova-Country, we find that whilst they have declaimed against the duties on tea, coffee, chicory, and cocoa, their own proposal is to derive an average revenue from these articles of at least 4½d. per lb. I am willing to join hands with the members of the Opposition if they will join with me in lightening the burdens upon the people ; but at the same time I recognise that a purely revenue Tariff of the old free-trade type would involve higher taxes upon the articles which cannot be produced within the Commonwealth than upon those which could be produced here, so as to insure revenue easily. To say that that form of taxation will press less heavily upon the people is to tell me something that I cannot understand and cannot agree with. I cannot conceive how a purely revenue tax upon those things which cannot be produced within the Commonwealth is going to lighten the taxation upon the poorer classes of the community. The members of the Opposition who have come from New 'South Wales have accepted 'the position that the Tariff must necessarily be protective in its incidence, and I should like to quote a passage from a manifesto that was issued by the right honorable member for Tasmania, Sir Edward Braddon. The right honorable gentleman put the position very clearly when he asked the people of Tasmania to join the federation. The statement I am about to quote was not made during a public speech, but is taken from a carefully considered manifesto published in the two leading newspapers in Tasmania on behalf of himself as the Premier of that State. He pointed out -

What will Tasmania's position be ? She would be then a small fragment of that outside world against which the Commonwealth would set up its Customs barriers. The market of New -South Wales, now free to us, would be barred against us by the Federal Tariff ; and instead of that wider market which intercolonial free-trade would give for our fruit, jam, timber, oats, hay, straw, potatoes, woollen manufactures, &c. , we should have a market even more restricted than that which now blights many of our industries. Whereas, New South Wales now imports large stocks of wheat, duty free, from India and San Francisco to replenish her stores, and so reduces her demand upon Australian granaries, she will under federation only receive that foreign wheat on payment of duty, and by so much the wheat exporting States will be protected. So will they be against New Zealand.....

If that was the position at that time it is equally the position to-day. A great deal has been said in the

course of this debate by way of comparison between the various States. I do not propose to follow the example of other honorable members in this direction, because I think that such comparisons are not only unreliable, but distinctly unfair. I have lived in Australia long enough - all my life - to know that to compare the populations of the various States from time to time affords very little guide as to their relative prosperity. Rushes of population take place from State to State as gold-fields break out, and men follow them up in order to take advantage of any temporary improvement. That condition, I believe, has obtained in every State of the group. I refuse, therefore, to follow in the footsteps of some honorable members who have indulged in the practice of pitting one State against another. It is not to the advantage of federal union that we should set State against State at this particular juncture. Some honorable members who represent New South Wales have been called the enemies of that State because they have freely criticised its position under a free-trade policy. I have too much respect for New South Wales to compare such a large State with any of the small States of the union. All my life I have been associated with the industrial classes, and I think I can fairly claim to view this question from their standpoint. To my mind the ultimate emancipation of the working classes does not depend upon the fiscal policy of Australia. At the same time I freely admit that the fiscal system which we adopt must exercise a potential influence upon their position, whilst we live under present conditions of trade and commerce. But that they can get absolute emancipation from the adoption of either one policy or the other I absolutely deny. It has ever been my endeavour to secure the best possible conditions from the employers of labour for the working classes generally. In this connexion I have assisted to pass many reforms which impose certain conditions upon the employers of New South Wales. How, therefore, can I consistently advocate the throwing open of our home market to the employer of sweated labour abroad? I have always been, from the workman's standpoint, a protectionist, and I should not be logical if I did not protect the producers of this country generally against the unfair competition of foreign countries. That is the position which I take up in regard to this Tariff. I recognize in it many items with which I cannot agree, and it will be my duty to assist, as far as I possibly can, in the reduction of those imposts which, I think, will press most heavily upon people who have to earn their bread by the sweat of their brow. I believe that the Government will have to go short of the amount of revenue which they estimate is required for the needs of the various States, but we shall be acting wisely, if, instead of attempting to return to them the amount of Customs revenue which they have hitherto received, we permit them to make up their deficiency by other taxation. I think that they can perform that task better than can this Parliament. I have already said that the workman's emancipation does not depend upon the adoption of either one fiscal policy or the other. I believe that he can be boiled by the importer just as readily as he can be roasted by the manufacturer. From time to time during this debate our attention has been drawn to the British worker, whose condition has been cited as one to which the workers of other countries might well aspire. It has been urged that fiscal freedom has practically emancipated the British workmen, and that they can win their strikes, when, according to the leader of the Opposition, the workmen in protected countries never win a strike. All my life I have lived in a free-trade State. I have engaged in a good many industrial troubles from time to time, but even there I have had to contend with the same difficulties as those which confront the workers in America, which has been held up as the country wherein times of industrial trouble the soldiers are called upon to preserve order. But I have met the soldiers in a freetrade country. I have seen them with their cannons and small arms. I have also beheld an army of police, which by the way, the workmen view with infinitely more distrust than they do a regimental corps. I merely emphasize this point to show that the same conditions prevail in free-trade countries as obtain in protectionist countries. Indeed, all my reading of the progress of the workmen in other countries does not enable me to conceive of any civilized people who have descended to the depths of degradation which have been reached by the people in the midland counties of England. My reading has not been confined to the works of those who may have been biassed in their judgment. I have carefully studied the works of those who have investigated the position in England, and I defy any man to affirm that any condition could be worse than that which obtains in some of the manufacturing centres there. On the other hand, we are told that much the same condition of things prevails in America. I admit that perhaps in the manufacturing centres of America some of the evils which I mentioned do obtain. In this connexion I wish to quote* not an American, but a representative of the British artisan, who made a thorough research into American conditions. I refer to Mr. H. J. Pettifer, the secretary of the Workmen's Association for the Defence of British Industry. The extract, which I wish

to read, is as follows : -

Last night the executive committee of the Workmen's Association for the Defence of British Industry held their first meeting since the return of their secretary from the United States. That gentleman gave at considerable length his experience of that country, where he addressed thirty large meetings. Amongst other things, he stated that it was very hard to make American working men believe that their English brothers had any voice in the government of this country, as the first question he was invariably asked was, "How is it possible for English working men to have control of the laws that regulate the Tariff, and yet continue to admit the productions of other countries duty free ? " This was a question which he was unable to answer. He said he did not believe the Sackville incident had much to do with the result of the presidential election.

After this secretary of British workmen had made this tour, and addressed 30 large meetings throughout the States-

Mr JOSEPH COOK

- Secretary of what 1 British workmen ?

Mr WATKINS

- The Secretary of the Workmen's Association for the Defence of British Industry.

Mr FOWLER

- It is a sham working men's organization - a pettifogging protectionist association. There is no such bond fide society in Great Britain.

Mr WATKINS

- It is most remarkable that every quotation made by those who differ from the honorable member for Perth is questioned. I recollect that in the case of the quotations given by the honorable and learned member for Indi exactly the same doubts were expressed. Every authority is bogus and a sham, even if it be a free-trade authority, if it does not agree with the opinions of the honorable member. At any rate, this man went to America as a free-trader, and gave a faithful report of the condition of affairs.

Mr JOSEPH COOK

- Does he say he went to America as a free-trader 1

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Mr WATKINS

- He was a free-trader before he went. Perhaps honorable members would be satisfied, if I gave them a quotation from Morley or John Ruskin as to the condition of the people. The report from which I have quoted proceeded -

He also gave the average earnings of twenty girls taken haphazard from the wage-books of Goff and Sons' braid works, Pawtucket, R.I., showing that they average 35 dollars per month, or 35s. in English money per week, these young women being able to earn enough in one week to keep themselves in board and lodging over three weeks. He also stated, on the authority of Mr. Conat, superintendent of Messrs. Coates' thread works in the same city, that they paid double wages in their American factory to what they paid in Paisley, Scotland.

I have another authority here as to whether some of the people of England are not even now beginning to see that they are being pushed out of the markets of the world, particularly out of their home market, by other countries. In the last issue of the Contemporary Review, an article by Mr. E. Cook deals with the question as follows : -

In our ambition to be the cheap John of the world, we have developed some of our resources abnormally and neglected others. To foster foreign trade we converted a large part of our island home into black country, we have been prodigally wasteful of our mineral resources, and have neglected our agriculture. In striving for foreign markets we have neglected the best market in the world - the home market - and left ourselves miserably dependent on the foreigner. This is really incipient heart disease of the Empire.

At a meeting of the collective Chambers of Manufacture of England recently, the Nottingham delegates submitted a motion with a view to the consideration of the present industrial position of the old country.

That motion was not proceeded with, because some of the delegates were afraid of the dislocation of trade temporarily, but all the delegates admitted that the Nottingham representatives were correct in their contention that something should be done, and advised that the motion should be introduced later on. In my opinion, as I stated before, the salvation of the working man does not altogether depend on the

settlement of the fiscal system. In the discussion of that question we have to take a hand, but we have to be guided, not only by what is best for ourselves but by what is best for the whole of the producers of the different States which comprise the Commonwealth. We have no right at this juncture to advocate a Tariff which will suit one State alone - we have no right to consider the interests of one industry and neglect others. I will go so far, by way of admission, as to say that we have no right to give consideration to the manufacturer and neglect those who engage in natural production. We must strive to study the interests of all alike, and endeavour to settle the Tariff on a basis satisfactory to all concerned. If I am asked to believe in a revenue Tariff, I say absolutely - "I do not." I do not believe in obtaining much revenue through the Customhouse, because I am with those who advocate direct taxation, if direct taxation is practicable. But it would be a vital mistake for the Federal Parliament to propose direct taxation at the present time, because, in my judgment, we could not deal out justice to the various States - we could not tax them in a fair proportion per capita. A better way would be to dispense with, or reduce a number of the revenue duties, which in many cases are imposts on the raw materials of manufactures, and leave the States to make up their deficiencies by way of direct taxation after we have left them with a shortage. As one who believes in, and has from time to time endeavoured to extend trades' unionism, I am not afraid of carrying the principle to its logical conclusion. I hope the final arrangement of this Tariff will be of such a nature as to give some inducement to production in the Commonwealth, as against the importation of goods manufactured by cheap labour elsewhere. I have never been able to see the difference between attempts to keep out the black man, and attempts to keep out goods made by the black man in other parts of the world ; and, in advocating protection for the working man, I have always been prepared, as I am prepared now, to go to the logical conclusion. I am not with those who believe in a protective Tariff at the Customhouse, but who do not attempt to protect the working men within the Commonwealth. We ought to go in the direction of uplifting the people who work in our midst, but, on the other hand, in attempting to impose conditions on employers, I am prepared to go to the extent of saying that we ought to protect the latter from unfair competition which comes from abroad. If we are to provide a market for the producers of the Commonwealth, we must, at least, look after the home market. That is the view which I hope honorable members on both sides of the House will take in dealing with this Tariff. I hope they will see that it is their duty to fix, if possible, a Tariff which will suit the requirements of the people who inhabit the different States.

Mr BRUCE SMITH

- A high or a low Tariff?

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Mr WATKINS

- A low Tariff or a high Tariff might be particularly bad or good for the people of the country ; it all depends upon the manner in which the imposts are arranged. I have stated that I am in disagreement with the Government in the incidence in some respects of the proposed taxation. We were told by the honorable member for Parkes that we could have a low Tariff, but I did not hear him state that he was prepared to let the different States go short : which meant that while he would have a low Tariff, he would practically knock out the free-list altogether. Now, sir, I believe that the problem can be solved, and I am prepared to take a hand in solving it. I am prepared at least to fix a Tariff that will, as far as lies in our power, suit the different producing interests of the whole Commonwealth of Australia. Because I desire, as I think other honorable members desire, that the Tariff framed at this juncture, should be the settled policy of Australia for a considerable time to come. I have always thought, and think now, that what this country wants is a settled fiscal policy. It was the idea of those, who promulgated federation that such a result would follow ; and I hope that when this Tariff is determined it will be one that will bear equally upon all classes within the Commonwealth and that it will remain the settled policy of the country.

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Mr HUME COOK

- The wish that has been expressed by the honorable member who has just resumed his seat is one which I think might be very well echoed by all sections of the House. That is, that whatever policy is finally determined upon in connexion with the Tariff, that policy, for a considerable time at least, shall be the fixed policy of Australia. Nothing can do more harm than a continuous tinkering with Tariffs. Nothing can be more injurious than the upsetting of business by unnecessary legislative interference- Therefore, I

hope that both sides of the House will join with me, and with the honorable member for Newcastle, in that particular wish. One thing that has struck me more than any other, in connexion with this debate, is the wonderful earnestness with which honorable members on both sides have addressed themselves to the subject matter of it. Whatever may be the verdict of history on the ultimate result, credit must at least be given to honorable members for the careful preparation of their utterances, for their earnestness in advancing, their arguments, and their industry in collecting their facts. Further; I believe that honorable members on both sides have been honest in trying to arrive at a proper conclusion. I am not one of those who would suggest that a man who is in opposition to my views takes up that stand because it suits his pocket or his politics. I prefer, to believe that he is guided by honest purposes, and is really endeavouring to do what he conceives to be right and proper¹. One other result which must inevitably follow- from this debate is, that though some honorable members will have gone- from this side of the House, others will have come over from the Opposition. Speaking as one of those who sit behind the Government, and support them, I am strongly of opinion that it will be all the better for the Government' that the debate has taken place ; because I' am inclined to think that the views of honorable members who sit together after the division will be much more in accord than they were prior to the division. Those whom we have lost from this side will find greater sympathy and support amongst those with whom they are about to sit, and those who come to us will find honorable members behind the Government more in accord with their opinions. If no other result followed, that at least would be a good one. The honorable member- for Flinders, who has announced that he will take his seat with the Opposition after this debate- is- concluded, has told us that he leaves the Government party because he is a moderate protectionist. He has assured the House that he has had numerous letters from persons throughout his constituency, congratulating him upon the step he has taken. I have no doubt that it is true. I fancy that if I were to make up my mind to go over- to the opposition side at the conclusion of this debate, I should receive quite a number of letters from persons who would be delighted to find that I had changed my views. But I am afraid that those letters would not be from people who voted for me at the last election,, and I very much doubt whether the letters received by the honorable member for Flinders- were written by electors who voted for him. I should like to direct attention to the state of affairs existing in the electorate of Flinders- at the time the honorable member was seeking election. It appears from the press that the honorable member stated on the 7th March - I quote from the newspaper which favours his side, the Argus - that he made the following, statement -

I belong to a third party, who want moderate protection of from 20 to 22 per cent, to protect those industries that are worth protecting.

He- now says that he has to leave the Government because their: Tariff is one above 15 per cent. ! I also find this honorable member classed by the Argus as a low Tariff candidate. He was opposed by two who were set down as high Tariff candidates. Those two gentlemen polled 3,258 between them, whilst the honorable member who was elected. polled 2,154 votes. So that; at all events, he represents merely a minority in that constituency. Probably those* who are now congratulating him on going, over to the opposite side belong, to the minority. However; I am not here to criticise, at very great length, at any rate, the actions of individual members. We all hope, I am sure, that those who have changed sides will find more congenial company. One of the remarkable things connected with the arguments of the free-traders" - or, as I suppose we ought now to call them, the revenue TariffFists - is the wonderful amount of logic they bring to bear on the subject. It is almost impossible, from a logical point of view, to upset the free-trader. But I am reminded that there are quite a number of things that can be set OUT logically as quite practical, but which in actual experience will not exactly " pan out," to use an Americanism. Those who have read the writings of Oliver Wendell Holmes will recollect the story of the deacon who built " the wonderful one-boss shay." They will remember how beautifully every part was related to every other part, its constructor claiming that when, in the course of time, it became worked out, it must inevitably burst like a bubble. The story tells us that that is just what happened. Yet every one knows- that no such thing could have occurred. It is very much the same with the arguments of the free-traders. Though, from a logical point of view, they are beautifully constructed, they will not, in the light of ordinary work-a-day experience, bear the scrutiny which logically they seem to be able, and ought to be able, to bear. That has been the case with many arguments used in the course of this debate, and I need not therefore further refer to them. Before proceeding with my arguments I should like to say that I think

sufficient credit has scarcely been given to the Ministry, and more particularly to the Treasurer and the Minister for Trade and Customs, for the immense work they have done in preparing this Tariff. When one takes into consideration the magnitude of the work, it is really remarkable that so few faults, taking them in detail, have been found in it. For my own part, I am surprised that two or three men should have been able to construct a Tariff in which a critical assemblage such as this has discovered so few flaws. Personally, I desire to congratulate the Government upon the very successful way in which they have framed the Tariff & It is true that in many respects alterations will have to be made. The Treasurer has admitted in one of his speeches that the Ministry, unlike Lord Bacon, do not assume "all knowledge to be their province," and they are prepared to make alterations where the weight of evidence will justify alterations. For my own part I think that, contrasting their work with that of the Opposition, the responsible Ministers are deserving of more praise than I can find words to express. I have not counted them, but I should say that at least 40 speeches have been delivered on this- motion. With the exception of one solitary member of the Opposition, however, no one on that side of the House has yet attempted to put forward a policy, to frame a Tariff, or even to suggest an outline of one to take the place of that proposed by the Government. As shown by the Treasurer, the one scheme put forward from the opposite side of the House will not stand the test of criticism. One would imagine that, if there is so much brains, skill, and -ability on the other- side, honorable members of the Opposition would have given us- at least something constructive. The reverse, however, is the case. They have given us nothing. It is true that we have had tirades of abuse against protection, and it would appear that Victoria is- a veritable anathema maranatha to honorable members on the other side. We poor Victorians have a number of industries that we are told in one breath are so weak and anæmic that they are tottering to the ground, while in the next breath it is said that the proprietors are making enormous fortunes, and that they are so rich that they are plutocrats. How it is possible to make these statements agree I fail to understand.

Mr McCay

- Surely the honorable member does- not expect free-traders to want them to agree 1

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Mr HUME COOK

- I suppose I should not expect them to be very careful after the exposure which some- of their leaders suffered last night at the hands of the Minister for Home Affairs. One of their chief objections to the protectionist policy is that it leads to the formation of rings and trusts, and other unholy business combinations. They would lead us to believe that that is a state of affairs peculiar to a protectionist country. It happens, however, that this is not the case. It was brought under my notice recently that a very substantial ring had been formed in Great Britain with the object of controlling the wall-paper trade of the world. For years English manufacturers had had practically the entire control of the world's markets- for wall - papers, and so successful had they been in their operations that they determined to form a combination or ring and in that way secure' better prices. According to the information I have received the ring was formed something less than three years ago, but with a very startling result to the English manufacturers. The Germans had been endeavouring for some time to get the colonial markets for wall-papers, with paper somewhat smaller in the average size than that of English manufacture. But when they found that the British ring had put up prices in the way I have described they altered the whole of their machinery, and they are now ready to supply orders for wall-papers of English pattern and size for the Australasian market. I have no doubt that they will do a large business here. A friend of mine has found himself forced to give an order to a German firm, notwithstanding that he is one of the sturdiest of Britishers. He was led to do so, because the English ring have entered into an arrangement whereby they will supply only five houses in Victoria, and unless my friend buys from one of these he cannot obtain the English wall-papers. These houses demand middlemen's profits, which he does not feel inclined to pay, and thus, in spite of his British predilections, he has been compelled to place a very large order for wall-papers with a German firm.

Mr Fowler

- That proves how very foolish it is to attempt to form a ring in a free-trade country.

Mr HUME COOK

- I admire the honorable member's logic. My only object in mentioning this fact is to prove that so far from rings being peculiar to protectionist countries - of course I do not deny that they exist in protectionist

countries - they are peculiar to all countries where it is possible to make a profit in that way. The moral of my story is that the action of the British manufacturers served only to give another opportunity to the Germans, who are up-to-date in business methods, and who, as I shall prove presently, are monopolising practically the whole of the British colonial trade. Before I do so may I repeat what has been said in effect already, that, although we on this side of the House cannot complain of the action of the Opposition in bringing down a want of confidence motion, if they honestly believe that the Tariff is wrong, and in endeavouring to substitute a Tariff of their own. I think we have some right to complain of the tactics they adopt in endeavouring to secure that end. If they were to declaim against recognised protectionist duties; one would have something to answer, and no cause for complaint would exist. But when they make use of the inclusion in the Tariff of revenue duties - which they themselves have advocated - as the chief ground of complaint against a protective Tariff, surely we have a right to doubt the honesty of their attack, and to protest against their tactics. If honorable members examine the tirades of abuse which have been levelled against the Ministry in the House, and the speeches which have been made outside in opposition to the Government Tariff proposals - if they note the utterances of the leaders on the opposite side - they will see that the duties which are said to be shockingly unholy, and which are condemned by the Opposition, in order to capture public approval, are not the protectionist duties brought down by the Ministry, but revenue duties.

Mr Fowler

- The protective duties cause the revenue duties to be high.

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Mr HUME COOK

- As a matter of fact the revenue duties are the lowest in the Tariff. We hear a great deal about the free breakfast table, which the Opposition are going to obtain ; about the easing of the burdens of the poor, and the assistance they intend to give the primary producer. But the articles of which they speak as being so unjustly taxed, are the very goods which they themselves would be compelled to tax if they were true to their own particular principles. Therefore, I say we have a right to complain both of their honesty of attack and of their tactics generally. The revenue duties have been forced upon the Government by reason of the obligations imposed by the Constitution. The Ministry have to carry out the obligation which that Constitution throws upon them, and in spite of their own predilections, in spite of their own fiscal leanings, it has been found absolutely necessary to include in the Tariff a certain number of revenue duties or taxes which will bring in money, and which are not supposed to assist, and cannot assist, any particular industry. It is hardly fair to blame the Government as though they were doing something wrong, when that wrong, if it is such, is forced upon them. I have "said that many of the remarks hitherto made have been tirades of abuse against Victoria and against protection. Much of what has been said has also been a laudation of English methods .-and of the position of England. Might I be permitted to make a quotation from the 5th report of the House of Lords Royal Commission on Sweating. It is a quotation which is embodied in the last annual report of the Chief Inspector of Factories of Victoria, and I quote it to show what the condition of affairs 'in the old country is, as distinguished from what it is made out to be by free-trade or revenue Tariff speakers. There is first a reference to what the commission was formed for, and what it had to do, and the quotation proceeds as follows : -

Such having been the scope of our inquiry, and ample evidence having been brought before us on every matter comprised within its scope, we are of opinion that, although we cannot assign an exact meaning to " sweating," the evils known by that name are shown in the foregoing pages of the report to be - (1) An unduly low rate of wages. (2) Excessive hours of labour. (3) The insanitary state of the houses in which the work is carried on.

These evils can hardly be exaggerated. The earnings of the lowest classes of workers are barely sufficient to sustain existence.

The hours of labour are such as to make the lives of the workers periods of almost ceaseless toil, hard and unlovely to the last degree.

The sanitary conditions under which the work is conducted are not only injurious to the health of the persons employed, but are dangerous to the public, especially in the case of the trades concerned in making clothes, as infectious diseases are spread by the sale of garments made in rooms inhabited by persons suffering from small-pox and other diseases.

We make the above statements on evidence of the truth of which we are fully satisfied, and we feel bound to express our admiration of the courage with which the sufferers endure their lot, of the absence of any desire to excite pity by exaggeration, of the almost unbounded charity they display towards each other in endeavouring by gifts of food and other kindnesses to alleviate any distress for the time being greater than thenown.

That, as I have said, is from the report of the 5th Royal Commission on Sweating, and amongst those constituting the commission were such men as the Earl of Derby, the Lord Archbishop of Canterbury, Earl Brownlow, Lord Clifford of Chudleigh, the Earl of Limerick, Lord Sandhurst, and others. Those are the facts as to the position in England.

Mr BRUCE SMITH

- Do they propose to cure it by protection ?

Mr HUME COOK

- I cannot say that they propose to cure it by protection of a fiscal kind, but I have no hesitation at all in saying that they will probably advocate a kind of protection such as we have effected in Victoria for improving the insanitary conditions, increasing the wages of the workers, and bettering them morally and socially. One honorable member on the other side, who also thought fit to laud the condition of the mother country, quoted from the Clarion newspaper, to show the magnificent position the old country was in. Here is another quotation from the same newspaper, which may be interesting to that honorable member. It is a statement made by a shirt-maker, and is printed verbatim in the Clarion : -

No ; the machines have not made things any better for the shirt stitchers, they have made tilings worse. I have a friend in the business - an old woman - 25 years ago she was paid 3s. 9d. each for first-class shirts sewn by hand. Now, at the same shop, she is paid 3d. each for machining. Working by hand, she used to earn 3s. a day ; now she only earns 1s. But the shirt factories are the worst. There the hands work in great rooms, often in old and abandoned buildings, which are cold and damp, and the prices are shameful, and the conduct of the place by the managers generally vile. A woman will have to be very strong and clever to earn 0s. a week there. In some parts of this city there ave stylish looking places where they employ shirt makers. These poor creatures work in damp and miserable cellars, under the showy shop, and have to work very hard and very well if they can earn 4s. per week. I know an old woman who employs about twenty girls. They work in a dismal little cellar, where they are crowded together from eight in the morning till seven at night, with only half-an-hours interval. They do not earn above 3s. 6d. per week. It is all machine work. How do they live? God knows, poor creatures. Many of their lives are martyrdoms, many of them are simply tales of shame. There is a man in Gorton who employs a lot of these poor slaves on work for the best houses. He charges the girls 1s. a week for the use of the machines. He charges 1s. whether they work a full week or not. He charges them 1d. per week for rent. He charges them 1d. a week for coal. He makes them pay for machine-oil out of their own pockets. He compels them to buy their cotton off him, charging them 8Jd. for two cops, which they could buy in the shops for 7d., and he pays them 7d. a dozen for making men's shirts. The work is very laborious. After nine or ten hours, in a close room, at the machine a woman is shaken and wearied, her hands are unsteady, her eyes smart, her headaches, she has no life or spirit left in her.

Four shillings a week are the wages stated there, and 16s. a week is the minimum wage in Victoria. I have quoted that from the Clarion, because one honorable member thought fit to quote that newspaper as an authority upon the magnificent condition of the workers of Great Britain, and the statement quoted is made by a worker who certainly ought to know the condition of affairs.

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Mr Fowler

- Is the honorable member aware that the Clarion emphatically denies that protection can cure that state of matters 1

Mr McCay

- Will the honorable member add that the Clarion's cure is pure socialism 1

Mr HUME COOK

- I desire also to quote from the Sydney Daily Telegraph of the 14th instant. It is a free-trade newspaper, but it reprints an article from the London Daily Mail, under the heading, " American Invaders in England - What is their Secret 1" The article is as follows : -

We have lost or are losing some trades directly through bad legislation. The tobacco, printing, and electric industries are instances of this. Once Ireland had flourishing tobacco plantations. These were purposely killed in order that the tobacco industry in our then American colonies might be fostered. Our erstwhile colonies are now a rival nation, but the revenue restrictions still make tobacco growing here practically impossible. There is no reason, climatic or other, why Ireland to-day should not produce great tobacco crops. A short Act of Parliament fostering the home growth of tobacco by a simplification of the collection of duty, and a rebate or even temporary remission of taxes on tobacco grown within the Kingdom, would create a new industry in Ireland at a bound. Some of us would, as a matter of taste, prefer the leaf of the nicotine grown in Kilkenny to Schleswig-Holstein cabbages doctored and browned in Hamburg.

That is a very strong statement, and it shows that even in Great Britain, despite what has been said by the honorable and learned member for South Australia, Mr. Glynn, there are persons who advocate a protectionist policy. By the way, that honorable and learned member, in order to confute something which was said by the honorable and learned member for Indi, quoted from Professor Davidson as follows: - It is idle, and worse than idle, for it raises false hopes, to point to the weakening of free-trade sentiment in the United Kingdom.

The honorable and learned member should have read on a sentence or two, and he would have found these remarks exactly following what he read: -

It is within the limits of human possibility that in some constituencies a majority could be found for protection against goods made in Germany and elsewhere; and in other places a candidate who declared in favour of a reenactment of the Corn Laws might be victorious. But these two wings of a possible protectionist party cherish contradictory ideals, and would fall out as soon as they came to practical legislation.

Mr Glynn

- The honorable member might finish the paragraph while he is about it.

Mr HUME COOK

- I think the duty of finishing the paragraph lay rather with the honorable and learned member for South Australia, Mr. Glynn. My point is that he read one sentence only from the paragraph which suited his argument, and that the balance of the paragraph which I have read goes to prove that there are protectionists in the mother country divided into two wings, and that if these two protectionist wings could only be united they would be a very substantial factor in the politics of the old country to-day. It is simply because they happen to be in different camps, and because of the impossibility of uniting them, that the protectionist cause does not make greater progress in Great Britain.

Mr Glynn

- It shows that the protectionists were touching the colonial trade, and that they were prepared to retaliate.

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Mr HUME COOK

- The honorable member's interjection goes to prove that he knew all about the case, and did not give the House the benefit of his knowledge. Arguments have been adduced in reference to the relative positions of the factories of New South Wales and Victoria, and figures relating to these factories have been given over and over again, until I think honorable members are tired of them; but there is one aspect of the question which has not been touched upon in my hearing. Whatever may be said as to the aggregate number employed in the factories of the two States, and I do not now propose to discuss that phrase of the question - something must be said as to the divisions of that aggregate. If honorable members take Mr. Coghlan's grouping of the industries of Australia - he divides them under three heads, "domestic," "natural," and "competitive," - they will find that the number of hands employed in Victoria in competitive industries is 41,175, and the number employed in New South Wales competitive industries is 25,887, a difference of 15,000 - not a difference of only a thousand or two, as some honorable members will have us believe. It must be borne in mind, too, that Victoria has a smaller population than New South Wales, and has been working under conditions which in many respects have not been at all favorable. The fact is, that protection is responsible for the larger number of hands employed in Victoria, and we are proud of it. The greatest compliment which could be paid to Victoria is the abuse which has been heaped upon her by those who have decried her. May I quote from another New South Wales authority? It would appear, notwithstanding the self-satisfied manner of those who have spoken on behalf of New South Wales in this

debate, that that State is not so marvellously prosperous as they would have us to believe. I find from the annual report of the New South Wales Government Labour Bureau for the year ending 20th June, 1900, that, since the date of the founding of the bureau - between 1892 and 1893 - there have been registered no fewer than 81,889 unemployed persons, while work has been found for 96,044 persons. The figures seem contradictory, but the answer is that in some cases employment has been found for men more than once. These figures show that a very large number of adult males - persons who ought to be bread winners - have been out of employment in New South Wales during the last few years. The report says - Notwithstanding the many we have sent to work, and the large number of young men we have sent to the wars in South Africa and China, there does not appear to be any appreciable difference in the number of unemployed.

I naturally expected that the official who made that statement would endeavour to suggest a remedy for the evil of which he complains, and I was not disappointed. What is the remedy that he suggests for this tremendous evil, an evil which the leader of the Opposition said, when he launched a successful want of confidence motion some years ago, he would cure in 24 hours? Notwithstanding that statement, over 81,000 unemployed persons have been registered in the State, and the official at the head of the bureau reports that there is no appreciable diminution of the number. The remedy he suggest was this -

What is wanted most in these colonies is the promotion and establishment of large manufacturing industries, where the youth of Australia could be trained in all the art and science of manufacture.

Thousands of youths annually leave our public schools and entering the path of manhood, and seeking some calling whereat to make a living, have at -present little open to them except i he professions, which are not within the reach of thousands, or clerical labour, which is already overdone. Manual labour is open only to the physically strong, and in this the supply far exceeds the demand. If we had large manufacturing industries, our young men could be trained and employed, and I have no doubt thousands of them would make their mark in the multiplicity of avenues these industries would open up.

The Australian native is not wanting in brain power or ambition. This has already been shown by the superiority he has established in not only the science of sport and athletics, in courage and endurance, but also in learning and culture. And if in these, why not in the arts of manufacture.

It is to be hoped that the policy under federation will bring into existence a large field for the employment, opportunity, development, and expansion of the best talents of our brightest native Australians.

Mr BRUCE SMITH

- The superintendent of the New South Wales Labour Bureau was a protectionist Member of Parliament, who lost his seat, and was then given his present position.

Mr Thomas

- He used to be the secretary to the Protectionist Association.

Mr HUME COOK

- I suppose he was appointed to that position to silence him ; but he has not been silenced, and he speaks the truth.

Mr Conroy

- He was appointed by a protectionist Government which he had supported.

Mr BRUCE SMITH

- The honorable member seems not to be aware that 81,889 represents the number of. times for which application made for work, not the number of persons who made the application.

Mr SYDNEY SMITH

- Some men have been registered twenty times.

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Mr HUME COOK

- I understood that there were no unemployed in New South Wales; that in free-trade they had a panacea for all ills, and that if the whole Commonwealth were under free-trade employment would be found even for the unemployed in hitherto protected States ; though how, I do not know, because I am unable to understand how more employment can be found where half the work is done outside the country than where the whole of it is done within the country. A favorite answer to the statement that more hands are employed in factories in Victoria than in New South Wales is, that if it is true, these hands are mostly women, and no credit should be given to the policy which finds them employment. There are two answers

to that rejoinder. The first is, that, as compared with New South Wales, Victoria has industries which must employ women. The shirt-making industry in New South Wales employs scarcely any one ; but in Victoria it is a very large and flourishing industry. The other answer is that the tendency all the world over is to employ women in factories. It is an unfortunate tendency perhaps, but it is none the less true; and even in older countries, in free-trade Great Britain itself, the tendency has been to increasingly employ women in certain industries. To quote from Mr. J. A. Hobson, on The Development of Modern Capitalism, I find that the following facts are elicited : -

In 1851 the males in the textile and allied industries numbered 462,400. In 1891 they had gone down to 430,500, whilst females had increased from 472,100 to 585,600 in the same period. In the dress industries the males had decreased from 397,500 in 1851 to 353,800 in 1891, whilst the females had increased from 471,200 to 681,300. The total figures for all industries show that while male labour had increased 50 per cent, in 50 years, female labour had increased by over 200 per cent, in the same period. So that there is a double answer to the statement that Victoria employs more women. The first is that they are employed in an industry which is peculiarly a woman's industry, and the second is that, the world over, the tendency is to increase the employment of women, and in a greater ratio than that in which men are employed. I have been a little amused, in listening to the speeches of some of the champions of a revenue Tariff on the other side, to find how widely they differ as to what they want. The right honorable member who leads the Opposition tells us in a breath that New South Wales does not want any of the proposed Tariff, that she desires to sweep it away ; but the honorable member for West Sydney has said - " If we are to have this Tariff, let us fix it for ten years, so that the people of New South Wales will get as good a show as the people of Victoria." One man says - " We do not want it at all." But the other says - " We must have it fixed for ten years, if it is to be carried into effect at all."

Mr G B EDWARDS

- We want a referendum first.

Mr HUME COOK

- The statement as to the fixity of tenure preceded the statement as to the referendum, and I think that that condition was made rather to save the former statement. I now propose to answer the kind of challenge which was thrown out to me with respect to an interjection I made during the speech of the leader of the Opposition. I interjected that Great Britain had been losing for years to Germany the major portion of her colonial trade, and that statement was rather contemptuously set aside by the speaker. I propose to show by official documents how that trade is going.

Mr Conroy

- Is the honorable member going to take the whole of the trade or only certain lines ?

Mr HUME COOK

- I am going to take all the trade with the colonies. The first quotation I shall make in support of the argument I propose to adduce is from an English blue-book entitled, Report on a Visit to Germany, with a View of Ascertaining the Recent Progress of Technical Education in that Country, being a Letter to His Grace the Duke of Devonshire, ICQ. It is signed by some very prominent English free-traders, who were members of a commission, including Sir Philip Magnus, Mr. Gilbert R. Redgrave, Mr. Swire Smith, and Mr. William Woodall. It was published in England in 1896.

Mr JOSEPH COOK

- What the honorable member is going to read was written 25 years ago.

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Mr HUME COOK

- The honorable member can have the document in his hand afterwards, and he will find that it is dated 1896. It is not the Technical Education Commissioners' report, but a letter written as the result of a visit made some years after that document was prepared. The letter is signed by those who formed a portion of the commission. Speaking of Germany, the writers say -

In certain of her industries, on the occasion of our first visit, Bavaria was still, so to speak, in her infancy ; now we found large and populous factories, employing thousands of work people, where formerly there were workshops with but a sprinkling of artisans. Where once she relied upon machinery imported from England, now she produces a steadily increasing quantity of that required for the home trade, and finds new markets in other lands. Her railway system has been greatly developed and extended, and the

disadvantage of her inland position and her comparative remoteness from colonial and other markets is, to some extent, compensated for by very low railway rates for raw materials.

Her brilliant achievements in the field of chemical industries have encouraged her to establish well-equipped electrical laboratories, and to develop the practical teaching of physics with the view of assisting the electrical trades, which are comparatively of recent growth. Twelve years ago the commissioners had to report that the facilities for practical laboratory instruction in electrical technology scarcely existed, or were of the most meagre kind. At that time, nowhere in Germany was to be found so well equipped a laboratory for electrical engineers as at the Finsbury Technical College. Now, there are no laboratories in England which can compare in the detail and completeness of their equipment with those we visited at Darmstadt and Stuttgart ; and no facilities exist for original and independent research in physical subjects to be compared, with those afforded at the Imperial Physical Institute at Charlottenburg.

That quotation shows that in the domain of practical business experience the Germans were carefully preparing to get these markets. That they did get them I shall unmistakably prove.

Mr JOSEPH COOK

- By scientific education.

Mr HUME COOK

- By scientific education. That was one of the means by which they got ready to make an assault upon British colonial markets ! Protection first, education afterwards ! The last quotation I propose to make from tire letter is as follows : -

It may be noted also that as in England certain power looms were employed in the making of common goods for Germany, so the German manufacturers, aided by protective duties, first used their English looms for the manufacture of these common goods for themselves from yarns imported from England. The competition at the outset was met by efforts on the part of our English manufacturers to overcome the Tariffs by still further cheapening this class of goods, a competition which in most instances they were compelled to relinquish. The Germans, however, no longer confine themselves to the manufacture, for export purposes, of one class of goods ; and it is now in the better kind of fabrics that, helped by their schools of design, and by weaving and dyeing schools, and by their intimate study of the methods of commerce, they are destined to become our most serious competitors.

That is the statement of some English free-traders who had formed part of a commission on technical education - to inquire into the methods for bringing English manufacturers and artisans up to the highest standard of technical education. These quotations from this most recent report show how Germany prepared her citizens and paved the way for the capturing of the colonial markets of the world. How have they done so? I asked the Customs department to prepare for me some figures as to all British colonial possessions and the increase of German trade. I am not going to quote all the figures, because they would be wearisome, but I shall take two or three cases in point to show how my statement can be borne out by facts.

Mr JOSEPH COOK

- The honorable member is going to relate these, I suppose, as the sequence of cause and effect ?

Mr HUME COOK

- Exactly. The statement furnished to me by the Customs department shows the value of goods imported directly into British possessions from Germany in certain years. I take India as a case in ' point. The value of goods sent direct from Germany to India in 1877 was £9,000. In 1887, ten years later, the figures had risen to £160,000, and in 1896 to £2,353,000. So that in twenty years there was an increase of direct trade with India from £9,000 to £2,353,000. Take Canada, as affording the next example. Twenty years ago the country had a direct German trade of £77,000, whereas the trade now amounts to £1,250,000. Twenty years ago the direct German trade with Australia amounted to £9,800, whilst to-day it reaches the large amount of £1,574,000. Thus it can be seen that the German trade has been increasing with these three countries at a very great rate indeed, and what is true regarding Australia, Canada, and India, is equally correct in the cases of the Cape, the Straits Settlements, the Gold Coast, Sierra Leone, Newfoundland, Jamaica, Trinidad, Tasmania, and New Zealand. Of course it may be objected that although the German trade has increased in that way, so, also, has British trade increased, as the population of the British possessions has become larger. I anticipated that objection, and I asked the

Customs department to supply me with figures on that head. I have not been able to get the statistics for India and Canada, but fortunately I have secured them so far as they relate to Australia. The return shows that while in 1887 the direct export trade from Great Britain to Australia amounted to £20,000,000, it was in 1896 £19,000,000 or £1,000,000 less. During the period from 1887 to 1896 the percentage of increase in the German trade with Australia was 134 per cent., whilst the percentage of British decrease was 5-1 per cent. Thus the German trade has enormously increased, whilst the trade of Great Britain, with her own possessions, has decreased, and I think these figures prove conclusively that the interjection I made was not beside the mark, but, on the other hand, was justified.

Mr JOSEPH COOK

- The unfortunate thing about it was that the honorable member gave his reason first, and stated that the increase in German trade was due, not to the Tariff, but to scientific education.

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Mr HUME COOK

- I said that the increase of trade was due to protection ; as one of the methods of fostering local industry in Germany is by means of fiscal protection. The industries of Germany have been brought into existence by the fiscal policy of that country- they have been further assisted by a splendid system of technical colleges, and as a result her manufacturers now export their goods to every market in the world, and have practically captured the major -portion of what used to be British trade with British possessions.

Mr JOSEPH COOK

- The honorable member did not read that from the book.

Mr HUME COOK

- That is the argument to be deduced from the statements contained in the book, and from the figures supplied by our own Customs department. The honorable member for Parramatta made one statement about myself, regarding which I wish to say a word or two. He said that even the honorable member for Bourke was in the old days a free-trader and, he believed, an ardent single taxer. May I take this opportunity of saying that I have never, during the whole course of my political life, been a free-trader or a single taxer. It is true that I have been, as I am still, for certain purposes, a great believer in the taxation of land values, but I challenge the honorable member to show, or to get any one to support his contention, that I have ever been anything else but a protectionist, as far as fiscalism is concerned. If the honorable member looks up the reports of the debates which took place in this House in connexion with the discussion of the Victorian Tariff, he will find that I have always voted for protection, and supported that policy.

Mr JOSEPH COOK

- I know that the free traders put the honorable member into Parliament.

Mr HUME COOK

- It is a peculiar thing that in Victoria it is the protectionists who are land taxes, whilst in New South Wales it is the free-traders, or, at any rate, some of them, who advocate that form of taxation. Whilst I have challenged the honorable member to prove his statement regarding myself, I may point out that it is singular that the honorable member should be open to criticism upon the very point upon which he has attacked me. The honorable member - I will not say wilfully or designedly, sought to damage me with my constituents by endeavouring to make it appear that I had once been a free-trader, and was therefore not to be relied upon now as a protectionist.

Mr Conroy

- I thought that statement had been withdrawn ?

Mr HUME COOK

- No, it was not withdrawn, but, on the contrary, when a denial came from a friend of mine on this side of the House, the honorable member for Parramatta persisted in saying that his statement was true, and that he had authority for it. Now I will tell the House what the honorable member himself said, before he became a free-trader, about the awful effects of free-trade.

Mr JOSEPH COOK

- Is the honorable member going to read that letter again ?

Mr HUME COOK

- I am going to quote a portion of it. It is a very good letter, and is a magnificent tribute to protection. The

honorable member in this letter does not tell us of what he had learned or heard, but of what he had actually seen during a trip to England from which he had just returned. Speaking of the unemployed in England, in answer to some other correspondent, he wrote -

Reunemployed of .England, your correspondent thinks there maybe 70,000. I am perfectly sure he is under the mark. The unemployed in England at this moment are considerably over 1,000,000. But, .sir, the number of unemployed is not the only index of free-trade disaster.

This comes-from the honorable member who now says that free-trade is going to rid us of our unemployed. He does not now speak of free-trade disaster ! Perhaps there is a reason we have not yet heard. He says further -

The figures re pauperism in England are misleading. Nearly the whole industrial population of England are at this;moment living lives bordering on the verge of starvation.

Mr McCay

- Was it true 1

Mr JOSEPH COOK

- It was true at that time, which was one of the worst periods of depression Great Britain ever passed through.

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Mr HUME COOK

- The honorable member, in his letter, continues as follows : -

Let me give one more fact to show what is transpiring every day in free-trade England. A large colliery owner has just put down a large -shaft at a cost of £80,000 ; he had to sink 80 yards through a loose sand bed, and had to line it with tubing. He had large iron works of his own in the vicinity of the shaft, yet notwithstanding, he imported the whole of the tubing from Belgium at a cost of 18s. per ton cheaper than he could produce it at his own works, and when spoken to by some of the workmen, who at that time were working two days per week, he complacently remarked that he was buying in the cheapest market as. a free-trader 'should do.

Buying in the cheapest market, whilst there were over a million people unemployed in England; whilst, according to the honorable member, the whole population of England were on the borders of starvation.

The honorable member proceeds as follows : -

Now according to the free-trade theory of exchange he had to sell as well as buy, which fact simply means that he had to pay for the iron he bought in Belgium. What did. he pay for it ? Why, sir, he made the fact of his having bought from Belgium a lever by which to wring from his workmen a reduction of 10 per cent. This is how free-trade is constantly paying for imports.

Taking 10 per cent. off the worker. Does the honorable member for Parramatta propose to pay for imports by reducing the wages of the workmen in New South Wales and the other States 1 He says that that is what is done by free-traders. He says that that is what they do in England. He continues -

She sells her flesh and blood, and "pulls off the last pound," for imports she can herself produce. How are we paying for our imports at the present time ? Simply by selling our credit at an enormous sacrifice, as well as our raw materials, at a dead loss.

Is that the way in which New South Wales is keeping up her industries and her credit? Is she " selling her credit at an enormous sacrifice, and sending away her raw material at a dead loss?" The honorable member adds -

According to the free-trader, we are doing grandly if we can sustain our credit in a foreign land. It does not matter that our mechanics are compelled to take pick and shovel as long as they keep doing something to sustain our credit in England.

I do not know whether the honorable member still maintains that attitude. He admits by interjection that what he says was true then, but he does not admit that it is true now.

Mr JOSEPH COOK

- I was as ignorant then as is the honorable member now.

Mr HUME COOK

- The honorable member admits that it was true then. I will prove that it is equally true to-day.

Mr JOSEPH COOK

- Later on I will prove that the honorable member is a free-

Mr HUME COOK

- The honorable member for Parramatta will find that a very difficult task. It is quite true that at the present moment Great Britain is, perhaps, busier than she has been for many years past. That circumstance, however, arises out of the enormous amount of money which is being expended as the result of the war in South Africa. But, notwithstanding that Great Britain is busier to-day than she has ever been before, it is significant that her export trade is gradually going down. I have just had handed to me two cablegrams which appeared in the Sydney Daily Telegraph of 9th March and 11th March of this year. The first one reads as follows :-

The Board of Trade returns of the United Kingdom" under free-trade," for the month of February, 1901, as compared with the same month of 1900, shows that the value of the exports decreased £2,182,394.

The other cablegram reads thus -

The trade statistics of the United States for the past three years have been most remarkable, and those for 1900 were the most remarkable of the series, as an excess of exports was then recorded of £132,395,743. These returns cover merchandise only, and the exports, which in 1895 were only £168,271,467, were last year £301,522,374, or 80 per cent. larger.

One would imagine that facts like these would appeal to those who say that they were ignorant once, but are not so ignorant now. The reasons which support me in continuing a protectionist, notwithstanding the proof which I hear is to be forthcoming

Mr JOSEPH COOK

- The honorable member " turned dog " on the men who put him into Parliament.

Mr SPEAKER

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

Mr JOSEPH COOK

- I withdraw it.

Mr HUME COOK

- The honorable member for Parramatta says that I "turned dog " upon the men who put me into Parliament.

Mr SPEAKER

- The statement has been withdrawn, and cannot be referred to.

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Mr HUME COOK

- It may be said that I have " turned " upon those who put me into Parliament. I wish to say that those who put me into Parliament first are among my strongest supporters today. When I had the misfortune, or good fortune perhaps, to lose my seat at the State elections the same men who formerly returned me to the Victorian Parliament, not only rallied around me, but did their best in other ways to secure my election to this House. So far from having lost friends, I have more friends in the Bourke electorate to-day than I have ever had in my life. I still continue a protectionist, because I desire to see the industries of the Commonwealth developed under that policy which seems to me to offer the only rational way of developing them. I hold the home market to be the best and most profitable market. Industries have been developed under protection that could never have been developed otherwise. By this system we can attract capital and population to a greater extent than we can do by sending out for one-half of what we require to other countries. If Australia needs one thing more than another it is population. We desire to lighten our burdens, to add to the volume of our trade, and to develop our great natural resources. We can best do these things by means of a large population, and population will flow to us when we offer it sufficient inducement. The greatest export of Britain to-day is the export of human beings. We want some of that export to come here. The way to encourage it to come here is to open up avenues of employment by developing our natural resources. Apropos of this matter, what does Mr. J. S. Larke say in a lecture delivered before the New South Wales Chamber of Manufactures in February of this year? He says - Iron is the secret and source of manufacturing success. There was a time when all the iron Canada used came from Great Britain. It is not so now. Some ten years ago the Iron and Steel Institute visited the United States, and many of its members came into Canada. The secretary - reputed one of the cleverest statisticians of England, a high authority in the iron trade - made a speech in Ottawa, in which he was reported to have said - " Canada professes great friendship for England, and great loyalty to the Empire,

but she has put on heavy duties on the importation of English iron, and that is not in keeping with her professions." On reading- that speech, the next morning I said to some members of the Institute whom I met : - "Has that secretary of yours gone through the United States with his eyes shut ? Anybody but a fool must see that to-day it is not a question whether we shall get our iron from England or not, but whether we shall take it from the United States or make it ourselves, and Canada has decided to make it herself." As I have stated, practically all the iron and iron products imported into Canada, came from Great Britain. Fifteen years ago, of the imports of pig iron, 70 per cent, were still from Great Britain, and 30 from the United States. Ten years after, and the proportions were 16 per cent, from Great Britain and 84 from the United States. Railway supplies in 1884 from Great Britain 80 per cent. , from the United States 10 per cent. ; in 1889 it had become 6£ per cent, from Great Britain, and 934 per cent, from the United States. Take castings and forgings ; once it all came from Great Britain ; last year there was only 24 per cent, from Great Britain, but we received 974 per cent, from the United States. Great Britain is no longer the iron king, and the supremacy of British engineering establishments and ship-yards is threatened.

That is from the report of a lecture delivered by Mr. J. S. Larke before the Chamber of Manufactures, Sydney, on the 27 th February in the present" year. He says that iron is the secret and source of manufacturing supremacy. Have we any iron in Australia, and shall we develop the industry 1 Do not the Ministry propose, by a system of bounties, and by other means, to put the secret and source of manufacturing supremacy on a fair footing in Australia ? Do the Ministry not propose to develop those very industries which are to contribute so largely, I trust, to the manufacturing supremacy in the southern seas of the Commonwealth of Australia t I believe that under protection in Australia, we can do what has already been done, according to Mr. Larke, in Canada and the United States ; we can produce our own iron, and gain some of the secret and source of manufacturing supremacy. I believe, further, that it is our duty to afford encouragement, not only in respect to iron, but in respect to every other portion of our great natural inheritance. Believing that can be done by the means I have indicated, I stand here more confirmed than ever in my 'protectionist convictions. I am satisfied personally - I was never more so - that if this Tariff be fixed for seven or ten years - as the honorable member for West Sydney desires,, we shall find very great impetus indeed given to every kind of industry in Australia ; and that, so far from one particular State monopolizing industries, each State will develop its own particular and peculiar resources with advantage to all the others. Our home market will have been secured to us ; our added population will have come to find employment in industries, and will found homes here, thus adding to our numerical strength and to our commercial status. This is the true path to that nationhood, to which we have all been looking forward, but which we have as yet only on paper. Australia, to reach and to enjoy her manifest destiny must develop her own resources, must ' find employment for her own people, and let the rest of the world look after its own concerns. Our duty is to ourselves, and we can do far better by employing the whole of our own people, and by importing nothing, than by employing one-half of our people, and giving the rest of our employment to the outside world.

Mr JOSEPH COOK

- I should like to offer a personal explanation in regard to the interjection I made on the question whether or not the honorable member for Bourke was a free-trader.

Mr SPEAKER

- The honorable member can make an explanation if it refers to his own speech, bub not if it merely refers to an interjection.

Mr JOSEPH COOK

- The whole matter has arisen out of my speech, which was in reply to statements made, in the first instance, by the honorable member for Melbourne Ports. I should like to say that I do not approve of honorable members endeavouring to show inconsistency on my part by referring to ancient history, and fishing up an absolutely foolish letter, which has already been read four times to the House. It was in reply to that letter that I made some reference to the fiscal change on the part of the Prime Minister, and also on the part of the honorable member for Bourke. If I have misinterpreted or misrepresented the honorable member, I am very sorry ; but my remarks were based on statements made by Mr. J. F. Hassett, who resides in the electorate of the honorable member for Bourke, and who has written the following letter.

Mr Kingston

- I rise to order. Should not the honorable member for Parramatta be confined to explaining something in which he has been misrepresented? Is the honorable member not now attempting to make a second speech for the purpose of casting reflections on the previous speaker ?

Mr SPEAKER

- I understand that what the honorable member for Parramatta proposes to do is to explain a statement he made in his own speech relative to some opinions held some time ago by the honorable member for Bourke. So long as the honorable member for Parramatta confines himself to explaining the reason why he made that statement in his speech, he is within the standing order which gives the right of explanation.

Mr HUME COOK

- Mr. Hassett supported the free-trade candidate at the last election.

Mr JOSEPH COOK

- I should think he did, after the manner in which the honorable member turned round on him. Mr. Hassett's letter is as follows : -

Dear Sir, - In reply to your inquiry, I beg to state that Mr. Hume Cook did not proclaim himself as a free-trader or a single-taxer when first elected to Parliament, but he did lead myself and others who were mainly instrumental in securing his election to believe that he was one.

Mr McCay

- Is that the sort of authority on which the honorable member makes assertions against an honorable member's character?

Mr JOSEPH COOK

- Will the honorable and learned member wait one moment. The letter proceeds -

In none of his campaign addresses did he openly declare his fiscal views, but he did make strong denunciations of protection to manufacturers as tending to create monopolies in which there was no guarantee of protection to the workers' wages.

Mr Mauger

- Hear, hear ; so do we all.

Mr JOSEPH COOK

- Does the honorable member for Melbourne Ports denounce protection ? Mr. Hassett's letter concludes - His advocacy of the taxation of land values was of a most pronounced, determined, and public character. Mr. Hassett states that he was led to believe that the honorable member for Bourke was a free-trader and a single-taxer, and on the strength of that belief the honorable member was helped into Parliament. If the honorable member for Bourke denies that he ever did so profess himself, or ever was anything of the kind, I must accept his statement.

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Mr THOMAS

- I move-

That after paragraph 6 of the motion, the following words be added - "Because they do not provide for the imposition of direct taxation in the shape of a land value tax. "

I do not propose this evening to deal, except very briefly, with the Tariff proposals of the Government. I do not intend entering into any discussion as to the relative value of raising money by a protective Tariff or by a revenue-producing Tariff. I am much in the position of that much-quoted Irishman, who said he was against all Governments, in that I am against all taxation through the Customs. We have had a very long, and I think I may say without presumption, a very able debate on the relative merits of these two systems of raising money. I agree with all that has been said by protectionists against revenue tariffists, and on the other hand I agree with all that has been said by revenue tariffists against raising money by protective duties. In order that I may show my impartiality, I intend in committee to vote for every reduction, from whichever side that reduction may be proposed. If the revenue tariffists propose a reduction of a protective duty, I shall, I hope, be found voting for it, and vice versa ; in short, whatever reductions are proposed in committee, I shall be found voting for them. To me the discussion seems for some considerable time to have been conducted on the assumption that there is no way of raising money for Commonwealth purposes except through the Custom-house. So widely does that opinion prevail, that I believe there is a large number of people who think that our Constitution does not provide any other means of raising revenue I have met people holding that view. I was told the other day by a person on the

press that he had had to show people of his acquaintance a copy of the Constitution in order to prove to them that it was possible to raise money in some other way. I could well understand a discussion similar to that which we have had, taking place in the Congress of the United States, where, I understand, the Government must raise their federal revenue from customs and excise. That is the only source of revenue open to them. The Attorney-General shakes his head. Of course, I am prepared to give way to his opinion, but still, I remember reading some time ago that the Government of the United States had instituted an income tax, and that on appeal to the Supreme Court it was disallowed on the ground, I understood, that the Government had no right to levy such an impost.

Mr McCay

- Because it was not proportionate to the population.

Mr Deakin

- The American Government can impose direct taxation, but subject to certain limitations that do not exist under our Constitution.

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Mr THOMAS

- I would not for a moment differ from the Attorney-General on that point. The fact remains that under our Constitution we have the right to impose taxation in any way we think fit. Though I was one of those who opposed the Constitution Bill for various reasons, I said that I was glad that it contained this provision. I think the Bill was right in granting that power to the Parliament, and in giving the people of Australia absolute control over the mode in which revenue should be raised. So that I do not object to the proposals, of the Government so much because they are of a protectionist character, or because they are of a revenue producing character, as because they do "not provide . for any direct taxation. It will not be necessary for me to point out at any great length the distinguishing features of direct and indirect taxation. The principal reason why I am in favour of direct taxation is that there is practically no leakage of revenue from it.. In connexion with indirect taxation there is not only the cost of collecting the revenue through Custom-houses, and the rest of! the necessary machinery, but there is also the profit that is made out of the duty that is levied. I suppose that every honorable member will agree that that criticism applies to such, portions of the Tariff proposals as are merely revenue producing. Even those who claim to be revenue tariffists will admit that not only have the people of the country to pay the amount of money that the Government requires, but also a certain amount of profit on the extra money that is laid out by the merchant in consequence of the duties.. We are all agreed in that as far as concerns the revenue producing portion of the Tariff. The revenue tariffists have to admit what I have stated, and of course the protectionists admit it also. There are, however, some protectionists who argue that the same objection does not apply to protective duties - that we do not in all cases owing to the operation of internal competition pay all the duty that is levied. But even the protectionists have to admit that in the case of duties which are not affected by internal competition - that is to say, in those industries in which it may be, perhaps, two or three years before manufacturing can be sufficiently developed to cause internal competition - the price of commodities is increased by a protective duty. That being so, I take it that the protectionist is prepared to admit that not only have we to pay the import duty, but also the added interest on that import duty. So that if we have to raise £9,000,000 through the Customs, it will be putting it extremely low to say that the people of this country have to pay not only the £9,000,000, but also at least £1,000,000 more to the importers or retailers.

Mr Harper

- Oh, no.

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Mr THOMAS

- The honorable member for Mernda shakes his head and says "No." In some cases much more than 10 per cent. has to be paid before the goods come to the consumer. I will mention one case. Some time ago, in New South Wales, before the Dibbs Tariff was removed, there was a duty of 2d. per lb. on jam-. In Broken Hill we were getting jams of excellent quality - the Glen E win and the Glen Osmond brands. A storekeeper at Broken Hill told me that these jams were at that time being sold foils. 3d. per 2-lb. tin. He said - "As soon as the duty of 4d. per 2-lb. tin is removed, we shall sell these jams for 10d. per tin. That is, we now charge the 4d. duty, and the extra 1d. for laying out the 4d." That was 25 per cent. which the

people had to pay on those jams. I am aware that if the Government requires money it must be raised through taxation in some way. I do not so much object to the 4d., in the case of these 2 - lb. tins of jam, going to the Government, but I do object to the people having to pay an extra penny, simply because some one else is' collecting that 4d. for the Government. By the time the wholesale man has paid the duty and has sent the goods to the retailer, who has to make his profit, it is an exceedingly low estimate to say that the people of this country will have to pay £1,000,000 in addition to the £9,000,000 being raised through the Custom-house. But in the case of direct taxation there is no profit made by any one. The whole duty collected goes straight into the coffers of the State. Then again, I venture to say that there will be no disputing the fact that direct taxation is certainly more just as a means of raising revenue than taxes imposed through the Customs, whether those duties be of a revenue producing or of a protective character. Who is it that is called upon to bear the overwhelming proportion of customs duties ? If we put that question to ourselves we shall come to the conclusion speedily that they must necessarily be borne by the masses, and not by the classes. I do not suppose, for example, that as a rule a rich man drinks a great deal more than does an artisan in the course of twelve months. Of course, if he drinks champagne he pays more duty than the worker. But there are some rich men who are teetotallers, so that, as a matter of fact, such a man would pay less actually than the artisan who, while extremely temperate, was not a teetotaller. If we take 100 rich men and 100 artisans, the probability is that we shall find that in the course of twelve months the latter pay as much as the rich men in the way of duties on stimulants and narcotics. Take the wife of the rich man and the wife of the artisan. The wife of the one probably would not drink any more than the wife of the other ; but, when we come to the consumption of rice, we find that the artisan and the worker generally consume far more than the rich man. The artisan has a better appetite than the rich man, and, consequently, by means of the duties on such articles he is called upon to pay more of the taxation of the country. Customs duties must necessarily come out of the stomachs and from the backs of the workers ; and, although the rich people may use a little better furniture and wear superior clothing, in no way is the taxation which they are called upon to bear commensurate with their banking accounts. We are all agreed that under a mere revenue-producing Tariff the people pay more than the duty. They have to pay the profit which is made by the imposition of the duty. Let us assume for a moment that so far as a protective duty is concerned, the consumer, in some cases, pays only the duty itself. We will concede for the sake of argument, that as the result of such a duty a local industry is established, internal competition takes place, and prices are brought down. If an article can be produced locally, however, and sold at a price below that for which it could be imported, where is the necessity for the imposition of a duty? The fact that a duty remains upon an article should in itself be sufficient proof that there is some need for it. On some articles, however, the people must necessarily pay the whole duty, otherwise the Government proposals would bring in no revenue. Not only have they to pay the duty, but, as I have said, they have to bear the added amount of profit. If we assume, for the sake of argument, that the whole of the protective duties balance - that is to say that the people have to pay the duties and nothing more - we have still to consider what is the effect of a protected industry upon the primary industries of the Commonwealth. When I speak of primary industries, I refer to agriculture and mining, which are, in my opinion, the two great primary industries of Australia. I use the word agriculture in its widest and fullest sense.

Mr Fisher

- The honorable member includes in it the pastoral industry t

Mr THOMAS

- Certainly.

Mr McCay

- Will the honorable member with the effect of a land values tax on agriculture 1

Mr THOMAS

- I shall come to that point presently. If we killed our two great primary industries then within a few weeks this continent would be handed over to the undisputed possession of the aborigines. I do not know whether the honorable and learned member for Werriwa is present, but during the course of the debate he made an interjection in regard to the champagne provided by the manufacturers of Melbourne on the occasion of visits paid to their establishments by Members of Parliament. I am sorry that such an interjection should have been made. I was one of those who accepted the invitation of the manufacturers of Melbourne to view their places of business. I desired to see them for myself, and I was very pleased

with a great deal of what I saw. As a matter of fact, however, I did not drink any champagne, because I am a total abstained. If I had not been a teetotaller I should have partaken of it with the rest. Passing from that matter, I want to point out that there are some protected industries which would have no effect upon the primary industries of the Commonwealth. Take the shirt, boot, and umbrella making trades, for example. The manufacture of umbrellas is a very big business here, and the manufacture of boots is another large trade. If, under a protectionist Tariff, we had to pay more for a shirt than we would pay for it under a freetrade policy, that fact would affect only the buyer, because, so far as I know, a shirt is made to be worn and does not enter into any other province as raw material. There are some manufactured articles, however, which come within the category of raw materials, and are used as such in other industries. Bar-iron might be cited as an example. The honorable member for New England made a speech on the motion before the Chair, which, I am sure, we were all pleased to hear, but he concluded with the remarkable statement that, while he was in favour of allowing the raw article to come in free, he would support the protection of the manufactured article. As a representative of no small mining constituency, I do not care very much about the manufactured article, provided that the Government allow the raw material to come in free. But what is the raw material of the miner in Broken Hill { It is the engine and the machine, and not the bar-iron.

Mr V L SOLOMON

- And timber.

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Mr THOMAS

- That is so. If the Government will allow the raw material, which I have just named, to come in free they will place the mining industry in the same position as the engineer in the metropolis, who is asking that his raw material shall also come in free. Shirts, umbrellas, and boots cannot be regarded as raw materials that interfere with any primary industry, and if there is no other way of finding employment for a large number of people than by supporting the local manufacture of these articles, I am prepared to say that it is better to do that than allow them to walk the streets. But let us call these industries by their proper names. If they are started simply as relief works, let us call them relief works, and pay for them as such, but do not let us call them manufactures. Why should the man who wears a shirt or a pair of boots, or uses an umbrella, alone be called upon to pay in order to keep the people employed in these factories in work 1 Why should not the people as a whole be called upon to bear the burden of these relief works 1 I regard every industry that has to be supported by revenue which comes from the primary industries of the Commonwealth as a relief work, and I would be quite prepared to support anything of the kind under that name. The raw materials which are very important to the mining community are the machines, engines, dynamite, and other articles used in the development of a mine. I trust that honorable members will pardon me if, for a moment or two, I refer to my own constituency, because not only is Broken Hill important in itself, but on its welfare depends to a large extent the welfare of South Australia. Broken Hill to-day pays one-third of the whole of the railway revenue of South Australia. Shut down the mines of Broken Hill and next morning one man out of every three working on the railroads of South Australia would have to be discharged. Port Pirie is no small port, no unimportant village. It is to-day one of the leading places in South Australia ; but shut down the mines of Broken Hill to-day and to-morrow Port Pirie would practically cease to be. I have not brought the figures up to date, but I know that three or four years ago the exports and imports of Broken Hill were more than those of Tasmania. The 36 miles of privately owned tramway at Broken Hill, the Silverton tramway, has a bigger revenue than have the whole of the railways of Tasmania. I quote this to show that it is an important thing to keep that place going, not merely for its present inhabitants, but also for the great State of South Australia. The mines of Broken Hill will have to pay taxation under this Tariff to the extent of at least £30,000 a year more than they are paying at present. I am glad to say that there is one mine at Broken Hill which is paying dividends. I believe it has paid one dividend during the last six months. Although I have not a single share in the mines myself, I personally should like to see them pay more, because I know that if mines are paying dividends, it is better for the community in their neighbourhood. There is only one mine that I know to be paying, and it has paid only a shilling dividend in six months. I know that some of the mines are in a very precarious position. The profit and loss accounts are balancing, and in the case of some of the mines I am afraid the balance is leaning to the side of loss, and if we add this extra £30,000 a year to the expenses, I am afraid

it will have a serious effect upon them. I have had some official statements supplied me by the secretaries of mining companies at Broken Hill, and I find that the Proprietary mine alone will have to pay £21,000 a year under this Tariff, and what for? What benefit are they to get from this extra taxation? The Central mine will pay £6,700 a year under the present Tariff. Block 10 will pay £1,725 ; Block 14 will pay £2,500. I have not the figures for the South mine and other mines.. I should have written for them, but omitted to do so. However, over £30,000 will have to be paid by all these mines. I do not say that the extra £30,000 will do it, and, of course, I hope it will not, but if it was to have the effect of shutting down some of the mines, I venture to say it would be the means directly and indirectly of throwing more men out of employment than all these protective duties will find work for throughout the Commonwealth. Now we find that the Government are going to tax the timber that goes into the mines, and I hope that when we are in committee they will see their way clear to yield upon that point. They have proposed a terrifically high duty, as much as 50 per cent, on the value of the timber I see that the Minister for Trade and Customs shakes his head, but four days ago the price of timber at Puget Sound was 3s. per 100 feet, and the Government are charging a duty of 6d. upon that. By the time the timber is brought to Port Pirie, and freight has had to be paid upon it, I admit that the duty will not amount to 50 per cent, of the value, but it amounts to 50 per cent, on the value of the timber at Puget Sound.

Mr Kingston

- The percentage rates are 10, 12 j, and 17 per cent.

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Mr THOMAS

- If the right honorable gentleman will look at the Tariff schedule he will find that the duty upon this big timber is 6d. per 100 feet, and the price of that timber at Puget Sound is 3s. per 100 feet. I asked for these figures from the secretary of the Proprietary Company and he gave them to me when I saw him a few days ago. He says that the price paid is 3s. per 100 feet at Puget Sound and this Tariff proposes a duty of 6d. on that. I admit that when it comes to Port Pirie, and freight is paid on it to Broken Hill, the price is increased, but on the price of the timber at Puget Sound the duty proposed is 50 per cent, of the value of the timber. This timber alone pays £28,000 a year to the South Australian railways, and the Minister for Trade and Customs should be very careful before he does anything that is likely to interfere with the railway returns of South Australia because they will want all the money they can get there. Whilst I should be glad to see every man in work and getting something for his work - there is not much in working unless one is paid for it, one might just as well be idle - whilst I should like to see every one in work, it would be a pity if in trying to find work for five or six men we should do an injury to a great industry like this. Some little time ago I was going through the central mine at Broken Hill, and saw a new machine which had just been brought out for the purpose of treating some of the ore there. It had cost the company £10,000, and had been sent from Germany because it could not be produced here. I do not say that it was altogether an experiment, because I have no -doubt the general manager of the company went into the matter considerably before he was prepared to launch out to the extent of £10,000. At the same time it must necessarily to some extent be an experiment, because many of these patents work all right in the laboratory, but immediately they are brought out into the open air and daylight they do not altogether pan out as expected. A great deal of the future success and development of the mine depends upon this machinery. It was imported a little while ago, but had it not been imported until a few days since it would have had to pay a duty of 25 per cent., or £2,500, which would make the cost of the machine to the company £12,500 instead of £10,000. I am prepared to say that I would just as soon think of putting a galvanized-iron roof over Australia to keep the sun out, in order to develop a local industry in artificial light, as I would keep out the inventions of men of genius, which might perhaps be the means of finding work for a large number of people. I say that, in connexion with the experiment going on at this mine, if it can only be proved that by the employment of this machinery they will be able to make a profit of a single ounce of silver per ton, the outcome of it will be that at least 2,000 men will have work found for them directly or indirectly by its operations. It will take a long time before the effect of some of the duties under this Tariff will be to find work for 2,000 people. This company might be prepared to lay out £10,000, and might not be prepared to lay out £12,500. We might have a company that would lay out £12,500 upon an experiment when they would not be prepared to lay out £15,000, and so on, and I say it would be a very great pity if anything were done to prevent machines of this kind coming into the country. I leave the

agriculturalists and the pastoralists alone, because I do not profess to know anything of their industries, but I say that the miner wants the best, the cheapest, and the most efficient machinery to be had in the world in order to enable him to develop his mines 1

Mr Harper

- I suppose this is a patented machine to which the honorable member refers ?

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Mr THOMAS

- I think it is. I know that some people say, that under protection we can have these engines and machines developed here. Victoria is quoted, and it is said that in Victoria we have been able to produce some of the best gold saving machinery in the world under the system of protection. I believe that up to a little time ago some of the best gold saving machinery produced in any place in the world could be produced in Victoria, but that was simply because Bendigo and Ballarat developed that particular kind of machinery, and there was no great competition elsewhere. But immediately the Johannesburg mines were opened up, British and American capital swept into them, and I venture to say that a very short time afterwards the machinery out here was as out of date for gold saving as are horse trams for traction in every civilized place in the world, except Adelaide. To show how special requirements develop means of meeting them, I might point to Martin Brothers' establishment at Gawler. They have been able to develop and to manufacture a first-class concentrating machine. Why? Because of their proximity to the Broken Hill mines, and the knowledge of the requirements of those mines which they have been able to gain there. But, so little has protection helped them, that not long ago one of the members of the firm told me that he had been begging the others to leave Gawler, and establish the foundry in Sydney. Whilst I am glad to see people employed in factories, I say that it is suicidal to develop, say, a foundry at the expense of a mine, because, while in the foundry you may give employment to 50 men, by sacrificing the mine you throw 400 or 500 men out of employment. No other industry affords such varied and extensive avenues of employment as mining does, because it employs not only the miner, but also the carpenter, the tradesman, the engine-driver, the fitter, and many other artisans. One reason why I object to protective duties is this : If a mine does not pay it is shut down ; but if a woollen factory does not pay with the assistance of 15 per cent, duties, the proprietor asks for and obtains 25 per cent, duties. The mining, agricultural, and pastoral community has to pay to keep the woollen manufactory and other protected industries going ; but it is never proposed to subsidize a mine which does not pay.

Mr Kingston

- In South Australia mining has been subsidized by the giving >of grants for deep sinking.

Mr THOMAS

- I admit that a certain amount of money has been expended to assist prospecting.

Mr Kingston

- We have gone further than that.

Mr THOMAS

- Very little further. I am glad to say that they have recently established a State mine in South Australia. At present it employs only three men and a boy, but I am in favour of the owning of mines by a State, and have been greatly interested in the information which I have received in regard to that mine by the South Australian Minister of Mines. If I were forced to vote for some kind of indirect taxation, I should support revenue duties rather than protective duties, though to my mind both are bad, unjust, and cruel. I would support revenue duties before protective duties for this reason: To-day, the amendment which I have moved may be scoffed at and negatived, but the time will come when this Parliament will have to face the question of imposing direct taxation, and when that time comes it will be easier for the advocates of direct taxation to gain their ends, if only revenue duties are imposed now, than if vested interests are created under protective duties. If protective duties are put on, and manufactories are established under them, the advocates of direct taxation will then have to fight not only the wealthy and conservative members of the community ; they will have to fight also the manufacturers and the workers employed in protected factories. A little over 25 years ago in New South Wales duties were placed upon sugar, purely for revenue purposes, but some people thought that they could profitably produce sugar under those duties, and they did so. I have heard protectionists say that if an industry is protected for a little while, it will be able after a time to stand by itself. I do not know that that is an accepted protectionist doctrine at the

present time, but it used to be so. Well, notwithstanding the fact that the New South Wales sugar duties had been in existence for 25 years, it was marvellous what a row was kicked up when the present leader of the Opposition, who was then in power, threatened to remove them. Talk about weaning a- baby ; this 25-year-old baby made a terrible low at being weaned. Those interested in the industry said - "If you take away the duties you will kill the sugar industry." The Trades and Labour Council of Melbourne have asked that duties should not be placed upon the necessities of life, and I am in favour of that, unless by removing such duties it becomes necessary to place higher duties upon raw material, and thus make the price of that raw material dearer, and increase the difficulties of those who have to use it. The artisans and fitters of Melbourne, for instance, would strongly object to duties being placed upon the raw material of their trade - iron and steel bars - and I think they would be right in doing so ; but to the miners of Broken Hill the engine - the machine - is the raw article. I know that revenue must be raised in some way or other. The system of indirect taxation is wasteful and unjust. Who is it that gains by the expenditure of money ? I venture to say that it is the land-owner who gains by the expenditure of all loan money. Every railway which is built, and every road which is made, gives a benefit to the labourer and to the storekeeper for a little while. The labourer earns his wage by the day, perhaps, while a railway or a road is being made, and he gains that benefit ; but afterwards neither one nor the other adds anything to a man's wages. It does not add any particular advantage to the storekeeper, the mechanic, or the labourer, but it does add to the value of the land. As I understand, the amount which is wanted for federal purposes, plus the loss on the transferred services, is about £1,700,000.

Mr SYDNEY SMITH

- That is much higher than the estimate which was given to the people at the time.

Mr THOMAS

- No; it was £300,000 as the cost of federal services, and about £1,400,000 'as the loss on the Post-office, Defence, and so on.

Mr Hughes

- Was it not £500,000 ?

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Mr THOMAS

- No. I think I am correct in saying that it was about £1,700,000. Under the Braddon blot it will be necessary to raise £6,800,000, if it were raised by customs duties. With a population of 3,750,000 persons, that would come to about 38s. per head. That is fairly high amount to raise through the Customs with so low a Tariff as that ; but if we had a Tariff of £9,000,000 it would come to about £2 10s. per head. In 1900, the people in the United Kingdom paid about 30s. per head. In the German Empire, according to the Statesman's Year Book - it is surprising to me that the figures are so extremely low, I may have made a mistake - the rate was 1 4s. per head.

Mr Crouch

- That is because the individual States pay for themselves.

Mr THOMAS

- This is the rate of taxation for federal purposes.

Mr McCay

- Our taxes are for more than federal purposes - for State purposes also.

Mr THOMAS

- Under the Braddon blot that is so. In France, where the Government have to pay a great deal for their big army, the rate of taxation through the Custom-house was a little under £1 per head. I find that the French Government make a profit of £20,000,000 a year on tobacco. I suppose it would be only fair, in a way, to put that against the excise here. The people of Australia have to pay the excise and the profit, but there the Government reap the benefit, which is a more sensible arrangement. With that added, the rate would be £1 7s. per head. In the United States the rate was 13s. per head, if we take simply the revenue from import duties ; but, of course, they have a large internal revenue - I suppose it is mostly excise - and that would increase the rate to £1 9s. per head. I am in full accord with the honorable member for Bland on one point. I am not in favour of raising through the Custom-house one penny more than the £1,700,000 we require for federal purposes, plus what must be raised by the Braddon blot. I am a little sorry that the leader of the Opposition has not said in the House - he may do so before the debate is

closed - whether he is prepared to raise only that amount, or whether he will raise revenue for the necessities of the States as well. It is an extremely unfair position for a Federal Parliament to be placed in - to have to raise more money than is needed owing to the necessities of the States - for this reason, that we shall have the blame of raising the money, while the State Parliaments will have the credit of spending it. That is like " playing heads I win and tails you lose." I am prepared to oppose the raising of more than the amount needed for federal purposes, plus what the Constitution demands. On spirits and narcotics we raise £4,000,000 a year. I am not particularly in favour of raising revenue even on narcotics and spirits, although. I admit that the taxation is partly moral and partly fiscal. I do not drink, nor do I smoke, consequently I do not contribute to that sum. I do not particularly object to others contributing to it if they choose. A man is very foolish to allow his whisky to be taxed and to permit my ginger-ale to come in free. If he is prepared to do it, I do not see why I should go out of my way to grumble very much. That will give us. £1,000,000 a year.

Sir William Lyne

- Have we not taxed ginger-ale? I think so.

Mr THOMAS

- Then the Tariff is worse than I thought it was. A tax of 1d. in the £1 on the unimproved value of land throughout the Commonwealth would raise about £1,400,000.

Mr Barton

- That is, without any exemptions ?

Mr THOMAS

- Without any exemptions ; of course if the figures are not right some one can correct them to-morrow. A tax of a1/4d. in the £1 on the unimproved value of land without any exemptions would yield about £350,000. We should still require toraise£350,000 more. Through the Custom-house, if we wished to raise that amount, we should have to raise £1,400,000 more under the Braddon blot. That would give us a Customs revenue of £5,400,000. If £350,000 were to be raised by direct taxation, I should not bother very much about whether the Tariff were revenue producing or protectionist.

Mr Sawers

-What would be the cost of collecting the land tax?

Mr THOMAS

- It would be very little, seeing that practically in every State there is a land tax, and an arrangement could very easily be made with the States.

Mr Chapman

- Is this to be an additional land tax ?

Mr THOMAS

- It is to be a federal land tax. We have nothing to do with the States. We are a Federal Parliament.

Mr F E McLEAN

- Does the honorable member say that we have nothing to do with the States ?

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Mr THOMAS

- We are here as a Federal Parliament, and the great mistake we are making in connexion with this. Tariff is in bothering so much about the necessities of the States. A revenue of £350,000 from a land tax of 1/4d. in the £1 would cover the cost of the federation. I was not present during the sittings of the Federal Convention ; but I understand that the honorable and learned member for South Australia, Mr. Glynn, moved to insert in the Constitution a provision to the effect that all money required for direct federal purposes should be raised by means of a land tax.

Mr Kingston

- I do not think so.

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Mr THOMAS

- I think he did, and on the ground that the land would receive a particular benefit from federation. We were promised a great deal of benefit from federation. I hope that all the benefit which was promised by the Prime Minister, the Minister for Trade and Customs, and others, will be obtained. I did not think it would, but still I hope that I was wrong and that they were right. At any rate, if the land is to be improved

in value as the outcome of federation, it is a fair thing that revenue should be raised by a tax upon it. We may be told that the States would be impoverished, but I think I am right in saying that the honorable and learned member for Indi stated at the Federal Convention, when speaking about the way in which Western Australia would be affected by the reduction of the revenue collected through the Customs, that if the people were not taxed in that way the money would be left in their pockets. That was reported to have been said by the honorable and learned member, but whether he said it or not, I believe in the correctness of that view. If you do not take money out of the pockets of the people through customs duties, the money must remain in their pockets. I venture to say that a land tax affords a just, fair, and equitable means of raising revenue ; besides which it would stimulate enterprise, and thus tend to provide employment. If you tax a man's land you compel him to make some use of it in order that he may be able to pay the tax. There was a great deal of land in New South Wales and other States of which no use was made until a land tax was imposed, but when taxation had to be paid, those who held land had to do something with it, and they thus provided employment for the people. If there are any free traders in this House I would like to see them support this resolution. There is as much difference between free-trade and revenue tariffism as there is between protection and revenue tariffism, and for a man to say he is a free-trader and at the same time a revenue tariffist is to take up a position which is a delusion, a snare, and a mockery. . Some time ago, in New South Wales, there was a band of very able men who believed in free-trade ; and it is to their credit that, under the* leadership of the right honorable the leader of the Opposition, they carried out their policy. Whether they were right or wrong, they did what they believed to be the proper thing. They went into Parliament to reduce the customs duties, and they did so. They did not remove the duty on boots, and put it on rice ; but they reduced the duties, and raised revenue by putting a tax upon the land. These men believed in free-trade, and it is argued by them to-day that New South Wales is better off because of the free-trade policy" that was then adopted. If free-trade is a good thing for New South Wales it must be a good thing for the Commonwealth, and the only way in which we can secure freetrade is by resorting to direct taxation. I confess that I admire the magnificent pluck and heroism of John Bright when he took the action he did some 50 yearS ago. Freetrade in England then was not the thing to swear by that it is to-day, but there was tremendous opposition to it, which went so far that on a certain afternoon a number of land-owners met and subscribed £250,000' with which to fight John Bright. He advocated free-trade - not revenue tariffism. He was a free-trader ; he was prepared to remove customs duties, and he wanted to tax not only the land', but property generally. If there are any free-traders left in this House I would ask them to support this resolution, and if there are any protectionists here who have the courage to protect, I would like them to support it. I do not regard a man as a protectionist if he is prepared to impose only duties of 10 per cent, or 15 percent., and allow goods to come in here subject only to a slight restriction. The natural corollary to protection is a land tax. There are some members who say that this Tariff is not high enough, because it will allow certain imports to come in, and from the point of view of the protectionist that is a perfectly correct attitude to take. I admire the man who is sincere in his political professions, and I do not care what a man is so long as he is whole-hearted and logical. If there is a true protectionist here I claim his support, because I hold that the only way in which we can get protection is through direct taxation. . Believing that to raise £9,000,000 through the Customs would impose very heavy burdens upon the community, and that a land tax would afford us an equitable mode of raising revenue, I hope my amendment will meet with cordial support.

Mr SPEAKER

- Since I understood "that this amendment would be moved, I have carefully considered the way in which, under the standing orders which control our proceedings, it should be discussed; and after some little difficulty I have arrived at a conclusion which I wish to state to the members. Standing order 257 provides

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Amember may speak to any question before the House.

And concludes -

But not otherwise.

According to that standing order, as I am now putting the question to the House, " that the words proposed to be added be so added," the only debate that could take place would be on the one issue whether or not a direct tax, in the shape of a land tax, should be imposed in the Commonwealth. Standing order 263 says : -

An amendment proposed should be disposed of before another amendment can be moved ; after all the amendments have been disposed of the main question as amended, or otherwise, should T>e forthwith put. ;So that, at the conclusion of the debate, if I confined the discussion to the question before the Chair, I could not permit the leader of the Opposition to speak in reply, or allow any honorable member who has not spoken on the main question to address himself to it. I should be compelled, on the Amendment being negatived, to put the main question forthwith. Under the circumstances I have decided to permit the debate on the main question to continue on the part of those who have not yet spoken. Such honorable members will also be allowed "to address themselves to the amendment as a cognate subject. Honorable members who have already addressed the House upon the main question may speak again, but their addresses must be confined strictly to the question whether or not a land tax should be imposed in the Commonwealth. I think that this course will best conduce to the convenience of honorable members, and that it will be in accordance with the forms of the House.

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Minister for External Affairs

Mr BARTON

. - I would be the last in this House to call into question the opinion you, Me. Speaker, have expressed, and, indeed, as far as I am concerned, I have no necessity to appeal to the indulgence of the House. I have spoken on the main question, but I have no intention of adding to the length of the debate, which has been very much prolonged, in view of the necessities of .the country. Even if I did not doubt my right to speak on the main question again, I should in any case confine myself to the amendment at this late stage. Indeed, I have very little to add. An additional satisfaction to me, in my retrospect of this debate, has been to find that I have . not been one of the longest, but one of the shortest speakers. Therefore I do not intend to impair the pleasure of that retrospect by speaking for more than a very few minutes. Having to deal with the amendment alone, I am confronted with this position - that it was not only the policy of the party which sits with me when we went to the country, that at any rate for the present, the revenue of the Commonwealth must be raised wholly from customs and excise duties, but this view was - if not at first, at any rate later on - supported by the leader of the Opposition, with whom, therefore, in this respect, I and those who sit with me are quite in unison. It is far from my mind to lay down the proposition that at no time will a land tax be necessary for the purposes of the Commonwealth. It was a wise foresight that in the drafting of the Constitution subsection (2) of section 51 was made so wide. It includes the whole ground of taxation so long as that taxation does not discriminate between States or parts of States. Therefore, the Commonwealth has the power to impose taxation of any kind, whether direct or indirect, so long as there is no unjust discrimination about that taxation. The amendment therefore cannot be quarrelled with on that ground. Nor can it be quarrelled with in any other way except in regard to the position which I put forward, and the inherent merits of land value taxation to which I do not think it necessary to address myself to-night. On the other grounds of tone and temper the amendment has been put forward very calmly and very ably. Without any long argument as to the necessity of raising a revenue adequate to the needs of the States - I do not say adequate to their demands - I merely say that I still hold the opinion, which I think was held by all parties when we went to the polls, that the revenue must be raised by customs and excise, and that it must be sufficient in its returns to prevent undue embarrassment to the finances of the States. As we know, the provisions of the Constitution render it necessary for the Commonwealth, during the bookkeeping period, to return to the respective States all that has been spent in the transferred services, less the expenditure in those States, and their per capita share in the new expenditure of the Commonwealth. That necessity - as is evidenced by the figures of the Treasurer, which, however much they may be quarrelled with in respect to their accuracy, have been compiled with the very greatest care - establishes one thing very clearly, namely, that there is a certain ratio between the returns yielded by any Tariff imposed by the Commonwealth, which necessitates that some States shall receive more than they need, if it is to be recognised that we are to return to the remaining States something within a measurable degree of what they need. To that measurable degree we must come for the safety of the Commonwealth, not taking the course which the honorable member for the Barrier advocates of raising the Commonwealth revenue without paying any regard to the necessities of the States, but having in view the fact that any result which causes an undue and perilous embarrassment to the States, or to any one of them, reacts with immense force upon the credit of the whole Commonwealth.

Mr Watson

- Do we not force them to levy direct taxation if we fail to impose it ourselves?

Mr BARTON

- That is for them to decide. I was going to say that that is the position to which I still adhere, notwithstanding my honorable friend's arguments. We cannot support this amendment, because the Government and the Opposition parties were united in indicating that the revenue of the Commonwealth must, at any rate, at this stage of our history, be raised from customs and excise, and because it is the bounden duty of the Commonwealth to guard against the possibility of any serious embarrassment to the States. If it does not do so, it abandons its position of trustee to the whole of the States during the bookkeeping period, and it can only abandon its trusteeship at its own peril, because the impairment or ruin of the credit of one State would impair that credit which we must maintain for the nation as a whole. That is a result which we cannot permit to be brought about. Therefore, taking it for granted that it was the consensus of opinion on the part of the Government and of the Opposition that the whole of the revenue of the Commonwealth - at this stage, at any rate - should be raised from customs and excise, I say that that revenue must be such as to prevent any undue embarrassment to the States. Let us go a point beyond that. There is another aspect of this duty of preserving the credit of the States. We have so to adjust the burdens of taxation as to leave to them the capacity to raise for themselves any shortage which may be imposed upon them as the result of the operation of our Tariff. It is impossible - as has been indicated - to frame any Tariff which will supply to all the States--

Mr SPEAKER

- I wish to point out to the Prime Minister that the amendment does not necessarily involve the raising of any less sum than is suggested in the Government proposal, and therefore the question of whether or not funds should be provided to a greater or less extent for the States, is hardly within its scope.

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Mr BARTON

- I was going to urge that this tax is submitted as a part substitute - as the honorable member for the Barrier put it - for the duties proposed to be raised by customs and excise. It involves the question in itself of whether it is an efficient substitute - efficient for those needs which all parties recognise must be satisfied. That is the whole extent to which I wish to go. It is important that in raising our revenue we should not, to any degree that is not positively and absolutely necessary, trespass upon any taxable capacity of the States which might enable them to supply any shortages that result from our Tariff proposals. I do not wish to advert to those proposals any more than to point out that it is impossible to satisfy the greatest needs of the States, because that would involve an unheard-of revenue being raised from the source I have indicated. The course, therefore, which is possible and practicable is the medium course, which may leave some shortages. Without going over the old ground, or traversing the old figures,, it will be clearly seen that those States which will be left with shortages by this Tariff must have a field of taxation, from which to put their finances in a proper position. If the field is trespassed upon as is now proposed, by so much is it rendered more difficult for each State that is short to preserve its solvency and its credit. That is, I take it, the whole point involved in the amendment. We are not concerned to dispute that land taxation may sometimes be necessary. There are those of us who, if we look into this matter, must foresee that in some of the States, at any rate, a greater degree of internal direct taxation is necessary. The sole reason is that the whole of the ordinary powers of taxation provided by Customs and excise are given to the Commonwealth, and the States cannot, as States, have any voice as to how those powers shall be exercised, and if the result of the unaided exercise of our rights, which are the rights of the whole Commonwealth, leaves the States with a shortage, then to enter on the other field of taxation - one that belongs to us as much as to the States, but one which morally we ought to leave to the States as much as possible - would impair their credit and their ability to satisfy the needs of their own Treasurers. It is not for us to say that in this or that State there is extravagance. We are not here to rectify the internal finances of the States, but simply to return to them, subject to the needs of the Commonwealth, as much as we can in order to prevent their being placed in an improper position. If the States choose to "outrun the constable," and to enormously increase extravagant expenditure, so that anything in reason the Commonwealth Government do is not sufficient for them, it must be their responsibility to make up the balance. But even if the Governments and the Parliaments of the States do not recognise their duty, we

have. still to remember that the solvency of the States is the solvency of the Commonwealth, and, therefore, we should not subtract from them any reasonable field of taxation by means of which they can rehabilitate their finances. If, having that proper field, the States do not choose to resort to it, that may be their mistake, but it is not our business to interfere. On the other hand, if the Commonwealth Government, having the main sources of revenue, resort to other sources and take it out of the power of the States to rectify anything that needs rectification, then we begin to be chargeable, because we have entered on a domain which at the present time we ought to leave to them, in order that their individuality as contracting States may be maintained in full strength. No one desires that the States should become crawling dependents, on the Commonwealth for grants ; we do not want anything of that kind to occur. The position, as I pointed out, is a temporary one. It will exist, at any rate, during the bookkeeping period, and it may exist later. The movements Of trade which will follow the abolition of the Inter-State barrier scan not be foreseen. We can only make the best attempt that our present knowledge opens up to us to provide for the contingencies of a few years, but the position of the States financially will probably differ very much from the position in which they stand now in relation to each other. The States which at present have the greatest consuming capacity may tend to equality, and those with less consuming capacity may make some advance to their level. All these are matters which must be observed and watched ; and it may be that at the end of a few years we shall find ourselves in a better position to say what should be done in regard to direct taxation. But the needs of the States compel both parties to take the position that the Customs and Excise shall be, for the present, the sole source of revenue. We are pledged to that course on the Government side of the House, and honorable members on the opposition side are similarly pledged, so far as the voice of a leader can represent the voice of a party. I take it that that pledge was given on the considerations I have pointed Out, which apply to the finances of the Commonwealth irrespective of free-trade and protection, and apply as much to one party as to the other. Under these circumstances, therefore, without expressing too much opposition to land value taxation, which, as I say, the necessities of the Commonwealth itself may some day render necessary, I point out that as the necessities of the Commonwealth do not at the present moment render such taxation necessary, it is better to leave the States in possession of that confidence and security which they will have when there is this source of revenue to make up for possible financial necessities. Having said that, I do not think I need prolong the debate further than to say that I shall not find myself in a position to vote for the amendment.

Mr CLARKE

- I realize that this debate is pretty well exhausted. We have had speeches of undue length from some members of the Opposition, and we are now in the third week of the debate. Were I to consult my own personal feelings, or were I to consider the time of the House, I should not speak, but I feel I have a duty to perform on an occasion like this. I represent a constituency which is made up largely of farmers, and the Tariff, which we are now considering, will very seriously affect that class. I have heard honorable members on the opposition side state that the Tariff, as proposed, will be of no benefit to the farming community. In fact, we have been challenged to show in what way the Tariff will benefit the farmer. I accept that challenge, and I shall prove that the Tariff will be of immense advantage to the farmer, and particularly to that class of farmer which I have the honour to represent. One thing has struck me very forcibly during the progress of this debate. We have heard able speeches from honorable members on both sides of the House, but I am sorry to say that there are some honorable members sitting in opposition who have not refrained from indulging in the grossest misrepresentation. We all anticipated that when the Tariff proposals were submitted to the House, there would be a fight, but some of us, at any rate, expected that the fight would be carried on in a fair and honorable manner. We have not only had misrepresentation from honorable members on the opposition side, but we have found those misrepresentations backed up by that section of the press which supports the policy of the Opposition. We have had the spectacle of the leader of the Opposition telling the House and the country that this Tariff has been framed purely in the interests of the Victorian manufacturer. That is a splendid start ; and we now hear that statement cheered by members of the Opposition. This Tariff has not been framed in the interests of "Victorian manufacturers. If the Tariff resembles the Tariff of Victoria more closely than it does the Tariff of New South Wales, that is simply because the former is found more suited to the circumstances of the Commonwealth. But the statement has been taken up by a section of the free-trade press in Sydney, and sent broadcast from one end of the land to the other.

It is a nice state of things that we should have not only honorable members in the House, but the free-trade 'press of New South Wales - I am now addressing myself particularly to honorable members who' represent New South Wales - adopting methods which are calculated to stir up disaffection and disloyalty to the union into which we have just entered. Again, in addition to the statement that the Tariff is purely a Victorian one, we find all sorts of misrepresentations in the New South Wales journals as to its operation. Comparisons are made between the cost of living under the old Tariff and under the new one. How are these tables compiled ? In a most unfair way, on the assumption that, under the new duties, the people of New South Wales and of the Commonwealth are not going to use anything that we grow or manufacture ourselves, but are going to consume the imported article in every instance. We have free-trade merchants in Sydney professing the utmost regard for the poorer classes, and expressing the greatest solicitude for them in their alleged sufferings, under the new Tariff - saying, in fact, that they will not be able to live. Yet we find these people in some instances increasing the price of goods on which they have not actually paid any duty, so great is their solicitude for the poorer classes. But that is not the worst. We find here honorable members who insinuate that members of this House have been bribed by manufacturers to impose the Victorian Tariff.

Mr JOSEPH COOK

- No such thing !

Mr CLARKE

- An honorable member who generally sits behind the honorable member for Macquarie has said so.

Mr SPEAKER

- Order ! Do I understand the honorable member for Cowper to assert that such a statement has been made in this House ?

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Mr CLARKE

- No, Mr Speaker, not in the House ; but it was made by insinuation within the precincts of this House. I challenge the honorable member to whom I allude to repeat that statement in the House. I hope he will do so, as he has not yet spoken. When we find such statements being made, it is enough to cause anyone who wishes to see the affairs of this Commonwealth carried on as they ought to be to speak strongly. The honorable member for Wentworth has said that honorable members of this House have been button-holed in the lobbies in order to induce them to obtain certain concessions for the Victorian manufacturers. Is that statement correct ?

Mr V L SOLOMON

- Yes !

Mr CLARKE

- I say that it is absolutely untrue !

Mr SPEAKER

- The honorable member must withdraw that statement.

Mr CLARKE

- I do not wish to say that the honorable member for Wentworth would deliberately mislead the House, but he has been misinformed.

Mr SPEAKER

- The honorable member must withdraw the statement he made that a certain remark was " untrue."

Mr CLARKE

- I withdraw the statement. What I wish to point out is that a statement like that can only have one effect, viz., to damage the members of the Ministry and those members of this House who are supporting them. If there were any truth behind those statements, if there were a scintilla of evidence to show that honorable members had been approached in that way, I should not blame the honorable member for Wentworth for making the statement ; but there has been no such evidence.

Mr SYDNEY SMITH

- I never heard a statement of that kind made in this House.

Mr V L SOLOMON

- It is perfectly true.

Mr CLARKE

- Does the honorable member for Macquarie say that the honorable member for Wentworth did not state that some honorable members had been button holed in the lobbies 1 He said that one of the evil consequences of a protective policy was becoming evident, and that there were instances of members being button holed in the lobbies in order to induce them to give effect to the policy of protection for the industries of Victoria.

Mr G B EDWARDS

- I will say that.

Mr JOSEPH COOK

- Let the honorable member prove that it is not true.

Mr CLARKE

- Then the honorable member asserts that it is true ?

Mr SYDNEY SMITH

- Can the honorable member prove that it is untrue 1

Mr CLARKE

- The honorable member who interrupts me may have been approached, but I am quite sure that no member on this side of the House has been improperly approached in that manner.

Mr SYDNEY SMITH

- No one said " improperly."

Mr F E McLEAN

- The honorable member is putting a construction that was never intended on the remark of the honorable member for Wentworth.

Mr CLARKE

- The remark should never have been made, and, having' been made, should have been withdrawn.

Mr SYDNEY SMITH

- I think it is a pity for an honorable member to bring outside tittle tattle into this chamber.

Mr CLARKE

- It is a pity that an honorable member should express himself in a public place in the way that the honorable member to whom I referred did.

Mr JOSEPH COOK

- What were all those banquets but button-holing ?

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Mr CLARKE

- If the honorable member for Parramatta is to be bought over by a banquet, he must have a very poor opinion of himself, and must set a very low value on himself. No banquet has been-, given for any such purpose. An attempt has been made by those who have spoken on the Opposition side to make it appear that this Tariff was not expected, and that the Prime Minister broke his promise made at Maitland, and practised duplicity towards the people. I am prepared to show that this. Tariff was expected by honorable members opposite, if their public utterances go for anything at all. Even before the Prime Minister spoke at Maitland it was recognised by the most prominent leaders of the Opposition party that the policy of the Government would be protective, and I cannot conceive how it is that honorable members should now endeavour to make people believe that the Tariff was unexpected. I do not blame them for making all the fight, they can, but for the manner in which, they have conducted the fight. In reality they knew all along what the Tariff would be like. I will quote the honorable member for Wentworth first, because I regarded him until recently as a gentleman whose public utterances were to be seriously considered. I am not going to quote the leader of the Opposition so extensively, although his views were pretty well known, because we know that he changes his views so often. The honorable member for Wentworth, then. Mr. McMillan, speaking before the Chamber of Commerce in Sydney - I have not the date of the speech, but I think it was in the year 1 S98 - made use of the following words. I will quote the whole paragraph, so that there can be no misconception about his meaning.

Mr JOSEPH COOK

- What factory turns out these quotations for honorable members opposite ?

Mr CLARKE

- This is taken from a pamphlet which was sent to me, I presume by the friends of the honorable member

who made the speech -

I have stated the case with regard to New South Wales, but New South Wales will have to make a sacrifice more or less. You cannot expect to convert five other colonics to your fiscal system because you intend to federate, and we New South Welshmen must make some compromise, so long as it is not disastrous in regard to this fiscal matter, or we can not federate at all. The more clearly that is seen, and the more people begin to realize it, the less dissatisfaction will there be when the federation comes about ; because you must recollect this, that this is one of the most difficult federations that has ever taken place in the world, notwithstanding all the difficulties of Swiss and Canadian federation. We have here five or six large, unwieldy states in this great island continent of Australia, separated so far from one another that there is the danger in the early periods of our federation that certain contingencies may occur which will strain that union to the very utmost.

Those contingencies are very close, if they are not actually present.

Therefore, it is an absolutely necessary condition precedent that, in all matters that affect the industrial life and the pockets of the people, they should know clearly and fully the bargain that they are about to make. Now, I say most unmistakably, in spite of all these difficulties, that union is worth the price. And, speaking as a free-trader, and without any disrespect to others, I believe that the way of looking at the Tariff of the future, when we come together as one great Australian people, will be far higher, more national, and broader than we have looked at that question in our isolated communities.

I am sorry to say that that has not come true.

If we do not have free-trade with the outside world, we will have free-trade among ourselves; and, as population increases - although probably not to such an extent for many years as in the United States of America, we will have the same great factor which we find there, and which, to a certain extent, has kept protection from its evil effects, the fact that although they have protection against the outside world, they have a world in themselves in which trade is absolutely free.

Those are sentiments with which we can all agree. This address was given after the meeting of the Convention at Adelaide, and I believe that at the time the honorable member was a member of the Convention. At the conclusion of his remarks, referring to the finances, he said -

The actual position is this : That in some of these colonies - and the delegates speak with all the knowledge and experience of their people, gained by their political position - that there is no means of forcing direct taxation any further than it has gone. It is a very unfortunate thing to us in New South Wales, because you will clearly see that if there is embodied in this Constitution - as there is in the draft Bill up to the present time - a clause by which a certain surplus must be returned, a surplus based upon present actual conditions, it means that you must, whether you like it or not, create a Federal Tariff to bring in a certain volume of revenue. And what does that mean for us ? It means this - that New South Wales, if she joins this union, must agree to the re-imposition to a large extent of customs duties, whether they are purely for revenue or for protective purposes, which will be going back upon her present system of free-trade. There is no use shutting your eyes to that fact. People will say that we can create a Tariff which is not protective, but only revenue producing. I would like to ask the common sense of Australia whether, when six colonies joined together, and five are of one fiscal character, the sixth is likely to produce any effect upon that character when numbers are against it ? I say all this, not because I want to say anything against federation, but I say we want to go into this federation with our eyes open.

Mr G B EDWARDS

- That is quite consistent with the present opinions of the honorable member for Wentworth.

Mr CLARKE

- If it is, I ask what justification had he in stating the other night that the Prime Minister had been false to his pledges ?

Mr G B EDWARDS

- Because this is not a compromise Tariff.

Mr McCay

- Does the honorable member call it a protective Tariff?

Mr JOSEPH COOK

- Yes ; it is a Victorian Tariff.

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Mr CLARKE

- I wish now to read an extract from a speech delivered by the honorable member for Wentworth when the federal elections were on, and I quote from the report of the Sydney Morning Herald, because that is a newspaper which I believe the free-trade section of the State of New South Wales regard as their organ, and one which, I am glad to say, deals fairly with these matters. In its issue of 30th January of this year, the Herald reports the honorable member as saying -

He was a free-trader, and was not afraid to say so. In this his first public address he intended to deal almost entirely with the fiscal issue. If he thought it was his duty to support Mr. Barton in his policy he would have done so. He was not a follower of Mr. Barton, however, for he had always been an extreme free-trader.

Upon those remarks, the Herald published the following leader : -

The distinct issues in the election are freetrade and protection, Sir W. McMillan told the electors of Wentworth the other evening, and this straight-out declaration helps to still further define the lines on which our representatives in both Houses of the Federal Parliament will be chosen.

Could any statement of the issue be plainer ? Referring to the leader of the Opposition in a leader published on 5th February, the Herald says -

Mr. Reid was in his old form on his old platform last night, when he came forward as federal free-trade candidate, for the district which embraces East Sydney, and free-trade leader of the campaign now begun. It has been foreseen so long that the real issue of the first federal election must be under which Tariff the Commonwealth shall exist, that the question is by no means raised now anew.

I wish now to read an extract from the same paper, published on the 7th February last -

If there is any meaning in plain words, the fiscal intention of the followers of the Federal Ministry should be sufficiently clear from the remarks of Mr. Wise and Sir William Lyne, as we gave them 3' yesterday morning.*

The utterances of Mr. Wise do not bind the Ministry. We know that their Tariff will be protective in character, however. Sir William Lyne has much more advanced views on this Tariff question than Mr. Wise. While that gentleman was explaining his views in one column yesterday morning, Sir William was reported in the adjoining column as frankly telling the people of Adelong that our industries must be protected.

What was in Sir William Lyne's mind - and as a Minister he is in the confidence of the Federal Cabinet - was clear enough when he told his hearers at Adelong, that under a free-trade Tariff they could only raise five millions, while it would be necessary to raise eight and a-half or nine millions every year.

Here is a leader which appeared in the Herald the morning after the speeches delivered by the Prime Minister and the Attorney-General in the Sydney Town Hall-

After last night's meeting the Federal Ministry stands before the electors as committed to protection.

Mr. Reid has so far succeeded that he has drawn from Mr. Barton almost as explicit a declaration as could be expected, and one explicit enough for the free-traders of Australia.

Mr. Barton said, in so many words, that the first concern of the Government in its fiscal policy is revenue, and the next moderate protection to maintain the industries of Australia.

He would not offer a remark as to the nature of the duties, because any disclosure of that kind would defeat the object of securing revenue.

At the risk of wearying the House I must quote another passage. I refer to the report of a speech which was delivered by the honorable member for Wentworth, at Randwick, and which appeared in the Sydney Morning Herald, of 26th February, 1901. Honorable members will remember that the federal campaign was then at its height : - It was said that some of the opponents of freetrade were not sufficiently clear in their views. People were told that Mr. Barton was not sufficiently definite. He believed that Mr. Barton was as definite as he could possibly be.

That statement was applauded by the audience.

The people knew one thing from Mr. Barton and that was that he (Mr. Barton) was a protectionist. That was enough for a free-trader. How could Mr. Barton be more definite when he did not know the composition of the Houses of the Federal Parliament. If Mr. Barton got a majority of five it meant a moderate dose of protection, if a majority of ten it would be a much stronger protectionist still ; and if the majority was 25 would Mr. Barton be the master of the situation ?

Those were the sentiments of the honorable member for Wentworth at that particular time. What were his sentiments here the other night when he delivered himself in this way -

The constituencies had been badly used. They had been misled, and Mr. Barton was a renegade from the principles he laid down at Maitland.

What do honorable members make of that ? When I see honorable members opposite adopting these tactics, and changing their opinion upon this question to suit different sets of circumstances, I am led seriously to think that the policy adopted by the Labour party of sinking the fiscal issue has a good deal to recommend it. It is not that I have lost faith in the efficacy of a good fiscal policy, but that I have an abhorrence of honorable members who adopt this opinion to-day and another to-morrow for party purposes. I think the future of the Commonwealth and the question we are now discussing are matters which are too serious to be trifled with in this way. I think the discussion of this question should have been on a very much higher plane ; and that we should have risen above the tactics that I am sorry to say prevail in the State of New South Wales. Of course, I have no means of proving it, but I can well imagine that some of those who are howling so much about the Tariff proposals are electors who voted against federation. They are adopting the "I-told-you-so," and the " what-did-I-tell-you " attitude, just as some of the journals in Sydney that stone-walled federation are now pointing out to the electors that they had sufficient foresight to show them what they might expect. I think the people of New South Wales were not left in any doubt as to what federation would mean for them. They were told by those opposed to the Commonwealth Bill, as well as by those who supported it, that it meant increased taxation.

An Honorable Member. - Some told them that it meant an expenditure of 2s. 6d. per head.

Mr CLARKE

- That sum was mentioned as the new expenditure involved in federation. I do not think that the new expenditure involved in federation amounts to 2s. 6d. per head. So far as I know, the people were never told that the increased taxation due to the alteration which would be brought about by the adoption of a uniform Tariff would amount to only 2s. 6d. per head. When the statement was made that federation would cost the people 2s. 6d. per head the expense referred to was the expense connected with this Parliament, and any new expenses which might be due to the accomplishment of federation. There is an endeavour now - and this is where the press in Sydney is so very unfair - to make the people of New South Wales believe that the new expenditure involved is going to cost them 22s. 6d. per head, when we know that, in reality, the cost of the departments transferred, and which had been previously carried on by New South Wales is included in that estimate.

Mr Fuller

- Does the honorable member believe that New South Wales would have come into the union if the people had known of this Tariff ?

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Mr CLARKE

- I can go so far as to say that when New South Wales has lived under this Tariff for three years, she will be very pleased that she is in the federation. Every new system of taxation creates an outcry. I know that there was a sufficient number of people in New South Wales who were opposed to the Commonwealth Bill itself to make a huge outcry against any form of taxation, no matter how light it might have been. And when a large body of people like that is led by - what shall I say, a capable leader - by a leader as glib of tongue as the right honorable the leader of the Opposition, it is capable of swelling its ranks, and of causing a very large section to appear to be dissatisfied. But I undertake to say that when the people of New

South Wales understand the position and the bearings of the Tariff there will not be that feeling of dissatisfaction which exists at the present time. There is already, I think, some proof of that in the suburb in which I live, for the storekeepers there and the people living around me, are coming to realize that most articles of grocery are as cheap under the new Tariff as they were under the old, if the home-made article is asked for. They are becoming fully alive to that fact. No doubt, at first the business men of New South Wales and storekeepers put up the prices to an unusual extent. They will keep those prices up if they can, but they will find that the prices will have to come down as the internal competition comes into full force. The Government Tariff has been literally pulled to pieces by the Opposition in their criticism, and while I do not blame them for that, I think they might have submitted some alternative Tariff, or, at any

rate, some outlines or general principles of a Tariff to be substituted for that proposed by the Government. We might have expected some indication from the right honorable the leader of the Opposition as to how he proposed to raise a revenue of approximately £9,000,000. But not one word did we get from the right honorable gentleman as to what he proposed to do. What would happen if that right honorable gentleman had the chance to frame a Tariff? Let me say in parenthesis that he does not want to get that chance ; he is too astute a politician for that. He would rather be where he is and find fault than attempt to frame and submit a Tariff to the people of Australia. Should the right honorable gentleman be forced into the position - and but for the dislocation of the business of the Commonwealth it is almost a pity that he could not be forced into it - we should see what sort of a Tariff he would produce. There is no doubt that he would propose to lower the duties on cottons and raise the duties on silks, or something of that sort, to catch the eyes of the unthinking. But in the end the effect would be exactly the same. Instead of taking the taxation out of one pocket he would take it out of two or three pockets, but it would have the same effect in the long run. If the leader of the Opposition followed out the free-trade policy of imposing taxation for revenue purposes, he would impose it in such a way that there would be no possible escape from it by the people of the Commonwealth. On the other hand, the Government have proposed a policy of putting taxes on articles which we can produce, and from which, therefore, there is a partial, if not a complete escape. The right honorable and learned gentleman would impose a tax on those articles which we cannot produce, and from which there would be no escape. Unfortunately the Government, in order to meet the financial obligations of the Commonwealth to the different States, have had to impose duties on articles which enter into daily consumption. The fact is to be regretted, but it cannot be avoided, for the revenue must be raised. The honorable member for North Sydney, for whom I have a most profound respect, and to whom I want to do justice, has put forward a proposal to reduce the amount raised from the customs by £1,000,000. If that proposal were carried into effect it would tend only to intensify the financial disabilities of some of the States. I regard the Treasurer as a Minister in whom we should have every trust in a matter of this kind. We know his career as a State Treasurer and financier in Victoria, and I do not think that he is going to besmirch that career now. It seems strange that whilst the honorable member for North Sydney proposes that there should be less taxation, Mr. Lee, the leader of the Opposition in the New South Wales Parliament, who is associated with the free-trade party, is actually moving a vote of censure against the Government of that State on the ground that- the amount to be returned by the Commonwealth will not be sufficient to enable them to balance their finances. Thus on the one hand we have an honorable member of this House who belongs to the free-trade party proposing to reduce the amount of taxation, and, consequently, the amount to be returned to New South Wales, whilst in New South Wales we have the free-trade leader of the Opposition in the State Legislature telling the Government that the amount which they will receive from the Commonwealth under the present proposals will not be sufficient to balance the finances. The surplus which we hope to see returned to New South Wales might be applied in many ways towards the reduction of State taxation. It is not for I members of this Federal Parliament to say in what way that money should be applied. That is a matter which the State Parliament has to determine. Honorable members know, however, that in New South Wales the proceeds of Government land sales have been used largely for the purposes of revenue. I am not referring to rentals or moneys obtained in that way, but to the actual proceeds of land sales. The total revenue which New South Wales has derived in that way amounts to something like £44,000,000. We know also that in that State conditional purchase holders are charged interest on their purchases, a system which has never obtained in the much maligned State of Victoria.

Mr SPEAKER

- I will ask the honorable member not to discuss the financial methods of the New South Wales Governments.

Mr CLARKE

- I scarcely understand, sir, to what extent I may go in this direction.

Mr SPEAKER

- The honorable member may discuss New South Wales finances in so far as they relate to the fiscal issue, but he cannot discuss the particular class of affairs to which he was referring when I interrupted him.

Mr CLARKE

- The matter is not of much moment. I was going to say that the surplus returned by the Commonwealth to New South Wales - and I think I may be allowed to refer to this matter as a representative of that State - might be applied as a sinking fund towards the redemption of the State debt.

Mr SPEAKER

- The honorable member has just pointed out that that is a matter which has nothing whatever to do with this Parliament.

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Mr CLARKE

- A great deal has been said about the desirability and undesirability of the policy of protection. In dealing with a matter of this kind, we should take into consideration our surroundings and our conditions. I am not one of those who believe that we can have a golden rule or policy applicable to all countries, irrespective of their conditions. I am inclined to think that England, for instance, acted wisely in adopting the policy of free-trade up to a certain point, but in my opinion she has pursued that policy to too great an extent. I should like to quote a passage or two from a book by a very learned author. I select this work for the reason that it is of recent date, and because the writer does not appear to have extreme views on either one side or the other. There are one or two paragraphs only in which the question of freetrade versus protection crops up. I refer to a work on political economy by- Charles S. De vas, examiner in political economy at the Royal University of Ireland. At page 24:4., the following passage occurs : -

If we have rightly apprehended the nature of international trade and its advantages, the question of what is called free-trade versus protection ought to be easily determined ; not indeed the question whether any particular country like Germany or New South Wales should adopt any particular policy, but the general principles which each can apply to the particular circumstances of his own country, protection for the present purpose means the giving home producers an advantage over foreigners, either by taxing the foreign produce as it comes into the country, or by giving the home exporters a donation (a bounty) in addition to what they can earn commercially.

Now the following are valid reasons for protection, not anywhere, but wherever the conditions exist that render them applicable.

First reason.If a country lacks certain industries for which it is physically suited, say the manufacture of woollen cloth, leather, and pottery -

I think all these conditions are present here ; the iron industry, for example, is one that we have often talked of, but for which nothing has been done - and is supplied with them from abroad, a protective duty levied on the importation of these goods will call into life the manufacture of them at home, and utilize the productive power of the country. True that the encouragement of these industries will be ipso facto a discouragement to the production of those goods, say oats, butter, and live cattle, that were exported to pay for the woollens, leather, and pottery. But our hypothesis is that the new industries are "suitable." Hence the diversion of national industry will result in a larger net return after the first difficulties are got over, the workmen collected and trained, the kindred and auxiliary trades set up, industry properly localized, and on a scale large enough to allow the full application of concerted labour and the advantages of the law of increasing returns : moreover, a secure body of customers acquired (business connexion), and the *ria inertiae* rolled away by the expectation of certain profit.

I do not wish to quote the whole of this article; it would be rather tedious to honorable members. The second reason given by the writer, applies particularly to our present conditions -

If an existing industry, really suitable to a country, is threatened with ruin by foreign importations, it is plain from the foregoing reason that such industry should be protected, but not plain how such a case could occur. 19 o 2

Honorable members will notice that the writer is very impartial, and it was for that reason that I selected the article.

For the *vin inertia* is here on the side of the home producers, the difficulties of change lying with the foreigner. Yet in two ways at least the case could occur. First through the action of misdirected consumption, explained in the first book, by which good merchandise is driven out by bad, solid and suitable home goods may be supplanted to the public loss by flimsy, showy, unhealthy foreign goods, unsuited to the climate and circumstances ; and the increased exports of some other merchandise to pay for these new imports, is no adequate compensation, and the natural industry is diverted from move to

less advantageous production. Secondly, as Professor Sidgwick has pointed out, an extraordinary temporary advantage in production possessed by a foreign country, may destroy or- greatly injure a suitable home industry ; and then when that great advantage is past and gone, the cost of restoring the lost or lessened home industry may far outweigh that previous gain of the cheap imports.

We might easily imagine such a state of things coming about here if we failed to protect those industries which are established. I have heard honorable members in speaking of certain industries which have been pretty well established, say that if they could produce an article and sell it at as low a price as the foreign-made article, they would no longer need protection. I think that is a fallacy, because if the protection were removed, the foreigner would at once send his importations into the country, and, by cutting down prices, even by selling at a loss, wipe out our industries. The third reason is given in these terms -

National safety may require the home production of all the requisites of warfare, and such measures as may avert the risk of an enemy being able, by shutting off the importation of food or some other necessary, to starve their opponents into submission.

The writer goes on to reason in that way how necessary it is for the purpose of national safety that a protective system should be adopted ; and then he gives a fourth reason, as follows : -

Social harmony is a good of incalculable value : its injury is, among other things, one of the greatest injuries to national wealth. Now, under certain circumstances, protection may be needed to prevent changes in the national industry, and a consequent break up of a happy and harmonious constitution. A secure and steady market may be essential to an organised industry, and to the proper insurance of the poorer classes. Hence the apparent loss by the exclusion of foreign goods may be outweighed by the real gain of steady habits, sober profits, and mutual goodwill.

I agree with the honorable member for Newcastle that a policy of protection in itself is not sufficient to improve the state of the labouring classes. I admit that we must go further, in order to elevate the workers, and that protection is but the first step. Speaking about the necessity of protection as a means of national safety I should like, with the indulgence of the House, to quote an article from the London Daily Mail, which was reprinted a little while ago in a Sydney paper, and which draws attention to the decline of agriculture in Great Britain -

A disquieting document is the report of the Agricultural Committee on National Wheat Stores. The witnesses examined, with only one Or two exceptions, agreed that the dependence of the nation on seaborne supplies of bread stuffs demanded serious attention, and the adoption of Some precautionary measures.

Mr., W.J. Harris estimated that in May, 1895, there was not more than seven weeks' supply of wheat mid flour in the United Kingdom, "and probably not so much." Mr. Procter stated that " we want 500,000 quarters of foreign wheat to keep us going a week," and added that then (May, .1897) he did not Suppose we had more than six weeks or two months' supply.

Our dependence on foreign importation is shown in the following table : -

The committee state that they are profoundly impressed by the evidence given as to the immense importance of Government wheat stores as an essential item of national defence, and they are unable to conclude that the stores would have any material effect on the interests of agriculture or of the corn trade. They recommend that the Government should be most strongly urged to obtain the appointment, as soon as possible, of ,1 Royal commission, to include representatives of agriculture, the corn trade, the shipping, the Navy and the Army, so as to conduct an exhaustive inquiry into the whole subject of the national food supply in the case of war.

In a leading article on the 28th October, the Sydney Morning Herald refers to the state of agriculture in Great Britain in these terms : -

The recently published official returns of the Board of Agriculture in England point to a steady and serious decline of the agricultural industry in the mother country. Within the last quarter of a century the wheat area has decreased by one-half, and within the twelve months an area about equal in extent to the county of Middlesex has disappeared from wheat cultivation. Although some of the causes of the falling off may be of a temporary character, the facts seem to point to the conclusion that there has been a steady decrease in wheat cultivation, which is not likely to be arrested. The stock statistics point in the same direction. In sheep the decline is very great, and the outlook for the agricultural industry is serious

enough.

The article continues in an apologetic strain with reference to the decline of agriculture in Great Britain. I do not mean to say that a quotation of that sort, or the fact that the agricultural industry has declined in England, is sufficient to prove that the people of Great Britain should adopt a protective policy, but it goes to show that the agricultural interests of Great Britain have been neglected, and that some means should be devised for giving an impetus to the industry. I know that the people of Great Britain think that it pays them better to import produce and exchange something else than to grow it; but I do not think that is altogether a sound policy. To come nearer home, a challenge was thrown out by the honorable member for Macquarie, who stated that the Tariff would not have any beneficial effects on agriculture. I have the honour to represent the largest maize-producing district in the whole of the Commonwealth, and I have very closely watched the movements of the maize markets for some years past. When the Dibbs duties were in operation in New South Wales the local production of maize was in excess of the demand, but shortly after the Reid Tariff came into existence, and the duties on maize and other cereals were repealed, it became very evident that our market was being exploited by foreign producers of maize. During 1898, 1899, and 1900 the imports of maize into New South Wales exceeded the exports by 1,148,000 bushels. At 2s. per bushel - a very low price - the value of the imports of maize in excess of the exports would be £115,000. I should like the honorable member for Macquarie to tell the farmers along the north coast of New South Wales that this importation of maize had no effect upon prices, but was really good for them. In quoting these figures, I have taken the maize importations from countries outside of the Commonwealth, but if I include the figures for the States of the Commonwealth, I find that there is an excess of imports over exports of 747,922 bushels. Now we come to still another item in the list of farm products; namely, potatoes, which are largely grown on the north coast of New South Wales. They have virgin soil there that is capable of producing potatoes sufficient to supply the needs of a very great portion of the Commonwealth - soil that has not been touched, simply because it is rather remote from the markets. We imported into New South Wales during 1900 potatoes to the value of £185,000, whilst we exported only £52,000 worth.

Mr G B EDWARDS

- Where were they imported from?

Mr CLARKE

- I did not go into those particulars, but considerable quantities came from Tasmania and New Zealand, and possibly from Victoria. I am only quoting these figures to show the effect of the freetrade policy of New South Wales during a few years upon the agricultural industry. The excess of imports of potatoes was valued at £132,000, and such an amount of money distributed amongst the farmers of New South Wales would represent something very substantial.

Mr Poynton

- Can the honorable member show how much of the imports came from outside of the Commonwealth?

Mr CLARKE

- I would ask the honorable member to go to the statistical register for that information. I should like to refer briefly to what was put forward by the honorable member for Lang in reference to the timber industry. The honorable member made a comparison between New South Wales and Victoria with regard to this particular industry, and he evidently thought that he had made a very strong point when he showed that the number of saw-mills in operation and the number of hands employed in New South Wales under free-trade exceeded those in Victoria. I should like to remind the House, however, that in New South Wales we have a coastline of 800 miles, which is practically dotted with saw-mills, whereas they have no such advantage in Victoria. Then, again, across the ranges in the west we have fine timber country, and along the Murray there are vast supplies of timber upon which we can draw. Therefore, it does not follow that, because there are more mills in operation and more hands employed in New South Wales than in Victoria, free-trade is therefore better than protection for the timber industry. Nature has been more bountiful in the supply of timber to New South Wales than to Victoria. The imports of timber into New South Wales - and I know honorable members will not want to know where this timber comes from - from countries outside the Commonwealth, exceeded the exports by the value of £736,871 during the years 1898, 1899, and 1900. The imports from all countries, inclusive of the States of the Commonwealth, exceeded the exports by £1,029,784. I have heard honorable members say that only imported timber is

suitable for use in mining operations. Whilst not venturing to give a positive opinion about the matter, I have a sufficient knowledge of timber to induce me to believe that our own timber can be used for mining purposes with as much advantage as imported timber. I will go so far as to say that if it can be shown that imported timber only is suitable for mining work, I shall be willing to give my vote in favour of allowing timber to be used for mining purposes to come in free.

Mr Poynton

- The Broken Hill mine owners say that imported timber is the only timber suitable for their purposes.

Mr CLARKE

- The mine-owners of Broken Hill have never used anything else but imported timber. I have known people who have been in the habit of using a certain material for many years, who could not be made to believe that it was not the best, but -when they were induced to use something else, they expressed regret that they had not made the change long before.

Mr Poynton

- The Broken Hill mine owners tried the local timber before they used the imported material.

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Mr CLARKE

- That may be so, but considerations other than suitability, such as the cost of carriage, or something of that sort, might have induced them to make the change. I know that in New South Wales, imported timber is used for purposes for which it is not so suitable as our own hardwoods, and that this has had the effect of displacing our hardwoods. I know the hardships and privations which are endured by timber cutters. It is hardly fair to these men that an article which they can assist in producing should be discarded to their detriment in favour of the use of a foreign article merely for the purpose of allowing a ring of Sydney importers to grow rich by this trade in imported timber. I do not say that there are not purposes for which the imported timber is superior to our hardwoods. But at the present -time the imported timber is put to uses in respect of which it is not superior, but decidedly inferior. I come now to that despised commodity in regard to which there' has been much sneering by honorable members opposite. I refer to the duty upon eggs. I venture to say that if those who sneer at this commodity were to visit some of the farming constituencies and to ascertain the low prices which the farmers have been receiving for their eggs, they would be very much surprised. As a matter of fact, the Sydney market has been supplied by the importation of eggs from China. We keep the Chinaman out, but we do not object to receiving eggs from him. During 1900 we imported 606,000 dozens of eggs valued at £23,000 and exported only 32,000 dozen, valued at a little over £1,000. There was thus an excess of imports over exports upon this one line representing a value of £22,000. A great proportion of these eggs came from China. I venture to say that the duty which it is proposed to levy upon eggs will be very acceptable to the farmers of the whole of New South Wales. The farmers' wives devote their spare time to this industry, and it is a matter of considerable moment to them that they should have a market for those eggs. I could enumerate other articles which the farmers produce, such as oats, onions, &c, and prove that new South Wales under free-trade is absolutely unable to supply its own requirements, and has had to import largely from abroad. According to letters which have been received from the South Coast, we have now an opportunity of starting a business in condensed milk. Surely honorable members will not deny that such an industry would be of immense advantage to the farmers throughout the whole of these States. I know that the free-trade representatives of the South Coast district of New South Wales used to vote faithfully for the retention of the duties upon cheese and butter in the State Parliament.

Mr.Fuller. - Why, in 1889 three out of the four free-trade members voted against them.

Mr CLARKE

- In 1895, when the present leader of the Opposition was revising the New South Wales Tariff, the only free-trade representative of the South Coast recorded his vote in favour of the retention of the duty upon butter. In regard to every other commodity he was a freetrader. The same thing occurred in regard to a representative of the Newcastle district. That honorable member was in favour of a duty upon biscuits and candles because there were biscuit and candle factories in his electorate, but in regard to everything else he was a free-trader. These are facts which cannot be denied. A great deal has been said about the sugar industry, and the leader of the Opposition, in his opening speech, intimated that he would have dealt with that industry in the same way as the Government propose to deal with it. I am pleased that the

Ministry have grappled with this question, and have decided upon giving a preference to sugar grown by means of white labour as against that grown by black labour. I am glad to find that the cost to the consumer has been very little increased by the new duty which has been imposed. I was told on Monday that the Colonial Sugar Refining Company had increased its price by £2 a ton. I visited two retailers and found that in some of the leading houses in Sydney the 70-lb. bag of sugar had increased in price by only 1s. 3d. That is equal to £2 per ton. I also ascertained that the 4-lb. packages of sugar, which are sold by the small retailers, have increased in price from 9d. to 10d., or 1/4d. per lb. I have been informed that some of the country storekeepers have increased the price of the bag which was formerly sold at 13s. to 20s. Whether that statement is true, I am not in a position to say. A great deal has been said about the boot trade in Sydney. Let me tell honorable members that as the result of the introduction of this Tariff it is the intention of the boot manufacturers of Sydney to increase the wages of their employes from to-morrow by 10 to 15 per cent., all round. It is also intended to improve the old woollen mills, which have been lying idle at Parramatta for so many years, and to resume operations there. I do not know whether that is a bad sign.

Mr G B EDWARDS

- Why should it remain idle, when factories in Tasmania send their wool into New South Wales?

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Mr CLARKE

- The honorable member may answer his own enigmas. I wish also to touch upon the iron industry, about which so much has been said in New South Wales, but so little has been done. I wish to show that the prestige which Great Britain had in the iron industry is fast slipping away from her. Mr. J. S. Larke says - In 1873 England produced more than half the iron of the world. In 1888 she had increased her production from 5,000,000 tons to over 8,000,000 torts, but her output was only one-fourth that of the world. To-day she was exceeded in her iron and steel production by the United States and Germany. The great competitor of England in the future would be the United States.

I do not wish to detain the House much longer, but I felt that in addressing myself to this question I had a public duty to perform. If we approached the question in a better spirit, we might deal with it much more satisfactorily. I hope, in fact we are assured by the Treasurer, that he is prepared to consider amendments in the Tariff ; and if, instead of beating the kettle drum outside and making a noise about the Tariff, we were to approach the question, as we ought to do, from a national instead of from a party stand-point, our efforts would be much more likely to be successful. The leader of the Opposition foresaw a good while ago - so far back, at any rate, as 1899 - that the Tariff which would be adopted or proposed by the Government of the Commonwealth, would have to be of a protective character. So far-seeing was the right honorable gentleman, that he took occasion at Wellington, in New South Wales, to go through a little rehearsal in anticipation of a political drama, though that drama never came off, owing to a slight political accident. The leader of the Opposition is recorded as having said at Wellington, on the 19th June, 1899-

He did not know about becoming a protectionist, but had got broad enough in his mind now not to have only one idea.

It had taken the right honorable gentleman years to get broad enough for that.

It had taken him years to get broad enough for that. Seven years ago he used to walk -into the old man " Parkes" like a tiger, because he was still a fanatical free-trader ; but, as a man grew older, and got responsibilities, he got more broad in his opinions, and saw things a little more in their true proportion. He had now more than one idea. Where he used to have room only for the one idea of free-trade, he never used :to think of anything else now he thought of national union.

The right honorable gentleman did not say protection, but we can well see what he liad in his mind when he made that speech. It was one of those speeches which we know so well in New South Wales, and which are delivered preparatory to the performance of a little political somersault. That somersault, however, was never performed, and now he stands on the Opposition side, and in vigorous terms condemns the Government for carrying out the policy which he himself would have had to introduce. I have said all I wish to say on this question. Much more might be said, but I feel that I have, at any rate, given voice to the sentiments and feelings of those whom I represent. Free-trade farmers there may be in my constituency, but they are few and far between. I am quite sure that the Tariff which has been

introduced by the Government, while a Tariff for the farmers of my constituency, is also a Tariff which, with a little modification, will meet the requirements of the people of the Commonwealth. I wish, before concluding, to make a personal explanation. During the first part of my speech, I referred to an honorable member who had stated outside the precincts of the chamber that Ministers had been approached and bribed in a corrupt way to introduce this Tariff. At the time I asked the honorable member whether he was going to repeat the statement in the House, and he said he was. However, I have since had an opportunity of seeing the honorable member, and he assures me now that the remark was made jocularly. Had I not believed at the time that the honorable member was serious, I should not have mentioned the incident in the House, and, now having received an assurance that the remark was made jocularly, I regret very much having made any reference to the matter.

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Mr A PATERSON

- Looking over some statistics lately I was rather startled to find that in one leading State of the Commonwealth there are no fewer than 1,157 people blind of an eye. On turning over the next page of the statistics I found the still more extraordinary fact that in the immediately adjoining State there are 1,164 people blind of an eye. I would not for worlds divulge the names of those States. It would be difficult enough for clear, wide eyed men with perfect sight, to look at all sides of a sex agon, and they cannot do it without shifting their stand-point. How, then, can we expect one-eyed men to do such a thing ? This Commonwealth has six sides, represented by the six States, and in order to get a true appreciation of the position we must look at them all. It appears to me that this debate is very much like a duel between New South Wales and Victoria. I am, I believe, the first Queenslander who has spoken on the subject, and we, who represent the other States, can, it appears to me, look more dispassionately on the position. We have 119 prejudices, no partialities. We do not trouble our heads where the federal capital is to be, because we know that it cannot be in our States. It does not hurt our self-love to hear Victoria praised, as she well deserves to be praised, for the wonderful development of her dairying and farming industry, or her wonderful position in regard to gold-mining ; nor are we jealous when we hear of the extraordinary expansion of the commercial industries of New South Wales. All States now belong to the Commonwealth. We can make ample allowance for New South Wales when we consider her large areas of barren country, and how much of her good lands are locked up in the hands of a few squatters. We are also prepared to make generous concessions to Victoria on account of the terrible disaster of the land boom, which, by the way, I do not think has been sufficiently taken into account in comparing the two States. What we do rejoice in is that now the Commonwealth embraces all the wealth, all the talents, and all the skill of all the States. A little while ago, we were cousins, often unfriendly, always suspicious. To-day we are partners, brothers, seeking for a common good. Yesterday we were six insignificant stream lets, meandering each our independent way. To-day we are a mighty flowing river, destined, I -hope, to fructify and bless the world. It is too early yet to call ourselves a great Commonwealth, but certainly we have great possibilities. Whether we shall achieve greatness depends on the wisdom that we shall write into our laws, and the justice with which we shall administer them. In considering this question of the Tariff, I do not wish to disparage Victoria, because I can say this honestly - that Victoria has done far more good to my State than have all the other States put together. I have the highest admiration for the Melbourne men in particular. I do not think that any one, however prejudiced he may be, can live in this city for any length of time, without admiring the noble buildings, the spacious streets, and the grand ideas of the Melbourne men. I have been in the habit of travelling every year for years past from the north down to Melbourne, and, because I have travelled with my eyes open, I have been compelled to notice changes which have come during that time. People who live in their own State and never go out of it, do not get an idea of the changes that take place by reading books or newspapers. But when one sees with ones own eyes the progress or the retrogress of a place, it impresses itself upon ones mind in such a way as; no book or newspaper can do. It is necessary for me at this time to make one comparison - between the two cities of Melbourne and Sydney. I shall only make one,, and then I shall have done with it. I choose the cities of Melbourne and Sydney for this, reason - Melbourne I take to be the exponent of protection, the stronghold of the manufacturer ; Sydney I take to be the champion of free-trade, the citadel of the primary producer.

Mr Higgins

- No, of the importer.

Mr A PATERSON

- Well, the importer. I will take it either way. I wish to call the attention of the House to a few statistics ; and those are all the statistics I am going to quote. They are taken from Coghlan and Mulhall. I believe in MulluM as sincerely as does the honorable member for Gippsland. In 1899, the official capital valuation of Sydney and its suburbs was £87,464,000. At the same date the capital value of Melbourne and its suburbs totalled £60,626,915.

Mr SYDNEY SMITH

- Twice the area of: Sydney !

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Mr A PATERSON

- I am only taking: the Value. Add to Melbourne the capital, of Queensland, Brisbane, with a capital value of £7,159,920; add to Brisbane* Adelaide, the capital of South Australia, £6,366,010 ; add to Adelaide the capital of Western Australia, Perth, £2,241,430; add to Perth the capital of Tasmania, Hobart, £2,924,750, and we are still very far short of bringing down the scale. Throw in Ballarat £3,526,930; also Bendigo- £2,266,200; likewise Geelong, £2,123,360. We then have a grand total of £87,235,515.. The total result is that Sydney has a capital value greater by £228,485 than all the other capitals of Australia combined,, together with the two golden capitals and the woollen capital of Victoria thrown in simply to make up weight ! Surely, then, Sydney ought to have some voice in this great question. If the Sydney representatives did not speak out for their city, they would not deserve to return to the House again, and I do not think that it is immodest in them to make the bold claims which they have done. Now let us look at the Tariff itself. The first thought that strikes us is the noble declaration with which it was announced - " Revenue without destruction." Bless me, this is freetrade ! If the Sultan of Turkey issued an ukase, or a firman, or whatever it is called, to his subjects, announcing - "Revenue without destruction," what would they think about it? They would naturally think : " the Sultan means to impose such light imposts on us, as will not destroy us." But that is not the meaning of the Sultan of Australia ! Not exactly ! " Revenue without destruction !" Without destruction to what ? To the huge number of miners, smelters, shearers, sailors, wharf-lumpers ? No ! To the vast multitude of labourers, shopkeepers, merchants, and professional men ? Not by any means. To the countless legion of primary producers ? Certainly not ! Have the Government no care for those workers in factories which are directly connected with pastoral industries ? None whatever ! Have they no care for that " noble army of martyrs," who "toil not, neither do they spin," in the public service? Not even for them ! Have they no care, 'either, for the weary policeman who nightly views " the spacious firmament on high," and whose lot, it must be admitted, " is not a happy one"? No, not even for him ! Is all the Government's concern to be for the benefit of a handful of city manufacturers ? Oh, yes, undoubtedly ! They will protect them at any cost. Surely this is class distinction with a vengeance. What is this but privilege, monopoly, and gross injustice, and democrats here call heaven to witness that this is a pure, white, democratic Australia, and they howl out about the crimes committed in the sacred name of Liberty ! However, let us look at the Tariff as it is submitted to us. It has often been said that there is great difficulty in discriminating between what are called revenue duties and prohibitive duties. As to composite duties, I never heard any one attempt an explanation of them. People think that it requires a superhuman intellect to distinguish between these various duties. Take only a very few items. Take spice, for example, unground 2d., ground 1d. Now, it must take stupendous ability to say what kind of duty that is. I appeal to the common sense of honorable members of this House. Coffee, raw, 3d. prepared, 5d. Biscuits, 1½d. The duty on biscuits in New South Wales was 1d. per lb., and the duty in Victoria was

1d. per lb. It will be admitted that the 1d. per lb. duty in New South Wales is certainly a revenue duty. Probably a duty of 1d. per lb. is not too much, but it is quite certain that the ½d. per lb. added to the 1d. is protection, and undisguised protection at that. Candles, 1 i-d. per lb. The duty in Victoria was 1d. per lb. ; it was 2d. in four of the other States, and candles were free in New South Wales. It is perfectly clear that if the Victorian manufacturers, with all the influence they exercised over Ministries of the day, were able to carry on the business under a duty of 1d. per lb., the other 1d. per lb. now added is protection, and nothing else. Mustard, 1d. per lb. I shall not offer any opinion as to this item. I have too much confidence in the intelligence of honorable members. Salt, 20s. per ton - 20s., not 2s. per ton, understand L Cement, 1s. per

cwt.; nails, 3s. per cwt.; horse nails, 7s. per cwt. It is not necessary for me to make any remarks as to what these duties are. Every one knows. Yesterday, the honorable member for Riverina made a splendid point against our side when he described to us the position of the wheat farmer. The honorable member told us how the farmer prepared his crop, and that when it was gathered he put it into bags. These bags the honorable member said were free under the new Tariff. I felt very grateful in my heart to the honorable member for stating this publicly, and I was willing to acknowledge it, but I must say my gratitude fell considerably when I found that corn sacks were already free in all the States except my own. On behalf of the farmers of Queensland, whom I have the honour to represent, I tender the Government my sincere thanks. The same honorable member told us, with an appearance of great satisfaction, that we ought to be exceedingly grateful to the Government because they had put no less than £29,000,000 worth of goods on the free list being the amount of the Inter-State trade. We are very grateful to the Prime Minister for doing this, but I think our thanks are due to the Constitution under which we live. I tell honorable members that if it were possible to put New South Wales back into her old position of free-trade, I am perfectly certain we could raise a good deal of money from that State and she would probably make £27,000,000 more out of it as compared with Victoria in the next four or five years. Now we come to the composite duties. This word " composite" was first used in connexion with ships. When I was a youngster I had some connexion with a shipping firm, and I took a great deal of interest in everything connected with ships. I do not know very much about the practical work of ship-building, but I understand all shipping business pretty well. At that time the wooden sailing ships, the old fashioned Quebec bruisers were going out of date. We were getting a smarter class of ships, which, being built lighter, sailed faster, and made much more money for their owners. A new departure was made in connexion with what were allied " composite " ships. I do not quite understand the construction of them, but the iron plates of the frame-work were fastened in some places with copper bolts. These vessels were used for carrying sugar, and the dampness of the sugar gradually corroded the iron. The rust collected on the plates where they came in contact with the copper, eat the copper bolts, and what was the result ? The ship-owners were coining money. These vessels became extremely fashionable. They attracted much attention, and many ships were built. But one fine morning the loss of one of these ships, not more than two or three years old, was posted up in the Glasgow Underwriters' Exchange. A few months passed, and another of these ships was missing. In less than twelve months a third vessel was missing and was seen no more. Naturally the underwriters became alarmed. They ordered an inspection to be made of the first composite ship that entered the harbour, and they discovered the secret. It was found that, by coming into contact with the corroded iron, the copper bolts were eaten away ; the plates fell out, and the vessels went to the bottom and were never heard of more. I hope that these composite duties will go to the bottom and never be heard of again. This word " composite " is becoming quite fashionable. We use composite candles, and in to-day's papers a telegram is to be seen which refers to some of the doings of a composite Bushmen's Regiment in South Africa. We actually fly a composite flag. But, alas ! there is nothing composite about the Ministry. The Government propose, however, to impose composite duties. What is the origin of these composite duties, and what is their intention ? The Tariff answers both questions. Turning to item 82 in the Tariff we find enumerated under the heading of " Varnishes" the article of patent knotting. On that article there is a fixed duty of 1s. per gallon and 15 per cent, ad valorem. I am informed that the lowest market price quoted by the biggest houses in this line of business in Melbourne is 5s. a gallon. Thus, if we take the fixed duty of 1s. per gallon and the 15 per cent, ad valorem-, we find that it is equal to 1s. 9d. per gallon. That is nearly the same as the Victorian Tariff. I am not going to say anything about this being a Victorian Tariff, because I do not think an observation of that kind would be wholly justifiable. Sometimes it is quite apparent from a consideration of the Tariff that the other States have been taken into consideration to some extent. Occasionally the Victorian Tariff is actually exceeded, and I think every free-trader will join heartily in resisting an excess of that kind. I wish to point out how this Tariff is made up. Why is Canada taken as a pattern ? What right have we to go to her for an example ? According to the latest figures in the Daily Mail Year-Book the population of Canada is in round numbers 5,125,000; her exports are £28,750,000 in value; her imports are £23,200,000 in value, and her revenue is £8,000,000. Poor little despised free-trade New South Wales, with only one-quarter of this population, shows 80 per cent, of Canada's exports; 90 per cent, of her imports, and £1,250,000 more revenue. What effrontery it is to suggest that we should take our pattern from Canada ! I wonder very much that the

Government did not go to Germany or France. Why should we take our pattern from Canada 1 The truth is, as it appears to me, that this idea was a perfect Godsend, I will not say to the manufacturers of Melbourne, but to manufacturers all over the State. Here was a magnificent chance of fooling the consumer, and especially of bamboozling New South Wales. The Government first impose an innocent looking revenue duty, and then accompany it with a destructive meataxe duty. This peculiarity, however, changes. Let me show how it works. I will refer first to the duties on boots and hats, and in this- connexion I would draw especial attention to a letter which appeared in both the Age and the Argus, signed by Sir Frederick Sargood. That gentleman should be thanked for the careful way in which he has gone into the particulars relating to these duties. He points out that the fixed duty, with the- percentage duty on hats, actually ranges from 37 per cent, up to 183 per cent. There is this peculiarity about the Tariff, that the meat- axe duty is always put on the goods of the poor. It is to be found always on the low priced goods. There is absolutely no exception to that rule. The lighter duty is imposed on the goods purchased by the rich. What do honorable members think of that for a Government policy ? The lowest duty on boots is 27 per cent, and the highest duty 61 per cent. In this case, also no mistake has been made. The meat-axe duty, and the innocent go to sleep duty are imposed always on the goods consumed by the poor, although they change places sometimes. Occasionally it is the fixed duty which is to be regarded as the meat-axe duty and sometimes it is the 15 per cent, ad valorem duty which is the meat-axe, just as the goods are used by the rich or the poor. This is extremely fine for the manufacturer, but very puzzling and disgusting to the consumer. There is another question which I wish to put. If the manufacturer requires protection to the extent of 183 per cent. - I am not particular, and I will call it 100 per cent, and knock off the remaining 83 per cent, as discount - let me ask business men who are accustomed to deal with goods and with figures, who runs the factory 1 Is it the ostensible owner, is it the bank, or is it the State 1 The sooner we alter the name of this duty the better. Instead of calling it the composite or the compromise duty, the " mongrel duty " would be more accurate and significant. Let us be honest, and for the credit of the first Australian Parliament, let us blot out the duty at once and for ever. I wish now to speak about the importance of primary producers. City people are a little above primary producers. As I represent primary producers, I shall make out the best case I can for them. And I shall do so from the pages of Cog/dan, with absolutely correct -figures ; there are no assumptions on my part. The relative values in the year 1899 were : Manufactures, £28,666,000 ; primary products, £83,607,000- total, £112,273,000. This is pretty strongly in favour of the primary producers, but it does not indicate the real position. How 1 Because the primary products are included in manufacturers1 returns over and over again. Take, for instance, hides. The station-owner sells his cattle to the meat-works, and he returns the cattle, with the hides of course, in the official statistics. The meat-works get hold of the bullocks, and at the end of the year furnish to the Government the number of bullocks dealt with, and the hides are included in that return. The tanner makes the hides up into leather, and he returns them in his statistics. We have not done with the hides yet. The tanner sells the leather to the boot factory, where it is made up into boots, and the boot manufacturer makes a return to the Government. Taking one part of the bullock, the hide is returned five times - once by the primary producer, and four times by the manufacturers, whereas all they are really entitled to return is the value of their work on that hide. See how it swells up the returns and makes them appear altogether ridiculous. It is only a business man who can understand these figures. I shall tell . the House how my attention was drawn to the matter. On one occasion I had to make up the returns for the meat-works of which I was manager. When the yearly returns were made up, I checked them and saw that they were right. Within a week or two some returns for a station over which I had a sort of advisory control were sent to me to be forwarded to the Government. On looking over them I found that nearly all the cattle which were included in the return had been bought by me for the meat works, so that they were returned a second time. It did not end there, because afterwards I had to make up a return for a tannery in which I had a slight interest. Some of the hides had gone to the tannery, and had to be returned again. That is the advantage of having a business man to take charge of these things, because he really understands them. The same thing occurs with sheepskins. They are returned by the sheep station, then by the meat-works, and next by the fell monger, who keeps the wool ; the pelts are returned again by the tanner, and afterwards by the saddler. So that one article which originally belonged to the primary producer is returned five times. Wool is returned by the sheep station and the clothing factory, and tallow by the cattle station, the meat-works, and the soap and candle works. Sometimes the product

is shipped direct without any change, but where it undergoes manufacture at all, it always passes through three, four, or live hands. Honorable members can see that all the time the primary returns stand as solid as a rock, but the manufacturing returns are absolutely delusive and shrink tremendously. I stake my reputation on this statement, that the manufacturing returns do not represent half what is stated hero. Honorable members will see what a case can be made on behalf of the absolutely greater importance of the primary producers. Next, let us take the relative employment. According to Coghlan, there are in Australia factory hands to the number of 171,107 - that is, 1 in 8 - and other workers to the number of 1,240,499 - that is, 7 in 8 - making a total of 1,411,606. Surely the primary producers ought to have some voice in the making of this Tariff. The question is, should the dog wag the tail, or the tail oscillate the dog ? It is hardly necessary at this time of day for me to say that primary production is the source of all wealth. The capitalist says - "You can do absolutely nothing without money." Very good. Show me a penny. What is it made of? Copper. Where does it come from ? The bowels of the earth. Whose image and superscription does it bear ? That of a king perhaps, the creature of a day ; but right through it has the stamp of primary production on it. Therefore the primary producer should be specially considered in connexion with this Tariff. I must offer ray congratulations to the Government upon a fact that has not yet been referred to during this debate, and that is that the Post-office and Telegraph department must have received an enormously increased revenue since the Tariff was laid on the table - that is, if we are to judge by the correspondence which I and several of my friends have received. There may have been waggon loads of correspondence sent to honorable members on the Government side of the House in favour of the Government proposals, but we certainly have our doubts. At any rate, the post has brought me a letter from the manager of a large and well known meat works on the subject of meat wraps. He wrote to me explaining that the bag-makers were up in arms because the Government had put meat wraps on the free list ; and he certainly furnished a splendid argument why they should lie free, which I may use in committee. He said that meat wraps were imported for a special purpose, and that they were exported within two or three weeks. This I thought a very excellent and conclusive: argument, but the same mail also brought, me a letter from two or three bag-makers in. Australia, pointing out the absurdity and. the oppressive effect of the action of the Government in imposing a duty of 10 percent, on the calico from which they make their bags, whilst allowing meat wraps to come in free. Now, these are the matters that require a superhuman intellect to properly arrange.

Mr Wilkinson

- What about the primary cotton producers of Southern Queensland ?

Mr A PATERSON

- I never speak of matters that I know nothing about. I do not know sufficient of the cotton industry to speak of it ; I have been too long away from Ipswich.

Mr McDonald

- The cotton-growing industry has been wiped out long ago.

Mr Page

- The planters secured the bonus and disappeared.

Mr A PATERSON

- I should like to say a word or two about the minimum wage-

Mr SPEAKER

- Unless the honorable and learned member can connect the minimum wage question with the Tariff proposals of the Government, I am afraid he will not be in order.

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Mr A PATERSON

- I propose to do that, Mr. Speaker. The minimum wage bears a direct relation to the cost of living, and it is in that connexion that I intend to refer to it. The honorable and learned member for Indi drew a comparison between the minimum wages of the Melbourne and the Sydney operatives. His comparison was rather in favour of the Melbourne operatives, but not to any extent worth speaking of. I called the honorable and learned! member's attention, by an interjection, to Mr. Ord's report. Mr. Ord said that, as a matter of fact, the workmen did not get the minimum wage in Victoria, but that in many cases men had confessed to him that they had signed for the minimum wage, although they had not received it. Mr. Ord, who has a very strong sympathy with the operatives, speaks in unmistakable language upon this point,

and expresses his regret that the fact should be as he states. I think a much truer test of working men's comfort is their style of living. It may be said that I am departing from my original intention not to make any farther comparisons between the two States ; but a direct challenge has been thrown out, and I am obliged to answer it. Taking the common articles of diet used by the workers in Australia, I find that the New South Wales working man eats 5 per cent, more grain stuffs, 11 per cent, more sugar, 35 per cent, more meat, 24 per cent more cheese - although he has to import it - and 48 per cent, more butter. He also smokes J lb. more tobacco, and he drinks one glass of whisky more in the year, than the Victorian. On the other hand - I wish to do Victoria justice - the Victorians eat 33 per cent, more potatoes, and drink five quarts of wine and nine quarts of beer more per annum - that is perhaps because it is more convenient to get wine and beer in Victoria than in New South Wales, where ' the people are more scattered. If wages were as low as has been alleged in New South Wales, how could the working men of that State live in such a degree of comfort! I desire to draw attention to a remark which was made by the honorable member for Gippsland, for whom I have the most profound respect, and, indeed, reverence. The honorable member stated that in the 26 years between 1861 and 1886, England lost £2,111,000,000 through the excess of her imports over her exports. Now, the honorable member pins his faith to Mulhall, and so do I. I do not desire to sneer at anything, but I question the authority of any trade journal or any trade circular, because I have written them myself. I therefore quote the passionless statistics of Mulhall every time. The first thing that struck me was that England must have been rather a rich country to have stood the loss of £2,111,000,000, and still survive. I looked for some means of checking the honorable member's statement, and, on consulting Mulhall, I found that, in the 28 years from 1860 to 1888 - that includes the honorable member's 26 years - England increased her wealth by £4, 840,000,000. If the honorable member doubts these figures, I can tell him how the money is invested. Not only that, but, in the same period, England reduced her national debt by £128,000,000. Now, what is the test of the stability of a country - is it not the value of her loans in the public market 1 How did 3 per cent, consols stand in 1860 1 The average price was 93-4, whereas in 1888 the average was 100-8.

Mr Higgins

- What are the prices now ?

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Mr A PATERSON

- That raises another question. I do not like to differ from the honorable member for Gippsland, but of course these statements have to be met, otherwise they may do a great deal of harm. In contrasting trade with agriculture, the honorable member said that trade did no good in a country. This is surely an extreme view. Would the honorable member take up the position that it would be better for Birmingham to tear up her streets and to plant turnips, or for the people to sow potatoes on the Broomielaw of Glasgow 1 The tiling is preposterous ! We must not only grow produce for our people, but we must have places in which they can live and in which they can carry on their manufactures. I was the more surprised at the honorable member's statement because this is a manufacturer's Tariff. People upon both sides hold extreme views. No argument would convince me that wheat, under equal, conditions, would be more productive in a protected than in a free-trade State. If it were urged upon me that a free-trade cow gave more butter than any other cow, I should simply, say, with brutal frankness, "Don't be a fool." Nature has no revenue Tariff rains or protective sunshine. Its rains fall alike upon the just and the unjust, entirely irrespective of political opinions. "I wish to say a word or two about the profits of importers as compared with those of manufacturers. I do not know sufficient about this subject, perhaps, to pose as an authority. I merely wish to observe that I have never known any purely commercial ring to stand. All the powerful monopolies are those of manufacturers. The manufacturers by combining can control the sources of mechanical production and hold the markets and the public at their mercy. But no importer can do that, because any man in the street with £1.00 can directly oppose him. There is no protection to the importer. Therefore it is the height of absurdity to compare the profits of the importer with those of the manufacturer. I do not speak without some authority. Honorable members will recollect the great wheat corner in which Mr. Leiter lost some millions of money. Fortunately he had a rich father-in-law who stood by him, but the money was lost, anyhow, because he could not corner the wheat. Why 1 Because there was too much wheat in the world, and too many people were willing to risk their money in attempting to corner Leiter ! Thus, instead of the latter cornering the wheat market, the wheat market cornered him. I

remember the great McEwan iron ring being formed in Glasgow, when one bright summer's day at three o'clock eleven of the biggest firms in Glasgow closed their doors. That was a deliberate attempt to corner the iron market, but owing to the long headed ness of other men who were there they were not able to accomplish their end. The sugar ring, which was created a few years afterwards, also failed in the same way. I do not believe that any corner can be made by importers that will last. I certainly do not believe that such corners can be created in Melbourne, where there are so many sharp people about, though, of course, the formation of occasional rings cannot be pie vented in the case of manufacturers. I come now to the great American problem, which is the hardest nut that free-traders have to crack. America has high exports, low imports, and increasing wealth. How are these facts to be explained ? To start with, we must know something about the country. Any one who has lived for a time in the various countries of Europe knows what a traveller the average American is. Every American of any standing in business considers it absolutely necessary for his commercial education that he should travel through Europe. They all do it. They do not manage it for nothing. They do not travel second or third class. They travel like princes, and spend their money like dukes. More than that, the American woman gets her dresses from Worth in Paris, or some imitator of Worth. The extravagance of the American woman is notorious. It has been so great, owing to the vast wealth of some of the American heiresses, that many silly-headed women of other countries have been ruined in attempting to copy their example. Incredible sums of money are spent by the Americans in their travels, their dress, their residences, and their sports. Only the other day it was cabled all over the world, as an extraordinary fact which was perfectly unprecedented and entirely unexpected, that the wife of the President of America spent only £60 a year upon dress. The Americans were so astonished about the matter that they could not help telling every one. The newspaper men, who know everything, got hold of it, and considered it so extraordinary that they immediately sent the news flying all over the world. It must also be remembered that the Americans spend a great deal of money in investments. They own newspapers in London, they have invested millions and millions sterling in buying up steam-ship companies ; they are in numberless commercial businesses, and they are now attempting to compete with English tobacco manufacturers on the latter's own ground. Although these amounts represent millions and millions sterling they are not sufficient to account for the difference. I will tell honorable members what I believe does account for it. Owing to the American policy of levying duties, it is to the direct interest of every importer to undervalue his imports, and he does that.. That can easily be understood, because it is in accord with human nature. But if we were to tax exports, what a difference ! The scale would be entirely the other way. I am not speaking without knowledge, because I remember - and no doubt some Victorian representatives also remember - the case of a .Flinders-street house 25 years ago. I saw the police attempt to get into a warehouse in Flinders-lane - I am sure the honorable member for Mernda remembers the occurrence - and I saw a Customs officer with blood flowing from his head, he having been knocked down with a bludgeon of some kind. That case disclosed scandalous under-val nations, which had been going on for years, and by which the State of Victoria had been robbed of thousands of pounds. Nobody knows of these things better than the Melbourne merchants ; and that is not the only scandal, or the last of the kind. Now, as to the pauperism and distress which are said to exist in England, of which we have heard very harrowing accounts - I have noticed that while some of the speakers are from England, a great many others have never been in that country, and it is astonishing how much these latter honorable members know about the state of affairs at home. I suppose we all agree as to the veracity of the Ago newspaper, and here is an extract from an. article by the London correspondent of that journal, dated the 27th of September last -

There is a curiously large proportion of London paupers who live well beyond the average span of life. A short time ago half a dozen lively centenarians were counted among them. Perhaps their tenacity is due to the regularity of their habits and the severe simplicity of their food, since doctors say there are virtues in these things. And this leads one to fear for the health and prospects of longevity of a certain male pauper, who, by a strange and amusing chance, is just now the sole inmate of a work-house at Bermondsey, a south-eastern suburb of London. There are no fewer than 28 officials to look after him - a master, a matron, a medical officer, two chaplains, and over a score nurses and other attendants ! If he were to take his discharge, the whole staff would be out of employment. It is to their interest to make him entirely at home and contented, but in their zealous anxiety they may overdo it. And the worst of it is, that the old fellow himself seems to over-look this aspect of the case. It was reported at the last meeting of the local

board of guardians that he was enjoying the situation immensely.

That is the other side of the question as presented by the Age. We will now take the Argus. We have heard some horrible tales about miners' wages at home, but commercial men know what amusing nonsense all these tales are. England was never so prosperous as she is at this moment, and there is not much in the contention that the prosperity is due to the war, because there has not been much improvement since hostilities began in South Africa. The extract from the Argus is as follows : - At the Berlin Mining Conference in 1894, the Northumberland miners presented the following comparative statement of daily wages paid to miners in different European countries : - England, 6s. to (is. Gd.; Belgium, 2s. Od. to 2s. 8d.; France, 3s. (id.; Austria. 2s. 8d. ; Germany, 3s. to 3s. (id. - The Times, January, 1896.

Lamendin, French delegate to the Miners' Congress in Berlin, said on his return : - "The English miners were absolutely indifferent to the miseries of the miners on the Continent, because they did not experience them themselves. The economic conditions in England were infinitely better than those affecting the Belgians, the Germans, and the French. In truth, the English could afford to scorn the discussion of the minimum wage question, because they literally dictated their pay themselves." - Standard.

Everybody knows that that is the absolute truth. How can any reasonable human being explain the immense immigration of foreigners into London on any other grounds than that better wages are obtained there ? It is utter nonsense to talk about the better wages in any other country. Then as to the comparative wealth of Great Britain and the United States, the honorable member for West Sydney stated that in Great Britain 2 per cent, of the population of very rich men hold 66 per cent, of the national wealth. But in the United States 0*14 per cent. - that is one-seventh of 1 per cent. - hold the enormous proportion of 58 per Cent, of the national wealth. A nice sort of democracy, to be sure ! Is that the example we are going to follow 1 And the fact I have stated does not represent the worst. Rock feller takes the share of nearly 100,000 men, and there are eight or ten men who have not far short of Rockfeller's wealth. The honorable member for West Sydney has the clear perceptive eye to see the unmistakable drift of democracy when corrupted by immense aggregations of wealth. What is the use of talking about average wealth anyhow ? If one member of this House owned £742,600, and the rest of us poor mortals had only £100 each, Mr. Coghlan, or even the illustrious Michael Mulhall, would make it appear on paper that we were worth £10,000 each. How ridiculous ! But I fear that such an argument would not suffice to stave off the services of writs by stupid, unsympathetic tradesmen. This reminds me of a speech which was made in the city of Melbourne by a well-known auctioneer at the height of the land boom. He stood up in a public building in this great city, and said - " Oh, it does not matter whether property is sold at a loss or not ; it only passes from one hand to the other." He did not consider that a great part of the money was recklessly spent in bell-toppers, champagne, carriages, and splendid furniture, while much of it also went away into other countries. But I think that auctioneer knows now, and that he will not speak in such a strain again. Now I come to the kernel of the whole question. What is the avowed object of protection ? Is it not to provide employment and to keep up wages ? Has protection accomplished these objects in this or any other country ?' The poor half-timer cries, from the bitterness, of his soul, " No " ; the manufacturer says, " Yes." Then what is meant by this fuss about wages boards? The leader of the Opposition has said that wages boards-, are the absolute corollary of protection ; and I agree with him. But supposing the wages boards fail to secure these ends - what is the next coronary, I pray ?; It is to strike at the root of the evil a straight, direct blow, and let the nation* take over all those industries which ask for high protection and work them for the common good. That would be a real Com- mon wealth, not a sham protected Commonwealth. We could make a very fair start with such glaring monopolies as nails, cement, salt, and perhaps hals.

Mr Wilks

- And starch.

Mr A PATERSON

- I think starch is out of it this time. I am no revolutionary, and I am opposed on principle to all fiscal protection - indeed, to all protection except that of public health and morals, and purity of race. But if honorable members opposite persist in subsidizing manufacturers unjustly and illegitimately, and only city manufacturers at that - not the poor struggling manufacturers in the country - if they persist in doing this at

the expense of the masses, I say that it is simple justice that the masses should divide the profits, or share the losses if there are any. That, to me, appears to be an argument conclusively and absolutely irresistible. It will be said that this idea is visionary and impossible. But I reply that it has been done. Prance has enjoyed an annual revenue of £12,000,000 of money out of her tobacco monopoly, and I know that Spain for many years enjoyed a very handsome revenue from the same source - though I am afraid she does not enjoy very much now. I think that if this alternative were submitted to these beneficent manufacturers, not in Victoria alone, but throughout the whole of Australia/ - because they are all " tarred with the same brush " ; Victoria is not a bit worse than the New South Welshman, and the New South Wales manufacturer is no better than the Victorian - their claims would be speedily reduced to something like equitable dimensions, and we should secure a fairly honest and satisfactory Tariff.

Sir LANGDON BONYTHON

- I do not intend to detain the House more than a few minutes. I propose to follow what I regard as the very excellent example set by the honorable member for Northern Melbourne. I had intended to go somewhat fully into the history and the relative merits of protection and freetrade, but I feel that at this stage, after all the speeches which have been made, anything of the kind would be out of place. It would be the repetition of very much more than a twice-told tale. But in spite of all that has been said and written on this subject, there seems to be. much misconception, and in quarters, too, where one would least expect to find it. The Tariff introduced by the Minister for Trade and Customs has come in for some condemnation, but it should not be forgotten that any Tariff introduced by the leader of the Opposition would have shared the same fate, with possibly this difference - that the outcry would have been more pronounced, because, as honorable members will admit, it is the revenue lines of the present Tariff to which the greatest exception is being taken. The hard fact which cannot be shirked is that the sum of £9,000,000 has to be raised.

Mr Wilks

- £8,000,000.

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Sir LANGDON BONYTHON

- I maybe wrong, but sometimes it appears to me that there are people who actually believe that somehow the leader of the Opposition could raise the money necessary for the Commonwealth and the States without any one having to pay anything. Well, I know that the right honorable member is clever -very clever indeed - but of this I am quite sure, that when he takes £9,000,000, or even £8,000,000, as the honorable' member for Dalley suggests, out of the pockets of the people of the Commonwealth, they will know all about it, and will think no more kindly of him than they do of the Minister for Trade and Customs at the present moment. During the course of the discussion which has taken place we have heard some very admirable speeches. I honestly believe that the debate, both as regards character and tone, is one that would have done credit to any Legislature in the world. But, at the same time, Mr. Speaker, I must enter my protest against this perpetual wrangling between New South Wales and Victoria. I am not specially interested in either State, but I am very much interested indeed in the Commonwealth of Australia. There have been many references to prices under protection and under free-trade. I do not for a moment assert that the manufacturer, given a free hand, would extend to his customer too much consideration ; but, at the same time, I fearlessly assert that the importer is not always the embodiment of righteousness. That I may illustrate this point is one of the objects for which I have risen. In the year 1885 ploughshares were imported into South Australia to the value of £11,288. A duty was imposed, and the imports were reduced until in 1897 the total value was only £474. But in the meantime an industry had grown up, and the exports of plough shares represented £3,920. In the following year the exports rose to the sum of £7,277, and this amount roughly represents the annual exports since. I can imagine that I hear some one saying, " Oh, but what did the poor farmer pay for the coddling of this industry." That is precisely what I want to tell honorable members. Before the duty was imposed - and it was a duty of 15 per cent. - the farmers paid for cast-iron plough shares of English manufacture 16s. per dozen. From that time until now, there has been a gradual reduction in price going on, until the present price in the Adelaide market is 10s. per doz. But the locally made article is sold for 8s. per dozen. Now, it occurred to me that when I made this statement some gentleman from the other side of the House, in perfect friendliness, might say, " That is your statement of the case ; but had we

some one who knew something of the other side, he might put it differently." Under these circumstances I telegraphed to Mr. William Copley, one of the most respected and best known farmers in South Australia. Mr. Copley is at the present time a member of the House of Assembly, and has twice been a Minister of the Crown. This is the reply I received from him -

Have just received your wire asking for some particulars re South Australian plough shares. Speaking from my own experience, they now give general satisfaction, more especially the cast shares. I have used them about sixteen years. For the first three or four years the chilling was not as well done as in the imported, but now they are quite equal, and the price is 9s. per dozen retail as against 14s., the price of the imported a few years ago. Of course the importers say the price would have gone down without local competition, but I venture to doubt that. At any rate I know what the prices were and what they are now.

This letter was written from Parliament House, Adelaide, and Mr. Copley adds in a foot-note -

I have just spoken to Mr. Cummins, one of the members for Stanley. He and his brother are large farmers. He quite agrees with my favorable opinion of the local manufacture.

Mr JOSEPH COOK

- Are they free-traders? Sir LANGDON BONYTHON. - I have referred to this matter in order to show that the imposition of a duty on a farming implement does not necessarily mean adding to the cost of agriculture. I cannot say that I am personally very pleased with the Tariff. I am not sure that it is equitable, and I shall reserve to myself the right to endeavour to amend it in committee, so that it may be improved as much as possible. It appears to me that it is too burdensome as regards the working classes ; and I shall be glad to see such an arrangement of duties as will put the producer in the best possible position. At the same time I realize that the Treasurer must have the money required by the Commonwealth and the States, and therefore there is no use in putting duties on articles that are not of general consumption. There is, Mr. Speaker, an epigram which seems to me to have some sort of application to the present occasion, and it might inspire certain gentlemen to accept the inevitable in connexion with this Tariff. The epigram was written by Horace Smith - not Sydney Smith, nor even Bruce Smith, but still a very distinguished member of the famous family. This is what the epigram says, and I am sure when the Honorable the Minister for Trade and Customs hears it he will commend it to the serious consideration of the members of the Opposition -

Let this plain truth those ingrates strike
Who still, tho' bless'd, new blessings crave ;
That we may all have what we like,
Simply by liking what we have.

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Mr O'MALLEY

- First of all, I desire to apologize to this House because I am not going to speak of New South Wales or Victoria. I desire also to apologize because I shall not attempt tonight to take up the time of honorable members by giving them either Mulhall or Coghlan, or any other statistical gentleman. It does seem to me that it is a good thing" that the right honorable the leader of the Opposition moved this motion of no confidence. Certainly there have been some great speeches made here, speeches, in my opinion, equal to any I ever heard in Europe or America - I could not say better. I want to say, furthermore, that I am somewhat jealous of the leader of the Opposition. I was told when I came here that I should have a monopoly of the humour of the House, but I find I am not even a little flickering light alongside of this great electrical lamp. However, I will say this, that I regard the right honorable gentleman as the Daniel Webster of Australia, and when a man born on the American Continent says that, he says all. At the same time I want to congratulate the Government, and especially my right honorable friend the Minister for Trade and Customs, upon having the pluck, as a protectionist, to throw down the challenge, and say, "Take it up." The time has come for us to know where we are. I have got sick of these political Misters Facing both Ways. Let us excommunicate them, and let us know where we are in Australia. There is, unfortunately, too much readiness to jump over any stone wall or any hedge or ditch if one can only get a vote. I want to say that I stand in a different position to-night from almost any other honorable member for Tasmania. I am a protectionist, and I intend to show honorable members why I regret that the honorable member for Tasmania, Mr. Cameron, is not here, because when I say anything of a man, I want to say it to his face. I shall never say anything in this House that I shall not be prepared to say in the street if I am planted

twenty minutes afterwards. This is the position : In every family there is a skeleton of some sort in the cupboard, and I say that the honorable member, Mr. Cameron, is the Tasmanian skeleton in the Federal Parliament.

Mr SPEAKER

- Order. The honorable member must withdraw that expression.

Mr O'MALLEY

- I withdraw it, sir. I would not have mentioned this matter but for the fact that the honorable member repudiated the other night the statement made by me that he had reached this House on my surplus vote. There can be no doubt on that point. We have the Hare-Clarke system of voting in Tasmania. I went before the country as an out-and-out protectionist, and the honorable member for Tasmania, Sir Edward Braddon, fought the campaign as an out-and-out free-trader. He was first on the poll and I was second. But for the fact that the elements joined hands with the fossil dom of Tasmania, inasmuch as it rained all day on the West Coast, I should have been at the top of the poll. I desire to quote from one of the speeches that I made in Tasmania, because the right honorable member for Tasmania, Sir Edward Braddon, stated the other evening that mine was the parish-pump policy. As a matter of fact I am really the only member of the House who did not preach the policy of the . parish-pump, because I had not lived long enough in Tasmania to know where the pump was to be found. One has to reside some time in a district before he becomes proficient in building culverts, plucking roosters, and chasing snakes. This is what I said, and I want to call particular attention to it -

We must inaugurate pure economic legislation and administration, establishing a profound respect for the people.

I cannot see to read the speech, Mr. Speaker, and I ask you to allow me to light a candle.

Mr SPEAKER

- The honorable member must not read his speech.

Mr O'MALLEY

- I want to quote from that speech. I will blow out the candle in a second.

Mr SPEAKER

-The honorable member cannot be allowed to read his speech, and therefore it is useless for him to light a candle.

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Mr O'MALLEY

- The difference is this, Mr. Speaker, that the electric light represents protection and this candle represents free-trade. I will put it out. It is going out to-night. In the speech to which I refer, I said that I was going to the country as a protectionist. I went to the country as a protectionist, and the people sent me here. The question we have to determine is not what England has done, nor what America has done. I regret deeply that in regard to every little thing that happens in this country the people go down on their knees in deference to something foreign. Is it possible that we are not a thinking people - a people capable of evolving some specific scheme or plan that will suit our own conditions 1 One of the greatest writers of the age, Goethe, has said that there are few voices but many echoes. I say that there are few originators but many imitators. We have been discussing for the last two and a half weeks what people are doing in every other part of the world, but not showing why we should adopt their schemes or plans. For the few minutes during which I shall occupy the attention of the House to-night I shall endeavour to talk of what will suit the people of the Commonwealth. A few years ago Australia consisted of a few segregated, wrangling, political entities. To-day it is a nation far larger than was America when she started on her own career. The difference is that the Americans were plucky men. They had gone through a seven years' war against the greatest nation in the world, and had come oat triumphant. That produces thinkers ; and they thought for themselves. During this debate I have beard a great deal about the riches of England. I will admit that there are riches there, but I am sorry to say they consist of aggregated riches, such as we find in India, and not average riches. I know something about England ; perhaps I know more about it than any other honorable member, because when I was there I studied the conditions of the people. Two hours a day were sufficient for my business, and I spent the rest of the day with the suffering, trampled upon, hard-up people, studying how they made their living. I saw misery there and I saw misery in New York. I regret that the misery went to New York from England, from Germany and the

Netherlands, and from all those countries where the people had been under the heel of tyranny for a thousand years. There is another matter which I cannot understand. For years the people had read about the accursed corruption and accursed protection in America. They knew all about it in England. Every newspaper spread it far and near. Every man one met in England told him about the corruption in America, about the rottenness of the country, and the rottenness of protection ! Yet every ship that left England was laden down with Britishers sailing to that accursed country, packing Castle Garden like bees in a hive. Five millions of Britishers live to-day under the accursed American flag, and bless and praise that accursed American protection. Three millions more lie planted in the American soil. They all cleared out from Great Britain in order to get away from the blessedness of free-trade to the accursedness of protection. At the present time they are going out to America at the rate of 50,000 a year.

Mr Page

- What is the honorable member doing here?

Mr O'MALLEY

- I am here tonight to talk to the honorable member.

Mr SPEAKER

- Will the honorable member address the Chair?

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Mr O'MALLEY

- That is what I am doing here. Thank God, I was able to pay my fare out here, and I am able to pay it back again. I am as independent as a Rocky Mountains grizzly bear on roller-skates. I am not here as an abject slave. But let me return to the question of why people are leaving England. Why do they leave the blessed free-trade? Why do they go to America? They never go back until they return to live in castles, like Andrew Carnegie. When they return to England they live in palaces and beautiful homes. I will admit that there are grand palaces in England, magnificent universities, lovely homes, and everything that one could possibly wish for. But that is only one side of the picture. What about the hovels there? What about the wretched people who walk bare-footed down the Strand in winter? What about the people living around Whitechapel ? I have studied some of the conditions of the people of England. But for the regrettable fact that so much has been said about this matter I should not have referred to it. I want to talk of the primary producer. What an interest my honorable friends opposite have shown in the primary producer. Sir John Macdonald, formerly Prime Minister of Canada, was for years an out and out free-trader, and it does seem to me that a little common experience gained by observation, investigation, and calculation is nearly as good as anything one can read in a newspaper. This is what I have known to occur in Canada. The honorable member for Capricornia asked why we should take Canada for a pattern. He said that the trade of Canada was only some few odd millions per annum, and that New South Wales did more than half that amount of trade. Is that a fair comparison, when the Canadian people have had the run of the Dominion for the last 30 odd years, and its internal trade is something enormous, and when the whole of the traffic of New South Wales, with Victoria, Western Australia, Tasmania, and Queensland is bulked in as foreign trade ? It is, however, as fair as I could expect under the circumstances, because my honorable friends opposite are fighting a desperate battle. I think a world of them, but I tell you, sir, that we are going to plant them tonight. Let me say something about Canada. Sir John Macdonald was an absolute free-trader. He said he believed in Cobden and Bright ; I heard him say so 50 times. But when 1,300,000 born Canadians, of whom I was one, went over to live in the States, and became producers, and we sent our manufactured products back to our own people in Canada, he began to think, and, in 1878, he said - "I am going to try protection, though I do not believe in it." He tried it, and what is the result? Today, we have the Massey-Harris reaper in Australia. They never made a reaper in Canada, before protection came in, or, if they did, it was only one which they ran with a cow or a billy goat. We find these great institutions in Canada, and Canadians spreading themselves all over the world, doing business everywhere. They are independent, and the United States is trying to negotiate a treaty of reciprocity with Canada. When your country is freetrade you have nothing to offer to others ; they have your markets. They step in, and sell you what they cannot sell anywhere else, because the competition is so terrific. Any rubbish which was left in the States we used to send over to Canada. ' The people of a free-trade country become nothing more or less than primary producers, and the consumers of the products of a more intelligent race. According to my honorable friends opposite, if free-trade should

become the policy of Australia, which they say it will, but which it will not do to-night, the clothes of the people will never wax old ! They will never get shiny at the elbows or the knees. If this free-trade is what honorable members say it is going to be, the boots of the people will never wear out, but will grow on them, as they did on the children of Israel in the wilderness. When a mother buys a little dress for a baby, and puts it . on her, and places her in the perambulator, the baby will grow up a young woman with the dress on her back. I do not know where free-trade is going to end, or what it is going to do. It has cursed every country I have ever known of. A few years ago there was a great war in the United States. Before that war the North was for free-trade, and the South for protection. The South had the primary industries. The people there owned the niggers and the plantations. They produced raw materials, and they said - "Now, we shall start our own factories." They sent to England, and to the northern States, and opened factories in the southern States, but as soon as ever the Englishmen and the northern men went down amongst the colored people they began to teach them the spirit of liberty. They said - "Get free ; why should you be their slaves ?" As soon as ever the southern people found out that there was going to be a moral resurrection, and a political insurrection, they at once closed the mills, and sent away the artisans, put their niggers back on the plantations, and then became revenue tariffists. My honorable friends opposite cannot even claim the honour of having invented the expression " revenue tariffist," because it came from the slave masters of the southern States.

Mr F E McLEAN

- It is very much older than that.

Mr O'MALLEY

- Where did it come from ?

Mr CONROY

- It was used in the House of Commons in 18*28, and again in 1835.

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Mr O'MALLEY

- Let my honorable and learned friend show me one speech made in 1828 in which the expression " revenue tariffist " was used. He is labouring under a delusion. In the history of the House of Commons there is not one record of the use of the expression " revenue tariffist." It was first used by a slave-master of South Carolina - John C. Calhoun, the great nullifier, and when he became a great free-trader Daniel Webster, of the north, became a protectionist. The factories were shifted to the north, and then by every stream, every little highway, every waterway, a factory village sprang up. So, when the rebellion broke out, the southern people had no artisans. They had the primary producers, what my honorable friends want in Australia to-day. They lind the coloured gentlemen who raised the cotton, but they had no artisans. When the first few battles had been fought, and they found that they required to have factories and mills, they could not get artisans to manufacture anything for them. But every stream in the north, every spindle that turned, every wheel that revolved, was one of the soldiers of the army of the Lord, to put down that rebellion. And yet, having that experience to go by and to guide them are my honorable friends going to have nothing but primary producers in Australia? I have the prof found est reverence for the primary producer. I am a primary producer myself. My honorable friends for whom I have the greatest respect have spoken of the Australian primary producer in wails and lamentations. They have told us of the wrongs we are inflicting on the primary producer. In fact they have demonstrated conclusively that the Australian is unfit for any calling which requires intense application, genius, or talent. I cannot get away from that. I am judging my honorable friends on their own declarations, and I cannot separate the sin from the sinner on this occasion. I want to confine them strictly to this primary production.

Is it possible that this great Commonwealth, teeming with the boundless resources of nature, is capable of affording no other sustenance to the human family than the milk from her own sad breast. The whole idea has been founded on the presumption that all her people, like aborigines, served by women in bondage, are for ever to vegetate on potatoes, turnips, and cabbages. Is the great Anglo-Saxon-Celtic race transplanted in the Southern Seas, to fall to the rear of the rest of the world. Are we, although coming from the old original stock, and cousins of the American people, willingly to allow ourselves to be outstripped in the arts and in enterprise by our own relations ? It seems to be thought that the people of Australia turned their backs upon the old world only to become abject slaves in the new world. According to the declarations of my honorable friends opposite, Australians were simply created and endowed to

perspire in the open fields, and to produce the raw materials, so that a more refined, delicate, and cultured race might return manufactured products, wrung in agony from their own human slaves, and then draw away the earnings of the workers, to rest in foreign pockets. They speak as though Australia were not an Empire - a world in itself. I am already proud to be a member of this House ; although I only missed the presidency of the United States by 30 feet- I was born on the wrong side of the border - in Canada. Honorable members talk as though Australians did not possess sufficient genius and skill to make progress in manufacturing not only the necessities of life, but also the luxuries that may be required by her people. I have no such idea. Honorable members talk as though from the moment they crossed the mighty ocean from the north to the south, they were doomed to industrial and inventive death. They speak as though inventive genius were native only in foreign nations. If I could agree with them, I should have to come to the conclusion that the Australian people could only become a dependent industrial tail to foreign nations. The people who have not got genius and art in their souls are only fit to be slaves, and the people who produce only the raw materials, and hand them over to others to add many values to them by the application of skill and science, can never hope to claim equality with those nations that make progress in all the arts and sciences.

Are Australian people to be simply beggars upon foreign art ? Free-trade, to me, means simply the essence of international industrial cannibalism, because it allows t'c strong to eat up the weak.

Free-trade means that the whole of the Australian Commonwealth should be an open field for foreign commercial buccaneers and freebooters to exploit as they choose, disregardful of the interests of Australian manufacturers. The principle on which free-trade rests, and the spirit which actuates it, are identical with the principle underlying the reign of anarchy, because that spirit involves the complete elimination of law. The hawk wants no protection on the chickens ; the crow wants no protection on the cattle when they are bogged in the quick sands, but he wants to pluck out their eyes in the same way as the foreign manufacturer would pluck out the eyes of the local producer. The wolf wants no protection on the sheep, but the shepherd does. The snake that crawled over the garden wall of Eden wanted no protection. The mother who nurses the child in the cradle, and then watches him grow up year by year, until he reaches manhood, does not then throw him like a pup into the stream and let him sink or swim, but she sticks to him.

Mr Conroy

- She does not put leeches on him !

Mr O'MALLEY

- She puts leeches on him if he is suffering from pleurisy, and the honorable member was leeches by his mother many a time ! The free-traders say that we should throw our industrial pups into the stream, but the great speech made by the honorable and learned member for Indi absolutely squelched them ! His speech was like an avalanche on the eastern peaks of the Rockies. It came down upon honorable members opposite with such crushing force that they have not recovered from it yet. I sympathize with my honorable friends, because they are fighting a losing cause, and it requires more courage to suffer defeat and fight again, than to return to the conflict after victory.

Mr Conroy

- The honorable member is speaking feelingly.

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Mr O'MALLEY

- I won one election in South Australia, and I suffered defeat on the second occasion. I may be defeated again, but it does not matter, because .1. shall always be in some Parliament. Lookin' i' at the other side of this question, is it not a fact that Australians always defer to anything foreign? Is it not a fact that the people of Australia reverentially defer to every English authority ?

An HONORABLE MEMBER - England is not foreign !

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Mr O'MALLEY

- It is foreign so far as the conditions of Australia are concerned. What is good for England is not good for us. A few moments ago, the honorable member for Capricornia said that in New South Wales they eat so many more pounds of meat a year than they do in Victoria. But meat-eaters never yet thought out anything for the world. In Scotland, where they eat " parritch," they have given the world the best thought

it has ever had ; and next to Scotland come the rock-ribbed hills of New England, where the snow lies on the ground for six months at a time. When the Scotchman lives in his own country, and has to think to get his food, he becomes a great thinker and inventor; but when he leaves his country, and makes plenty of boodle, he begins to live on meat, and does not think any more. Therefore, I do not consider the statistics in regard to meat eating worth anything. If people did with half the eating that goes on, it would be better for them. Nowadays, they eat themselves into the gripes. Honorable members all know that it does not require a great amount of ability to be a destructive critic, but it requires a mighty amount of ability to be a constructive philosopher. I remember once seeing a mule in Texas - and everybody knows that a mule is a hybrid, with no pride of ancestry or hope of posterity - kick a crockery shop down in about twenty minutes ; but if you started him to make a cup and saucer he could not do it if he lived 50 years. I have the greatest sympathy for my friends opposite, and I want to tell them the truth. A few years ago I was travelling through the country, and I came to a place where there was an old sign-board pointing to an abandoned, scrub-infested paddock, but the direction of the road had been changed. Thousands of people went along the road and left the sign-board unchanged, and so for 50 years it diligently directed the attention of heedless travellers to the scrub - infested paddock, swearing that the road still led that way. I said to myself when I saw it, " That is the free-trade party of Australia." They do not know that the times have changed, and they never will know, because they have lost their hearing, and have become blind. I remember that on another occasion I came to a place where there had formerly been an hotel and stable, but everything had been burnt down, with the exception of three chimneys, which stood there, monuments of the the terrible disaster that had occurred. But the sign-board at the roadside was untouched, and it said, " Entertainment for man and beast." It kept on saying that, although there had not been a man entertained in the hotel for 40 years past. The birds perched upon that board and sang in the summer time, the wind whistled round it in the winter, but it still stuck to its tale - " Entertainment for man and beast." I said again to myself, " That is the free-trade party of Australia. " I regret that they are living in the past ages. They are children of darkness, but they do not know it. The members of that party in this House are as nice, refined, and cultured gentlemen as I have ever met, and I think highly of them. It is said that on one occasion a darkness overspread Egypt that was so thick that you could feel it, and they had a bottle of that darkness in Rome for 500 years. But if the Egyptian darkness was so thick that you could feel it, the darkness which over spreads my friends opposite is so thick that you could- eat it. In every department of economic research we find men of great intellectual endowments and loud pretensions who get notions, or theories, or some kind of wavy idea that is floating in the air into their heads, which they baptize with the name of science, and, mounting their hobby, they ride it furiously to death. True science is, undoubtedly, something to be proud of. We know that in every country there are people who are always looking for something striking. Our friends opposite believe that in free-trade they have the hope of the philosopher's stone, which will turn the mallee scrub and sage bush into wealth and gold. What a charming and beautiful theory ! The beauty of it lies in this, that it requires no verification. But it is a one-legged truth, and has never yet budged an inch, no i- ever will. All the same it is very captivating, and we see our friends waltzing round it, singing hymns of satisfaction. We see them doing homage to it as to a thing of mystic import. They see their goddess, their Venus, lying dead, and they know that her copper-coloured bosom will never heave with love again, but they refuse to believe it. All over the world their musty covered mummies are still waiting for the commercial resurrection promised by their prophets. But instead of blessing them, they will turn round and curse them. England became a free-trade nation for self-protection and self preservation. She thought that after her 200 years of protection, having lent money to the whole world, and made it her debtor, she was strong enough to proclaim herself a freetrader. The great Adam Smith got a comfortable situation in a Glasgow Custom-house, and he preached free-trade to the world. The doctrine went forth everywhere. But the nations found that a man behind an entrenchment, with cannons and maxims well mounted, can keep 100 or 500 at bay, as the Boers have done during the present war. So one nation after another began to adopt a policy of protection. Honorable members hear a lot about the corn laws of England, but the abolition of the corn laws was another act of self-protection. England preaches freetrade to the world, but believes in protection if she could adopt it. I have the greatest possible regard for my friends opposite. To me, metaphorically speaking, they are the blind bats of fiscalism, sitting on the withered limb of the ring-barked, dying, free-trade tree. Yet, how heroically they exhibit their one legged economic deformity.

They stand up and fight nobly for a dying cause. But let me tell them that free-trade was born in the Utopian imagination of the closet, the birthplace of millions of theatrical delusions, many of which die in premature birth, whilst numerous others drive people to destruction. It was then transferred from closet to closet, and there it was elaborated and re-elaborated by the brains of every succeeding theorist without the slightest knowledge of the practical application of these pernicious theories to the common affairs of the world. Like hothouse plants, when exposed to the rude action of the changing seasons, they perish.

Mr Conroy

- Does the honorable member refer to protectionist manufactures'!

Mr O'MALLEY

- I refer to free-trade. My honorable and learned friend may wish to plant it to-night. I never strike the dead hard. My enmity ends at the grave. I wish to say that the pulse of free-trade is feeble now, and if honorable members opposite mean to take advantage of the last hour, let them get upon the stool of repentance. We are going to blow that light out to-night. But not for all this earth would I blow out the faintest light that ever s flickered on the human horizon of despair, or the human horizon of hope.' But I want, however, to take that infamous shadow out of the hearts of honorable members opposite. It has got them bad. Following up the cause of this theory of free-trade and its effect, I shall take another point, and then I shall close.

Sir Edward Braddon

- Hear, hear.

Mr O'MALLEY

- The other night I cheered my right honorable friend for nearly two hours, and yet he is urging me to sit down. I have only good feeling towards my colleagues from Tasmania - the best of feeling. I regret that there is not a better feeling amongst the people of the whole world. There is too much solemnity, gloom, and sadness upon this earth. We ought to shake hands, and bury all our harsh feelings.

Mr SPEAKER

- Will the honorable member address himself to the question ?

Mr O'MALLEY

- I was saying that there is too much sadness in this world.

Mr SPEAKER

- That is not the question before the Chair.

Mr O'MALLEY

- I agree that it is not, Mr. Speaker. I do not wish to say anything that is disagreeable, because, whether this Tariff becomes law or not, we have to live. I wish to ask honorable members opposite if " high wages and low prices " does not form one of the planks of the freetrade platform 1 Is that right, Mr. Subleader of the Opposition 1 I ask the honorable member for Macquarie if that is not so ?

Mr SPEAKER

- The honorable member cannot ask any other honorable member a question.

Mr O'MALLEY

- If what I have stated does not form a plank in the free-trade platform, then I suppose that the moment the price of Mount Lyell copper goes down per ton up will go the wages paid by the company. If it goes down to zero, all the workers will have an immense income.

Mr SYDNEY SMITH

- What did Sir Philip Fysh say upon that question ?

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Mr O'MALLEY

- I am King O'Malley, and not Sir Philip Fysh. There are many honorable members of this House se who have been to Japan. We all know that a number of Americans are starting factories in that country. They are taking American artisans with them to train the Japanese how to manufacture. They are putting in the best and most improved machinery. Let us assume that three of these Japanese can manufacture as much as can two Australians, and that 5,000 Japanese are employed in one factory and 3,000 Australians in another. Let us further suppose that the Australians are paid £2 a week. If we calculate the wages thus paid to the Australians as against those paid to the Japanese, we shall find that there is a vast difference between the cost of the production by the two races. I ask how the Australian

manufacturer can keep his factory going and compete successfully with the Japanese ? What are prices based upon. 1 The price of a commodity is the cost of the labour which produces it.

Mr Piesse

- And the raw material.

Mr O'MALLEY

- The cost of the raw material is always added. If my honorable friend has studied Adam Smith, Walker, Riccardo, and other economists, he will know that they tell us that the raw material must be present before we can manufacture anything. Nothing made out of nothing is a very small quantity. If we destroyed every factory in Australia, and turned the operatives into the streets, would they go over to Tasmania and buy stations! Would they go to Camperdown and buy stations ? No. They would put their swags on their backs and " strike out " for the primary producers, where there are already, possibly, 50 or 60 people waiting for employment. Such a course would simply enable the manufacturers in connexion with primary productions, to bid for labour, and Australia would be reduced to what the Southern States of America were before the war - a population of masters and servants. There are complaints in Victoria now that servant girls cannot be obtained, because, as it is said, all the girls are employed in the factories. As a working man, and belonging to working people, I do not want to see the number of women in factories increased. We do not want to see the women of Victoria thrown out on the streets, yet day after day we hear honorable members talking about shutting up factories which do not pay. Are we prepared to find husbands for the women who will be thrown out of employment ? If we shut up the factories, and let the foreigner send his goods here, we will not increase the wealth of our workmen, but will simply lay them open to competition, dividing wages amongst the many. The people have to live, and they cannot live on the wealthy, who will instruct their lodge-keepers to keep them out.

Mr McColl

- They will come to the primary producers.

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Mr O'MALLEY

- Exactly. I have had experience of factory life in America. The factory in which I worked was closed, because British manufacturers were able to sell goods more cheaply than the goods could be produced and sold in the States ; and we, who were thrown out of work, started west. We got into Colorado, where we had to take what work we could get, and I worked for 3s. 6d. a day, displacing a good man who had been getting 8s. a day. When we got into Texas, we" found a free- trade speaker, and ducked him in the river. Free-trade is not the policy for the Commonwealth of Australia, and I cannot understand how honorable members can conscientiously advocate it. I believe in protection, because it means the protection of Australian labour. Protection will diversify Australian industries, and the diversification of Australian industries will mean that every portion of the human brain will be developed. If all the people of Australia were engaged in one calling, however important that calling might be, we should have a stupid people. If all in Australia were agriculturalists or pastoralists, we should have a solemnly stupid, and a stupidly solemn people. If our industries are diversified, as in America, we shall have inventors and thinkers, and there will be produced better and brainier men, better looking women, and healthier children. Today, if all the boots which are made in Australia, and in the making of which hundreds of people are employed, were imported, where should we find employment for the people now engaged in the trade 1 Freedom lies in the winning of the great battle for the rights of labour - in the protection of commercial values, and in the enjoyment and individual control of the values created by the people. Every attempt to establish free-trade in Australia is, in my opinion, another breach in the rampart of freedom. Freedom is not license to allow the world to come and prey upon our people ; but it means the complete enjoyment of the commercial values here created. With the exception of Ruskin's works, there is not one proper or true book on political economy in the world to-day ; all the others deal with mercantile economy, and are based on the axiom - " Buy in the cheapest market and sell in the dearest." That is the cruellest, most vicious, and most damnable doctrine ever preached. It crushes and cripples all who are weak, and allows the strong to do as they like. In my opinion, freedom of trade is unrestricted license to strong commercial bullies to despoil the industrial Australian maiden.

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Mr MCDONALD

- I had expected that the honorable member who has just spoken, would have attempted to show some connexion between his speech and the condition of the working classes, or the conditions which protection are likely to bring about for the benefit of working men in general. I am reminded of a little incident that occurred, where two men had a very strong argument as to whether it was better to live under a free-trade flag or a protectionist flag. After they had very nearly come to blows, they thought it would be a wise thing to ask their third mate what his views were. "Well," said the mate, "I have worked in a free-trade country, and I have worked in a protectionist country, and whether under free-trade or protection, I have had to work mighty hard for the few shillings I got every week," That just about sums up the whole question of free-trade and protection. What is the good of telling us about the deplorable condition of the working classes in England ? Do we not know that the same kind of thing exists in America today ? Does the honorable member mean to tell me that either free-trade or protection has anything to do with the condition of the working classes ? I listened patiently for nearly three weeks to try and get some information which would show that either fiscal policy materially affects the condition under which the working classes live. But, as a matter of fact, whether we go to a free-trade or a protectionist country, we find that competition for the right to work and earn sufficient wages to live is becoming more difficult. We are living to-day under a system by which we produce for profit and not for use. The consequence is, that whether in free-trade England or in protectionist America, 77 per cent, of the workmen who reach the age of 65 have to seek pauper relief. That is a fact which is stated by every statistician of importance in every community. No doubt there have been some eloquent and able speeches delivered in the course of this debate. I naturally thought that some of those who take such a strong and earnest interest in the questions involved would have given us information to show the connexion between the fiscal policy they advocate and the condition of the working classes. But, as a matter of fact, not one honorable member on either side has shown that connexion. I am prepared to admit - though I have not gone into the matter sufficiently to discover it for myself with any degree of satisfaction - that there may be circumstances which enable the working classes to benefit from free-trade conditions in certain countries, or from protectionist conditions in other countries. But let me say this - and I say it not only to honorable members who are present, but with the wish that it may go forth to the workers of Victoria and New South Wales - that people who work for their living have very little hope in regard to improving their condition from either the one policy or the other. There are other economic causes outside of fiscal laws that affect the condition of the working classes. I have just said that we are living under a system by which we produce for profit and not for use. We are also living under a system in which the means of production are greatly in excess of the demand for commodities. The honorable member for Darling pointed out the other day that under our factory system, and owing to the introduction of machinery, we have been enabled to socialize our production and to produce so rapidly and in such a perfect manner that I suppose it may be said that goods can be turned out at almost a minimum of cost. But the moment we begin to exchange our commodities our social system fails. Every one who has had anything to do with commercial life knows that as soon as one particular line in an industry has had a run, the whole of the manufacturers in that industry start to produce it at an enormous rate. The result is that we have over-production, whilst at the same time there are thousands of men, women, and children going hungry and in want of food, clothing, shelter, and all other necessities of life. It is an extraordinary thing that the very moment our factories are producing in excess of the requirements we are precipitated into the midst of a crisis, and, that is the very moment when thousands and thousands of people are thrown out of employment, and misery and destitution reign throughout the country. These economic conditions require more weighty and deeper consideration than has been given to them during this debate on free-trade and protection. I had intended to go into the subject thoroughly as far as I was able, but I am not going to waste the time of the House in a way that a number of other honorable members have done. I say that with all due respect to them ; but I certainly think that a great number of the speeches that have been delivered could have been condensed into something like one-third of the time taken. Having said so much, I will just touch upon one or two matters of importance to which I think attention should be directed. There is the question of direct taxation, which has been brought forward by the honorable member for Barrier. I am in thorough sympathy with that proposal. I think we should have some system of direct taxation which will get at those people who are best able to bear a fair share of the obligations the State lays upon its citizens. Something like 80 or 85 per cent, of taxation through the Customs falls upon

the working classes. That is a state of affairs that ought not to exist, but which is maintained by the conditions of our society. Under the Tariff of the Government, the wealthier classes will not pay their fair share of taxation. It will be argued that the duties will fall evenly upon all consumers. But that is not so. All may be equal as far as the payment of taxes is concerned, but one class of those who pay the taxes receive no benefit from them, whilst the wealthier classes or those who have the control of the means of production, reap the advantage of an unearned increment which they have done nothing to create. It should be the duty of this Parliament to introduce such legislation as will break down the monopoly enjoyed- at present by these controllers of the means of production. One of the first monopolies to be broken down is that in connexion with large agricultural estates. Take in Queensland the magnificent country represented by the honorable member for Darling Downs. There will be found some of the finest agricultural country that exists in any part of Australia, and what is it used for at the present time ? Hundreds of thousands of acres there were handed over at a nominal sum originally of about half-a-crown an acre. It is country upon which people from all parts of Australia would be glad to settle, but they cannot settle upon that magnificent country simply because it is locked up in the possession of huge landed proprietors. I say that if it was, only for the purpose of breaking up these huge landed estates, it would be a good thing for the Government to introduce some form of land taxation. I do not say that a land tax should be the only form of direct taxation. I think that other forms should be included, such as an income tax, a property tax, and an absentee tax. By that means we should get at the people best able to bear taxation, and the masses of the people would in that way be to some extent relieved of its burdens. Under existing circumstances, however, while I am entirely in accord with the amendment proposed by the honorable member for the Barrier, I should like to suggest to him the advisability of withdrawing it. There seems to have been a fight between the two parties in the House, the free-traders and the protectionists. If they like to wrangle and fight it is their own business, and we have no cause to complain, but under the circumstances I think the honorable member for the Barrier would be wise in withdrawing his amendment so as to permit of a clear-cut issue being decided upon the motion moved by the right honorable gentleman who leads the Opposition. If, however, the honorable member persists with his amendment I shall support him if he takes it to a division. There are one or two other matters on which I should like to touch. The Treasurer referred to Tasmania and Queensland as two States likely to be deprived of a certain amount of revenue, owing to the reduction of taxation upon certain articles. The people of Queensland will have less drawn from them by way of customs duties to the extent of some £207,000 ; and in Tasmania the revenue derived from customs duties will be less by some £135,000. I point out, however, that the people of Queensland will not be a bit worse off under this Tariff, because this amount of £207,000 will be still left in their pockets. Queensland is actually losing nothing under the Tariff, but I admit that it may be necessary for the State Government to make some other arrangements to secure that £207,000 of revenue.

Still, I do not think it is going to affect Queensland, which, in my opinion, is one of the richest States in the group. The time is not far distant when she will have a population, if not equal to that of New South Wales or Victoria, then very nearly equal to it. The possibilities of Queensland are, I believe, greater than those of any of the other States. She has an enormous amount of territory as yet practically untapped. She has some of the finest grazing land in any part of the world, and she has an enormous extent of agricultural land unsurpassed in any of the other Australian States. Then the mineral resources of the northern portion of Queensland are far above those of any of the other States, with the exception, perhaps, of Western Australia. In view of these advantages, I do not think there is any cause for the Treasurer, or any one else, to surmise that Queensland, in not getting this £207,000, is going to be landed in utter ruin. Last year she had a deficit of about £500,000, and the Treasurer looked upon it as of so little importance that he would not even propose any substantial additional taxation.

Sir George Turner

- Is he not floating Treasury bills to meet it 1

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Mr MCDONALD

- I am prepared to admit that, but what I want to say is, that he has never looked upon it with any great alarm, or supposed that the State is going to be ruined because he requires to issue those Treasury bills. Most of the States have, at some time or another, had to adopt a similar course. One regrettable course I

think he has taken, and that is, the selling of land to redeem those Treasury bills. That, I think, is one of the most regrettable courses that any Government could follow, and I hope the wisdom of the people of Queensland will be sufficient to make the Government realize that it is not a wise thing to sell land for that or any other purpose. I repeat that I do not think that Queensland is going to be inconvenienced to any great extent by this Tariff, and though some people there may believe that some mild form of disaster may follow from other causes, personally I do not think that any disaster is likely to take place. So far as the Tariff is concerned, I think the Government, in framing their proposals, might have had some more consideration for the various primary industries of the States. I am not going to dilate upon the farming industry, as I leave that to those who are interested.

The honorable member for Barrier spoke this afternoon in connexion with the mining industry, and the people occupying the portion of Queensland I represent are wrapped up to a large extent in the mining industry as well as in the pastoral industry. I think the Government might take into consideration the desirability of reducing the heavy duties levied upon mining machinery. I shall not deal with that any further, because the honorable member for Barrier made a very good speech on that subject this afternoon. I think that fuse and explosives used in connexion with the mining industry should be placed upon the free list, and when the Tariff gets into committee, as I presume it will during the coming week, I shall move in that direction, if I get an opportunity. There is a duty imposed also upon shears, cutters, and combs used in connexion with the pastoral industry. These are things which cannot be made in Australia, and I believe that no firm will come to Australia to make them. I am led to believe that the manufacture of cutters and combs used in connexion with sheep-shearing machines could not well be conducted here, or only at such an enormous expense that it would not pay any company to undertake that particular industry in Australia. Seeing that these articles cannot be made in the country, I think they should be placed upon the free list. It must be remembered that the men who have to work with these particular tools are compelled to pay for them, and in placing a duty upon them we are putting a direct tax upon the labourer himself. I do not propose to detain honorable members further. I should like to have had a better opportunity of dealing with this question from an economic stand-point, but I feel that I would not be doing justice to the House nor to myself if I were to attempt to do so at this late Stage of the debate. I desire to impress upon the two great leaders of the opposing parties in this House that when next a debate of this kind occurs they should make some effort to indicate what the rival policies of free-trade and protection have done to improve the economic conditions of the working classes. Within the last few months I have had an opportunity of going through the slums of Melbourne. I saw there some of the-greatest misery that one could look upon. I have had also an opportunity of going through the slums of Sydney, where I saw exactly the same unhappy condition of affairs. In free-trade and protectionist countries alike the conditions of society will breed criminals and prostitutes, millionaires and paupers, and misery, want, and destitution on every side. This is no fanciful picture. Every one knows that what I say is correct. These conditions occur both in free-trade and protectionist countries, and to those who study the economic conditions of society that fact should afford sufficient evidence that there must be some cause other than free-trade or protection responsible for such a condition of affairs.

Mr SALMON

- It has been the custom for honorable members, after addressing themselves to this question at length, to conclude with an intimation that they desire the debate to close as soon as possible. I intend to commence with that intimation. I shall endeavour to do what I think other members might well have attempted, and that is to show some consideration for others by making my remarks as brief as possible.

Mr JOSEPH COOK

- We shall see.

Mr SALMON

- The honorable member need not assume the role of the doubting Thomas. I am prepared to be judged entirely by results. I feel that this debate, interminable as it seems, is not without its good features. I do not believe that a single vote has been gained on either side by the speeches which have been delivered. But a vast amount of education has been afforded the public generally, as well as to some honorable members - myself among the number - by the efforts of those who have made themselves conversant with the effects of the two fiscal expedients, known by the names of free-trade and protection. I feel that every honorable member has been actuated by a desire to do his best for the Commonwealth at the

inception of its career. Therefore the remarks I have to make will not, I trust, be regarded as carping criticism, but rather as an indication of the feelings I entertain in respect to these most important matters. At the outset, I wish to state that I had the privilege of hearing the Prime Minister deliver his speech at Maitland. The pledge which he gave then has been fulfilled to the uttermost. I do not concern myself with the twisting and torturings to which his words have been subjected. I have regard only to the impression which the speech conveyed to me, as one of the vast audience present on that occasion, and I say honestly that, in my opinion, the Tariff brought down by the Government fulfils exactly the promise then made by the Prime Minister on behalf of the Government. Whether the Tariff will suit the several States or not is a matter which the members representing those States must determine. They must be regarded as the best judges. So far as Victoria is concerned, I feel that if there are any shortcomings in the performance which the speech promised, they are in the direction of a failure to carry out altogether the promise of protection to industries already established. In his Maitland speech, the Prime Minister made clear the attitude which he intended to adopt with respect to revenue. He told us that revenue would be a primary consideration. He promised the people of Australia that, in obtaining that revenue, there would be no disastrous interference on the part of the Government with any industry which had been established, and that at the same time opportunities would be given for the establishment of other industries within the Commonwealth. If there is to be any doubt at all in regard to the fulfilment of the promise then made, it will be in the direction I have indicated. I have studied the Tariff carefully. As a member of the State Parliament of Victoria I had experience of Tariff revision in 1895. In their wildest moments those who then called themselves Tariff reformers could not have anticipated such marked reductions upon the Victorian Tariff as those now proposed by the Federal Government. I make that statement from my own personal experience. I was one of those who considered at the time that as Victoria was a State with artificial boundaries erected against other States on the same continent, inhabited by people speaking the same language and living under the same system of government, the duties which we were imposing were too high.

Sir George Turner

- The free-trade cry was for 25 per cent. duties.

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Mr SALMON

- That is so. Mr. Murray Smith, who was the leader of the free-trade party in that Parliament, proposed that no duty should exceed 25 per cent. His party - which was a free-trade and not a revenue Tariff party - was prepared to accept that as the maximum. A vote was taken on that proposal, but it was defeated. During that revision some reductions were made, but the reductions now proposed by this Government were not even dreamt of by those who at that time worked for lower duties. During the last two or three weeks I have met a large number of farmers in various parts of Victoria, and I have been astounded by the amount of ignorance displayed by them in regard to the various items on the Tariff. Apparently they have been content to accept the condemnation which has been hurled against the proposals of the Government by the leader of the Opposition and those who follow him. They have not troubled to inquire into the matter for themselves. When the farmers of the Commonwealth - the primary producers, about whom we have heard so much, and for whom most of us have as much regard as those honorable members who refer to them so frequently - realize that in the free list alone there are nearly 100 articles which may be looked upon as farmers' tools of trade, they will see that the Government have not dealt unfairly with them. I was astounded yesterday when I was told by an ex-president of the Royal Agricultural Society of Victoria that the Government had taxed every tool which the farmer used, and that they were actually collecting a duty of 15 per cent, on reapers and binders. That serves to indicate the colossal ignorance displayed in regard to the Tariff by those who have been looked upon as leaders of this particular class. The amount of revenue to be raised certainly seems large, and, as one of those who desire to see the Government of the Commonwealth conducted on economical principles, I feel that there is a danger in raising an amount larger than will be necessary to meet the necessities of the Commonwealth and the various States. We have to remember the dependence of the States upon the action of the Commonwealth Parliament at this particular juncture. Honorable members who have proposed various alternative schemes have somewhat shocked me by the want of thought which those proposals evidence. They have given no account at all to the fact that, at the inception of the

Commonwealth, the power to levy customs and excise duties passed away from the States ; and that, if we were to levy direct taxation, we should be infringing on their rights and threatening their solvency. I am not going to speak of the various alternatives. A few years ago I was travelling with a representative of New South Wales, a free-trader, who is looked upon as a representative of what we call the labour party. He told me that in New South Wales they had reached a point at which they felt a great deal of satisfaction. He said - " In the past the bedrock of democracy was supposed to be no taxation without representation, but we have gone one better, and now we have representation without taxation." Apparently that is what is desired by some of those who oppose the proposals of the Government - that the minority shall be taxed, and that the majority shall have the power of imposing the taxation. A true revenue Tariff will depend very largely on such procedure as that. It has been suggested that the Tariff should be submitted to the people. But I ask whether any Tariff which would impose taxation on a majority of the people would ever be carried by means of a referendum 1 We know, of course, that it would not. It would be only such a Tariff as my honorable friends opposite would propose, which would have any chance of being carried, because it would provide for the taxation of the minority for the benefit of the majority. There is one regrettable incident, I think, in connexion with this debate, and that is the lamentable defection of three members from this side of the House. I desire to express my sincere and deep regret that they should have considered it necessary to take that step. All of them, I know, are well wishers to the Commonwealth, and were ardent workers on behalf of the Constitution Bill when it was before the people. I do not regret the fact that they have left us - because I know that in spirit, at any rate, and in very many votes, they will be with us - so much as I fear the result of their association with the conservative side of the House. While they were on the more liberal side, while they were members of the more democratic portion of the House, we felt that, at any rate, if there were a change, it would always be a change for the better. But I am fearful lest in their new environment they may find themselves losing that amount of grace which they obtained during the time when they were with us.

Mr. CONROY(Werriwa). - I suppose, that I am almost one of the last to speak in the debate, but I hope it will not be thought that I am occupying too much time if I have to go over some of the statements which have been made by honorable members on either side. That, in a case like this, is very difficult to avoid. As far as possible I intend to confine myself to an enunciation of the general principles which I think ought to have governed the Ministry in this, the first attempt at dealing with the finances of Australia. One of the utterances of the Ministry - and an utterance which they have been continually repeating, as if we on this side were forgetful of it - has been that we must remember that Australia is a nation, and that we must speak as members of an Australian nation, and not as representatives of States. To a certain extent I thoroughly agree with, that view, and I wish that the Ministry themselves had followed it. I am sure that there is no State which more heartily desires that than does New South "Wales. There is no State which made more sacrifices to enter into this .union - there is no State which, even strongly freetrade as it was, was more prepared to give up willingly a large amount of principle in order to secure union. But what do we find? We find that, so far from the Ministry treating the people of Australia as a whole, they have been considering States only, and have entirely ignored their obligation as members of the House of Representatives to deal with the majority of the people. The whole of their cry has been, " Oh, we must give this tate a little more revenue," or "we must give that State a little more revenue." By following out that very idea, they have utterly ignored the great question by which all taxation ought to be decided - that is, the needs of the great bulk of the population of Australia. There was an admission to that effect by the Prime Minister when he stated that for New South Wales a Tariff of £5,000,000 would be sufficient ; for South Australia a Tariff of £6,600,000 would be sufficient' and for Victoria, a Tariff of £7,300,000 would be sufficient. If he had thought for a single moment that the population of those three States aggregate no less than 3,000,000 out of the population of 3,S00,000in Australia - if he had been guided entirely by what the bulk of the people require, thinking over this, seeing where the population lies, remembering that, after all, taxation is a burden, that no taxation ever made a country wealthy, and finding that it is a matter of sound statesmanship to try to avoid taxation, he would then have said - " Well, it is a pity that, owing to certain sections in the Constitution, we are not able to help certain of these States in the way in which we should like." But he was one of the men who forced upon us those sections in the Constitution. In the name of the Australian people, and sitting here as members of the House of Representatives, representing the majority of the Australian people, we should decline to raise a larger sum in taxation than

is necessary to carry on. Why did not the Prime Minister carry out, not only the implied promise, but the direct promise, he gave to the people of New South Wales at Maitland ? When the men opposing the acceptance of the Commonwealth Bill declared that a Tariff of £9,000,000 might be necessary, he pointed out, not only then, but in subsequent speeches, that the Tariffs of Australia did not raise more than £7,500,000; and he asked how could anybody think that he as an honorable and upright man would dream of going beyond that ? What do we find him doing ? The very first thing he does is to depart from that promise. Surely it would not have been too much to have asked the people of Victoria, if New South Wales had consented to an increase of £2,000,000 in customs duties - fixing the federal revenue at £7,000,000 - to exercise a little economy in their own State, when they could have got along very well 1 It is never any harm to any people to say - " We shall diminish your taxation." The real trouble occurs when you try to increase it, and ask them to think it a blessing. If the Prime Minister had said - " We shall fix the Tariff at £7,000,000," it is perfectly true that Tasmania, for instance, would have had to collect £80,000 more revenue in another form. But what has he done in order to save not the people of Tasmania, but the State of Tasmania from raising that revenue in any other way than by customs duties ? Not in order to save Tasmania £80,000 of taxation - because that is still going on under his proposals - but to prevent it from being raised by direct taxation, as it would have to be, he deliberately imposes on the rest of the people of Australia, taking the estimate of federal revenue at £7,000,000, no less taxation than £1,920,000. That, of course, includes Queensland. It is perfectly true that the revenue of that State would have fallen £300,000 short, but the money would still have been in the State for its Government to collect. If the wealth of Queensland, or the wealth of Tasmania cannot contribute £80,000 in the one case, and £300,000 in the other, how, may I ask, do the Government expect the workers to find the money ? The Government, instead of considering the interests of the great bulk of the workers, have gone against them, and in order to prevent the States from raising revenue by direct taxation, they have resolved to increase the taxation of the workers through the Customhouse by an enormous sum. It surprises me to hear honorable members opposite talk as though taxation were a blessing, and increased employment, when we know that no Government has ever existed which could put its money to such productive uses as capital is put to by private individuals. We may fairly assume that the raising of the £2,000,000 of extra taxation that is proposed, will decrease the amount of employment in the Commonwealth to an extent equal to the throwing out of work of 20,000 persons earning £100 a year each. However we may talk, we must acknowledge that labour cannot do without capital, just as capital is necessary to the existence of labour. There can be no separation of these interests. Labour may claim a larger share of the wealth which is produced, and no doubt we are all inclined to support that claim, because we must all recognise that the amount now distributed amongst labour is not an equivalent reward for its share in the process of production. If we acted on the principles which are acted upon in England, for every £1 raised by indirect taxation we should raise £1 by direct taxation, but honorable members know what an outcry would be made if it were proposed to raise another £9,000,000 by direct taxation. The people would be up in arms against it. But if they truly understood their interests, they would be equally opposed to indirect taxation going beyond the absolute necessities of the administration. Before this Tariff came into force, direct taxation in the States amounted to 21 per cent, and indirect taxation to 79 per cent, of the whole. The protectionists assert that the more you tax the people, the better off they become.

Mr MCCAY

- No one has said that.

Mr CONROY

- That is largely what their arguments come to. Honorable members opposite say that if you take from a man ten shillings in the pound, by revenue duties, that is taxation, but if you take the whole pound under protective duties, it is not. On the same reasoning if a highwayman took from a person who had two sovereigns in his pocket one of his coins, it would be robbery, but if he took both, it would not.

Mr Mauger

- The honorable member is not seriously representing the arguments of the protectionists.

Mr CONROY

- If the honorable member understood the subject he would not be on that side of the House. Why should we take more from the people than is absolutely necessary for the purpose of carrying on the

Government ? What right has any body of men to do that t I admit that every one of us is bound to contribute according to his means, and as far as we can carry out that principle it ought to be observed. That is why I do not declaim wholly against customs duties. My argument, however, is directed against those who say that even if the Government do not require taxation beyond that which might be placed on narcotics and stimulants, we should still tax the commodities which enter into daily consumption. I hope that when we properly understand the true functions of government we may be able to raise through the taxation of narcotics and stimulants all the money that is necessary for State requirements. It surprises me to hear honorable members say that even if taxation were not necessary we should still impose duties.

Mr Sawers

- No one on this side has said anything of the sort.

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Mr CONROY

- Then honorable members have been very much maligned, and have been very much misunderstood. If honorable members were to say that they proposed to put these duties on, because they could get more out of the people, , and that the public would squeal less under this form of taxation than under any other, I should admit that there was something to be said on their side of the question. There is no doubt that more money can be extracted out of the pockets of the people under customs duties, and that it can be obtained in a fairly economical way, and with less complaint than under any other conditions. If the Ministry had had the decency to say that that was what they really meant, we might have more difficulty in answering them. We should, however, have to point out how unfair it would be to impose heavy burdens on the great bulk of the people without regard to their ability to bear them. If the people could realize the extent to which these duties would affect the prices, of the articles on which they are imposed they would without the slightest doubt rise up and sweep them all away. If instead of collecting the duties through the Custom-houses, the Government were to station policemen or Customhouse officers at every store to levy the duties upon the goods as they were purchased, the people would realize to the full extent the amount of taxation that they were being called upon to pay. If a man went into a shop to buy a pound of arrowroot, and was informed by a policeman that besides the price of the article he would have to pay 2d. in the form of duty, he would have brought home to him the full meaning of the taxation through the Tariff. Such a system of collecting taxes would leave no heart in the community. If a man buying a pound of tea were called upon to pay 2d. in addition to a 15 per cent, ad valorem duty, representing an additional 2d. per lb., would any honorable member be prepared to say that that was a beneficent arrangement and that the money would be left in the country and the tea would be in the country also, and that therefore everyone concerned would be as well off as ever ? If I were to go to the honorable member for Mernda and offer to take from him £10,000 worth of goods of local manufacture, so long as he would not hold me legally liable for the price of them, would he be satisfied ? We heard the honorable member say that the money would be in the country, and that the goods would be in the country, and that, therefore, every one would be as well off as before. Would the honorable member hand his goods over to me if I were not prepared to pay him ? In that case, the goods would be in the country, because I should have them, and I should be able to sell them for perhaps more than £10,000. I should be all the better off ; but, according to the honorable member's argument, he would be no worse off, and consequently we should both be satisfied. If the honorable member's customers were to approach him in that way, everything would be satisfactory, so long as the money and the goods remained in the country. All this serves to indicate the ludicrousness of some of the arguments used by honorable members on the other side. We can well understand that in trying to impose this large amount of extra taxation the Government have proceeded on the principle of the tory party in England, when an attempt was made to reduce the duties that were imposed under the protectionist policy in force prior to 1840. The cry then was that old taxes were no taxes. If honorable members will read the debates that took place in the House of Commons in 1842 and 1843, they will see that one old country squire, who was a very wealthy man, said that it was very absurd to change the form of taxation and sweep away the protective duties, because the wealthy men of the community would then have to put their hands in their pockets and make good the deficiency in the revenue. He argued that it would be a hardship upon them if they had to submit to fresh taxation, whereas the people had been paying protective duties so long that they had got used to them and would not mind

continuing to pay them. The principle on which taxation is levied in England is now very different. It is now recognised that taxation, in order to be equitable, must be distributed in accordance with the capacity of the people to bear the burdens of Government. Lord Salisbury, not so very long ago, declared that any taxation that was applied must be equitable in its incidence. They are following out that principle so truly that there is no country in the world that can compare with England in regard to the equitable methods by which taxation is imposed upon the people. We know what happened in protectionist America. There the revenue of the country is £80,000,000, but the people are taxed £480,000,000 because out of every £7 collected no less than £6 goes directly into the pockets of the manufacturing trusts and rings. We hear it asked, "Cannot rings be formed by the importer's?" I think that the honorable member for Capricornia has disposed of that suggestion in a very conclusive manner. If an importers' ring were formed, what is thereto prevent any man from consulting the newspapers, ascertaining the prices of goods, writing home, and importing them! Thus the ring would immediately break down. But when the manufacturers combine to control production, and have the advantage of a ring fence erected around our shores to prevent other goods from coming into the Commonwealth, they can escape the possibility of any competition. As the rate of wages in their factories depends entirely upon the supply and demand of labour in the particular State in which they carry on their business, it is perfectly clear that the erection of artificial barriers of this sort means injury to the bulk of the workmen and protection only to the particular manufacturers engaged. A few months ago I had a good illustration of how weak are importing rings, if such rings exist. It was my duty, representing the free-trade council of New South Wales, to wait upon certain individuals and see whether I could not induce them to contribute to our funds, so that we should be enabled to carry on the federal campaign. I am bound to say that that campaign was conducted with less funds than has any other campaign of which I have any knowledge. Indeed, had it not been for the contribution of the poorer men, we should have been absolutely unable to provide the necessary money even for printing and advertising. I mention this because I happen to have a friend who is engaged in importing both in Melbourne and Sydney, and who represents a very wealthy house indeed. Privately I know that man to be a strong free-trader. He has always advocated commercial freedom, and I have not the slightest doubt that he has always voted for it. I waited upon him and asked for a contribution of £5 or £10 in order to help us along. His answer was characteristic, and showed how little the importing rings have to gain from free-trade, and how, so far from desiring it, they really favour the erection of this ring fence. He said - "Mr. Conroy, have you been through my warehouse?" I replied that I had not. He then said - "I do not mind telling you that, at the present time, I have £50,000 or £60,000 worth of goods there, and if a 15 per cent. or a 20 per cent. duty were imposed upon those goods it would mean £10,000 in my pocket. In view of that fact, do you think that I am likely to contribute to your funds in order to prevent the imposition of such duties?" That happened last February, just prior to the elections. I shall not mention the gentleman's name, but the honorable member for Mernda knows him very well.

Mr JOSEPH COOK

- It was not Mr. Robert Harper?

Mr CONROY

- No. The honorable member for Mernda was not in Sydney at the time. The gentleman to whom I refer went further, and said that, whilst he was a free-trader in principle, and would vote accordingly - because I reminded him of his former statements - if the people of Australia were so foolish as to vote money into his pockets, he was not going to be so foolish as to take it out again. In other words, whilst he would act according to his principles, he would be only too glad to receive the money which a protective Tariff would place in his pocket. I said to him - "Although you may make this sum of money by reason of the imposition of protective duties, surely in the course of two or three years the demand will be so limited that you will not get on as well as you otherwise would. If the consumption of a large quantity of these goods ceases - as it undoubtedly will - you will be worse off." "Not in our case," he replied. "We happen to be a wealthy firm. We shall be able to put down all the money required to be paid for the goods when they arrive here, and we shall be in a position to collect from the people not only that amount, but interest upon it. Further, such a duty will wipe out the small men who are cutting into our profits - men who can send a £50 note home and indent goods out. It will do away with a large number of our competitors, and then we shall be better able to form a ring, because the larger the amount of capital required to go into this business, the smaller will be the number of men who can embark upon it. We shall thus be able to combine more easily.

That, however, is impossible under the present fiscal system, and therefore your arguments cease to have any weight with me. The most you can expect from me is that I shall adhere to my principles. Whilst I shall vote for the adoption of a free-trade policy, I shall not lift my finger or contribute one penny towards preventing the imposition of these duties. I am quite willing to be called a bloated importer or anything else. If the people will insist upon imposing these duties, I am perfectly willing to allow them to put £10,000 or £12,000 into my pocket." I ask leave to continue my remarks to-morrow.

Mr Kingston

- We could not hear of it !

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Mr CONROY

- It would simplify matters very considerably if the Government acceded to my request and allowed the leader of the Opposition to make his speech at a time when the House is in a better frame of mind to listen to it. His speech will be full of importance to the country as a whole, and the Ministry ought to concede what is asked. Under the circumstances, it may be necessary for me to be somewhat more lengthy in my remarks, in order to show that from the earliest times the great places in every country have been those which offered the best facilities for trade, and those in which, in consequence, the people most congregated, and here in Victoria we find the people at the port of Melbourne. It is for protectionists to show how their interference with the great law that trade is carried on without compulsion and must consequently benefit the people as a whole. The other day, on coming into the House, I was somewhat puzzled to account for the pleased expression on the face of the honorable member for Melbourne Ports, but I found an explanation on reading, in the Age newspaper, a report to the effect that the channel to Melbourne was silting up. Here was nature doing what the honorable member advocates should be done by artificial means. If goods had to be landed at a distant port, and brought overland, I can quite understand the honorable member being delighted at the prospect of the work which would be afforded to carriers, breeders of horses, and all those engaged in dependent industries. Then again, the honorable member for Melbourne, who is a protectionist and a ship-owner, ought to feel delighted every time one of his ships goes down, because then, in order to replace the vessel, he has to spend money in employing more men in the country. Is it true that the honorable member for Corio actually joined the volunteers, and practised rifle shooting, in order to promptly dispose of an engineer who had suggested that the bar at the mouth of the Barwon could be removed - this bar which prevented Geelong from being the chief city in Victoria, as ships could not enter? No doubt his objection to the removal of the bar was the valid protectionist one that it would sweep away 25 to 30 per cent. of protection, which Geelong now enjoys or suffers, by being compelled to bring all its goods first to Melbourne, and then by rail to itself. The honorable member for Bland, in the course of his speech, said that he would not put a duty on articles that only employ a very small number of men. He gave as an instance the manufacture of matches, and said that the number of hands employed was only 93. There was a slight mistake in that figure, because that is the number of hands employed in the matchmaking and fire-kindler manufacturing industries combined. Those engaged in match-making only number 49, of whom only eight are males. At one time the duty on matches in Victoria returned a revenue of £14,000 a year. It was a purely revenue duty. But a certain firm in England, after a high duty had been imposed here, established a match factory in Melbourne, as the consequence of which the revenue of £14,000 sank to £3,000 per annum. Of course the proprietors of the factory got the benefit of the £11,000 a year ; whilst the amount they paid to their employes was only £1,500 a year. Consequently the people of Victoria made the proprietors of this factory a present of £9,500 per annum. Even if it were true that no manufactory could be established without the aid of a protective duty, I would still say - What right has the State to guarantee to a manufacturer interest upon the money he puts into his business 1 The State never guarantees to a farmer that, if the crop he puts into the ground is lost by drought or storm it will return to him the money he has lost. It does not treat the pastoralist and the agriculturist as it treats the manufacturer in a protected industry. As long as the worker or the farmer is downtrodden, protectionists will do nothing for him; but they will stand by the wealthy manufacturer who is able to give champagne lunches, with cigars, and invite them to pleasant little ceremonials. Of course honorable members opposite would not take anything in the shape of money if it were offered to them. We have not come to that in Australia yet. We have not come to such a condition that manufacturers will openly say - " What is your price for an extra duty on this

article ? - I can make £100,000 out of it." But I was grieved beyond measure to hear it suggested by the Government that there might be an increase of the duty upon some commodities. That was something like an invitation to interested persons to "come along." If there is to be any "coming along, " let us all know about it, and let those who are interested state what they are prepared to give. Some of them would be ready to give handsome sums. I dare say some members of the Government know that. No one can suppose that the members of the present Ministry are open to suspicion in this direction. It is a very fortunate thing indeed, that the private character of all of them stands so high. If even one member of the Ministry were a man of doubtful character, it would probably be said that persons went to him and offered him so much, and that was why the extra duty was put on. The taxation has to come from the pockets of the people, and if it does not go into the Treasury, there is no excuse for taking the money. If persons outside were to conspire to compel a man to pay £1 for an article worth 15s., we should put them in gaol. But when these people go to members of the Ministry and Members of Parliament, and hoodwink and persuade them into so fixing the law that it will legalize these exactions, they escape being put into gaol. What is the whole aim and object of protection but to do under the law what no individual would allow to be done to him, under any other circumstances we can conceive of, without calling in the aid of the police. All this is being done in a legal way - the aid of a legal Ministry has been called in to do it, and we have the legal member for Indi getting up and justifying it. The honorable and learned member says - "The people of Victoria object to this, but have we not given them protection, and have we not during the last five years or more spent £220,000 amongst the farming class." I looked up the figures and found that the amount of revenue contributed during that time to the State was no less than £35,000,000, and of that sum no less than £20,000,000 were contributed by the farmers. I have calculated the exact proportion, and it would mean that out of every £1 contributed they have been given back 21/2d. The honorable and learned member asked what was the building of a railway but protection? It is really a further extension of free-trade, because it is widening the area which can be brought under it. If the contentions of the honorable and learned member were right, people would never congregate at the ports as they have done, even in protectionist Victoria. They would not be at Melbourne and Geelong, which offer the best facilities for trade, but away up in the mallee, 200 miles from any port, because there the natural protection due to distance alone would amount to from 50 per cent. to 60 per cent. We have found a great deal made of comparisons between England and America. And even had they been shown to be to the disadvantage of England they would not have been fair or correct, because up to the year 1840 the condition of poverty was so great in England that every movement since has been an advance out of the slough of despond. England has had to raise herself, and the great bulk of her people, whereas in the case of America at that time, we remember Charles Dickens, in 1842, writing to Mr. Forster that there was not a man in New England who had not his own fire and a meat dinner every day. One of the duties of a Ministry is to attend in the House, and I think it is wrong that Ministers should leave two or three honorable members to carry on the work. I protest against their action in retiring from the chamber. I am prepared to close at once if the Government will allow the leader of the Opposition to move the adjournment of the debate so that he may go straight on with his speech when the House resumes to-morrow. If I were behind the Ministry I should take care to see that the leader of the Opposition was treated with that respect to which his position entitles him. Without a party in opposition to criticise strongly the proposals brought forward by a Ministry, there would not be any true or sound government. If we had absolutely irresponsible individuals bringing measures before the House we could not expect what was every one's business to be attended to by any one.

Mr SPEAKER

- I do not think that matter has anything to do with the financial proposals of the Government.

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Mr CONROY

- There is such a confusion of terms that when an honorable member on the Government side of the House says he can employ 3,000 men in his manufactory, and asks for a protective duty, people are inclined very often to be charmed with the idea. They do not ask the cost. But if I were to come forward and say that I would build a large house, and lay out magnificent parks, which I would throw open to the people, that I would employ no less than 7,000 servants - working them no more than an hour a month, and paying them a wage of £2 a week - if in return I was allowed to draw one penny a week from every

man, woman, and child in Australia, that offer would be refused. A penny a week from every man, woman, and child in the Commonwealth would bring me in £16,000 a week, while I should be able to employ these 7,000 people at a total cost of £14,000 a week. Every one would vote against such a proposal ; but when, instead of asking for a duty to enable him to throw open his gardens and employ servants, a man speaks of factories and factory hands, and demands a protective duty for that manufactory, his request is granted, and he is regarded as a public benefactor. In reality, however, the people themselves would be paying to keep those hands atwork. Mulhall has shown us that something like £488,000,000 go into the pockets of the rings and trusts in America. I am sure that the honorable member for Melbourne Ports must have read of a protectionist economist named Carey, who has been described by the honorable member for Tasmania, Mr. O'Malley, as the bald-headed eagle of the Rocky Mountains among political economists. Mr. Carey is a political economist who advocated protection on lines that certainly received a good deal of attention at the time. He urged that in every young country a very high Tariff should be imposed in order to prevent exports. He said that the natural exports of a new country were agricultural products, and that to export the agricultural products of a country was in fact to export the soil of that country which in time would have to be made up. One is not surprised that a man of that class of mind adopted protection. But the question is receiving a little more attention in America to-day. Mr. Carey, in his work, says that so high were wages and so difficult was it to induce workers to enter factories that protection was recommended and adopted in order to reduce wages. Is that the true reason why certain members support duties? We have the testimony of the honorable member for Melbourne Ports, that that is exactly what protection has done, or at all events, without going quite so far as to make that statement, he said that certainly it has failed to prevent men from working 90 hours for as low a sum as from 7s. 6d. to 10s. a week, and that sweating is universal in this State. He showed that the condition of the great bulk of the people here is truly deplorable.

Mr Mauger

- Not the great bulk of them.

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Mr CONROY

- The honorable member has pointed out that only now have they been able to succeed in raising the condition of the workers to that of a living wage, and that outside the factories which have not the minimum wage, and which are not regulated by law, the condition of the workers is very deplorable indeed. He has shown that times out of number. If he had gone further, he could have used this argument - "It is perfectly true that protection has produced this result. It is only meant for the manufacturer, and, naturally, he is not going to look after the interests of any worker. What does any man mean by not having sufficient money to enable him to pay all these duties ? A man like that is not to be considered for a moment. It shows that he will not work." Or perhaps the honorable member went on the argument that because a man is poor he must have had an opportunity of saving money, and, therefore, ought to be well off, and that because he makes no display of wealth, he must be saving it. Sometimes the reason why a man is not saving wealth is because he does not make it. If the honorable member had ever asked himself how many men can be employed in the greatest manufacturing industry in any country in sound work, he would have found that in protected industries not more than one man in ten can be so employed, and that if a duty is needed, in order to keep the tenth man going, the nine others must be taxed. In Victoria not so many as one in every ten are employed in factories. I do not think it has been right to quibble at the comparisons which have been made between New South Wales .and Victoria, because they are two States which, though side by side, have adopted diametrically opposite principles. In New South Wales they have gone on the principle that the less you tax the people the better it is for them, and chat the less you interfere with them the more likely are they to find out what is to their interest to do, and act accordingly. But in Victoria they have proceeded on quite the other principle. It is said that Parliament can far better regulate the affairs of the people and teach them how to trade than they can themselves. Before we consent to apply that principle to individuals, ought we not to be quite ready to consent, each of us, to hand over the management of his own affairs to the other 74 members of the House ? I venture to say that there is not one honorable member who would hand over the control of his business to the other 74. But although honorable members decline to allow their fellow members to take control of their business, they say - " We are willing to pass a law which will allow them to control and regulate the

business of other men whom we do not know." Although the honorable member for Echuca will not allow the rest of us to take control of his own business, because, in his opinion, we are not competent to undertake its management, he says - " We should pass a law to regulate the trade of other people, and teach them what lines to go into, although we know nothing about them. We should get reports from a few men who are interested in seeing that the money of other people goes into their own pockets. We should consider them because they can come here and make their representations to us."

Mr SPEAKER

- Does the honorable member think that he is dealing with the question before the Chair 1

Mr CONROY

- Only one man in ten is ever engaged in the protected industries in any protectionist country. Supposing that we grant that there would not be a single manufacturer, still a tax would have to be imposed on every nine men to keep the tenth man going. We ask what reason is there for making that impost. I can point to the instance of Victoria itself. Honorable members sometimes say - " Oh, we want to give employment to our young men. What are they to do when they come of age 1 "

Mr Kennedy

- All men cannot be policemen, but the whole community benefits by the fact that we have a few policemen.

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Mr CONROY

- The whole community do not benefit by a policeman if he goes about robbing other people instead of looking after their interests. He may benefit just as the manufacturer does if he is allowed to rob others. I am speaking on behalf of those other people. Honorable members sometimes ask - "How are we to give employment to our young men 1 " Let us see whether they have carried out this policy, even in Victoria. With a population such as that of Victoria the number of young men who grow up and attain the age of 21 every year is something like 8,000, and the manufactories should provide employment for that number. We find, however, that fifteen years ago there were in Victorian factories 41,500 male operatives, whereas in 1899 there were 44,000, or an increase of only 2,500 men. Thus, in spite of the extreme burden imposed on the people of Victoria, the factories have utterly failed to provide that employment which it was fondly hoped they would afford. The people have borne heavy duties with manliness and cheerfulness, because they thought that the welfare of the community would thus be promoted, but their self-denial has been in vain. During that fifteen years no fewer than 120,000 men have reached the age of 21, and thus only 22 out of every 1,000 of those who have reached the age of manhood have found employment in the factories of Victoria. I have seen an economic calculation which shows that the amount contributed by the people of Victoria towards the protection of their manufactures has amounted to £5,000,000 per annum ; but even assuming that only one fifth of that -amount has been devoted to that object, the community has sustained an enormous loss. The greater part of that amount has gone into the pockets of the manufacturers, and considerable sums have been spent on entirely unproductive works. I admit that the position of affairs in New South Wales is not much better than in Victoria, but still it is better. In New South Wales, during the same year period, 127,500 young men reached the working age, whilst the number of men engaged in manufactories has been increased by 10,800. Thus 81 out of every 1,000 have found employment in the factories of that State. Is it a matter of wonder, considering the large amount of indirect taxation that has been imposed upon the people of Victoria, that the State has not been able to keep its population, and that, during the last ten years - allowing for the natural increase - it has actually lost 130,000 people? This very serious result is, no doubt, largely due to high taxation. The honorable member for Melbourne Ports may smile because 130,000 men have been driven from their homes. To the protectionist manufacturer it is a grand thing to see the working men crushed down and wiped out. A manufacturer, who has establishments in both Melbourne and Sydney, told me on one occasion that he wished to see protection established in New South Wales, because in Sydney the men were too "uppish," but that in Melbourne they had learnt their duty, and were " mighty humble." He said that protectionist duties kept the people down, and that he wanted to see them kept down, and that no man who supported free-trade was any friend of his. These men have been driven away because of the ring fence that has been erected round Victoria, and a good many of them have gone to New South Wales ; but now that a ring fence has been erected round that State also there is no place for them to go

to. Perhaps the Government had some fell design in taxing babies' food. Perhaps they recognise this as one means of keeping down the population ; but this is the first time that I have ever heard of a Government allying itself with the Making of society for the purpose of killing off the babies. Perhaps it was with the same object in view that this baby-farming Ministry imposed duties upon medicines, amounting in some cases to 300 per cent. Many of these medicines come out in solution in alcohol, and that is the only form in which they can be imported. The Government, however, make no reduction in consideration of spirit being under proof, and if these medicines have to pay the full spirit duty of 14s. per gallon the impost upon them will be equivalent to 300 per cent, ad valorem. Where the medicine is cloudy, and the drugs precipitated that is often because sufficient alcohol has not been mixed with it. Alcohol in itself is one of the most valuable medical agencies. It holds in solution half of the drugs in daily use. The imposition of a duty of 14s. per gallon upon alcohol really amounts to quite 300 per cent, on the medicines in which it is used because many of the drugs in them are not worth more than 3s. or 4s. a gallon. It may be, therefore, that there is some wisdom in the Ministry after all. This duty upon babies' foods may have been imposed as the result of careful deliberation in order to wipe out the infants in the first place, and to kill off sick people in the second. The honorable member for Bland says that those industries which employ only a few people cannot expect to receive consideration. That in itself is a very good admission. The industry which employs only a few hands must be one in which the article manufactured is consumed only by a few people. On the other hand the industry which employs a large number of men must manufacture an article which is consumed by the great bulk of the people. The great bulk of the population is always poor. When we impose taxation upon an article that is largely used we are taxing the great bulk of the people. But I did not expect in this advanced age to hear men bold enough to declare "We will tax the great bulk of the people. They ought to be made to pay." Surely those honorable members cannot have considered the full force of their admission. I yet expect to see the honorable member for Bland fighting vigorously upon our side. I know that in some respects he is quite as democratic as I am. Unfortunately he still believes that the bulk of the people ought to be taxed, a proposition from which I entirely dissent. We cannot point to any case in history in which the taxation has been so heavy as that which is proposed under this Tariff. To my mind some consideration ought to be paid to the State of New South Wales, which represents over on st hird of the population of the Commonwealth. The finest recognition of the fact that that State is really the wealthiest of the group is afforded by the admission of the Ministry that they expect to receive 36 per cent, of the total revenue of the Commonwealth from it. If the States of America imposed the same amount of customs taxation upon their people no less a sum than £180,000,000 would be collected, whilst in England itself about £93,000,000 would be collected. I should like to ask the Treasurer whether he really thinks the Tariff is intended for revenue purposes or for protective-purposes 1

Sir George Turner

- We are not allowed to answer questions while a vote of censure is pending.

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Mr CONROY

- That being ' so the Treasurer cannot complain if I interpret his answer in my own way. Among the very fine phrases used by the Prime Minister in his speech at Maitland, was that there would be no " wanton destruction of industries." But if the right honorable gentleman had meant what he said, he would never have proposed to put a duty on the raw material of the vehicle-makers of New South Wales. The total value of the vehicles imported into New South Wales last year, including two State carnages, was only £13,000; whereas the value of the raw material imported was about £100,000. The profit on the £13,000 could not have amounted to more than £2,000, supposing the vehicles had been made in the State. No doubt the right honorable gentleman contends, as a protectionist, that similar vehicles will be prevented from coming in now, and that will be so to a certain extent. But there is to be collected on the raw material of this industry no less a sum than £22,500. There are 1,570 men engaged in the industry, and before they can be placed in the same position they were in before the imposition of the Tariff, they will have to make an extra profit of over £20,000. The right honorable the Prime Minister has behaved so badly that there is not to be found in New South Wales any one who would place the slightest reliance on his word. He has done more to bring discredit on politics than any other man has ever done, and in the future it will doubtless be said of others who behave in a similar fashion - " Oh, do not believe them, they are only

Bartonising."

Mr SPEAKER

- The honorable and learned member must not speak of another member of the House in that way.

Mr CONROY

- I am endeavouring to show that the Prime Minister in his utterances has so departed from the spirit and meaning of the words he used, that the revulsion of feeling against the Federal Government is very strong in New South Wales.

Mr SPEAKER

- The honorable and learned member may say that, but he must not speak in the strain he previously adopted.

Mr CONROY

- It is a great pity the Prime Minister did not make it more clear to the people of New South Wales that they were expected to make all the sacrifices, and that the other States were not expected to make any sacrifices at all. If a low Tariff would conduce to more rigid economy on the part of the States Governments, I should hail with joy as low a Tariff as could possibly be framed. I admit there is difficulty in the way of the Federal Government imposing direct taxation, because we must leave some means open to the States of obtaining revenue by direct taxation. I should like to see every individual in the State, even the humblest, contribute his share of taxation, because each taxpayer would then know exactly what he was paying. The Government unduly hampered the finances by taking over the Postal and Defence departments, and their mistake in doing so is going to be felt by every Federal Government for the next ten years. There is no reason whatever why those departments should have been taken over. The first work that should have been done was to bring forward the necessary machinery Bills before the introduction of the Tariff. Instead of that, look at the time that has been wasted.

Mr Kingston

- Being wasted !

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Mr CONROY

- That is a correction which I do not feel called upon to quarrel with just now, but that is the fault of the Government itself. In consequence of the taking over of these departments, the Government will have to create a works department. This will involve the employment of an additional army of civil servants. When civil servants are doing necessary work, they should be well paid for it, and there should be a sense of security in regard to the positions they hold. But I do not believe in creating unnecessary work. The honorable member for Gippsland went so far as to urge, as one argument in favour of protection, that the home trade is four times more valuable than foreign trade. That can be shown clearly to be not the case. If the home trade were more valuable, no one would trade abroad with his goods, because the risks attending foreign trade are greater than those attending home trade. Adam Smith, in the infancy of scientific knowledge upon the subject 130 years ago, fell into the same error as the honorable member for Gippsland, and it shows that that honorable member is 130 years behind in his knowledge. To carry out the honorable member's argument to its logical conclusion, it is clear that as what we are seeking to do under the Federation is to increase the wealth of the community, it would be an advantage to continue the Inter-State duties, because the trade done in each State would be four times more valuable than that between any two States. A very simple way, also, of increasing the wealth of Victoria, if the honorable member's contention is correct, would be to divide it into ten districts, with a separate Government for each, because, as the trade between two persons in each of the subdivisions would be four times as valuable as trade between them and anywhere else, the sum total of the trade of Victoria by this simple method of subdivision would be increased 40 times. Assuming that the trade of Victoria at present is £20,000,000 a year, we might by so subdividing it and granting a Constitution to each subdivision, raise the trade to £800,000,000 a year. In the same way the trade between two Wesleyans should be four times as valuable as that between a Wesleyan and a Presbyterian. I have only reduced the argument to this absurdity to show how ridiculous the original statement was. I was referring to the vehicles imported into New South Wales, and the damage done there by imposing a duty of 20 per cent, on the raw material. I said there were practically 1,600 hands engaged in the industry, but I did not at the same time touch upon the effect of the Tariff upon saddlery ware. I ask, in reference to that industry, how has the

Prime Minister carried out his Maitland promise, that there -should be no wanton destruction of existing industries 1 I admit that in regard to many Victorian manufacturing industries, he has tried to carry out his promise, but with regard to industries in the State from which he comes he has pursued the opposite course. The raw materials used in the manufacture of Saddlery and harness amount in value to about £90,000. I have tried very hard to separate the various items that come under the heading of raw material. The value of raw material directly stated is £49,000, but taking into consideration all the other items that must be taken into account the total amounts to something like £90,000. I will assume, for the sake of argument, that the total is only £80,000. In order to prevent the importation of £1 7,000 worth of saddlery, the profits on which if made up Would not exceed £3,000, the men engaged in the affected trades have to pay 20 per cent, duty on £80,000, or some like £17,000 altogether. It is an unalterable law that i. the price of an article cannot be increased w without lessening the demand for it. Wages are not increased simply because the price of the article is increased, and I would remind the honorable member for Bland of the economic fact that when prices are raised 20 per cent, there is an absolute depreciation of the wages of the people to that extent, unless their wages are increased correspondingly.

Mr Watson

- Would not the Tariff proposed by the honorable and learned member have the effect of increasing prices 1 I

Mr CONROY

- I do not think the honorable member was present when I explained it. I have pointed out already that, so far as 3,000,000 of the people are concerned, a Tariff of £7,000,000 is all that is required, on the Prime Minister's own statement. Therefore we should not go above that amount. After all, on whom do the taxes fall 1 Why is one class of taxation called " direct," and another "indirect?" The term "indirect taxation" is another name for "protection." It means the collection of a tax from one man, in the certain expectation that he will collect that tax from other individuals. As a matter of fact, not only the amount of the tax, but interest in addition is collected. That is why it is said that indirect taxation is one of the most wasteful forms of raising money. When I look at the Tariff papers, and see that the Ministry estimate that they will raise only £92 by means of the duty of 1½d. per lb. on biscuits, I feel that I may well ask why the tax is imposed, unless it is to allow certain manufacturers to form a ring, and raise prices against the public. If there is no revenue to be derived from it, why should the duty be raised to 1½d. per lb. 1 The public may well ask - " Who are the men engaged in the biscuit trade 1 The firm of Arnott and Co., of Newcastle, in free-trade New South Wales, has been doing a very large export ' trade, with a duty of only ½d. per lb. on biscuits. Last year that firm did a very large trade with South Africa, and was able to do it owing to the abolition of the duties on such articles as currants, which are used in certain classes of biscuits, and the very low duty on sugar.

Mr Watkins

- Is the honorable and learned member aware that it was a duty of 1d. per lb. on biscuits that first enabled Mr. Arnott to get on his feet 1

An Honorable Member. - No

Mr Watkins

- I repeat that it was. He called his creditors together, and paid them 20s. in the £1 like a man.

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Mr CONROY

- Why not pass a law compelling every man who says that he is a protectionist to trade only with protectionists, and thus keep the money in the country 1 If 1,000,000 people in Victoria were able to support a protective policy, surely we could find 1,000,000 people in Australia ready to support the principle I have just enunciated. It is only because it is known that the people themselves would not submit to such a thing that an attempt is not made to carry it into effect. Why should we compel those who do not share our political views to give up some portion of their hard earnings to keep other men going? "When a man is sick, do we provide for him ? Do we provide for every farmer who loses his crop ? Do we provide for the gold miner when he is out of employment or bottoms a duffer^

Mr Watkins

- What about the prospecting vote ?

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Mr CONROY

- I have already shown the remarkable generosity of the proposal of the honorable and learned member for Indi, who said that it is ungrateful of the farmers to complain, because out of the £20,000,000 taken from them they have received back £220,000. It is like saying that a man whom you have knocked down ought to be grateful to you for giving him 2-Jd. out of the £1 you have taken from him. According to the honorable and learned member the farmer ought to be grateful because, when he is robbed of £1 he is given back 2Ed. What nonsense it is to bring forward such an argument here. If the doctrine of honorable members is founded on truth why do they not go round the country and preach it to the people ? Let them go round to the people and state that the true proportion of direct and indirect taxation is 50 per cent, of each. Theory, which is really the explanation of the relationship which facts bear to one another, shows that. I have been surprised at the use which has been made of the word theory here. It would lead any one to think that it means something which is false. I ought not be surprised to hear an argument of that sort from the other side, because one ought not to wonder at such expressions coming from men who have given no study to the question of political economy. I was very much concerned to find that the honorable and learned member for Corinella, who on many other things has been pretty clear, has not paid attention to the science of political economy. I do not object to any man not having paid attention to the question, because it involves two or three years' study, and men cannot be expected to get up and speak on it at a moment's notice. I cannot expect the great bulk of honorable members to be acquainted with a science which has been known for only 120 years, and the first principles of which it has taken the human mind so long to work out. There is no shame in a man acknowledging his ignorance. In my early days I used to go in for explaining the principles of political economy. I have never blamed a man for confessing his ignorance of them any more than I would blame a man for saying that he was ignorant of the rudiments of surveying or of astronomy. I have touched on the item of biscuits, and observed that the great public of New South Wales want an explanation from the Ministry. It is a pity that every time protective duties are introduced it gives rise to a cry in the mind of the public. When they find a certain class of manufacturers deriving a gain, and themselves called upon to make good -the losses, they naturally ask why they should accept such a policy. If it can be defended on the grounds of revenue only, there is the answer, " The money we take from you goes direct into the Treasury." Ent once it goes beyond that point what answer can be given to the general public ? This is a matter that the public have an interest in knowing something about. Honorable members must have heard or read of the disgraceful lobbying which takes place in America. In April last, I met an American gentleman, who asked me what politicians made out of their positions in Parliament, and I told him that I was perfectly safe in saying that, so far as Australia was concerned, up to the present time we had had no instance of any man making money out of politics, and that the most that could be said was that Ministers had sometimes listened to the representations of individual manufacturers, and had given them the right to levy tribute on the people, though politicians themselves had been singularly free from anything in the way of making profits out of the public. That interview took place long before I saw certain

Df the duties that are proposed under this Tariff. It was before I had seen that there was a duty of 8s. per cwt. upon twine and yarn. The manufacture of twine and yarn has been carried on in New South Wales without any duty at all, and the people of that State are asking very pointedly whether this 8s. per cwt. is being given to a certain manufacturer who used to contribute very largely to the protectionist cause.

There is only one manufacturer in New South

Wales who makes this yarn, and that is Mr. Forsyth.

Mr Watson

- I did not think there was any made there.

Mr CONROY

- Yes; there is. There is one manufacturer in New South Wales, and there are two in Victoria. The New South Wales manufacturer contributed £250 to the electioneering fund that was used to secure the return of the Prime Minister, and hundreds of people are asking whether there is any connexion between that circumstance and the imposition of the duty.

Mr DEPUTY SPEAKER

- I do not think the honorable member can connect the statement he is now making with the motion before the House.

Mr CONROY

- I think I can do so. The moment I saw a duty of 8s. per cwt. put upon twine and yarn, the question suggested itself to me why should such a duty be imposed, because I did not see where the revenue was to come from. When I see that money is to be put into the pockets of individual manufacturers, I want to make quite sure that there is no member of the Federal Parliament who is in any way implicated.

Mr Mauger

- What is the honorable member giving us 1

Mr CONROY

- I want the truth, but I do not expect it from the honorable member, because he has been too long employed by a manufacturers' ring in Victoria.

Sir George Turner

- The honorable and learned member is going a little too far now.

Mr Mauger

- I rise to a point of order. The honorable and learned member is reflecting upon the character of honorable members of this House in a way which is certainly unjustifiable, and exceedingly unbecoming.

Mr DEPUTY SPEAKER

- The honorable and learned member for Werriwa is disorderly in imputing improper motives to honorable members of this House, and I call upon him to withdraw.

Mr Conroy

- I ask for a denial from honorable members on the Government side--

Honorable Members. - Withdraw ! Withdraw !

Sir George Turner

- Yes, withdraw the lying insinuation.

Mr Mahon

- I direct your attention to the remark of the Treasurer that the statement of the honorable and learned member for Werriwa is a lying insinuation.

Mr DEPUTY SPEAKER

- Will the honorable member for Coolgardie resume his seat 1 The honorable and learned member for Werriwa has made a reflection upon the honorable member for Melbourne Ports. The remarks he has made are personally insulting, and the honorable member objects to them, and I therefore call upon the honorable and learned member for Werriwa to withdraw.

Mr Conroy

- May I ask what remarks are objected to ?

Mr DEPUTY SPEAKER

- The remark was - " That the honorable member for Melbourne Ports was employed by a ring of manufacturers in Victoria."

Mr Conroy

- In the first place, before we go into that matter--

Mr DEPUTY SPEAKER

- The honorable member must withdraw.

Mr Conroy

- I will withdraw the words objected to. I now desire to direct your attention, Mr. Deputy Speaker, to the statement of the Treasurer that I have made a lying insinuation.

Mr DEPUTY SPEAKER

- I did not hear the Treasurer use those words, but if he did I must call upon him to withdraw them.

Sir George Turner

- I withdraw. We are not used to this sort of tiling here.

Mr CONROY

- I do not understand how it is that there has not been a great deal of this sort of talk from the people of Victoria, who have been defrauded and robbed of their earnings through the imposition of duties which have taken 20 to 25 percent, of their wages from them. They have a right to know into whose pockets the money which is taken from them goes, and honorable members on the Government side have no right to be annoyed when questions are asked on the subject. If honorable members pursue a certain course,

and try to benefit certain individuals at the cost of the general public, they ought to be prepared to listen to the truth.

Mr Crouch

- We are not annoyed. The honorable member's remarks are beneath contempt.

Mr CONROY

- I would direct your attention, Mr. Deputy Speaker, to the words used by the honorable and learned member for Corio, and ask that he may be requested to withdraw them.

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Mr Crouch

- I withdraw.

Mr CONROY

- One objection that has always been raised to late sittings is that they tend to this kind of thing, and it does not add to the dignity of the House or to the dignity of the Ministry when an attempt is made to push business through in this way. I have a duty to perform to my party and to the people of Australia. The people want to hear what the leader of the free-trade party has to say, and I am determined as far as lies within my power to give him an opportunity of saying what he has to say freely and faithfully, even if I have to speak the night through.

Mr CROUCH

- I rise to a point of order. I wish to call your attention, sir, to standing order 276, which says - The Speaker or the Chairman of Committees, may call the attention of the House or the committee, as the case may be, to continued irrelevance or tedious repetition, or the taking up of time by a speech of such unwarrantable length as to obstruct the business on the part of a member, and may direct such member to discontinue his speech.

I ask whether the honorable and learned member for Werriwa is not infringing that standing order.

Mr DEPUTY SPEAKER

- Upon the point of order raised, I wish to say that it is distinctly disorderly for any honorable member to repeat himself, or to threaten to prolong the debate for an improper purpose. I am perfectly aware of my powers, although I am loth to put them into force. I call upon the honorable and learned member to continue his speech in a coherent way.

Mr CONROY

- I think it will be admitted that up to the present I have continued my remarks in a coherent way. The subject which I am discussing is of such magnitude that to debate it thoroughly would occupy 200 or 300 pages of print, and therefore, it would not be at all remarkable if I occupied ten hours in discussing it.

Mr Page

- Perhaps some honorable members would like the gag to be introduced. If a matter cannot be got through without the use of the gag, it cannot be got through with it.

Mr CONROY

- The people of New South Wales are anxious to have some explanation in regard to the duty of Ss. per cwt. upon twine and yarn. They wish to know the reason why this amount is to be placed in the pockets of a particular manufacturer. I am aware that the gentleman in question contributed largely to the funds of the Government party at the recent federal elections.

Mr DEPUTY SPEAKER

- I told the honorable and learned member upon a previous occasion - and I hope he will not disobey the Chair - that insinuations of that kind are personally offensive to Ministers, and he must know it. I call upon him to withdraw the expression, which I hope he will not repeat.

Mr CONROY

- I do not know that I can withdraw the expression altogether.

Mr DEPUTY SPEAKER

- If the honorable and learned member does not withdraw the expression and apologize, I shall have no other course open to me but to order him to discontinue his speech.

Mr Mahon

- You cannot do that.

Mr CONROY

- It is my desire at all times to obey the Chair, and, much as I should like to continue my remarks in the same strain, I shall bow to your ruling. I come now to the item of " soap."

Mr Crouch

- The honorable and learned member has not withdrawn.

Mr CONROY

- I have withdrawn, in accordance with Mr. Deputy Speaker's ruling. When I find that the Prime Minister will not grant any indulgence to honorable members of this House, I am entitled to deal with him in the way that I think proper. I shall mete out to him treatment exactly similar to that which he metes out to honorable members upon this side of the House.

Mr Watson

- If there is anything wrong, the honorable and learned member should say so, and prove it.

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Mr CONROY

- Let the Prime Minister come into this chamber. I was pointing out that there is a duty upon soap. The whole of the revenue which the Government expect to derive from this source amounts to only £138. I know that Mr. Gillies - who has soap and candle works - is an enthusiastic supporter of the Prime Minister, but I do not see that that is any reason why a duty of this sort should be imposed. I do not understand what connexion there can be' between the two facts. Upon pianos, a duty of £1 is levied, with 15 per cent. ad valorem. There is a factory in New South Wales in which 500 pianos have been made. The invoiced cost of cottage pianos is about £7, so that this duty really represents about 75 per cent. In the mother

State, the manufacturer of pianos has got on very well without the aid of any duty whatever. Why should £3,000 be put into the pockets of this particular manufacturer just as directly as if he were allowed to collect it from the individuals themselves'? Here, again, the fact must be remembered that he is a great friend of the Prime Minister. The public of New South Wales will want an explanation in regard to the duties upon biscuits, twine and yarn, soap, pianos, and a good many other articles which I have not time to discuss just now. I should like further to point out that these duties lead to the creation of trusts. In Victoria there is a nail and barbed wire factory. Of what possible benefit can the imposition of a duty upon these articles be to the bulk of the people 1 These wages are paid out of money collected from the people, and unfortunately the money does not go directly into the pockets of the workers, but has to 'filter through the manufacturers. But if a policy be framed for advancing the interests of individuals as against the interests of the nation, no wonder we find men eager and willing to take advantage of it. Are we not entitled to say that the protection of the Australian Paper Mills Company and of the proprietors of the strawboard mills is unjust to the great bulk of the people 1 Then the American Tobacco Trust will doubtless, as time goes on, under this Tariff reduce their expenses of management by closing up their factories in Adelaide and Melbourne, and conducting their business entirely at their factory in Sydney. The difference between the excise on leaf and the duty on imported tobacco means thousands of pounds to the consumer, and no one can for a moment contend that it is right that this company should make such enormous profits in consequence of the Tariff. If the policy of the Government be right, why not make tobacco factories a State industry ?

Mr Tudor

- Would the honorable member support such a proposal ?

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Mr CONROY

- I would be in favour of such a proposal in the case of tobacco, and if the proprietors of the tobacco factories are protectionists, they need not be* given any compensation, because they will know that the "money is still in the country." I have already referred to the two reaper and binder factories in Victoria, which are combined, or, at least, form a ring pledged not to sell below a certain price. If the Government had said that this was a revenue Tariff, I might have urged that they had overstepped the bounds, but when they declare their proposals to mean protection, we are entitled to know what particular classes of manufacturers are given the right to levy money on the bulk of the people. The more of these rings there are created, the more difficulty there will be in getting rid of them, and with a Commonwealth containing over 4,000,000 of people, these rings are given greater power than ever they had before. Even

the proprietors of the three candle factories are under an agreement to charge certain rate³, and the advantage of a duty is given to this industry, although the estimated revenue is only £403. I admit that sometimes the money does not go into the pocket of the manufacturer, owing to bad machinery and wasteful management, which tend to reduce the profits, but as population grows, the manufacturers are given an increased advantage. Although the duty on sugar is not to be collected until the 1st June next year, the price of this commodity has been raised by £2 per ton ; indeed, the honorable member for South Sydney, who is a large jam manufacturer, declares that the price has been increased by £2 10s. per ton, so that the effect of the duty has been to put large sums of money into the pockets of the shareholders of the Colonial Sugar Company. I should like to know why a company with a capital of a million of money should be allowed to collect money from the public in this way 1 The duty puts £450,000 into the pockets of its shareholders. I am told that some of the rich lands of Queensland may go out of cultivation if these duties are not imposed. How can they be rich lands if they cannot be cultivated without the benefit of a tax on the rest of the people of Australia 1 What would the farmers who live on the potato lands near Warrnambool say, if they were told that they might levy a tax for their own benefit upon the people living in the mallee 1 I am glad to say that amongst a great many of the people in the sugar growing district of New South Wales it is coming to be recognised that they ought to be thankful for the rich lands on which they live, without seeking to tax their poorer neighbours. The policy of the leader of the Opposition, so far as concerns the reduction of the sugar duties, was a blessing in disguise to the farmers in the Richmond River district. It directed their attention to dairy farming, and has increased the wealth of that district tenfold. Sugar is the raw material for many of our natural industries. It is the raw material for the jam trade which has sprung up in recent years, until we are now exporting tons of jam and preserved fruit.

Mr Ewing

- Mostly pumpkins !

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Mr CONROY

- We hear that our jams bear favorable comparison in the eyes of the world with those produced in other countries. Orders are being received for them from all parts of the world. But this duty on sugar is going to increase the cost of producing jams, and will consequently injure the trade. This will bring about diminished employment and lower wages. Duties like this injure the whole community. If the people of England had listened to some politicians in 1845 and 1846 her duties would have been retained. Their argument was that if they wanted revenue they must keep up high duties. They would not believe the political economists who told them that the lower the duties the greater would be the revenue, because the greater would be the demand for the articles ; and so far from the bulk of the people being out of employment, and a condition of misery existing, it would tend to sweep all that away, because the greater demand for the articles would increase the demand for labour. I mentioned that if the wages of men were not increased 20 per cent, the effect of this Tariff would practically be to diminish their wages by 20 per cent. It is true that in the case of two staple necessities of life, meat and wheat, the injury that protection does cannot be felt to the fullest extent. I concede so much to the protectionist. When a statesman like Sir Robert Peel came into power he was willing to be guided by the teachings of science, and how clearly the result proved him to be right. From 1836 to 1846 the revenue in England was falling off by from £500,000 up to £2,000,000 a year, the people in hundreds of places were starving, and the metal heaps at Leeds, which were given to men to break up, had increased to 150,000 tons. One honorable member opposite told us during this debate that Lord Salisbury had become a convert to protection, but what the Prime Minister of England did say on the subject was that the people must not forget that now the amount of direct taxation equalled the amount of indirect taxation, and that any further increase of taxation must be an increase all round. I find that on 2nd May, 1894, he said " Protection is dead and cannot be revived," while on 10th March, 1897, he said - " I do not doubt that free-trade is the policy for this country, and which this country will continue to pursue." Could there be any stronger declaration ? We expect to lose on this division, but I have no hesitation in saying that if the voice of the people of the Commonwealth could make itself heard - and I trust that it will yet have an opportunity of doing so, because the Tariff has to go before another House - it would be found to be with us. The silent forces which make for freedom will triumph in the end as surely as good conquers evil. There will yet be found on the part of the people an insistence, not for taxation, but an insistence that whenever any taxation is to be imposed it shall be

borne fairly by us all in proportion to our means. I admit that the proportion of direct taxation which can be raised in a new country like this is not what could be raised in an old country, but it will yet be far nearer than anything the Ministry has proposed. So far as they are concerned the amount of direct taxation which will have to be imposed will be something like 15 or 16 per cent. The only State which has made an approximation towards the equalization of taxation is New South Wales. It imposes direct taxation to the extent of 29 per cent. In a new community it is impossible to carry out the theoretical idea, nor would direct taxation be correct, to my mind, if it were excessive. But the relative proportion in which direct and indirect taxation should be borne is far from finding a place in the proposals of the Ministry. I trust the people will learn this great lesson, that no taxation will be for the benefit of the people; that every penny that is taken from the productive power of the country means so much diminished employment, and consequently general deterioration. So far from advancing the interests of the wealthy classes, it is to their own injury, and their selfishness in avoiding their fair share of the public burdens unduly depresses the masses, and widens that gulf between rich and poor, which all earnest men wish to see narrowed.

Mr. BATCHELOR(South Australia).In the jaded condition of the House at this hour of the morning, I feel that perhaps I ought to apologize for addressing members even for the few minutes that I intend to speak. My only reason for rising is that so far I have not spoken on Tariff matters in this Parliament. I did not speak to the address in reply, nor have I given any indication of my views on the fiscal question. The debate has been unprecedentedly long, and I am afraid honorable members must have concluded that it has been somewhat wearisome. Perhaps, however, it has had some educational effect. Let us hope that it has. I am rather afraid not only that the greater part of what has been said during this debate has been irrelevant, but that the mass of matter, having very little relation to the real question before us, which has been put forward, clouds the issue, and prevents the people from obtaining a fair and definite conception of the real principles at stake. We have had a mass of statistics quoted, giving comparisons between the positions of New South Wales and Victoria. We have had a great many re-creative expressions used by honorable members on both sides of the House, but certainly to a far greater extent by those on the opposition side.

Mr G B EDWARDS

- No.

Mr BATCHELOR

- If the honorable member is as fair and candid as he is usually he will admit the correctness of my statement. Scarcely one honorable member has referred to New South Wales throughout this debate, except in a courteous and fair manner. On the other hand, it cannot be denied that expressions have been used with reference to Victoria which seem to me, as one of the representatives of a outside State, to be of an unnecessarily offensive character to Victorians.

Mr Wilks

- The honorable member must have misunderstood them.

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Mr BATCHELOR

- I do not say that the honorable member has been guilty of that kind of conduct, and I am not referring to him. A great deal of what I refer to had no relation to the question of free-trade or protection, and it was unnecessary to drag it in. I think that its introduction has been a disadvantage. We want to build up in this Parliament some national sentiment. We do not want to be carping continually at States represented by honorable members holding views different from our own. I said just now that most of these comparisons had very little relation to the question at issue, and I think honorable members must agree that very little can be proved by statistics. Much depends on the circumstances, and we cannot get similar circumstances in all the States, 'so that the statistics which have been quoted are of no particular value. For instance, if we consult Coghlan in order to ascertain which of the Australian States have shown the greatest progress during the last 20 years, and the best conditions for labour generally we find, strange as it may seem, that they are those States which have had a nominee Legislative Council - New South Wales, New Zealand, Queensland, and, for some little time, Western Australia. But how absurd it would be to argue that therefore the high road to prosperity is to have a nominated Legislative Council. Yet, such a conclusion would be quite as logical, though it is so absurd, as some of the arguments which have been used in this debate. Like the honorable member for Darling, I am quite convinced that fiscal policies

have not a great deal to do with the conditions prevailing in various communities. Only one inference, I think, can be drawn from the general statements of the conditions prevailing in various countries. One broad fact is to be learned from looking at contemporary history, and that is that all the nations which have built up industries to any considerable extent have done so under a system of protection, and that every nation but one - Great Britain - which has practised protection has stuck to it. Notwithstanding 'the fact that all the offshoots of Great Britain were trained in free-trade views, and had a natural love for British ideas, in every case but one they have adopted protection, and not thrown it over. Surely we can conclude from that fact that high national prosperity is certainly not incompatible with a protective policy 1 It is idle to suggest that Australia will not progress under a protective system, when we see that all nations except Great Britain have done so. It certainly must be admitted that all the great statesmen of the world are not located in Great Britain, New South Wales, and Turkey. And arguing from that fact, surely there must be something more in this system than our free-trade friends are prepared to admit 1 If we admit that there are some statesmen outside Great Britain, New South Wales, and Turkey, are we to conclude that in those countries which have adopted protection the people are more easily cajoled and imposed upon than are those in other countries 1 I do not think that that contention can be sustained. Taking an historical view, all the arguments certainly make for protection. I do not wish to say for a moment that nations are prosperous or the reverse because of protection or free-trade : I do not believe it ; but at least it can be said that protection is certainly compatible with a very high state of prosperity. Comparisons have been drawn between Victoria and New South Wales by the free-trade party to the advantage of the latter State. Had New South Wales been compared with New Zealand or Queensland or any of the other States, quite the reverse result would have been shown. What particular value is it to draw a comparison between New South Wales and Victoria, when if it were drawn between New South Wales and Queensland, or New Zealand, or other protectionist communities, quite a different result would be shown as regards conditions of life and general prosperity' It has not been shown, though a great deal of time has been devoted in the attempt, that in free-trade countries better conditions prevail for the workers than in protected countries. An attempt has been made to show that the conditions in England are very much better than those in the United States, and that the conditions in New South Wales are very much better than those in Victoria. But the country in which the general conditions of life are best, and certainly where the agriculturists are most prosperous, is New Zealand, a most highly protected community. So that a very high state of agricultural prosperity can exist under a protective policy.

Mr CONROY

- No doubt, but surely it is at the expense of the farmer 1

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Mr BATCHELOR

- Is it not curious that in New Zealand, where we see an agricultural population chiefly engaged in primary production, the people are so blind to their own interests that they permit their industries to be injured by allowing a system of protection to exist ? The absurdity of the suggestion of honorable members opposite is evidenced by the fact that, instead of being crushed, that colony is in a more prosperous condition than is any State in the Commonwealth, or probably any other country in the world.

I confess myself a moderate protectionist. I realize that the phrase requires to be denned, and I understand a moderate protectionist to be one who believes in protecting industries which are of considerable importance. I do not approve of protective duties for the establishment of industries such as the manufacture of nails, or to keep a few men employed. Unless an industry is well worth establishing, there is no justification for imposing heavy burdens upon the people, but I believe that in Australia we should be able to meet the chief wants of our people, and that the more we can do so, the better it will be for the community. I do not believe in prohibitive duties. I am convinced that while a revenue duty must inevitably add to the cost of living, a protective duty, so long as it is not prohibitive, very often leads to competition between outsiders and the local manufacturers, and so brings down prices instead of adding to them. I do not see how under any system of free-trade we can secure to the workers those conditions which I think should exist in these States. Wages boards are not the outcome of either protection or free-trade, but I believe that they are necessary to insure the very best conditions for labour. At the same time, wages boards and boards of conciliation and arbitration - which are designed to secure reasonably good conditions for working men - cannot operate successfully unless they are associated with a system

of protection against the outside world. I have a perfectly free hand in this matter. South Australia has been evenly divided on the question of free-trade and protection, and the elections were not influenced at all by fiscal considerations. It has been claimed that South Australia has returned a majority of free-traders to this House. Taking the order in which the representatives of that State were placed on the poll at the election, the two leading representatives are protectionists ; the next two are free-traders j next comes a protectionist, and then two free-traders, whilst the last among the successful candidates was a protectionist. If there had been six or eight representatives required, there would have been equal numbers of both political creeds. In the Senate there are three representatives on the one side, and three on the other, and the whole of the honorable members who represent South Australia would have been returned irrespective of their views on the fiscal question. I have never been allied with any fiscal party, and when I had to make up my mind upon the Tariff question I was as free as any man in Australia. In view of the difficulties I foresaw in connexion with future labour legislation, unless we have protection for workmen against outside competition, I was influenced to give my adherence to a protectionist policy. At the same time I do not think that it is wise to pile burdens upon the people for the sake of protecting industries that are exotics, or to put on heavy duties which would only lead to the formation of rings. The protection of industries which are necessary to meet the requirements of the people does not always add to the public burdens. Take the salt industry of South Australia, for instance. A few years ago the salt lakes of South Australia were a nuisance to travellers, and were absolutely useless. All the salt that was used in South Australia for curing and other purposes was imported from abroad. The cost of curing salt was about £5 10s. ' per ton, and the price ran up to £6 per ton for salt of the Black Horse brand. A duty of 25s. per ton was imposed upon salt in South Australia, and with this encouragement means were devised for properly refining and purifying the local salt. South Australian salt is as good as that of the Black Horse brand for curing purposes, and is being put upon the market at from 30s. to 35s. per ton. The price of 30s. per ton delivered at . Port Adelaide to-day presents a great contrast to the £5 10s. per ton which was formerly charged for the imported salt, and the local production of salt has proved a great boon to those engaged in the meat and curing industries generally. This result shows that where protective duties are put on articles which enter largely into consumption in the States, they do not necessarily increase prices, but sometimes operate in a contrary direction by permitting of the establishment of valuable industries, which not only result in the cheapening of produce, but also provide employment for a large number of people. With regard to the proposed Tariff, I think it is fairly satisfactory, upon the whole, from a protectionist stand-point.

Mr Poynton

- Does the honorable member believe in the composite duties ?

Mr BATCHELOR

- There is an advantage about the composite duties, inasmuch as under fixed duties the cheaper classes of goods pay a very high percentage than the dearer classes. The composite duties, however, are indicative of an attempt - probably the first in Australia - to improve the incidence of the taxation.

Mr Poynton

- That does not apply to the measurement charges.

Mr BATCHELOR

- I imagined that the composite duties to which the honorable member was referring were the fixed and the ad valorem rates. I do not know that I have a very great admiration for the duties to be charged upon the outside measurement of cases, but before expressing a very definite opinion I should like to hear what the Minister for Trade and Customs has to say upon the matter.

Mr Poynton

- In some cases the duties amount to four times as much as the value of the goods, in addition to the 15 per cent. ad valorem.

Mr BATCHELOR

- That may be so. If the honorable member can show that those duties will inflict hardship without conferring a sufficient benefit upon the community, I am quite prepared to vote with him to strike them out. I repeat that the purely protective duties are, in my opinion, fairly satisfactory. I know that some industries have sustained a severe blow even -in South Australia, where the duties which formerly operated were not very high. For example, since the day after the Minister for Trade and Customs introduced this Tariff,

not a single man has been employed in the cigar-making industry there owing to the reduction in the differential duties. I have heard the importers' statements, and I have also secured very full details from persons in the trade, who traverse the arguments of the importers, and show that they are entirely biased and one-sided. There were five or six factories in Adelaide prior to the introduction of the Tariff, and every man who was employed therein has been thrown out of work.

Mr Kingston

- The employers sometimes do that for other purposes. It wants to be looked into.

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Mr BATCHELOR

- It wants to be looked into. Formerly in South Australia there was an import duty of 6s. 3d. per 1,000 upon manufactured cigars. This Tariff reduces the charge to 5s. 6d. per 1,000, with 15 per cent, ad valorem added. I would point out that 15 per cent, upon 30s., which is the price per 1,000 at which most Manilla cigars come in, does not represent very much. On the other hand, the duty upon imported leaf used to be 1s. 7½d. Now it is 1s. 6d. per lb., and added to that there is an excise of 1s. 6d. There has thus been an increase in the duty upon the raw material from 1s. 7½d. to 3s. per lb., whilst on the other hand there has been a reduction in the import duty from 6s. 3d. to 5s. 6d. per 1,000. The result of these changes has been that in South Australia all the men who were formerly employed full time in the cigar-making industry, at an average wage of about £2 per week, are now walking the streets with no prospect of ever resuming their avocation.

Mr Poynton

- Does not the honorable member think that Inter-State free-trade has something to do with that result ?

Mr BATCHELOR

- Not in the slightest degree. These cigars could not be immediately manufactured in any one State much more cheaply than in the others. In South Australia they can be manufactured as cheaply as they can be elsewhere. The cost of the raw material is not greater there, and the conditions under which the men work are about the same as those which obtain elsewhere.

Mr Poynton

- How does the honorable member account for the fact that the factories in the other States have not been shut down ?

Mr BATCHELOR

- They have not been shut down because the difference between the duties which formerly operated in those States and the duties imposed under the present Tariff is not so great. Victoria is the only State in which the cigar making industry has attained to any proportions. There are not many cigars made in Sydney.

Mr Tudor

- There are a few.

Mr BATCHELOR

- Yes, but very few. In Victoria a considerable number of cigars are manufactured, and South Australia has also turned out a fair quantity relatively to her population. In Victoria the industry has sustained the same blow as that which it has experienced in South Australia, though not quite to the same extent. Nevertheless, the cigar-makers here have informed some honorable members that they will not be able to continue the industry under the changed conditions. I refer to this matter only as one instance in which this Tariff has led to the destruction of an industry which formerly employed a considerable number of men, and enabled them to provide for their families. Whilst it is a small industry, I cannot, with indifference, contemplate its destruction.

Mr Kennedy

- The free-traders say that the labour displaced in that way should go into primary production.

Mr BATCHELOR

- The honorable member for South Australia, Mr. Poynton, knows that these cigar-makers have about as much chance of getting employment in primary producing industries as they have of reaching the moon. Another industry which is "hardly hit" is that of the white workers who make up cotton piece goods ; and I think the Ministry would be well advised if they carry out their pronouncement that there shall be revenue without destruction. I do not want the Ministry to impose heavy duties in order to bolster up industries

which are not worth consideration, but this is one of the few avenues for employment for women, and a tremendous amount of harm will be done if it is impeded in the way proposed.

Mr Poynton

- That is by means of duties on the raw material?

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Mr BATCHELOR

- It is the difference between the cost of production here and the import duty which is the protection to the local manufacturers and workers, but if the duties on the raw materials are raised, that has the same effect as the abolition of the protection. Unquestionably, the Minister for Trade and Customs and the Treasurer are to be congratulated on the fact that on the whole there has been so little outcry from the various industries which, except in New South Wales, have hitherto been protected in various ways in the different States. The whole outcry against this Tariff has been in connexion with the revenue items; Except in the case of the cigar-makers, the white workers, and one or two other classes, I have heard no complaints to speak of, the whole outcry having arisen in connexion with the increased cost of the necessaries of life, as they are called, such as timber, kerosene, tea, preserved milk, flannelette, and cotton goods. Honorable members who talk about the incidence of this Tariff being oppressive on the poorer people, state what is true, because in my opinion the revenue duties, though not the protective duties, are decidedly oppressive in many respects. The reason, of course, is that the Minister for Trade and Customs and the Treasurer deem it necessary to raise the immense sum of nearly £9,000,000 in order to meet the requirements of the Commonwealth. It is not necessary, in my opinion, to inflict a £9,000,000 Tariff on the people. I do not feel inclined to add to the burdens of the people by taxing those articles which are in common consumption, and which cannot be made in the Commonwealth, though these are the articles which members of the Opposition regard as affording the only proper means of raising revenue by Customs duties.

Mr Conroy

- In South Australia £2,500,000 more than is necessary is being raised, which is unjust to the people of that State.

Mr BATCHELOR

- The honorable and learned member is confusing South Australia with the Commonwealth. South Australia is an important part of the Commonwealth, but it is not the whole continent.

Mr Poynton

- Does not the piling up of protective duties reduce the revenue 1

Mr BATCHELOR

- It certainly does to the extent to which goods are prevented from coming in, but protective duties do not necessarily add to the cost of an article.

Mr Poynton

- Protective duties have done so.

Mr BATCHELOR

- If a cheaper article be produced in the Commonwealth, the people get the benefit, and there are persons, many or few, engaged in an industry amongst us, providing a market for our butter, wheat, fruit, and other produce. Does the honorable member mean to say that the employment of these people does not give us a corresponding advantage 1

Mr Kingston

- These people bring in increased revenue by paying duty on other lines.

Mr BATCHELOR

- That is a fact which is often overlooked. It is said that when articles are prevented from coming into the Commonwealth there is a tremendous loss of revenue. But if articles are prevented from coming in, it is because they are made by people who live here, and who maintain their families by their earnings, while, at the same time, they are consuming other dutiable goods, and thus paying revenue to the country. A great deal more is made of the arguments about loss of revenue than the case warrants.

Mr Poynton

- But if articles are kept out, does that not give the local manufacturers a chance of charging extra prices equal to the duty.

Mr BATCHELOR

- If such duties are imposed that no goods come in, that, in the absence of competition, certainly leads to the establishment of manufacturers' rings. But if there be free-trade and no local competition, that leads to the formation of importers' rings ; and one set of rings is as bad as the other.

Mr Conroy

- Anybody can be an importer. It requires no capital to become an indent agent.

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Mr BATCHELOR

- Anybody can be an importer, but importing does not bring out the skill and business faculties of the people to the extent that manufacturing does. At the risk of repeating myself, I must again say that the whole trouble about this Tariff is raised in connexion with the revenue items, and not in connexion with the protective items. If the leader of the Opposition had had to bring in the first Tariff for Australia, it would have been the very best thing that could have happened for the protectionist cause. In such a case, freetrade and the name of the leader of the Opposition would have been associated with duties as high, if not higher, than those proposed in the present Tariff, and such a policy would have simply added to the cost of living, without causing the employment of a single additional person or giving any corresponding benefit. Had the free-trade party introduced a Tariff on the lines they must have followed in order to carry out their theories, piling even heavier burdens of taxation on such articles as tea, coffee, kerosene, and blankets, it would have been the very finest thing that could have happened for the protectionist cause. I admit that I am dissatisfied with the Tariff in regard to the revenue items, because all my political life I have been fighting against the taxation of such articles ; and when I have an opportunity to vote in favour of the importation of the necessaries of life as cheaply as possible, I do not intend to neglect it. What is more, I find from the speech of the honorable member for South, Australia (Mr. Poynton) that, though he is classed as a revenue tariffist, he is going to do the same. I am glad to hear that the honorable member and I will be voting on the same side on that question, as we have done in the South Australian Parliament upon similar questions. Under the circumstances, I am compelled to vote with the Government rather than with the Opposition, who can offer me no relief in the direction in which I think relief is required. The Opposition offer only destruction without relief. That phrase is the watchword that should be printed on the banner of the free-trade party in this connexion. On the other hand, although the Government, I admit, oppress the people to a considerable extent by revenue duties, they do not add to the difficulties of the people by bringing about the displacement from employment of large numbers of workmen. That is certainly what would happen if the Opposition were successful. As to the amendment of the honorable member for Barrier, I have at his request to ask for its withdrawal. He has had to leave earlier than was expected, and has, of course, paired; but he finds that there is such a general feeling amongst honorable members on both sides - some of whom are favorable to his proposal - that it would complicate the present issue, and he has come to the conclusion that it would be undesirable to press it to a division. As far as I am concerned I think he is wise in doing so. Had he pressed the amendment to a division I should have voted for it, though I think the better plan is for the Commonwealth Parliament to leave the imposition of direct taxation to the States. We can bring about direct taxation if we desire it without imposing it ourselves. If we do not give the States a surplus sufficiently large to enable them to carry on, they will be compelled either to make great reductions or to impose direct taxation in any form they like. I certainly think that some proposal for direct taxation is necessary to make the motion of the leader of the Opposition complete and definite ; but under present circumstances it is just as well that the amendment should be withdrawn. I therefore ask the permission of the House for its withdrawal.

Amendment, by leave, withdrawn.

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Mr PHILLIPS

- At this late period of the debate, and early hour of the morning, I should not have troubled the House had it not been that in certain quarters a doubt has been expressed as to how I shall record my vote in connexion with the motion of censure proposed by the leader of the Opposition. I rise more for the purpose of removing that doubt than for any other reason. Why such a doubt should have been expressed I know not. At the election I stood as a supporter of the Barton Government. I was opposed by one of the high priests of the free-trade democratic league, which did all it possibly could to secure my

defeat. A section of the press that has devoted a considerable amount of attention to me during the last three or four weeks, on that occasion placarded its columns with my name as a high Tariff candidate. Yet within the last week or two they have stated that I should be false to my pledges if I voted with the Government on this occasion. In support of what I now state, I may add that some little time before the day of nomination there were three candidates for the Wimmera seat in the field in the interests of the Barton Government. I thought it was inadvisable for the three of us to stand, and brought about a conference, the result of which was that an arbitration committee was formed. One member of that committee was the Attorney-General of the Commonwealth, and I was chosen as their candidate. That, I think, proves that knowing the policy of the Government I was their candidate, and I have broken no election pledge. I desire to draw attention to a quotation from the first speech I delivered in connexion with that election. The speech was circulated throughout the length and breadth of the Wimmera, and every elector in that district got a copy of it. I am reported to have said in that speech -

The most important question the Federal Parliament would have to deal with was that of the Tariff. It was now resolving itself into a fight between the advocates of free-trade and protection, but many of them overlooked the fact that a certain amount of revenue had to be raised for the working of the Commonwealth. Clause 86 stated that on the establishment of the Commonwealth the control of duties, customs, and excise passed to the executive Government, and clause 87 stated that for a period of ten years, or till such time as Parliament otherwise provided, of the net revenue not more than one-fourth should be applied to the Commonwealth, the balance to be paid to the respective States. It would take £8,500,000 to provide the necessary revenue of the Commonwealth and return to the States the three fourths proportion they were entitled to. That revenue could only be raised through the Customs. He supported the policy of Mr. Barton, whose Government he was prepared to follow. Mr. Barton's motto was, "Revenue without destruction," which meant that, while the whole of the revenue would be raised through the Customs, the duties would be such as would enable consideration to be extended to the industries that have been built up under the protective policy. If there was any shortage in the Customs revenue it would have to be made up by a land tax, which, of course, he (the candidate) or any farmer would not for a moment approve of. If an all-round revenue duty were imposed it would mean that the present free list would be taxed. In that list were a considerable number of articles in daily use amongst the producers, and he would be no party to have those articles taxed. This list included kerosene, and other oils, corrugated iron, manures of every kind, cream separators, traction engines, reapers and binders, wine presses, sewing machines, sheep shearing machines, safety matches, posts and rails, brown rock salt, wool packs, and a large number of other articles. He thought it would be recognised that Mr. Barton's was the proper policy to adopt, as under it they would protect established industries, and retain the free list in the interests of the producers. If there was any shortage in revenue, the only power the Federal Parliament would have would be to impose a land tax. (A voice - And why not?) Because there were about 400,000 people around Melbourne, who would escape scot free if that tax were imposed. (Loud applause). He was also prepared to consider protection to natural industries. He could assure them that if they returned him as their representative, he would honestly support the policy of the Barton Government, which would sweep the polls in Victoria. He did not consider that it was a question between the two leaders of free-trade and protection, so much as a question as to who should obtain supremacy in the Federal Parliament. He held that Mr. Barton was entitled to that supremacy.

Those were my pledges at the election time, and I state to-night that I consider this motion has very little to do with the Tariff. It is only an attempt by the Opposition to secure the Ministerial benches, and they are prepared to take every advantage, and to get there if they can by any means. The night after I delivered the speech to which I referred I spoke at Donald, and from the report of that speech, appearing in the Argus of 7th March, I quote the following : - 'Mr. Pharez Phillips, M.L.C., the protectionist candidate, addressed the electors of the Wimmera. He announced that he was a supporter of the Barton Government, and explained the reason he had turned from free-trade to protection was that sufficient revenue to carry on the Commonwealth Government could only be obtained by a protectionist policy. He, however, was in favour of the present free list, and no duty should be placed on these articles. He did not believe in woman's suffrage, and would not support Mr. Barton in that policy'. The present fight was not protection versus free-trade, but whether Mr. Barton or Mr. Reid should be leader, and he would support Mr. Barton's claims. A vote of confidence was carried.

I think these quotations clearly prove that by voting with the Government on this occasion, I do not violate any election pledge, on the 'contrary, I redeem my pledges. I recognise that I was returned as a consistent supporter of the Government, and I am so. While making this statement it does not follow that I agree entirely with the Tariff proposals which the Government have submitted. I certainly disagree with very many of their proposals as contained in the Tariff. It will be observed that during my election campaign I pledged myself to the retention of what was called the farmers' free list. I find that that list has to a very large extent been interfered with by the present Tariff proposals, and when we get into committee I shall take advantage of the invitation of the right honorable the Treasurer. The right honorable gentleman, in speaking the other night, said -

I am not going to say that this Tariff is perfect. I admit, in the light of the information I have received since it was submitted, that it contains many blemishes which we are prepared to rectify. If the information for which we have asked from those interested shows us that we have made a mistake in regard to any particular article, and that what we propose is likely to injure any industry, we do not intend to continue to do wrong merely because we have done so up to the present. We are perfectly prepared to ascertain the views of the various parties interested, and then, if we think it wise, to modify or alter any of the anomalies which may possibly exist.

There are many anomalies in the Tariff, and I shall take the fullest advantage of the invitation held out by the Treasurer to endeavour to rectify them when we get into committee. I desire to draw the attention of the House to a list that appears in the columns of a morning newspaper which has been vainly endeavouring to snare the farming support. This list appeared in the columns of the Argus of 9th October, under the large heading " Rough on the Farmers." It professes to set out the duties the farmers must pay, and contains 74 items. The inference intended to be drawn was that the whole of those items were used exclusively by the producers, but the writer was extremely unfortunate in his collection, because, after a careful analysis of the items, I find that there are only seven that are used exclusively by the producers. Those seven items are agricultural implements, mould-boards, plough-shares, plough plates, horse-works, reapers and binders, and reaper and binder twine. The Argus published the Federal Tariff in regard to those articles, but omitted to place beside it the old Victorian Tariff. The omission may not have been intentional, but it looks remarkably like it. I am inclined to think it was an attempt on their part to gull the farmers. The duties on six out of the seven articles which I have enumerated are the same as under the old Victorian Tariff, while in regard to the seventh there has been a reduction of 10 per cent. The duty on horse-works under the Victorian Tariff was 25 per cent. ; under the Federal Tariff it is 15 per cent. It is stated that reapers and binders are to be taxed to the extent of 15 per cent., but the Argus omitted to mention that this duty is conditional upon the establishment of a factory within the Commonwealth. On the day following the publication of this list, I met a representative of one of the largest agencies for reapers and binders in the Commonwealth. I brought this duty under his notice, and inquired whether it would not pay his firm to establish a factory here. He replied that if they had the whole of the Australian trade to themselves it would not pay them to do so. I think it was the leader of the Opposition who said that reapers and binders could be purchased for about £30. That statement is "correct. Some two or three years ago, however, the price was 55.

Mr Kennedy

- That was the price last year.

Mr PHILLIPS

- I purchased one myself some three years ago, and paid £55 for it. Some four or five weeks ago, however, I bought a machine of the same make for £30. The cause of the reduction is that the ring which existed amongst the importers here has been broken up. The reapers and binders for which we had to pay £55 a year or two ago can now be obtained in Victoria at prices ranging from £27 to £35. The leader of the Opposition forgot to mention the price of the reaper and binder in New South Wales. A machine of exactly the same make as that for which I paid £30 in Victoria cannot be bought in New South Wales to-day for less than £48.

Mr Conroy

- The same reaper and binder 1

Mr PHILLIPS

- Yes. I am in a position to substantiate my statement. The ring has not been broken up in New South

Wales, and it continues to keep up the price.

Mr G B EDWARDS

- The ring cannot last while it is possible to buy the machines for less in Victoria.

Mr McCay

- But it is impossible to obtain a machine in Victoria for delivery in New South Wales.

Mr PHILLIPS

- A few days ago, I wrote to one of the largest manufacturers of agricultural implements in Victoria, the Braybrook Implement Company Ltd., and inquired what they were charging for their machines in New South Wales. I received the following reply : -

Yours of the 25th inst. duly to hand this morning, asking us to supply you with a price list of the above company's implements and machinery for New South Wales and Victoria.

In reply, we herewith forward you half-a-dozen circulars with prices attached, from which you will note that these are all quoted free on trucks, Braybrook Junction, and there is no difference made for implements going into any particular State, the customer paying freight and charges at the other end.

Mr Kennedy

- That disproves the statement we have heard that people in New South Wales are able to purchase these goods cheaper than we can obtain them in Victoria.

Mr PHILLIPS

- This proves that in free-trade New Wales the farmer has to pay as much for his implements as he is called upon to pay in protectionist Victoria. The price of the harvester is £85, and the stripper £42 10s.

Mr Conroy

- Where 1

Mr PHILLIPS

- Free on the* trucks at Braybrook. The price of disc harrows ranges, according to size, from £19 to £25 ; the rotary disc jump plough ranges in price from £25 to £45 ; the steel stump jumping plough from £26 to £42 ; and winners from £25. On analyzing further the list published in the Argus, I find that of the 74 articles to which I have referred, the duties on 35 of them are lower than those under the old Victorian Tariff. In the case of 28 others they remain unaltered. Only eleven increases have been made, and five of those are revenue duties. Upon making a calculation, I find that a man spending the same amount of money on each of the 74 items would save 5 per cent, all round on the old Victorian Tariff. So that there is an all-round reduction of 5 per cent, in respect of the 74 articles.

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Mr G B EDWARDS

- And yet there is £270,000 more revenue to be raised.

Mr PHILLIPS

- This is the special farmers' list. It is a most remarkable thing that the Argus failed to publish a comparative statement showing the federal and the old Victorian duties. There are something like 80 articles which enter into daily use among the producer's and other sections of the community in respect of which reductions have been made as compared with the Victorian Tariff. There may be many more.

Candles have been reduced by 25 per cent.; currants, 33 J per cent.; oatmeal, 7-|per cent.; maizena, 6 per cent.; corn-flour, 50 per cent.; bran, pollard, and chaff, 80 per cent.; jams and jellies, 33-J- per cent.; hops, 25 per cent.; linseed meal, 20 per cent.; mac car on i and vermicelli, 50 per cent.; preserved milk, 25 per cent.; peel preserved in brine, 66f per cent.; soap, n.e.i., 50 per Cent.; apparel - woollen, silk (not piece goods), 10 per cent.; apparel (not woollen, silk, or piece goods), 15 per cent.; paste for leathers, 5 per cent.; polishes, stains, and varnishes, 5 per cent.; bricks - glazed and lire, fire-lumps, 5 per cent.; fire-clay manufactures, asphalt and roofing-tiles, 5 percent.; glass, 10 per cent.; gelatine, sheet, 66 per cent.; soda crystals, 50 per cent.; picture frames, 5 to 15 per cent.; mirrors, 10 per cent.; wicker, cane, bamboo, or wood articles, 5 to 25 per cent.; casks and spooks, 15 per cent.; timber - bent, 5 per cent., axe-handles, 5 per cent.; leather manufactures, 10 per cent.; leather cut into shapes, harness, razor strops, and whips, 10 per cent.; paper manufactures for advertising, 25 per cent.; paper bags, 25 per cent.; stationery, blotters, billheads, it, 10 percent.; rugging, 5 per cent.; carriage mats, 10 per cent.; cosies and cushions, 10 per cent.; hats and caps (sewn), 37|- per cent.; piece goods, wool, 5 per cent. ; ammunition, shots, bullets, and slugs,, 20 per cent. ; lamps, 5 to 10 per cent ; lampware, 5 to 10 per cent.

; washing machines, 10 per cent. ; horse gears, 10 per cent. ; weighbridges, 5 per cent. ; blacking for leather, 5 per cent. ; dressing for leather, 5 per cent. ; oils for leather, 5 per cent. ; inks for leather, 5 per cent. ; and several other articles on which as to Victoria the duties have been reduced considerably.

Mr Kennedy

- There has been no corresponding reduction made in the price of these articles to the consumer.

Mr PHILLIPS

- I am a business man as well as a farmer, and up to the present time my firm have not advanced the prices of more than half-a-dozen articles in the Tariff. I particularly inquired the other day whether the price of tea, in ordinary use amongst farmers, has been increased. I found out that the Melbourne merchant has raised, by £d., the price of tea, which is retailed to the farmer at ls. 3d. per lb.; but that the storekeeper has not charged that ¼d. on to the consumer.

Mr Chapman

- I suppose that the articles on which revenue duties are imposed have been raised in price ?

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Mr PHILLIPS

- Principally. I have stated that I have pledged myself to the retention of the farmers' free list. In committee I shall endeavour, in accordance with my pledges from the platform, to have put on the free list corrugated iron, traction engines, trough iron, lubricating mineral oils, kerosene, and sewing twine. I shall also endeavour to have put on the free list, iron tanks, which are very largely used by the farmers in the dry districts. I desire to get a reduction made in the duty on reaper and binder twine. The two factories in Victoria do not confine their operations solely to the manufacture of reaper and binder twine. They also manufacture l'ope, mats, and many other articles ; and even if their industry be interfered with to a slight extent, it is only right that producers should get the benefit of a reduced duty. I am quite aware that the reduction of the duties on these articles will diminish the estimated revenue to a considerable extent. The estimated duty on corrugated iron is £13,800 ; on iron tanks, £7,560 ; on kerosene, £157,500 ; and on reaper and binder twine, nil. I would also support the reduction of the duty on salt by 10s. per ton; this will mean £9,800. I would also support a reduction by one-fourth of the proposed duty . on soft-wood timber ; this would amount to £29,795. If the whole of the estimated revenue is required, it is only fair when we suggest a reduction of the duties on certain articles to indicate how the deficiency could be made up. My idea of how it should be made up is that there should be an increase of ls. per gallon on spirits, which would provide £1,23,477 ; an increase of 5 per cent, on jewellery and imitation jewellery, which would produce £7,375 ; an increase of 5 per cent, on watches and clocks, which would provide £9,220 ; and an increase of 5 per cent. on bicycles, which would yield £14,100. Under any circumstances I would support an increase of the duty on bicycles. As a representative of the producers, I think that bicycles come into unfair competition with farmers who breed horses and grow horse feed; therefore I would tax them as much as I could. I would raise the duty on silk in the piece from 15 to 25 per cent., which would provide £63,146. The increases I advocate would amount to £223,458, and the reductions to £218,455, so that the one would pretty well balance the other. There are many other anomalies in the Tariff. I strongly object to the composite duties. I do not know where this method came from. It is entirely new to all Australian Tariffs, and the objection is that it is misleading as it hides the real amount of the duty which has to be paid. All commercial and business men strongly object to composite duties, and in committee I shall vote for their alteration, because it is only fair that we should know exactly the amount of duty which we are called upon to pay. Another matter I wish to mention is the mode in which the Government are collecting their duties. It appears that they are charging duty on the cost of carriage from the factory to the port of export, and on the package itself. This is quite new to Victorians, and I certainly think that some explanation should be made by the Government in justification of their action. I have here the bill of lading of a small shipment of axe handles which has arrived from America since the imposition of the Federal Tariff, and I think it speaks for itself. It was handed to me by a merchant within the last day or two, and the particulars are as follows : -

Mr G B EDWARDS

- The honorable member will find it is the same in connexion with glass in regard to which it was stated that there was a reduction of duty.

Mr PHILLIPS

- I believe that is so. There is something wrong in connexion with these duties, but I believe that the matter only requires to be brought prominently under the notice of the Minister for Trade and Customs in order to be remedied.

Sir George Turner

- We have already passed an Act dealing with that matter, which has nothing to do with the Tariff.

Mr JOSEPH COOK

- It may be dealt with by regulation.

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Mr PHILLIPS

- I have another example which is as follows : -

I do not approve of these composite duties. Now, I desire to give an example of the benefit conferred by customs duties so far as one particular section of our producers is concerned ; I refer to the fruit-growing industry, and particularly to that branch of it relating to the preparation of dried fruit. We have a most successful fruit-growing settlement at Mildura, in my electorate, and I have a few statistics here that will show what protection has done for the dried fruit industry. Mildura was brought into existence some fifteen years ago as the result of the Victorian protectionist policy, and is now one of the most thriving settlements in the State. The fruit-growers there have 9,000 acres under fruit cultivation, and in 1898 the value of their products amounted to £64,866 ; in 1899, to £72,302 ; in 1900, to £93,504, and in 1901, to £113,000. The population of Mildura at the last census was 3,329, and the production per head of the population, including every man, woman, and child there, amounted to £40. The capital expended on the settlement totals £819,000. The Chaffey Brothers' Company expended £407,000 ; £52,000 has been expended by the water trusts, and the settlers have laid out £360,000 in the improvement of the 9,000 acres they have under cultivation.

Mr G B EDWARDS

- They robbed me of £200.

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Mr PHILLIPS

- I have not the slightest doubt that Mildura will become the sultana producing centre of the world. I am creditably informed that the world's production of sultanas amounts to only 17,000 tons, and that all of this particular class of fruit comes from Arabia and the Levant. The production of this particular raisin at Mildura amounted last year to 108 tons. The great advantage Mildura possesses over any other part of the world is that the raisins can be dried by natural means, whereas in the Levant and Arabia they have to be dried by means of kilns, which deprive them of their brightness, and some of their weight. There are no sultanas in the world equal to those produced at Mildura, and, without doubt, before many years a very great proportion of the world's supply will come from this settlement, which has been built up under protection. I am quite prepared to admit that the producer does not derive all the benefit he might under a protective policy, but he does enjoy some very great advantages. In 1889 the Victorian Parliament remitted no less than £1,642,611 to the producers of the colony in the form of capital that had been advanced to them, and interest that had accrued in connexion with water and irrigation trusts. £330,748 was remitted to the settlers in the Wimmera. Not only that, but the Government have now started the construction of waterworks for the benefit of settlers in the southern portion of the Wimmera, which are estimated to cost £234,428. The State Parliament of Victoria has placed a sum of £25,000 upon the Estimates, in addition to the £50,000 which they had previously provided for the purpose of making up the deficiency in the railway revenue caused by a reduction in the cost of carriage of the farmers' grain to market. Another £20,000 has been expended in my district by way of mallee road grants. One of the latest of the concessions which have been made to the producers has reference to the carriage of manures, which are now being conveyed by the Railway department at a loss. The manure traffic upon the railways is destined to be a very large one. Throughout the whole of the northern portion of Victoria quite a revolution is taking place in connexion with drilling and manuring. When speaking of the duty upon agricultural implements I omitted to mention that I shall endeavour to obtain a remission of the duty upon seed drills. I understand that only one factory in this State manufactures these drills, and that its attention is not confined exclusively to their manufacture. This factory also turns out harvesters and other machinery, so that it will not be injuriously affected by the remission of this particular duty. To give

honorable members some idea of the extent to which the seed drill will be used in the near future, I may mention that in the small town in which I live no less than 120 drills have been sold this year. Each drill represents an average use of 10 tons of manure. I trust, therefore, that I shall have the assistance of honorable members in obtaining a remission of the duty upon seed drills. It has been said that the producer derives no benefit from a tax upon produce such as onions, wheat, eggs, oatmeal, &c. In this connexion I should like to read a clipping from the Age of yesterday, having reference to the effect of the Tariff upon the exports of New Zealand. It is as follows :-

A comparison of the cargoes shipped to Sydney from New Zealand by the Westralia on her last few trips gives an idea of the effect which the

Federal Tariff is likely to have on New Zealand's exportation. In September, 906 tons were taken from New Zealand, consisting of 577 sacks of oats, 75 sacks of wheat, 7,245 sacks of potatoes, 26 sacks of peas, 563 bales of hay, 120 cases of bacon, 64 cases of cheese, 129 bales of flax, 86 casks of tallow, 19 sacks of hides, 11 bales of hops, and 62 tons of sundries. On the present trip, the first which the Westralia has made to Sydney since the Federal Tariff was announced, she carries only 730 tons, including 7,353 sacks potatoes, 43 sticks peas, 9 cases bacon, 9 cases cheese, 60 bales tow, and 10 tons sundries. Not a sack of oats, wheat, barley, flour, oatmeal, malt, seed, or hides is on board ; nor is there a case, bale, or cask of tinned milk, hay, flax, hops, twine, skins or tallow. But for the potatoes there would have been only 62 tons of cargo in the ship's hold, instead of the usual 730 tons.

I think that extract speaks for itself. I have no desire to occupy the time of the House at any greater length. Almost every honorable member has spoken, and we are all anxious to take a division upon the motion as soon as possible. I have no hesitation in declaring that I shall support the Government. At the same time, I intend to take the fullest advantage when we get into committee of the opportunity which will be afforded for rectifying the anomalies that I have pointed out, and for securing a reduction of many of the burdens which I think now rest upon the shoulders of the producers.

Mr BROWN

- We have had a very long sitting, and have now reached the early hours of the morning. In view of this fact, I should like to know if the Government can see their way to grant an adjournment till a later hour in the day 1

Mr Barton

- We have been kept here so late that we cannot see our way to anything.

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Mr BROWN

- The Prime Minister cannot urge that I have been responsible for keeping the House late. I have sat through the debate of the past fortnight without contributing to its prolongation up to the present moment. Many honorable members have spoken, as indeed they had a perfect right to do on a matter of such vast importance. But the Government ought to have some little consideration for honorable members who have sat here so patiently for two or three weeks past. I do not think it is too much, at this hour of the morning, to ask for a short adjournment, so as to enable us to deal fairly and honestly with this question. I fully recognise that the Treasurer and the Minister for Trade and Customs had a unique task to perform in the preparation of this Tariff. They have had to deal with the diverse interests of the different States, and to endeavour to bring about uniformity by means of an acceptable piece of legislation. This was a gigantic task, no matter by whom it was undertaken, and I and others are prepared to sympathize with the Treasurer and the Minister for Trade and Customs. We are now dealing with Tariff proposals from a national stand-point but there is no doubt that in our discussions we have been tempted to look at the Government proposals from the stand-point of the States. That was to be expected, because we have not yet obtained that more complete and wider knowledge which will be ours by-and-by. The discussion has had a considerable colouring of State politics, and I must confess that I shall be compelled to look at the question very largely from the stand-point of my own State of New South Wales. I have been reminded that I had something to say on the fiscal question when the address in reply was before the House. If I remember rightly, I, on that occasion, indicated that I considered the issue which would be presented to us was much complicated by what are known as the Braddon or bookkeeping provisions in the Constitution. The Tariff proposals now submitted to us confirm the view that there would be the difficulties which I and others foresaw on that occasion. A great deal of the trouble that the Government now have in

placing these Tariff proposals before the honorable members and the country arises from the provisions in the Constitution to which I have referred. During the discussions which took place on the question of the acceptance or rejection of a Constitution, and also in the brief remarks I made on the address in reply, I stated that I believed the Braddon sections introduced a bad and unsound principle into our Commonwealth finances. Whatever Government undertook the duty of formulating the first Tariff - it does not matter from which side that Government was formed - was bound by the Constitution to assist in financing the States. By the taking over of the Customs and Excise, the different States lose a certain amount of revenue, and the alternative is either that of economizing the expenditure of the States and making good the deficiency by means of other forms of direct taxation, or placing upon the Federal Government the obligation of providing the States Governments with the necessary means. Undoubtedly, the effect of the sections in the Constitution to which I have referred is to compel the Commonwealth Treasurer to become the taxgatherer for the States, and I hold that to be a vicious principle to introduce into the functions of government. Our great safeguard in connexion with taxation lies in the method to which, under self-government, we have hitherto been accustomed. The safeguard is that the Government which incurs expenditure and gives rise to the need for increased taxation, has to go to the taxpayers direct for approval that expenditure. If the taxpayers are not satisfied that the money has been properly expended, they have it within their power to punish the responsible politicians. Now, however, we have introduced a foreign principle, which imposes on the Federal Treasurer and the Federal Parliament the obligation of raising taxation for State purposes. The Federal Treasurer has not the determination of the expenditure, that being a matter entirely for the State Treasurers, so that we do not now have the advantage of the responsibility which has hitherto obtained. These provisions of the Constitution will, I believe, lead to financial complications which cannot be fully realized at the present time. It is a pity that these provisions ever found a place in the Constitution, and the sooner they are eliminated the better it will be for pure, honest, safe government, both federal and State. On the other hand, while the Constitution imposes on the Federal Treasurer and on this Parliament the obligation to raise through the Customs 20s. for every 5s. required for federal purposes, and of returning 15s. back to the States, there is no obligation to make it a primary principle of government that the Commonwealth shall finance the States by that means. The obligation that has been imposed upon this Parliament, and upon the Commonwealth Treasurer, is to finance the Federation, plus the extra amount that the Braddon clause requires. But this Government, instead of adopting this sound policy, and thereby gradually teaching the States to become self-reliant and to make good the amount they have lost by the transference of their right to tax through customs and excise - instead of leading them to get upon a sound financial basis, and so prepare the way for the time when the people of Australia can legislatively eliminate the Braddon blot from the Constitution - have taken the other course of making it the first principle of their Tariff proposals to tax for State purposes and to finance the States.

Mr McCay

- The honorable member might say what he means by " gradually."

Mr BROWN

- The Federal Treasurer has the reputation of having had a very close fist while he was in charge of the finances of the State which he served so faithfully and well before he became the servant of the Federation. He earned and deserved the reputation for getting for the people of Victoria 20s. in value for every £1 of expenditure. The Federation might reasonably expect the same kind of safe and economical expenditure at his hands. That being so, I think - and I believe it can be conclusively proven - that the Commonwealth can be financed for very much less than the Government require in the basis they have adopted.

Mr McCay

- The honorable member has not yet told us what he means by " gradually."

Sir George Turner

- "All at once !"

Mr BROWN

-That will mean that there will be a deficiency in the amount that is returned to the States, and consequently a deficiency in the State revenue.

Mr McCay

- That will come at once, will it not?

Mr BROWN

- It will be a gradual matter.

Mr McCay

- It will be an immediate matter ; that is the trouble.

Mr BROWN

- It will mean that the State Treasurers, instead of adopting the policy of extravagance which they seem to have adopted at the present time, will be called upon to make good this deficiency, which will not be very great. They will be compelled to exercise economy in expenditure, and to devise other means of obtaining revenue. Thus they will be forced to act upon a sound basis. If that is not to be done the Federal Parliament is to be made the taxgatherer for the States, and is to act as such, practically financing them for the next ten years. It will thus be made harder to get back upon sound financial lines than if they are compelled to start on those lines now. That is my contention and my reply to the honorable member for Corinella.

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Mr McCay

- The honorable member has not replied about "gradually "yet.

Mr BROWN

- I thoroughly believe that the effect of the policy adopted by the Government will be that the Federal Treasurer will be more and more looked to by the State Treasurers to finance the States.

Sir George Turner

- We have taken their means of financing themselves away from them, now that we have taken away their Customs revenue. Not one of the States would have entered the Federation if they had been told what the honorable member now advocates.

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Mr BROWN

- We have taken away a part of their previous means of financing in consequence of the consummation' of federation, but the States still have large powers of taxation which they can exercise. My opposition to the Commonwealth Bill - an opposition that was consistently carried right through the different referendums - was largely based upon the financial weakness that I saw in the Constitution, as well as upon the undemocratic methods adopted for bringing about alterations of the Constitution, and allowing the people to adjust the Constitution to their own requirements. I placed those issues clearly before my electors, making no secret of my opposition. I believe that had others who are now singing out about the system been as faithful to their trust to the people as I and a few others were, the Constitution would have been rid of those blots that are found in it to-day. My complaint against the Government is that they have adopted this wrong basis. They are intensifying and perpetuating the evil by constituting themselves taxgatherers for the States, and making the States dependent upon the Commonwealth for their ways and means of finance in years to come. I simply wish to indicate the foundation principles upon which I took exception to the methods of taxation adopted by the Government in the formulation of their Tariff proposals. I thoroughly believe that the functions of government are to bring about the best social and moral conditions for the community. I do not believe that the Government is constituted merely to collect taxes, to expend money on public works, and to maintain law and order in a community. I believe that where the functions of government can be used to make the condition of the people better and more humane, and to elevate the community, they should be so used. I know that in the great political struggles that have taken place, and are taking place to-day, there is a difference of opinion as to the extent to which governmental interference should be carried, and as to the extent to which it is possible for the functions of government to assist in improving social conditions. Whilst I recognise that the welfare and prosperity of the community are largely affected by questions of taxation and methods of government, I believe that the powers of government can be advantageously used in other directions, and that if they are not used in the direction of bringing about better social conditions, the Government are responsible for the unsatisfactory conditions which remain. I consider that the fact that we have in the community an increasing wealthy few on the one hand, whilst on the other hand we have those who toil from daylight to dark under conditions that are as hard as it is possible for conditions to be, is the outcome of bad

legislation in the past, and. of the operation of our form of government. Where we find that the legislation passed has failed to bring about, proper social, conditions it is our duty, if we are loyal to our humanity, to remedy its defects. This is where I differ to some extent from some of my protectionist friends and from some of my free-trade friends. My protectionist friends seem to think that we shall have reached the millennium if we get an ideal form of protection ; and some free-traders think that all that is desired is an ideal form of free-trade, and that then everything will be just as it ought to be. I do not believe that. I believe there are other matters we shall have to deal with in our legislation and in our administration of the government with which we are charged, and that we must deal with them upon proper lines before we can bring about the improved social conditions we aim at. I have to make my choice as to which of two systems will be most conducive to the reforms in the direction I consider legislation should take in order to attain that ideal - whether a system of freedom of commerce or trade, or a system of restricted commerce and restricted trade. I have no hesitation in arriving at a decision, and as the outcome of the best intelligence I can bring to bear upon the question my decision is that while I will not say that advancement or good -social legislation is not possible under a system of protection, I do say that the experience of the past is that protection is the mother of monopoly, and that monopoly is responsible for the existing unsatisfactory social conditions. On the other hand, a system of freedom of commerce assists in bringing about reforms, and placing them on a sound basis, and that is why I favour that system. Any one who has supported any line of reform, will know by experience that he has to meet the opposition of those whose interests are against reform. Adam Smith says that-

A Member of Parliament who supports every proposal for strengthening monopoly is sure to acquire, not only the reputation of understanding trade, but great popularity and influence with the order of men whose numbers and works renders them of great importance. If he abuses them, and still more if he have authority enough to be able to thwart them, neither the most acknowledged probity, nor the highest rank, nor the greatest public services can protect him from the most infamous abuse and detraction and personal insult, and sometimes from a real danger, arising from the insolent outrage of furious and disappointed monopolists.

No doubt that was the practical experience that fell to the lot of the reformer in the time of Adam Smith, and it is the same today. The man who opposes vested interests, or the man who opposes monopoly, meets with the experience in the political and social life of to-day that Adam Smith so faithfully and graphically describes in the paragraph I have read. I have noted the criticisms passed upon the men who take part in these fiscal controversies, and I find that the man who takes the side of the protectionist, and advocates this theory, is the white - headed boy, if I may so express it. To the lot of the man on the other side, who wishes to secure freedom of commerce and trade, as well as social and democratic reforms, falls the experience so vividly described by Adam Smith. That induces me to believe that the system of freedom of commerce and the extension of the conditions accruing therefrom goes at least in the direction of destroying monopolies and bringing about better social conditions. Reverting to the Tariff proposals of the Government, I should like to show what are the burdens of taxation they represent. For the simple reason that it went more largely into the avenues of direct taxation, New South Wales suffers under these proposals to a greater extent than does any of the States which relied more fully upon customs and excise for its revenue. I find from the statement put forward by the Minister for Trade and Customs that for a normal year the total customs receipts of New South Wales are £2,679,917 ; while the excise receipts amount to £549,521, making a total of £3,229,444. That entails taxation through customs and excise amounting to £2 7s. 9d. per head of population. It is shown that under the Government proposals New South Wales will have an increase of £1,443,667.; Victoria an increase of £270,881 ; and South Australia an increase of £45,089, or a total increase of something like £1,759,637 in respect of these States. The basis of taxation adopted by the Treasurer will not give any increase to Queensland, Tasmania, and Western Australia. As a matter of fact their total losses will amount to something like £579,888.

Sir George Turner

- Independently of their share of the new expenditure.

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Mr BROWN

- That shows to my mind that the Treasurer has not been able to attain the ideal which he set before him

of financing the States. That is not his fault. It is the fault of the conditions under which he is called upon to make this effort. If he could have taxed the imports up to the point that would avoid a loss in the case of any of the States, undoubtedly he would have done so ; but every one knows that only a certain amount of revenue can be raised upon a given volume of imports. After the maximum taxable amount has been reached, the revenue derived diminishes with any increased incidence of taxation. I have not the least doubt that the £9,000,000 which the Treasurer proposes to raise is the maximum amount which it is possible to obtain in this way. In order to fulfil his ideal of how the federal and State finances should be managed, the Treasurer would have to raise not £9,000,000 but about £19,000,000 to provide for Western Australia's requirements. According to his Budget papers it would require a revenue of £10,000,000 in order to meet the requirements of Tasmania, £11,000,000 in the case of Queensland, £7,000,000 for Victoria, £6,000,000 for South Australia, and £4,000,000 for New South Wales. Under a £4,000,000 Tariff New South Wales would require to raise from customs and excise only £1,785,781, instead of the amount that she is called upon to raise on the £9,000,000 basis. If a £19,000,000 revenue were adopted she would be required to raise £7,000,000, and that, of course, would be utterly impossible. That is the position, and I think it is to be regretted that the Treasurer did not stop at the point at which the volume of his imports limits him, or even at a lower point.

Sir George Turner

- I could do that, but for the bookkeeping sections in the Constitution.

Mr BROWN

- I admit that those provisions in the Constitution are of such a character that it would have been very much better for the sound finance of the Commonwealth and for the future of Australian federation if they had been eliminated before the people approved of the Bill.

Mr JOSEPH COOK

- They do not compel the Treasurer to raise this money.

Mr BROWN

- There is a certain amount of compulsion. The Commonwealth has to raise four times the amount of revenue that it needs for its own requirements.

Mr JOSEPH COOK

- That is a good excuse for a high Tariff.

Sir George Turner

- The high Tariff is made up of revenue duties.

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Mr BROWN

- I think the Treasurer has made the Tariff very much higher than the requirements of the Constitution demand, and I want to reduce it to that point at which it will fit in with the demands of the Constitution. We are told that this is a composite Tariff. It is neither a free-trade nor a protectionist one, but a mixture. We understood all these financial difficulties when we entered into federation. We understood them when we entered upon our first federal elections, but we were given to understand that the Tariff proposals would be of a reasonable character. That they would not run into extreme protection, nor could it be of that free-trade description which would have been possible had not those provisions obtained. I remember that, at the time when parties were being formed, the leader of the Government delivered an address at Bathurst which, whether he so intended it or not, certainly the press and the people took as an indication of the political lines which he proposed to adopt in the impending campaign, and the keynote then sounded to the electors was not to vote on the question of protection or freetrade, but to make the one cardinal principle of the elections the defence of the Constitution. What they were to defend it against was not made very clear, but apparently what was aimed at was that not a man who dared to oppose this model onstitution, who dared to think that it contained a Braddon blot, or any unworkable bookkeeping provisions, should find a place on the floor of the first Federal Parliament. The Prime Minister, in formulating his policy, had to deal with taxation proposals, and I find that at Maitland, where he issued his manifesto, he said -

I have not come here to conduct a protectionist campaign, though, under other circumstances, I should have been prepared to do so.

Again, in the Sydney Town-hall, he said -

We must have revenue, and it could be raised by neither a prohibitionist Tariff nor a free-trade Tariff.

Then, at Brisbane, he said- -

The difference between their policy and that of the other side was only a thin veneer.

And again, at Maitland, he said -

Shall we pile the duties on the cottage and the artisan ?

His very able and worthy lieutenant, the Minister for Home Affairs, in a political address, is reported to have said -

He could only call it criminal to raise the fiscal question now, when the very Constitution itself rendered free-trade or protection alike impossible.

In the course of his address, according to the press, that Minister very freely admitted to the public that the Federation could be financed in accordance with the Constitution upon a Tariff of from 10 to 15 per cent., and it was generally thought that he voiced the intentions of the Government. It was further considered that the freetrade leader could not bring in a Tariff which would be very much lower than that. And this point was very often raised - where was the line of demarcation between the two parties led by these two worthy political warriors. But it was contended by the free-traders that the Tariff introduced by this Government would, in addition to being a revenue Tariff, have a strong protectionist complexion, and that to that extent it would be distinguished from a Tariff designed for purely revenue purposes. We now have the Tariff. In the course of this debate it has not been denied that as far as it was possible for this Government to do so, consistently with getting the amount of revenue they aimed at raising for the purposes they have taken in hand, they made the Tariff as protectionist as it is possible for a Tariff to be made.

The Minister for Trade and Customs is reported to have said, in his opening address -

This is a protectionist policy. We were sent here by the people to support that policy, and we place it before you with the force of our majority behind us.

No declaration could be more definite than that, and it is on these grounds that we must consider it.

Rightly or wrongly, the people of New South Wales consider that they have a " legitimate grievance against the leader of the Government in not taking them more completely into his confidence prior to the elections, and telling them the kind of Tariff he would introduce. From the platform utterances and from the manifesto of the Prime Minister they were led to suppose that it would be a revenue Tariff. By the observations I have read, they were led to suppose that it would not be a protectionist one, and, consequently, would not have the burdensome provisions to them which it possesses. I am borne out in this contention by no less an authority than a gentleman who discharged the duties of chairman to the Prime Minister's election committee at Maitland, Mr. W. R. Thompson. When the character of the Tariff was made known to Mr. Thompson, he is reported in the Sydney Morning Herald of 11th October to have said -

In his opinion the implied promise of Mr. Barton in the Maitland address was not carried out.

Mr Salmon

- What does the honorable member mean by the " implied promise?"

Mr BROWN

- -That is for him to say.

Mr Salmon

- That is something from his own inner consciousness. I heard the speech, and I say that every promise is carried out in this Tariff.

Mr BROWN

- The honorable member considers that the promise is carried out, but this gentleman, who is equally entitled to his opinion, says it is not.

Mr Salmon

- He talks about the "implied promise." I do not know anything about it.

Mr BROWN

- I am reading Mr. Thompson's opinion. I did not say they were actual promises.

Mr Salmon

- I say they were, and that they have been carried out.

Mr BROWN

- This gentleman says that -

In his opinion the implied promises of Mr. Barton, in his Maitland address, were not carried out, because the present proposals are not in any sense a compromise, but cast the burden of taxation on the poor. As a free-trader he was prepared for a heavy revenue Tariff, but never expected one which would be prohibitive to such an extent. He was utterly disappointed, because Mr. Barton's promises were not fulfilled.

Mr. Thompson's opinion is entitled to some consideration, especially as it is shared by so many electors in New South Wales who voted on the same side. I gather from the Age of 10th October that this Tariff has the approval - despite its strong protectionist colouring - of one of the leading free-traders in New South Wales, a gentleman who holds the distinguished honour of being a Cobden medallist, and who discharges the high duties of Attorney-General to the State Government. He describes this as a poor man's Tariff; but, although this debate is now drawing to a close, I have not heard any honorable member give it that character. Even the protectionists are not satisfied with it, because it does not go as far as they wish, whilst the low tariffists consider that it goes too far.

Mr Kennedy

- Was a model Tariff possible under the conditions ?

Mr BROWN

- Mr. Wiseman says that it is a poor man's Tariff, but, of course, that depends upon the particular point of view from which it is regarded.

Mr Kirwan

- That is because it taxes the poor man.

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Mr BROWN

- My experience of all Tariffs is that they make the poor man pay, and that the higher the Tariff the more it drags out of him. Under all forms of Customs taxation the poor man is made the working bullock, and if it were intended to convey that this was a poor man's Tariff in that sense, then I say that it was very properly described. It would be hard to devise a Tariff that would more completely place the burden of taxation upon those least able to bear it. The Attorney-General of New South Wales says - It must not, however, be forgotten that the Tariff is essentially, a poor man's Tariff, that is to say, the increased cost of living will fall more heavily upon the middle and wealthy classes than, it will upon the artisan classes.

Now, let us see how this will work out. I have a list which I have every reason to suppose correctly states the facts. Under this Tariff cement is taxed 50 per cent., and timber for butter-boxes, which enters as a raw product into the dairying industry, bears a duty of 45 per cent. Flooring and lining boards which are required by our farmers and settlers are subject to a 42½ per cent. duty, white printed bowls are taxed at 45 per cent., common jugs at 45 per cent., and cups and saucers at 40 per cent. Men's hats, costing 7s. 6d., are taxed to the extent of 40 per cent., and men's dress hats at 28½ per cent. I wonder how the Treasurer can explain the great difference between the hats that are used by the ordinary working men and those which are commonly patronized by the wealthy. Condensed milk has a duty imposed upon it of 30 per cent., coarse salt 125 cent., starch 100 per cent., and blue 33 per cent. Waggon, and buggies bear a tax of £5 with a duty of 15 per cent, ad valorem duty added, or in all, 88 per cent., nails are taxed at 7s. per cwt., or at 35 per cent., salt 20s. per ton, or 70 per cent., and safety matches 6d. per gross, or 55 per cent., and so on. I could read a long list of those items, which would go still further to prove conclusively that this is a poor man's Tariff, in the sense that it places the burdens of taxation upon the working classes. I have here a copy of the letter that was written to the Age by Senator Sir Frederick Sargood, in which he deals with the duties upon hats, and shows that hats costing 8s. 6d. per dozen are taxed to the extent of 134 per cent.

Mr Tudor

- He is an importer, and he wants to import the hats, so that he may make more out of them.

Mr JOSEPH COOK

- Does the honorable member for Yarra say that the figures are not correct ?

Mr Tudor

- Yes, I do. And I will show that they are not.

Mr BROWN

- A great number of people believe these figures to be correct, and, if the particulars are not reliable, the sooner the truth is told the better. The letter is signed by Senator Sir Frederick Sargood, who ought to be an authority on the matter. He says that hats costing 8s. 6d. per dozen are taxed to the extent of 134 per cent, of their value, and that hats costing 34s. per dozen are subject to a duty of only 46 per cent. He also deals with boots, and states that men's boots of sizes above five, costing 3s. 9d. per pair, are taxed to the extent of 61 per cent., whilst those costing 10s. bear a duty of only 33 per cent.

Mr Kennedy

- What is the increased cost to the consumer by reason of that duty?

Mr BROWN

- If there is no increased cost to the consumer, where does the need arise for the imposition of the duty ?

For what are duties imposed ?

Mr Kennedy

- We prefer to have these goods made locally instead of importing them from London.

Mr BROWN

- I have simply indicated the character of this " poor man's " Tariff. In Sydney a meeting of those interested in laundry work was recently held.

Mr Salmon

- Chinese?

Mr BROWN

- No, they were not Chinese. There are more Chinese doing laundry work in protectionist Melbourne than there are in free-trade Sydney. This was not a gathering of Chinese, but of people who have the same coloured skin as the honorable member who has interjected. They are engaged in a very arduous class of work which is not too well remunerated. The laundry association of New South Wales convened this meeting for the purpose of considering how its members were affected by this " poor man's " Tariff. After discussing the matter, the following resolution was passed : -

We, the members of the laundry trade in meeting assembled, view with surprise and indignation the excessive duties (nearly 190 per cent, in some instances) about to be levied on laundry supplies, which represent the raw materials used in the laundry trade. Whilst strongly protesting against such prohibitory duties, we cannot too highly condemn the cunning and shameful act of putting on the free list articles that are well-known to be extensively adulterated in the locally-manufactured laundry supplies.

In regard to the effect of this Tariff upon the producers, the farmers, and the miners, I wish to point out that a number of interesting interviews with members of the State Parliament of Victoria have recently been published in the Argus. The opinions of these gentlemen are, I think, entitled to some consideration, because unquestionably they speak with authority upon this matter. Mr. Foster, who represents Gippsland East, says -

This Tariff will play the mischief with country industries. The producers feel that they are being heavily taxed for the benefit of the big cities. The mining industry will feel the stress most.

Mr Salmon

- And that honorable member supported the high Tariff in 1895.

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Mr BROWN

- Well, he has learned a lesson since. The mining industry will feel the effects of this Tariff most acutely. It is essentially a " poor man's " Tariff, not in the sense that the poor man escapes taxation, but that he bears the burden of it. Mr. Cullen, who represents Gun bower, is reported to have expressed himself as follows : -

I have had a good opportunity of ascertaining the views of the producers in my district in regard to the Tariff. I find there is a unanimous and strong feeling against it. The farmers feel that the duties on machinery, timber, iron, and twine are most unfair to them.

Mr Phillips

- Why did not the Argus state all that Mr. Cullen said ?

Mr BROWN

- I wish it to be underStood that I am not reading all that appeared in the Argus. I am merely quoting

extracts from that newspaper in confirmation of my contention that this Tariff presses unduly upon the farmers and the workers. Mr. Graham, who represents Numurkah, says -

Although my district has been looked upon as protectionist, there is a very strong feeling against the duties which the farmers will be called upon to bear under the present Tariff. When on the public platform, in connexion with the Federal Constitution referendum, I stated that an Australian Tariff, which imposed heavy duties upon the producers, would at once convert this class of the community into free-traders. This prophecy is already coming true. Farmers who have been consistent protectionists in my district are beginning to have strong leanings towards free-trade. The protection which has been afforded the farmer under the Tariff is only in name.

Mr. Nichols, who represents Gippsland West, says

I have just returned from a visit to the principal centres of my electorate. I find that there is a remarkably strong and unanimous feeling against the Tariff in the ranks of the producers. They feel that the extra taxation which they will be called upon to bear is most burdensome.

Mr. Oman, who represents Ripon, says

The dairymen object particularly to the tax on timber for butter-boxes, and also to that on Salt, which will add greatly to the cost of production.

Mr McCay

- Read all that Mr. Oman Says.

Mr BROWN

- Certainly. I have no objection to acceding to the honorable member's request. That gentleman continues -

The raw material taxes, hitherto almost unknown in Victoria, are strongly objected to, and complaint is made at the reduction of the Victorian free list. The producers, however, realized that they would have to share the cost of federation, and they are willing to do so. It is unquestionable that the producers throughout Victoria will have to pay more in taxation under this Tariff than they had previously-;

A great deal has been said about the admission of raw material. But what is one man's raw material is another man's manufactured article. The sugar growers of Northern Queensland want a duty on sugar because it is a manufactured article, but when the product comes to New South Wales or Victoria, and is used as a constituent in jams and preserves, it is a raw material. In New South Wales, with all the great possibilities and natural opportunities for the production of fruits, which have been taken advantage of by farmers there on an extensive scale, no jam or preserve manufactures worthy of the name were carried on while there was a duty of 5 per ton on sugar.

Mr Kennedy

- In New South Wales they are not intelligent enough to give a rebate, as in Victoria.

Mr BROWN

- It was only when a reduction in the duty was made that the jam manufacturers were put on their feet, and to-day they can hold their own against protected Victoria.

Mr Kennedy

- Is there not a difference between a log of timber and a butterbox?

Mr JOSEPH COOK

- Chair, chair !

Mr SPEAKER

- Order ! The honorable member for Parramatta has two or three times had his attention called to the fact that he does not obey the order of the Chair. I must ask him to do so now, and not to interrupt other honorable members, who are simply interjecting, while he himself speaks across the floor of the House.

Mr JOSEPH COOK

- I have to apologize, Mr. Speaker, but, rightly or wrongly, I think I am called to order much more frequently than are other honorable members.

Mr SPEAKER

- I must ask the honorable member to withdraw that remark. If the honorable member is called to order more frequently than other honorable members, it is because he transgresses more frequently.

Mr JOSEPH COOK

- I apologize, Mr. Speaker ; I suppose I must, as it is parliamentary.

Mr BROWN

- The next gentleman who was interviewed was Mr. Duffus, of Port Fairy, and what he said is reported in the Argus -

Among the farmers in my electorate there is a very strong feeling against the Tariff - so strong, in fact, that if my constituents were called upon to vote for or against federation at the present time, I feel certain there would be a large majority against it. While almost everything required by the farmers, both in their homes and for the purposes of their occupation, will be increased in price by the duties proposed, there are some articles in regard to which the burden will press with particular severity. Binder twine is one of these. Owing to the heavy crops taken from the land in the Port Fairy electorate generally, a greater quantity of binder twine is used per acre than in most of the agricultural districts, and for that reason the effect of the duty will be felt to a much greater extent. There are many other articles, necessary to agriculture, upon which imposts have been placed which will decidedly handicap the industry. People in the city have no idea how hard the farmers already find it to make both ends meet, and if they have to face a large increase in the cost of production their condition will become really desperate. The dairymen are also complaining bitterly about the duty upon butter-box timber. Notwithstanding the attempt made by Sir George Turner to remove their apprehensions on the point, the fact remains that the largest firm in that part of the country, after having given quotations for the supply of butter-boxes to the dairymen prior to the introduction of the Tariff, have since cancelled all their engagements.

Mr. Ewen Cameron, of Portland, says

Timber duties will affect an important industry in my constituency. The Portland Freezing Works of necessity use an imported timber for the packing of their tinned produce.

Then we have Mr. Brown, of Shepparton and Euroa -

The Kingston Tariff will load the people of the State with a burden that no one ever contemplated. The farmers consider that the scientific method of taxation is by raising revenue through the Customs, but in such a way that a man pays for what he consumes - the man who consumes little pays little, and the man who Consumes much pays more.

Mr. O'Neill, of Mandurang, writes

Although I have not had a chance- of visiting my constituents, I know that they feel the injustice of the duties in some respects. The tax upon binder twine affects them particularly, but there are others almost equally objectionable.

Mr McCay

- Does the honorable member know that the tax on binder twine is the same as it has been for years in Victoria 1

Mr BROWN

- I know nothing about Victoria ; but the tax is not the same as it was in New South Wales ; there is a big difference in that State.

Mr Salmon

- But the honorable member is quoting Victorians.

Mr BROWN

- The fact that the duty on binder twine is the same in the Commonwealth Tariff as it was in the Victorian Tariff does not make the tax any the less burdensome.

Mr Salmon

- It does not make the tax any more burdensome.

Mr BROWN

- But the farmers no doubt expected that under the Commonwealth Tariff they would be relieved of some of the burdens from which they suffered under the Victorian Tariff. Mr. G. Mitchell, of Talbot and Avoca, writes -

Producers and workmen with four or five of a family are looking for considerable relief in the direction of cutting down the duties on the necessities of life, especially those on sugar and kerosene. I believe the unanimous feeling is that the tax on tobacco is unjust.

Then we have Mr. Holden, of Warrenheip, who says -

On the whole, the country people complain about the Tariff. The duty on timber affects them particularly.

On butter-boxes alone it will mean a charge of ?300 per year in a factory whose weekly output is from 15 to 20 tons. These factories are owned by the producers themselves. Galvanized iron is another item which the country people use largely. Kerosene, too, is much used in engines for driving separators and chaffcutters, because hitherto it has been more economical. There have been many complaints from miners that almost everything used by them is taxed. The necessities of the poor have been hit heavily. Luxuries should have been taxed more freely before the articles used by the working classes were treasured upon. The duties on reapers and binders and reaper and binder twine are another great tax on the producers.

Mr. Irvine, in reply to a toast, made the following statement.

Mr Salmon

- He may be looked upon as the only authority among the lot !

Mr BROWN

- I am glad the honorable member accepts my estimate of this gentleman -

He could not help referring to the great burden that it was proposed to place upon the people of this State as part of the whole of Australia. Without going for one moment into the question of free-trade or protection, he would say that the attempt to obtain the enormous sum of ?9,000,000 through the customs and excise duties from a population of three and a half millions was a task never before undertaken in any country. It would impose a burden too great even for this prosperous country. Though average incomes might be larger, the taxable power of a new country in which so much had to be spent upon reproductive agencies was even less than that of older countries. The imposition of this huge burden of taxation could only be done by crushing down the vitality of the producing energies of the country.

That is a very strong indictment against the Tariff.

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Mr Salmon

- From an unsuccessful free-trade candidate ! 19 s

Mr BROWN

- I had it from the honorable member just now that Mr. Irvine was the best authority in the crowd.

Mr Salmon

- It was sarcasm !

Mr BROWN

- Whatever he may be on other matters, he is certainly an authority on the incidence of this taxation.

Mr Salmon

- He is a single taxpayer.

Mr BROWN

- I do not know of any attempt in the history of taxation to raise such an enormous amount of money from such a small population as is proposed by the Government. I also have here an expression of opinion from a Mr. McKenzie, who is likewise a State member. He said -

He was bitterly disappointed with the Commonwealth Tariff as submitted to the people. If the Tariff had been promised in the Maitland speech, Mr. Barton would not now be in office. The Maitland speech had been departed from, and the Tariff was a breach of faith with the people. The result would be a rapidly diminishing revenue. The Tariff was wrong in principle, and could not be improved upon by meddling with it. He considered the Government had broken faith with the people, and the people should pass judgment by removing it from office at the earliest opportunity.

I have also another extract that appears in the Argus of the 29th inst. from Mr. Prendergast, another State member. He says-

There is no doubt that the farmers and the workers in the cities are the people who will have to pay under this Tariff. To the householder, it will mean an increase of 5s. per week for an ordinary family. I am speaking of what I know, because that is my experience in my own household. The duties on kerosene, tea, and the cheaper description of clothing used by the poorer classes will make a considerable addition to the housewife's bill. Whatever a farmer may or may not have of other things, he must have those three commodities. Not a day passes but he will make his contribution to the revenue.

These are valuable expressions of opinion, which have been collected by a leading newspaper in this city. They are the opinions of men who have won positions in politics in Victoria. My honorable friend, the

member for Laanecoorie, may not think their opinions are of much account, but I presume that they are honestly expressed, and reflect the views of a large section of their constituents.

Mr Salmon

- The opinions of Mr. Prendergast and Mr. Cullen have since been corrected.

Mr BROWN

- But Mr. Prendergast does not correct the statement I have read. He corrects another part, which I did not quote, and leaves uncorrected what I have cited. If that is the opinion in Victoria, what must it be in New South Wales? In this State the increase of taxation amounts merely to £270,884, but in New South Wales it amounts to £1,443,667. If those opinions are held by the farmers and producing classes in Victoria, how much more intense must the feeling be in New South Wales? Yet this Tariff has been described as a poor man's Tariff.

Mr Wilks

- It is a Tariff that will keep him a poor man.

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Mr BROWN

- It will keep the poor man poor the whole of his days. That is not the kind of Tariff that I want. I do not believe that it is possible to tax a poor man into prosperity. It has never been done in any country. It is true that it is possible to tax a few into prosperity, but always at the expense and to the detriment of the many. That is how millionaires are made. It is because I have a great sympathy for the poor man and come from his ranks that I do not believe in this kind of taxation. In the course of the discussion many arguments have been advanced in support of the principle and theory of protection. I should like to deal briefly with two or three matters which suggest themselves to me at the present moment. I find that one of the claims put forward on behalf of protection is its hoariness. Protection, we are told, has dominated the world for so long and to such an extent, and the free-trade principle is of such recent date, that those who espouse protectionist views consider that upon this ground they have substantial justification for their faith. Many other doctrines could be sustained on the same ground. Whilst this argument was being put forward one honorable member interjected that the religion of Buddha could be sustained on similar grounds. A principle does not win my approval solely on the ground that it happens to be old, and to have dominated a large section of humanity.. If it does not appeal to my reason as substantial and sound, I do not adopt it merely because it is accepted by a majority. I admit this claim of age for protection, but I contend that it has dominated the world and has been so general because the world has been ruled by the few, and the many have never yet had a complete say in its government. When the many become sufficiently educated to take the power of governing themselves into their own hands, they will begin to see that this method of running the government is not as fair as many people would have us believe, and the simple method of securing the acceptance of a Tariff merely on the dictum that it is a poor man's Tariff, though it presses heavily upon him, will no longer obtain. With the advance of education and science, which are deadly enemies of the narrow restricted spirit that underlies protectionist ideas, protection will gradually disappear. The honorable member for Melbourne Ports laughs at that.

Mr Mauger

- I laugh at the idea of a trades unionist talking about restriction.

Mr BROWN

- The honorable member does not know what trades unionism is. When the House met first, the honorable member interjected from the opposite corner that he could not understand how a man could be a free-trader and a representative of labour. In this debate the honorable member followed the honorable member for West Sydney, as true a labour representative as ever stood upon the floor of a legislative chamber, and as able a man as the labour ranks of New South Wales have produced ; and though on the first occasion he doubted how a man could espouse democratic legislation in the labour interest, and claim to be a trades unionist and a free-trader, on this occasion he claimed for himself the same disinterested sincerity that he was prepared to concede to his fellow member. Seeing that in so short a time the education of the honorable member for Melbourne Ports proceeded so far, I have yet hope that he will learn what trades unionism really means, and that it does not necessarily mean the placing of burdens upon the shoulders of trades unionists. Before I leave the argument, that because of the antiquity of the protectionist theory and doctrines, and the extent to which they have dominated the world, the

Federal Parliament cannot go very far wrong in accepting this form of taxation as a policy for the Commonwealth, I would like to remind honorable members of the comparisons which have been suggested between England and America. The honorable member for Gippsland seems to think that because England is importing a great deal of the wealth of the world she must very quickly go into the Bankruptcy Court. 19 s 2

Mr Kennedy

- That was not his contention ; he also introduced the factors of Dr. and Cr. nations.

Mr BROWN

- I understood that the honorable member laid it down, and certainly protectionist theorists lay it down as a cardinal principle, that the exports of a nation should exceed its imports, and that the country which imports more than it exports is becoming a debtor nation. If that contention is correct, a number of the great nations of Europe are gradually drifting towards the Bankruptcy Court. While the imports of Great Britain are £178,000,000; those of Germany amount to £56,000,000, and are gradually mounting higher; France, £40,000,000 ; Holland, £21,000,000 ; Switzerland, £17,000,000 ; Belgium, £11,000,000; Denmark, £7,000,000; and Sweden, £6,000,000. They are all gradually going along this- supposed road to bankruptcy. If we come to compare New South Wales and Victoria in this respect, we shall see the way in which their policies have been operating. We find that in 1881, according to Coghlan's statistics, the internal trade of New South Wales was £20,683,445 ; and of Victoria £22,284,415. The principle of protection was brought into operation, and we see its effects. In 1899 the New South Wales trade amounted to £32,402, 14S. or an increase of £11,718,667 between the years 1881 and 1899. Victoria's volume of external trade in 1899 was £22,930,572, or an increase during the same period of £646,121. The State in which free-trade principles operated, and which, according to the protectionist theory, should have been going to the bad, had a surplus trade of over £11,000,000 compared with the protectionist State.

Mr McCay

- What inference does the honorable member draw from the excess of external trade 1

Mr BROWN

- I draw the inference that this cardinal principle of protection is wrong. I was somewhat surprised to hear the Treasurer refer to what he called the wage fund. The idea that he conveyed was that there was a certain wage fund in this State which had to be protected, otherwise the working man would come to grief.

Mr McCay

- The Treasurer did not say that.

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Mr BROWN

- He did not use those words, but that is the basic principle which underlies the idea of a wage fund. It is one of those economic fallacies which obtained currency in the distant past, and on which the protectionist doctrine was largely founded.

Mr McCay

- Was not Adam Smith one of the fathers of it ?

Mr BROWN

- Adam Smith admitted the existence of the wage fund theory. Later inquiries and research by equally competent economic writers and thinkers have disproved the wage fund theory in its generally accepted sense. One of the modern writers upon this question, Professor F. A. Walker - an American - in his work entitled " The Wages Question," deals with the matter in Chapter VIII. in this way -

The popular theory of wages is based upon the assumption that wages are paid out of capital, the saved results of the industry of the past. Hence it is argued capital must furnish the measure of wages. On the contrary, I hold that wages are, in a philosophical View of the subject, paid out of the product of present industry, and hence that production furnishes the true measure of wages. . . . The employer purchases labour with a view to the product of labour, and the kind and amount of that product determine what wages he can afford to pay.

I do not agree with the theory that a wage fund is provided out of the money that holders of capital invest in an industry, and that their interests must be conserved, even if it is to the detriment of those who have

to labour. If it is sound, then protection is sound. If that theory is correct, then the only way in which we can advance the interests of the workers and improve their condition is by making the conservation and protection of accumulated capital our primary consideration. That is what I understood the Treasurer had in view when he referred to this principle. I hold that the working man makes his own wages.

Sir George Turner

- That is exactly what I want to give him a chance of doing.

Mr BROWN

- I am glad to have had that expression of opinion from the Treasurer. All that I ask in addition is that the working people shall not by legislation be placed under the heel of capital, but that they shall be given as free access as possible to the forces of nature. That will enable them to produce their own wages, and to obtain the greatest amount from that production.

Mr McCay

- Freedom of contract.

Mr BROWN

- There is no freedom of contract or competition about that. Competition comes in where, by legislation and Governmental enactment, we shut out the great mass of humanity from their natural opportunities, and give the right to a few individuals to say whether or not a man shall live on God's earth. In that way we set him in competition with his fellow man. In that way we create the wage fund and the iron law of wages, which is not a natural economic fact, but the outcome of our unnatural social and legislative conditions. There is another theory, that the imposition of customs duties is necessary, in order to keep money in the country. I think the Treasurer used that expression in the course of his speech. It is a most extraordinary thing that, notwithstanding the taxation, imposed by countries which have adopted the principle avowedly for that purpose, they do not succeed in retaining the money within their boundaries. I find that this principle does not work out in America, as those who espouse the protectionist policy for that purpose would lead us to believe. Whilst there was a low Tariff in America the exports of money were less than under the high Tariff which obtains there. Victoria has produced as much gold as any other place in the world of corresponding size. Its total "gold production amounts to about £250,000,000.

The SPEAKER

- Does the honorable member think that that bears upon the question before the Chair ?

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Mr BROWN

- Yes. I am answering the argument that it is necessary to adopt a Tariff of protectionist incidence in order to keep money in the country. If that is a desirable thing to do, would it not be simpler to enact that no money should be allowed to go out of the country, and see how that would operate. The honorable and learned member for Indi made one of the ablest speeches which have been delivered from the protectionist stand-point, and did full justice to his high legal training. The only exception I feel disposed to take to his address is that it was largely in the nature of a special pleading, and if his arguments were carried to their logical conclusion, the deductions would not have been those which were drawn by him. One of the reasons for which this Tariff commended itself to him was that it would tend to equalize wages. I should like to know how it is possible to do that under some of the conditions under which factories are being conducted in Victoria. The honorable member for South Australia, Mr. Poynton, quoted from a Government report respecting the manufacture of matches in this State. That report shows that in 1894 the importation of matches was, 190,000 gross, and the Customs revenue £14,500. In that year it was decided to provide a further avenue for employment in Victoria, and duties were imposed to encourage the establishment of a match factory here, with the result that Messrs. R. Bell and Co. commenced operations. Since then the importation of matches has fallen to 58,300 gross, and the Customs revenue to £2,915, while the local production is put down at 231,700 gross. Now, in Sydney the price of matches is 2s. per gross, while R. Bell and Co. sell their matches at 2s. 10d. and 2s. 11d. per gross, so that they obtain from the consumers of matches in this State 11d. upon every gross, or £10,620. The factory employs eight males, whose wages average 18s. 8d. per week, and 41 females, whose wages average 14s. 11d. per week, while the total amount paid in wages per annum is about £1,750. Therefore, the result of the duties is to give 49 employes £1,750, and the manufacturer who employs them £8,870. The honorable member for Bland made reference to this industry as a hot-house industry, and spoke of its

insanitary conditions. No doubt those who are not acquainted with the methods which obtain there are apt to associate it with the unhealthy factories of the old world, where phosphorous poisoning is so greatly complained of ; but from personal observation I am able to say that all the arrangements are highly creditable to those who conduct it. The process of phosphorizing is conducted in the open air, and the work is performed by competent men, not women or girls, and I have been told that the danger of phosphorous poisoning is not nearly so great as in the factories of the old world. But I agree with the honorable member for the Bland that it is a hot-house industry, and that there is no reason why it should be fostered at the expense of the community.

Mr Mauger

- Surely the honorable member does not think the figures quoted are correct ?

Mr BROWN

- They are supplied by the Inspector of Factories in Victoria.

Mr Mauger

- As to the profits?

Mr BROWN

- Yes.

Mr Mauger

- The honorable member is wrong.

Mr BROWN

- If the honorable member assures me that I am wrong, I can only say that I did not see the return on which they are supposed to be made. I took the information from a quotation which appears in the address of the honorable member for South Australia. There are a number of other matters which might be considered at length. I listened last night to the address of the Minister for Home Affairs, in which he laid down another protectionist theory, that the man over the water pays the duties. That is a very comfortable theory.

Mr Mauger

- It is not a new one either.

Mr BROWN

- It is not a new one by any means.

Mr McCay

- It is a true one, too, in many cases.

Mr BROWN

- I am glad to hear the honorable member say "in many cases," because it is true in only those cases where the manufacturer exports at a loss.

Mr McCay

- Not necessarily then - in more cases than that.

Mr BROWN

- But the manufacturer makes good the loss out of the pockets of the people who give him his protection. If, as the Minister for Home Affairs contended, the exporter paid the duty on the goods consumed here, we should be very glad to encourage him to export, in order to get from him the sinews of war for financing the Commonwealth and the States.

Mr McCay

- But you must have local production to produce that result.

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Mr BROWN

- I notice that this is not the theory which has been strongly put forward by a friend or a supporter of the Minister for Home Affairs - Mr. J. P. Wright, a large boot manufacturer in Sydney. At a meeting of the boot manufacturers held in Sydney on the 11th October, this gentleman moved this motion, which was earned

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That in the opinion of this meeting it is advisable that the price of boots and shoes should be immediately advanced in proportion to the extra cost of production consequent on the imposition of the Federal Tariff. As soon as this Tariff was submitted, these manufacturers held a meeting and decided amongst themselves that they must advance the price of their boots to compensate them for the extra money

which they had to pay for their raw material which comes into the country. If the theory of the Minister for Home Affairs is correct, then this taxation is not paid by the boot manufacturers, and should not be passed on by them to the consumer, but is paid by the producer of the export. But I think that, as in a good many other cases, when it comes to the working out of the theory, it must give way before actual, practice. I shall leave the different theories which have been advanced by the previous speakers with these brief criticisms. There has been a great number of figures quoted here about the relative positions of New South Wales and Victoria, to show the advantages of one Tariff as against another. If certain figures can be produced which tell in favour of Victoria it is claimed that it demonstrates that the Tariff which obtained here was superior to that which obtained in New South Wales, and *viae versâ*. There may be some truth in this contention, but I freely admit that the mere setting opposite each other of tabulated sets of figures, and attempting to prove from them a theory is very unreliable ground to work upon. There are other factors which play an important part in determining any conclusions which may be arrived at, and unless weight and consideration be given to those factors there is the possibility that figures used to prove a certain thing do not do so at all. But on both sides it is generally admitted that fair deductions may be drawn from a comparison of the increase of population, and making certain allowance from the relative increase and prosperity of the manufactures in the States, the wages which are paid and the conditions under which labour operates, I find from Mr. Coghlan's invaluable statistical work, *The Seven Colonies*, that the increase of population between 1851 and 1860 was 123,097 in New South Wales, and 398,753 in Victoria; that between 1861 and 1870 New South Wales showed an increase of 45,539, and Victoria an increase of 38,935; and that between 1871 and 1880 New South Wales showed an increase of 109,341, and Victoria a decrease of 12,672." The table from which I am quoting shows distinctly the excess of immigration over emigration, or the reverse, as the case may be. Whilst Victoria started with a lead of something like 200,000 in the shape of an increase during the decade from 1851 to 1860, she showed a decrease, during the decade from 1871 to 1880, of 12,672. New South Wales, during the same period, showed an increase of 109,341. Therefore, whatever advantages may be claimed for the system of protection, it must be admitted that in the case of Victoria it did not operate to increase the population at anything like the same rate as in previous years ; whilst the opposite principle of freetrade did not operate against New South Wales, inasmuch as the increase of population in that State during these decades was substantial. From 1881 to 1890, New South Wales showed an increase of 164,205, and Victoria gained in population to the extent of 112,097. Coming to the last decade, from 1891 to 1899, New South Wales exhibited an increase of 30,225, but the population of Victoria decreased by 127,221. Coghlan sums up the position thus : -

If the results for the last nine years be compared, it will be found that Victoria lost 127,221. by excess of emigration, while on the other hand Western Australia gained 112,689 persons during the same period. South Australia also lost to the extent of 1,933. The remaining colonies all gained slightly. Dealing with the year 1891), the exodus from Victoria was sufficient to more than counterbalance the arrivals in all the other colonies, so that for the first time in the history of Australasia there was displayed the remarkable fact of the departures exceeding the arrivals.

Notwithstanding the fact that from the very foundation of the colonies up to 1899, there had been a gradual increase in all the States, and the population of the Commonwealth had been considerably added to by excess of immigration over emigration, in 1899 the tables were reversed, and the Commonwealth showed an excess of emigration over immigration. That is to say, it lost a proportion of its population, and was on the down grade. This retrograde movement in population was almost wholly attributable to the State of Victoria. Victoria more completely than any other State had adopted the protectionist policy of taxing out the goods of the foreigner for the purpose of finding increased work for her population ; and it must be a matter of very grave concern to staunch protectionists in Victoria to find that in spite of all their efforts their State is almost entirely responsible for this retrograde movement. On the other hand, New South Wales, notwithstanding her free- trade policy, contributed her fair share towards the increase of the population of the Commonwealth. In the year 1899, according to Coghlan, Victoria had 3,027 separate factories, whereas in New

South Wales there were 2,912 ; or a difference in favour of "Victoria of over 100. There were employed in Victorian factories 44,041 males, and in New South Wales factories 47,063. In the Victorian factories there were 16,000 females employed, against 8,000 in New South Wales. Coghlan sums up the figures

relating to this subject as follows : -

Compared, with other colonies the proportion of factory hands who are women is larger in Victoria. There, out of 57,433 hands in 1889, 8,327, or 14 "50 per cent, were females, while in 1899, of 06,070 hands, Ki, 029, or 26 '7 per cent., were females.

In 1889, prior to the great financial crisis, when things were prosperous throughout the whole of Australia, Victoria had 3,000 factories, and New South Wales had the same number. Victoria had 49,000 males employed, or 7,000 more than New South Wales, and she had 8,000 females working in her factories compared with "4,000 in New South Wales. Her factory hands numbered 11,864 in excess of those employed in the New South Wales factories. In 1893, when the financial crisis occurred, and when the true stability of the factories of the two States was thoroughly tested, the results disclosed, according to Coghlan, are very much to the disadvantage of Victoria. At that time the number of factories in Victoria was reduced to 2,673, as against 2,052 in New South Wales, thus leaving an excess of 625 in favour of Victoria. The males then employed in Victorian factories numbered 32,000, as against 36,000 in New South Wales. There was thus an excess of 4,000 males in favour of New South Wales. Altogether, 39,473 hands were employed in Victorian factories, as against 38,918 in those of New South Wales. Thus it will be seen that the number employed in Victorian factories between 1885 and 1899 was reduced from a surplus of 11,000 over that of New South Wales, to an excess of only 555. To put the matter in another way, the increase of male hands employed in New South Wales factories between the years mentioned was 10,673. The increase of males in Victorian factories during the same period was 2,499. New South Wales, therefore, under this condemned system of free-trade, which it is urged is inimical to industry, found an outlet for 10,600 of her surplus population, whilst Victoria, with all the artificial assistance which her industries had received through the medium of protection, could provide an outlet for only 2,499. The decrease of males in New South Wales between 1889 and 1893 - that is, during the time of the financial crisis - was 6,546, whilst the decrease in Victoria was 17,956. Of the native-born population of the latter State, 120,000 had matured to manhood during the period indicated. Victoria had established her factories, had levied upon her people largely through customs and excise, and had called upon those who were engaged in her primary industries to specially subsidize these factories in order to open up avenues of employment for her boys. New South Wales, on the contrary, had worked out her progress upon sounder and more natural lines, with the result that she found an outlet for 10,600 of her population as against Victoria's 2,499. My friends, the Victorian protectionists, will have a very hard task to destroy the significance of these figures. If they could be quoted against New South Wales as they can be against Victoria, what a different tale we should have heard from honorable members of this House. How our ardent protectionist friends would have brought them forward as evidence of the superiority of their fiscal doctrine as against that which obtains in the sister State of New South Wales. I think that these facts disclose a state of affairs which must be of very grave concern to those who believe in protection, and who hold that that fiscal policy is really intended to develop our resources by opening up remunerative avenues of employment. It has been contended that the increase in the factories of New South Wales has been chiefly in the primary avenues of production rather than in the complicated avenues of manufacture. I have a set of figures here compiled from the same source which show the increases that have taken place in New South Wales in industries which in Victoria are supposed to have been specially assisted by the Tariff. Comparing the year 1896 with that of 1900, I find that in biscuit manufactories there was an increase of hands from 485 to 830 - a substantial advance. In confectionery manufactories the employes increased from 475 to 706 ; in jam and fruit factories, from 452 to 713 ; in boot and shoe factories, from 3,526 to 3,953 ; in hat and cap factories, from 73 to 280 ; in furniture and bedding manufactures from 1,039 to 1,773 ; in coach and waggon factories, from 1,230 to 1,574 ; in glassware factories, from 190 to 369 ; and in clothing factories, from 2,724 to 5,568. These are industries which have been specially fostered by the protectionist policy. Similar industries receive no special assistance in New South "Wales, and yet in that State they have contributed very largely, as I have shown, to the increase in the avenues of employment. "With reference to the wages paid and the conditions which obtain in these industries, the difference between the two States is not very marked when all things are taken into consideration. In Victoria there is special legislation providing for wages boards, of which there are something like 24 in operation. In New South "Wales there is no special legislation for the regulation of wages. From a return compiled recently we learn that in the industries I have mentioned there are in Victoria 13,000 males over

eighteen years of age employed at an average wage of £2 0s. 5d., while the total number of persons engaged is 17,286, at an average wage of £1 13s. 10d. In similar industries in New South Wales there are employed 10,755 males over eighteen years of age, at an average wage of £1 18s. 10d., while the total number employed is 13,297, at an average wage of £1 13s. 6d. This shows an advantage to Victoria of 1s. 6d. or 2s. in the case of adult males, and of 4d. in the case of those under the age of eighteen. In females the difference is more marked. In Victoria there are 6,614 females over eighteen years of age employed at an average wage of 18s. 4d., while the total number employed is 9,274, with an average wage of 15s. 3d. In New South Wales there are 2,486 females employed at an average wage of 14s. 10d., while the total number employed is 4,455 at an average wage of 15s. 5d. In this class of labour Victoria shows an advantage of 2s. 8d. for adults, and of 3s. 10d. for those under eighteen years of age. These differences have been created largely by the operations of the wages boards, which have no doubt had a good effect in this particular direction. But these boards were called for as absolutely necessary in order to deal with the question of wages and of the social condition of the working people in Victoria. That the boards have been successful to the extent I have shown every one must be pleased to know. I am glad that these boards have resulted in obtaining better conditions in the factories, better payment for work, and in the suppression to a large degree of the sweating which previously obtained. "We can see very readily how these reforms have been resisted by manufacturers who are supposed to be advantaged by protection, but who complain that if the boards are allowed to continue they will be compelled, to close their establishments, because they cannot compete under the wage system which is insisted on. If the Victorian industries cannot compete with those of New South Wales under the circumstances, there must be something radically wrong, and whatever the cause of that may be, it is something which the system, of customs taxation cannot remedy. At the present time I understand that there is a committee of inquiry investigating the complaints of the manufacturers, and is eliciting evidence primarily for the purpose of showing that the conditions which are insisted on by the wages boards, are too stringent, and so much to the advantage of the workers as against the manufacturers as to render the latter unable to successfully compete with the manufacturers in the sister States, particularly in New South Wales. While it may be difficult to draw these deductions from the mere statement of figures, the latter indicate what is being contended ; and I should like to read a quotation showing the need there was for wages boards in Victoria. The quotation, which describes the conditions which obtained amongst the factory hands of Victoria under the protectionist system before these boards were established, is from an address by Senator Barrett in the Carlton Orderly Room, on 6th March, 1895, during the agitation for the reform legislation. Senator Barrett, a gentleman well known, who ought to be an authority on these matters because of his connexion with the labour movement, stated -

The conditions were such that the worst forms of 'sweating' existed in the colony to-day, and were worse than in Great Britain. England was immeasurably superior to Victoria in that respect just now. Senator Barrett, who is an ardent protectionist and a strong believer in the efficacy of assisting labour and promoting industries under that system, was compelled to confess that in Victoria, at that time, the conditions were worse than in free-trade England, where there is a greater pressure of population, and where, according to him, there is a wrong fiscal policy. There is another matter, in dealing with which I do not wish to be understood as saying anything derogatory to the Victorian working men. I have seen the Victorian working man in New South Wales. He has assisted wonderfully to develop the productive resources of that State, despite the supposed disadvantages of free-trade under which he had to work. But our complaint against the Victorian working man has been that whenever it became a question of an industrial dispute, and of pitting against inert metal on the part of capital against hunger and need on the part of labour, we have been compelled to continue the struggle on very unequal terms, because the Victorian working man was prepared to accept conditions to which our workmen refused to submit. I do not wish to be misunderstood on this point. We have in New South Wales men who will blackleg on their fellow men, but these are the parasites of labour. The squatter or mine-owner who recruits his surplus labour from amongst that class of men finds one experience of them sufficient. It is a much more costly form of labour, and much more unsatisfactory than the labour against which he is fighting. The Victorian working man, however, is no parasite. He is a real worker, but he has been shoved out of employment in his own State, and his need has compelled him to become a blackleg in New South Wales. When he has obtained a position in our State that gave him greater independence than he had previously, he has

become amongst our staunchest unionists. If the Lucknow mine-owners were compelled to get sufficient men to replace those who went on strike, and obtained them from the parasite class I have described, they would find that they would be better without them. But, instead of that, they came over here and engaged Bendigo miners, practical men, to replace New South Wales miners. The same has been the case when we have had strikes of printers, bootmakers, shearers, and other workmen. This matter appeals practically to our New South Wales working men. It is better than a bushel of statistics to them. They ask, "If the working man in Victoria is so well off under a high Tariff, how is it that he is willing to come to our State to work for lower wages than satisfy us?" We have also had a similar experience in regard to working men from New Zealand. In 1890, men from New Zealand were brought to New South Wales to take the place of our own men in the shearing sheds in connexion with a dispute which took place. But from 1895, or thereabouts, since New Zealand has married her protective Tariff to an enlightened progressive policy, and has developed her natural resources, we have been relieved of that trouble so far as she has been concerned. In our recent strikes and labour troubles we have not been called upon to pit our working men against working men from New Zealand.

Mr Mauger

- New Zealand is protectionist.

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Mr BROWN

- But New Zealand is something more than protectionist. What I am saying is that the Victorian working man has been educated to suppose that protection is a panacea for all his evils, with the result that the reforms that would have tended to his betterment have been neglected. Those reforms have been taken up in New Zealand by the progressive democratic spirit there, which is responsible for the improvement in the condition of the workmen. There is another matter I should like to deal with, and that is the agricultural developments that have taken place. In the year 1881 we in New South Wales had 251,855 acres of land under crop. In Victoria there were 926,729 acres under crop. In 1891, ten years later, New South Wales had an area of 365,366 acres under crop. In Victoria the area was 1,332,683 acres. In 1899 the area in New South Wales had increased to 1,426,166 acres, and in Victoria to 2,165,693 acres. In 1891 the wheat returns of New South Wales showed a yield of 3,966,668 bushels, and in Victoria 13,629,370 bushels. In 1899 the yield in New South Wales was 13,604,166 bushels, and in Victoria it was 15,237,948 bushels. Mr. Coghlan in a paragraph dealing with this table of statistics says that -

The greatest increase in production is shown by New South Wales, which in 1899 produced nearly 10,000,000 bushels more than in 1891, and from the following statement, which gives the proportion of the total crop produced by each colony between 1891 and 1899, the progress made by New South Wales will be evident, for whereas in 1881 and 1891 it only produced 11 per cent. Victoria and New Zealand show the largest declines, the proportions falling from 38 per cent, and 28.6 per cent, in 1891 to 31.4 per cent, and 17.7 per cent, respectively in 1899.

We are led to believe that the duty on wheat is of great benefit to the farmers by shutting out the external competition against which they are supposed to have to contend, but Mr. Coghlan points out that instead of the duty being a benefit to the farmer, it is simply a make-believe, one of those things which look well on paper, but which in practice confers no benefit at all. At page 515 of his Seven Colonies, there will be found this important paragraph relating to this matter -

The records of the six States forming the Commonwealth show that since 1879 there were only four years during which they were forced to import wheat from places outside their boundaries. Those years were 1886, 1889, 1896, and 1897. In the first year the wheat crop was a partial failure in Victoria and South Australia, and almost a complete failure in New South Wales and Queensland. In 1889 there was a general failure in New South Wales and Victoria. In 1890 the crop failed in Victoria, and in the following year that colony, for the first time in 22 years, was compelled to import wheat. The net import, however, being only 160 bushels.

Mr. Coghlan there clearly demonstrates that the wheat production of the Commonwealth is such that, except in times of drought, we can not only provide for our own needs, but must find an outlet for surplus production. So that the farmer of Victoria, who is bearing the burdens of this Tariff, which have been described by members of the Victorian State Legislature in the way I have already referred to, has to find a market for his produce, the price for which is regulated by what can be obtained in the market,

which regulates the wheat markets of the world. The latest statistics I can find show a decrease in the area under wheat in New South Wales and Victoria, due to drought and other causes ; but while the decrease in area in Victoria amounts to 200,000 acres, in New South Wales it amounts to only between 60,000 and 80,000 acres.

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Mr Kennedy

- That is accounted for by the fact that the value of the return per acre has decreased from £2 in 1891 to £1 5s. in 1899.

Mr. BROWN. - It must be remembered that the New South Wales farmer has had to compete with an open market and with the Victorian farmer, though he was not on the same footing with him to the extent to which the Victorian farmer was protected. Still, despite that disadvantage, with the other advantages he possesses he has been able to make headway, and the returns I have quoted indicate the relative positions in which the farmers of the two States stand to day. Two or three speakers have discussed the price paid for reapers and binders, and it has been stated that, because of protection, the farmer in Victoria can obtain a reaper and binder much cheaper than can the farmer in New South Wales, who, it is said, is under the iron heel of an importers' ring, from which the Victorian farmer is able to escape. I know a little about this particular matter, as I can claim to be one of those who have taken a leading part in the farmers' movement in New South Wales. I can claim to be one of those who assisted in the formation of the valuable representative organization known as the Farmers and Settlers' Association of New South Wales. Among the delegates to our conference about four years ago was one who had visited America, and who, being of an inquiring turn of mind, had made exhaustive inquiries into the conditions under which farming was carried on there. He discovered that these machines for which we were paying from £55 to £65 each could be purchased in America at prices ranging between £18 and £26. We were told that the importers were responsible for the difference, and we believed that statement. Eventually we decided to do our own work. We formed a Settlers' Co-operative Association, and such a body, worked on sound financial lines, can do more for the farmers than any protective policy could do. We resolved to import the reapers and binders for ourselves, and communicated with a firm doing a large trade in Australia with a popular make of machine. We discovered that it could not be obtained at the reduced price because of the existence of a combination, but we were advised that another machine, built for the South American fields, and differing only slightly from that to which we were accustomed, was not within this combination, and could be landed here at a price more in accord with the cost of production in America. When we entered into negotiations for its purchase, however, we were informed by the representative of the manufacturer's agent in Australia that the undertaking which he had made with us was not approved by the American and Canadian manufacturers. They had formed a ring to control the Australian trade, and had an understanding among themselves that they would not sell under a certain price. Our efforts were thus defeated for the time being. As the result of further negotiations, we got in touch with a manufacturing firm in America which was outside that ring, and obtained from it a number of machines. We were able to sell them at a profit of £35 each, as against the £55 and £65 which we had been paying previously. The Minister for Trade and Customs had something to say about wheat-growing in South Australia, and he may be interested to learn that we came to the assistance of farmers there by selling them a number of our machines. As soon as we introduced them, the syndicate in New South Wales considerably reduced its prices. A much larger reduction was made in Victoria, but that was due to the fact that the agents here got at loggerheads. . As soon as the parties come to terms, however, we may be sure that the prices will rise. This fact serves to show that the high prices, instead of being the work of the importers, have been due primarily to the manufacturers' combination. They refused to deal with us when we were prepared to do business with them direct. This incident shows also that the farmers and settlers, under a sound system of co-operation, can do more for themselves than under any protectionist system that could be devised. I have occupied considerably more time than I had intended at the outset. I want to say, in conclusion, that I am a poor man. I had the misfortune to be bred and born in the back parts of New South Wales.

Mr Kingston

- There is no misfortune in being born in any part of Australia.

Mr BROWN

- I agree with the right honorable gentleman who interrupted me before I had completed my sentence. I was bred and born in the back parts of New South Wales when pioneer conditions prevailed. I had to bear the burdens of the pioneer, and shared none of the advantages of those who live in the city. I have had to work hard to cut out a home in the forest of Australia, and I had to commence work at a time when most young people are pursuing their educational Studies. Despite that fact, the electors out there, believing in my sincerity of purpose, and in my desire to advance the democracy of this country, have placed me in the high and honorable position that I hold as a Member of the Parliament of the Commonwealth. Whilst I occupy a seat in this House I do not want to do anything that would be to the detriment of the democracy that I represent, or to the working people from whom I come. It is because I view the matter earnestly and seriously in that light that I intend to vote against the Government proposals. I do not claim a monopoly of experience or of brains, nor do I wish to insinuate anything against my fellow countrymen. I give honorable members on the Government side of the House the credit that I take for the Opposition ; but, viewing the issue from the stand-point which I have endeavoured to put forward, I should regret the fact all my life if, at the outset of this new nation, in the moulding of which I hope to have a part, I gave my vote for a piece of legislation such as a Tariff, placing the burdens of taxation upon the working people of Australia.

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Mr TUDOR

- After such a lengthy debate on a question which has been already worn threadbare, an honorable member who rises at this juncture to address the House is placed somewhat at a disadvantage. It is only because I have had a little experience in countries other than that which is my native land, and particularly in connexion with an industry which has come under the lash, that I desire to say a few words before the vote is taken. I am at one with the honorable member for Canobolas in wanting to do my utmost to improve the position of the workers, not only here but in other lands, and it is because I believe we can do that better under the fiscal system supposed to be set forth in this Tariff that I support it, not that I believe it goes far enough in the direction of protection. It is well known to many honorable members that I am a Victorian who had the good fortune, which does not fall to the lot of every one, to work at my trade for a number of years in England, and for about a year in the United States. The conditions I found as a workman were not those which have been quoted by many honorable members on the other side from a book, circulated from one to the other, in which Mr. John Burns, whom I respect, and Mr. Keir Hardie put forward their impressions of the United States. I admit that my impressions of that country are not the result of a visit of a week. I did not go away after a week's visit and write a book telling people all about a country of which I had only a very superficial knowledge. I have worked there, and what I am about to state is my practical experience gained in different parts of England, and in different parts of the United States. I was told by one gentleman that even if I proved that my wages were higher in the United States or Victoria than in England it would mean nothing, that these were representative men, and, therefore, better qualified than I am to speak upon the question. My name as a man who has taken an interest in labour politics is not so well known all over the world as is that of Mr. John Burns or Mr. Keir Hardie. But I have held, if I may say so without egotism, the highest position which a trade unionist can occupy here. I have also held high official positions in my own trade union in England and the United States, so that I can speak with some degree of authority as a representative of the workers in those countries.

Mr HENRY Willis

- In what part of America?

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Mr TUDOR

- I worked in the States of Connecticut and New Jersey. In Victoria my wages had been 1s. 3d. per hour ; but in England they were 7d. per hour, and that is the rate ruling there to-day. Honorable members may say that that condition might be owing to the trade unions not being so well organized in one place as in the other. But we pride ourselves that our trade union is pretty well organized, and in several districts in England, the United States and Victoria, we can say what perhaps no other society can say, that every man who is eligible is a member of the union. I do not think that even the strongest trade union, the Amalgamated Society of Engineers, can say that in regard to any district in Australia, England, or the

United States. Honorable members on both sides have compared the conditions in Australia with those in England or those in the United States. For a number of years I lived in a manufacturing town in the north of England. I find that the standard of life in a manufacturing village is not so high to-day as it is either in Victoria or in the United States. I am comparing the workers in the same trade, and not a worker in one trade in one place with a worker in another trade in another place. I am comparing men with whom I lived and worked, not for a few days, but for nearly a year in one case, and for a number of years in another. A little work I hold in my hand describes the conditions in a manufacturing town in England to-day. I visited most of the manufacturing towns in the North of England - cotton towns, woollen trade towns, and others, and the conditions are set forth more clearly in this book than I could describe them. I am about to quote from "The Effects of the Factory System," written by the editor of a newspaper in a manufacturing town in the North of England. I refer to Mr. Allen Clarke. He is speaking of the cotton trade, which, perhaps, is one of the most representative of all the free-trade trades in England, and it was practically as much for the cotton trade as for any other that England adopted free-trade. He draws a picture of Bolton, although he could draw a similar picture of nearly every manufacturing town in the north. We have been told by honorable members on the other side of the House that if we had protection we should get shoddy. Taking the number of factories in England and tabulating them, I find that there are no less than 125 doing nothing but manufacturing shoddy to-day. Out of 1,184,431 persons employed in factories of all kinds in England, no fewer than 525,795 are employed in cotton mills, so that nearly one-half are employed in cotton mills of which he draws this picture -

Everywhere you will find steam hissing and smoke scowling ; factories, forges, furnaces, chimneys, coal pit-heads, streams fouled by chemical works - these are the bulk of the scenery in the Shire of Smoke. That is the general aspect of the county. Now, let us take a typical cotton manufacturing town. We will take Bolton, because I know it best (and as I said before, I only intend to write about what I know). Let us stand in Bolton Park, which is like an isle of dingy green in a black sea, the charm of the place being utterly obscured by the fact that, from whatever part of it you raise your eyes you meet a prospect of smoking towers. Looking south we can count nearly 200 tall chimneys rising ugly over a mass of brick buildings that look as if they had stood for years in a climate where it rained ink every day.

There are 152 cotton-spinning firms in Bolton at the present time employing 12,000 cotton operatives. We have been told by honorable members opposite that in protectionist countries the tendency is to displace males with females, and adults with children. We find that out of the 12,000 operatives who are employed in the cotton mills of Bolton to-day there are no fewer than 2,400 half timers. I feel confident that if honorable members had seen the children going to the mills in the way that I have seen them, and had realized that the employment of child labour had been one of the factors in bringing about England's greatness, they would not be so fond of preaching about the good that free-trade has done for her.

Mr Batchelor

- Is there nothing of that sort in America ?

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Mr TUDOR

- No, I did not come across anything of that kind in America. Although we have had continental countries held up to us as terrible examples so far as the workers were concerned, I may mention that the age at which children are allowed to go to work in England is lower than in any of the continental countries. When conferences of workers from different countries have been held, complaints have been made that England is one of the most backward of nations with regard to the employment of child labour. It has been said by some honorable members that if wages are high in any particular trade, the purchasing power of the money received by the workers is relatively not so great. It has been argued that a man receiving 32s. or 33s. a week in England would be as well off as if he were getting £3 a week here. My experience does not bear out any such idea. I find that I can make 20s. go just as far in Melbourne as I could in Manchester. I admit that in some instances articles would be cheaper in Manchester - than in Melbourne, but food products and articles of daily consumption would, on the whole, be much cheaper in Melbourne than in England. Clothes and boots might be a little cheaper in England, but not so very much. Referring to the half-timers in England, I can draw upon the experience gained in the county in which I was working for the greater part of my time in England. According to the Statistical Abstract for 1894, there are 48,133 boys and girls working half time in the cotton industry. We are told that it is only in protectionist countries

that females are replacing males in the factories, but out of 48,133 half-timers there are 25,432 girls as compared with something less than 23,000 boys. In the woollen trade there are 19,000 half-timers employed, and in the worsted trade 37,000, making a total of 101,000 half-timers engaged in the cotton, woollen, and worsted trades alone.

The writer from whom I have quoted these figures says -

Figures can give no idea of the hideous truths that we can see in the pale faces and thin weary heads. These cannot be put into statistics.

This gentleman, prior to becoming an editor on a newspaper, was a teacher in a school. He says -

For eight years I taught in public elementary day schools in a cotton town, and in all the schools in which I was a teacher there was a great proportion of half-timers, and I speak from experience when I say that I often pity the half-timers and excuse their lessons.

I have seen these children going to the factories in the early morning when I have been going to work at half -past five. They start before breakfast, and work for about two hours in the morning, and then, after getting some breakfast, they work four hours, and having had a small meal at the mill, rush off for their books and go to school for the afternoon. The writer continues -

I have seen them fall asleep over their lesson books or tasks, after they have been in the factory all the morning (six hours). They were generally dull and sleepy, and it was often downright cruelty to force them along the curriculum fixed by the education code : but the schoolmaster, no matter how tender his heart, was forced to prick them to the pace, or risk censure, and perhaps loss of place, for not keeping the school up to the standard and getting the expected amount of Government grants at the annual examination. In spite of the alleged sharpness of half-timers, no schoolmaster likes them. The testimony of all the teachers in Lancashire is with me on this point, that half-timers, as a rule, hamper and hinder the progress of the rest of the class.

Archdeacon Wilson, of Rochdale, in an article on "Half-timers," writes: - "There is the physical health point of view. Now, from this point it is perfectly clear that the children, especially from the neglected homes, suffer. I caused all the boys in my boys' school to be weighed and measured in the autumn of 1891, before the halftime age was raised from ten to eleven."

I was there during that year, and I know the outcry that was raised by the parents against what they considered to be the uncalled for legislative interference by Parliament with their sending their children to work when they liked. It is further stated -

The results were disputed, and the Rochdale School Board of that date willingly took the matter up, and made similar measures in their schools. Their figures confirm mine, and showed that while children who are not half-timers grow uniformly in height and weight from the age of eight to that of twelve, our Rochdale children, many of whom were half-timers, received a sudden check in the rate of growth at ten, and the lower rate was continued till the age of twelve. Our children are below the average size, even at eight, nine, and ten, from many causes, chiefly improper food and early neglect; but the disparity was even greater at eleven and twelve. These measures were repeated at the end of 1894 in my school (the newly-elected school board refused), and, since the half-time age had been raised in the meantime to eleven, the measures were of much interest. It became quite plain that the check in the growth at ten had disappeared, and that a much slighter check was apparent at eleven. In other words, these measures, so far as they went, proved that the work of these children in the mills from ten to eleven stunted their growth.

We have been told by the leader of the Opposition that in England the trades unions are so strong that practically they have only to ask in order to receive what they want from their employers. As one who has had a little experience in that matter, I am sorry to say that the honorable member is not exactly correct in his statements. I went through a very long strike in England in 1892, when the society of which I had the honour of being assistant secretary - one of the strongest societies in England - went down before the employers in one of the midland districts. We only asked for one penny farthing per dozen ; but we lost. If the right honorable gentleman will take the trouble to read The White Skvr.es of England, he will see that many societies have been crushed by the employers when they only asked what I consider were fair terms and improved conditions to which they were entitled. The leader of the Opposition has declared that the trades unions of England are practically in a position to secure compliance with their demands. That has not been my experience of trades unions in the old country. In reference to the effects of the

factory system of England upon children who have to work half-time, I wish to read a quotation from Dr. Torrop, of Heywood, one of the largest manufacturing centres in Lancashire. Speaking of that system, the writer says -

The promising child of ten degenerates into the lean and sallow young person of thirteen ; and this process is continued until a whole population becomes stunted ; and thus the conditions of life in factory towns become a real source of danger to England's future. After 25 years' observation of factory life, I have no doubt that the height, weight, and physique of Lancashire factory hands is below the average of England. The deficiency is greater in full-timers than in half-timers, and is not made up in adult life, but goes on in accelerated ratio.

Further On he states -

It must be borne in mind that the medium average of Lancashire factory children is not equal to the average elsewhere. The latter standard is hardly reached by the 341 children described as superior (out of 2,000 examined), while the medium division (1,105 of the 2,000) is greatly below the standard of good health. This is much more distinctly marked amongst children of thirteen - "full-timers" who have passed some years in the factory - than it is in those of ten years of age. Of 10 healthy children, averaging thirteen and a half years, and taken as they came (31 girls and 29 boys), the average weight was 74 lbs., or 14 lbs. below the average of good health elsewhere.

It will be seen, therefore, that the children who worked half-time in the mills were 12 per cent, smaller than were the average children all over England. This result is not creditable to a country which boasts of the position it has attained under freetrade.

Mr Poynton

- Is not that an argument against factory work altogether ?

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Mr TUDOR

- The honorable member knows we have been told that the children in protected countries go to work at an earlier age than they do in free-trade countries. Figures have been set before us. with a view of proving that factory children go to work earlier in protectionist Victoria, than they do in free-trade New South Wales. I am attempting to prove that in England they go to work at a more tender age than they do in any protected country throughout the whole of Europe. The right honorable and learned member for East Sydney says that the trades unions of England are strong enough to get exactly what they want. I will show what one of the strongest unions in that country - the Bolton operative spinners - said in their annual report, which was issued in April, 1891, of the disadvantageous conditions under which the adult spinner has to labour. That report states -

He has to work in a temperature ranging from 50 to 110 degrees Fahrenheit, and in a vitiated atmosphere, which is not completely changed even once, a week. These conditions render him peculiarly liable to contracting chest complaints, and rheumatic affections.

Mr. AllenClarke, speaking of the statements contained in the document from which I have just quoted, says -

That is true, as medical evidence testifies. Now, read what the very same body of men, the Bolton operative spinners, said at a meeting held to consider the half-time question only a month after they had issued the report containing the preceding statement. Mark! " Having carefully considered the proposal to raise the age of half timers from ten to twelve, we are strongly of opinion that such a step is entirely uncalled for, in the interests of the child itself, as, speaking with a full knowledge of the question, we do hereby assert that a child does not suffer, either physically or intellectually, as a result of becoming a half-timer, and we would, therefore, respectfully urge upon the Government not to accede to any demand for raising the age."

It should be remembered that this is the same body of spinners "who a year later declared that - Eight hours a day was sufficient for adults under such trying conditions.

Mr. AllenClarke continues I am reluctant to write it, but it is a sad fact that the majority of parents in Lancashire regard children only as commercial speculations, to be turned into wage-earning machines as soon as the child's age and the law will permit. For this they oppose the raising of the age of half-timers ; for this resent all legislative interference, either educational or hygienic, in the matter of their children. Instead of fighting for wages to keep their children they are cowardly enough to let the children

be forced to keep them.

That is the position of one of the strongest trades unions in England to-day.

An Honorable Member. - Who is the writer ?

Mr TUDOR

- Allen Clarke, editor of the Northern Weekly - a man who worked in the mills himself, and who was schoolmaster in the Bolton district for eight years. In England there are 172,000 children labouring under this system - the most abominable system in existence in any part of the world. As we all know, Manchester is practically the home of the free-trade school. It is, in reality though not nominally, the capital of Lancashire. Out of that 172,000 employed in the factories of England, 93,969 of the "half-timers" belong to Lancashire. We have been told that many children there go about minus a finger or a limb. During my stay in that county I saw more cripples and deformities amongst children than I have seen elsewhere in all my life.

Mr O'MALLEY

- Was the honorable member ever in America ?

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Mr TUDOR

- I worked there for about twelve months. I am not like some people who remain in a place for a very brief period, and get themselves interviewed by some smart journalist, with the result that an extract from their observations is quoted time after time by various speakers in this Parliament. I resided and worked in Lancashire, and I claim to know more about the conditions of its people than a person who sojourns there for a few days only can possibly know. We are told that in free-trade England the trades unions can win their strikes. Did the strongest organization in that country win in 1857 ? (I refer to the Amalgamated Society of Engineers. No ; they went down. I was in Lancashire at the time of the coal miners' lock-out in 1893, when the employers demanded a 25 per cent. reduction in the wages, and I know that upon that occasion workmen had to submit to a reduction of 12½ per cent, after they had been locked out for four months. The cotton operatives were locked out in 1892 in connexion with a proposed 12 per cent. reduction of wages, when the operative spinners held meetings to protest against the machinery of manufacturers being sent to India to be used against them. Yet honorable members tell us that protection is not heard of in England. I did not go as a visitor for a couple of days, and then write a book about the place; but I worked there, and I found throughout the working classes of England,, especially amongst the manufacturing classes, an anxiety to obtain protection for their industries. Hundreds employed in my own trade have said to me, "We believe in free-trade for the stuff we cannot produce here, but we do not like to see German and Italian hats being imported." When I worked in London and in the Lancashire district, I found hundreds of people expressing the same sentiment. Instead of being dead, as many honorable members would have us believe, the feeling in favour of protection is very much alive, and I think there is likely to be an awakening in England in that direction. We know that strong trades unions in many trades have had to be disbanded. What was the case with the Alkali Workers' Union in Lancashire after that trade had been absorbed by a trust ? There was a large trust in the alkali industry in Lancashire before there were many trusts in America, and I learn from the secretary of the union that the wages were reduced after the trust was formed, although the price of the commodity was raised. The employees are now receiving about 4s. a day ; and this is the information given by Mr. Healey, the secretary to the union, when speaking to the gentleman who wrote the book from which I have quoted -

Mr. Healey declared to me that, taking an average, the wages paid to the alkali workers to-day are 50 per cent lower than they were five or six years ago, before the various masters syndicated their interests. On the other hand, the manufactures have, in the same period, notably advanced in price. On 28th December, 1889, bicarbonate of soda was quoted at £5 5s. per ton. During my visit to Widnes it was quoted at £7 per ton. Salt-cake has advanced from 1s. to 2s., caustic soda from 2s. 6d. to 5s., while bleaching-powder, packed in hardwood barrels, which was quoted in 1889 at £5 10s. per ton, has advanced to £7 5s.

And yet the wages have not been advanced. There are trusts in England just as in America. These are not the results of any fiscal system, but are amongst the growths of our civilization, and it is because the people in America are more advanced that they are taking advantage of the method of syndicating interests. As we all know, the English manufacturer is very conservative, and loth to give up the idea that

he can do better by himself than when amalgamated with others. We have been told that women are not allowed to work in the coal mines of England to-day, and I do not think they are ; but I know that they work on the pit bank, where I have seen them in Lancashire, pushing the trucks. I do not know that the practice is confined to that county.

Mr JOSEPH COOK

- Yes ; it is, absolutely.

Mr TUDOR

- I know that in the county of Staffordshire, from which the honorable member for Parramatta comes, women work in the brickyards, and carry 100 lbs. of bricks at a time to and from the heap. That is what may be seen in England to-day, and that is what some honorable members wish to see in Australia. They desire to reduce our school age, and have our children working half-time as in England after 50 years of free-trade, and they would like to see women working on pit banks and in brickyards. I for one am prepared in the interests of the worker to fight for improved conditions. If we manufacture the goods here I am convinced that either this Parliament or the State Parliaments will be able to enforce such terms as will materially improve the condition of the workers, whereas, if our goods are manufactured 12,000 or 15,000 miles away, we can have no knowledge of or control over the circumstances under which the work is done.

Mr G B EDWARDS

- Did the honorable member ever come across the Pinkerton police ?

Mr TUDOR

- No ; but I was in England at the time of the coal lock-out in 1892, when two miners were shot down at Petherstone. Perhaps the honorable member has forgotten the occasion when the military were drafted into the district as the police were on duty elsewhere - Lord Masham's were the mines concerned - in order to protect the present King of England, who was visiting Doncaster races. There was fear of a riot, and two miners, who were walking along the road, nearly three-quarters of a mile away, were shot down. America is not the only place where workers are shot down when striving for their rights. We have been told by the honorable member for Parramatta that the trades unions are better organized in New South Wales than in Victoria ; but, so far as I know, that is not the case.

Mr JOSEPH COOK

- I did not say that.

Mr TUDOR

- Then I beg the honorable member's pardon. But he did say, I believe, that in Melbourne it was not possible to have such a successful Eight Hours Day procession as they had in Sydney on the last occasion.

Mr JOSEPH COOK

- I did not say that either.

Mr TUDOR

- Then it must have been said by some other honorable member. However that may be, I say that in Melbourne on Eight Hours Day we had a better procession than they had in Sydney. I had the honour, when working at my trade last year, to be a member of the Eight Hours Day Committee, on which there were represented 78 societies, as against the 38 societies represented on the Sydney committee. It will be seen, therefore, that in Victoria we have nearly double the number of societies that they have in New South Wales.

Mr JOSEPH COOK

- If the honorable member will read my speech he will see that I said the trades unions in Victoria were as good as those anywhere else.

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Mr TUDOR

- I thank the honorable member. Throughout Australia we have a very strong organization in the Engineers' Society, which is practically as powerful in one part of the continent as in another. I have here the last report of that society, issued in August last, and I find that the pattern-makers, who comprise about 25 per cent, of the members, are paid 1s. per day more in Melbourne than they are paid in Sydney, and that in all the other branches of the trade the wages are equal in the two States, while in Melbourne

an allowance is made for overtime, which is not the case in Sydney. We have been told that whenever a strike or lock-out occurs in any of the other States blacklegs from Victoria take the places of those on strike. I should be sorry if that were the case, and I trust it is not so ; but if it were, we are no worse in that respect than they are in any of the other States. There has been a strike in an engineering firm in Melbourne, and the men who came to take the place of the unionists were blacklegs from Sydney, who are working here to-day. It will be seen that Victoria is not the only place which furnishes blacklegs when a strike occurs ; and what I have stated is on the authority of the secretary of the Engineers' Society. If things are so much worse in Victoria than they are in New South Wales, how is it that the ironworkers of Mort's Dock struck to get the same terms as the Victorian ironworkers ? How is it that the tailoresses struck to get the same wages as tailoresses were receiving in Melbourne? We have heard a great deal about the boot trade. It has been stated that this trade is in a worse condition in Victoria than in New South Wales - or at any rate in no better condition - although there are no wages boards in Sydney. Unfortunately, I have left at home two letters which I had intended to read bearing upon this question. One is from a manufacturer who employs the largest number of hands in Australia in the manufacture of boots. He manufactures in Melbourne as well as in Sydney, and in this letter he gives me the information which I shall quote later on, when the items of the Tariff are under consideration in committee. The wages he mentions as paid in Sydney are absolutely the same as the rates furnished by the secretary of the Sydney Boot Operatives Union. One of the representatives of the trade on the Trades Hall Council of Sydney told me that one cannot find 300 bootmakers in that city who have earned 25s. per week for the last six months. That is the position as stated by a man who is in a position to know, and it is borne out by the manufacturer's letter. The wages received in Melbourne are set forth in the report of the Victorian Factories Inspector.

Mr Poynton

- Mr. McMurtrie has undertaken to show his books to prove the opposite.

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Mr TUDOR

- I hope it can be shown by Mr. McMurtrie that the men are receiving good wages in Sydney. I desire that the workers should receive good wages throughout every State in the Commonwealth, and it is because I wish them to have good wages that I am advocating the fiscal system I do now. Although I was born and brought up in Victoria, my views on fiscalism were not shaken by my four years' residence in England, but were rather increased in strength. I came back more firmly of the opinion than ever that protection, if rightly applied in the interests of the worker as well as of the employer, is for the advantage of both. I am no believer in a one-sided system. I believe in the worker getting his share under protection, and I would secure that by means of Factories Acts, such as we have in Victoria. But it is to be remarked that the very newspaper which is leading the free-trade cause in this city has been persistently opposing the Factories Act, and recently was asking for its suspension. I find from the report of the Factory Inspector, that in the period dealt with by that document there were 1,564 bootmakers who were entitled to receive the minimum wage of £2 2s. per week but who received 44s. 9d. per week, or an average of 2s. 9d. per week more than the minimum. It has been stated that the minimum in Victoria as fixed by law becomes the maximum, but if honorable members will examine these figures they will see that what I have stated is correct. I know, of course, that the minimum wage of £2 2s. is not given to boys of.. 13, 14, or up to 19 years of age, nor is the wage set down for workmen received by similar persons in New South Wales. I have no doubt that Mr. McMurtrie, when he shows his books, will eliminate those cases. The highest wages paid for the same workers in. New South Wales are 42s. 6d., and they go down to 42s. Those figures are based upon information supplied by employers. Let it be remembered, also, that the Victorian minimum is not only paid in Melbourne, but likewise in Ballarat and Bendigo. I am aware that in Sydney bakers have received, after consultation with their employers, a wage of £2 10s. per week. I am very glad of that, but the bakers in Victoria obtained the same wage twelve months ago. When I visited Sydney, on the occasion of the Eight Hours Demonstration some three weeks ago, there was an advertisement in the programme asking trades unionists to deal only with master bakers who employed workmen who were paid this wage, showing that some employers in Sydney do not pay this minimum of £2 10s. per week. Some figures have been quoted in the course of the debate from an honorable member of the Senate, showing that in the case of hats and boots the duties in this Tariff range from between 30 to something

like 400 per cent. I claim to know a little about the hat trade, and I can state this - that the duty in Victoria on the lower and medium class of goods has never been operative. Hats have been sold in Melbourne for 1s. 6d. each, and they were far better hats than could be obtained in Sydney for the same money. While I was in that city, I took the trouble to go into eight shops, making purchases for myself in the way of handkerchiefs, neckties, and so on, but really for the purpose of examining the quality and price of the goods sold there. I was able to satisfy myself from that inquiry that one can buy better value for the money in Victoria than in Sydney. I have fought for years as a trades unionist, and I have no doubt that if any fellow employe of mine were in this House he would tell honorable members that on numerous occasions I have been on deputations claiming the improvement of the condition of my fellow workmen. One of the principal advantages of protection to my mind is that it enables us to see that the workers who make the goods get their fair share of the advantage from the duty that is imposed. Although honorable members opposite have complained of the high duties under the Tariff, I have not heard any one of them say anything about the duty placed upon rice for the manufacture of starch. A good deal has been said about starch in general, but nothing on rice imported for its manufacture, although that duty amounts to 105 per cent.

Mr Poynton

- I said something about it.

Mr TUDOR

- Honorable members opposite have had their eyes glued to the question of starch, to such an extent that they have not been able to pay attention to the duty on rice. If the honorable member for South Australia, Mr. Poynton, claims to be an exception, I hope he will vote for a decrease in this direction. As to the trade in which I worked for a number of years, I wish to explain that I have not the slightest interest in it at the present time, except in so far as I wish to improve the lot of those with whom I have worked.

The manufacture of hats cannot be called an exotic industry. We produce here the raw material for the manufacture of hats. We grow the wool which is the staple product of the cheaper class of hats, and also the rabbit skins which are the principal product for the finer class of felt hats. On no ground, therefore, can the pursuit of this trade be said to be like "breeding polar bears at the equator." It may, however, be said that the rate of duty is too high. There has been a duty of 25 per cent, in Queensland for a number of years, though they have not yet manufactured a hat there. They have a 30 per cent, duty on hats in Canada, and there are not twenty men engaged in their manufacture throughout the whole of the Dominion. I happen to know, because I was anxious to go to Canada as well as the United States in order to get work there. The duties proposed here are entirely moderate compared with the duties in the United States. We were told by some honorable members, and notably by the right honorable member for Tasmania, Sir Edward Braddon, that hats cost more in the United States than in any other part of the world, and that the manufacturer practically puts the difference in the price into his pocket. I know that that is incorrect. The honorable member was probably quoting from Rudyard Kipling, who may aim at the truth, but who, like some members of this House, is a remarkably bad shot. Nearly all the hats used in America are manufactured there, and the workers obtain more than twice the wages paid in England. I may say that when I was in the United States I obtained three times the amount of wages that I was paid in England.

Mr O'malley

- And they are 25 per cent, higher now.

Mr TUDOR

- The latest information I have from the secretary of our union in the United States does not bear out that statement. When I was in England the wages were not half as high as the wages paid in the United States, and less than half the wages paid in Victoria.

Mr BRUCE SMITH

- How does the purchasing power compare ?

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Mr TUDOR

- I have already explained that I could purchase as much for 20s. here as in Manchester or London, and I could purchase as much for five dollars in America as for £1 in England. I have admitted that as regards clothes and boots, they might be a little cheaper in England than in "Victoria or in America, but every

article of food, and all vegetable products are cheaper in America and in Victoria than they are in England.

Mr JOSEPH COOK

- No.

Mr TUDOR

- I believe I have been in England since the honorable member was there. I went there for the purpose of studying the question on the spot, and remained there sufficiently long, I think, to bring away an intelligent idea of what I observed in that country. I worked in England for 56 hours a week, and for half the wages for which I worked 48 hours here.

Mr JOSEPH COOK

- The honorable member is making a one-sided statement all the same.

Mr TUDOR

- I am stating the conditions just as I found them in England. I know there are men in this State who worked with me, and if they saw a statement from me in Hansard which they could refute, they would be only too pleased to correct it. I regret that I have to speak in this way of England, for I love the country, and, during my stay there, I made many friends. I would rather speak well of England than of America, if the truth lay that way, but I have been anxious to speak of the conditions exactly as I found them. Some honorable members have said during the debate that they think the Tariff duties might be gradually reduced from time to time as industries become established. I do not believe they can. I believe that whilst the conditions of labour are different here from what they are in England, whilst hours of labour are less and the wages are higher, we cannot possibly continue the industry unless we have a reasonable measure of protection. Do honorable members think that Australians cannot produce as much in a week of 48 hours as the workers can in England or any other place? To say so would be to libel the Australians. I believe that man, for man, we can produce as much as any other people in the world. But we need the duty in order to make the conditions which the manufacturers here have to observe equal to the conditions observed in other States. "We work only eight hours per day here, and they work longer hours elsewhere, and the wages are lower in England and in other countries. I know that in Italy, where we are likely to have great competition in some lines, the wages are lower than they are in England. We were told by the right honorable leader of the Opposition that he was sorry to see the amount of duty placed upon tobacco, as it went entirely into the pockets of an American firm, and half was taken away to New York every year. I was surprised at the statement, because, believing in free-trade as he does, the right honorable gentleman should have been pleased if the whole went away. How can he complain about half going away? Personally, I am in favour of the nationalization of the tobacco industry, so that the whole community might reap the benefit now being secured by a few individuals. I do not intend to delay the House longer. I think it is right that in the interests of the workers of Australia we should have a fiscal system under which they will be able to reap some advantage as compared with the other nations of the world.

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Mr PAGE

- On this want of confidence motion we have had a lot of discussion about the rights and wrongs of freetrade and protection. I want to set myself right before I go any further. I am a labour man, and whether it is free-trade or protection that is going to give labour something I shall vote for it. That is my fiscal faith. Although a free-trader, if I could see that the worker would be benefited by any protective measure I should vote for it. We have heard a lot of talk about "my country," but I may say that if the Victorians and New South Welshmen love their country, I love mine as much as they do theirs. I do not forget the country that gave me birth and infant nurture. I have heard my countrymen and women being run down and spoken of as being treated in the same way as white slaves; but there are proportionally just as many white slaves in Victoria, New South Wales, Queensland, and the other States as ever there were in Great Britain. What was the condition of affairs in this State of Victoria only two years ago? We know that the Attorney-General and the honorable member for Melbourne Ports have taken an active part in the suppression of sweating. All honour to them, and I hope that the day is not far distant when the same men will take up the banner for the Commonwealth of Australia, and give us a Shops and Factories Act throughout the Commonwealth. If it is good for one State it should be good for all. There is just as much

sweating going on in Queensland as there is in New South Wales or Victoria. Queensland is a protectionist State, but I venture to assert that women and children and others engaged in manufactories in and around Brisbane are being paid to-day as low a wage as ever was paid in any part of Australia. The fact of the matter is, we have not got a wages board there. If we are going to protect the manufacturer, and to aid him in building up his industries, I do not see why we should not make laws to compel him to pay a living wage. The honorable member for Tasmania, Mr. O'Malley, said that he would not help the primary industries. But if they were out of the way where would the manufacturers be? Fancy the skite of an honorable member - for that is what it is - who says that he would not help the primary industries of Australia! They do not want any help or assistance- They are willing and ready to compete with the open markets of the world. They are the backbone of the Commonwealth, and when an honorable member talks of them in the way I have mentioned, what can we think of other statements made by him? If we are to have protection, let us not forget the thousands of men pioneering out in the western country. Let them have a taste of protection. That is all we ask. Honorable members on the Opposition side of the House have told us, in season and out of season, that they do not believe in high duties. In my opinion no one does. When it comes to our own doors we say always - "Tax the other fellow." None of us like to be taxed. I have not yet met the man who was prepared to say that he did. We all try to avoid taxation. There is not one of us who has travelled backwards and forwards between Sydney and Melbourne, without doing a little bit of smuggling. I saw a Minister doing something in that line on one occasion, and is it any wonder that a layman should be tempted to do the same thing? The honorable member for South Australia, Mr. Poynton, has drawn up a list of duties that he desires to see removed. We know, however, that revenue has to be derived through the Customs. It is idle then for us to say that we are going to take the duty off this and the duty off that. No one is more sincere than I am in the desire to see the Customhouse done away with, and direct taxation imposed. If we have to raise revenue through the Customs the taxation must press heavily on some one, but how can we obtain it in any other way? With the exception of the honorable member for North Sydney, no one on this side of the House has come forward with any proposal; The fact of the matter is that the worker finds himself in this position - The Barton Government would boil him, the Reid party would bake him, and whichever way we vote he is going to be cooked. The question for the working man to decide is who shall cook him! Is he going to be boiled by Barton or baked by Reid?

Mr SPEAKER

- The honorable member should refer to honorable members by the names of their constituencies.

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Mr PAGE

- I am sorry that I should have referred to the Prime Minister and the leader of the Opposition in the way I have done. I am so accustomed to platform speaking, that I forgot for the moment that I should not refer to honorable members personally. I did so from no desire to speak of them in a derogatory sense. At the Queensland federal election I fought an ardent free-trader, who was a straight-out follower of the leader of the Opposition. I contested the election on the labour platform. I put labour in front of everything. I am so loyal to my party that if the majority were to say, "We have to vote for protection," I should be ready to sink my fiscal opinions and vote loyally with the party. That is how I feel in regard to fiscalism.

Nevertheless, I gave my pledge to the electors that I would vote for free-trade. I said also that I would not vote one pennyworth of protection to any individual industry that could get along without it. If industries, such as are to be found in Victoria, which have been in existence for years, and have been protected up to 35 and 40 per cent, are unable to get along without further assistance, the sooner they are allowed to go to the wall the better it will be. The honorable member for Yarra has made some reference to child labour in Britain. No one deplores its existence more than I do, and I am sure that every honorable member shares with me that feeling of regret. But before we refer to the dirtiness of our neighbour's house, we should set our own in order. Children under thirteen years of age have been employed in factories in this State, and I give all praise to those who brought that fact to light. They deserve, not only the thanks of Victoria, but of the

Commonwealth as a whole. I have several statements relating to that matter, but I do not wish to quote them now, because, in my opinion, the question has no bearing upon the situation. We have to deal with the Tariff in the light of Australia's position to-day. What Britain was 40 years ago, or what Victoria's

position was five years ago, has nothing to do with the question. The Tariff deals with the position of the Commonwealth to-day. We have to raise revenue, and how are we going to obtain it? I should like to see every duty swept away, but whether we have to raise a £9,000,000 Tariff, or an £8,000,000, or a £7,500,000 Tariff, the money must be collected through the Customhouse. If we slaughtered the Tariff as ruthlessly as the honorable member for Tasmania, Mr. Poynton, has suggested, we should have to impose duties on something else.

Mr Poynton

- The honorable member will vote for striking out some of the items I have mentioned.

Mr PAGE

- I know the money has to be raised, and I am not such a lunatic as to trouble the Treasurer. It rests with us as legislators to face the situation as we find it. We should not find fault with a proposal simply because it is put forward by the Government or by the Opposition. I am sent here to do my best for the Commonwealth and I am going to do it whether some people like it or not. I was returned practically on the free-trade ticket. I received a good many free-trade votes outside the labour party, and but for that fact, perhaps, I should not have been returned with the large majority that I secured. I recognise, however, that had I declared myself a follower of the Prime Minister I should still have been returned. I do not think, however, that the Government have treated us fairly and squarely. A few of us of the rank and file have been treated as second-raters. In the early stages of the debate all the big guns got off their speeches, and left us to mark time, and to do the scavenging. I honestly believe that if we had adjourned at half-past eleven o'clock last night, and resumed at nine o'clock this morning, we should have been in exactly the same position as we are in now. In fact, if that course had been taken I should have waived my right to speak, and I know that many others would have done the same.

Mr Kingston

- I offered to sacrifice my right to speak in order to bring the debate to an end last night.

Mr PAGE

- I am a youngster at the game, and others who spoke during the small hours of the morning are also novices in politics.

Mr Kennedy

- The honorable member is going fairly strong for a young one.

Mr PAGE

- If I have to judge my capacity by the long-winded speeches to which I have listened, my constituents, when I return, will think that I am very long-winded. But when I address the House honorable members will always find that I am very short-winded. This morning I went through the speeches which have been made on this motion, and I found that they have swollen Hansard to an alarming extent. If an honorable member has to hump the reports round with him during his electioneering tour, he will need a special conveyance. My constituents are pretty well versed in Hansard, and they will be questioning me very keenly when I return, and unless I have all these books of reference with me I do not know how I shall get on. I shall have to get them photographed, and put in a condensed form, so that they will be handy for reference. I shall not say that all this time has been wasted, though, perhaps, some honorable members may think so. I hope that we shall finish the debate to-day, and let us know the position we are in, and get on with business. Some Ministers have said that the time has been wasted. But I do not look at the debate in that light. I consider that the speeches on this motion will be taken as part of the debate on the second reading of the Tariff Bill, and when the figures come to be analyzed, it will be found that the speeches in the two debates will have been very short ones indeed.

Mr Cruickshank

- How is the honorable member going to vote? He did not tell us.

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Mr PAGE

- I am going to vote with those with whom I sit.

Mr. CROUCH(Corio). - I feel that it is necessary for every representative of a farming district to express his views. I regret very much that this debate has taken place because, in my opinion, it has been a very great waste of time. When the leader of the Opposition submitted the motion he said that he did not expect to win, and I do not suppose at the present time he expects to do so. The motion was moved, as

he announced, and as honorable members on his side have announced, purely for educational and advertising purposes - not that there was the slightest hope that it would succeed, but purely to demonstrate their principles to the people of Victoria, with the hope, as he said, of letting in fresh air. I only regret that he did not follow a rule which he recently adopted at two great meetings, representing, as he says, the voice of Melbourne and the voice of Sydney. At those meetings, before he indulged in any funny speeches, he announced to his audience that he would take a vote. My regret is that a division was not taken on the motion immediately it was moved before any of the speeches which have wasted three weeks of good time here were made. At the time I interjected that it was a shocking waste of time. Considering that the Kanaka Bill, the Public Service Bill, the Post and Telegraph Bill, in regard to which certain legal difficulties exist in New South Wales, and other measures, are waiting for Parliament to take up, and that the whole Commonwealth is expecting this Tariff to be debated and some finality arrived at, I think that those who have listened during the last three weeks to good time being wasted will, when the season comes to judge of these things fairly, put the cause of the delay, and the blame for the waste of time, on the shoulders of the leader of the Opposition. On the night the motion was moved we were charged by the whip of the Opposition, the honorable member for Macquarie, with a conspiracy of silence. It was known then that the numbers were up. I did not know of any conspiracy of silence, but certainly it was an act of wisdom on our part not to speak, because I think, as everybody must acknowledge, that it is no good to waste good shot on a dead dog, and that is really what this motion has been from the very first.

Mr Reid

- Then five Ministers have no sense, because they spoke ? .

Mr CROUCH

- I am reminded by the interjection of the speech which the right honorable and learned member delivered two or three weeks ago. A very large amount of his indignation was bottled up because large duties were not put on silks, velvets, furs, plushes, pianos, and diamonds. Duties on such articles are really not protective duties; this State does not want them, and it has never desired them. When the right honorable and learned member chose those duties for his especial attack, and caused the press throughout Australia to make attacks on the Government because the articles had not been taxed sufficiently - he should have remembered that he was attacking, not protectionist, but revenue duties. Taking the Tariff which he introduced into New South Wales, what do I find ? I find that, instead of the enthusiasm and sympathy for the workers which he at the present time expresses, his revenue duties were imposed in nearly every ease upon the necessities of life.

Mr Thomson

- On how many?

Mr CROUCH

- The list contains sugar, treacle, biscuits, lollies, fruits, vegetables, currants, raisins, jams, liquorice, tea, and sheep washes. The things which the workers, the farmers, and the miners use most he taxed when he was Premier of New South Wales.-

Mr SYDNEY SMITH

- But what are the duties?

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Mr CROUCH

- In his Customs Act, the right honorable and learned member did not put any duty on silks, velvets, furs, plushes or pianos. He did not weep then, and perhaps he does not weep now - he is too deep for tears - over those different articles not being taxed. But he put all the taxes he possibly could upon what were necessities of life to the three classes he mentioned in this motion of censure, and following as he does largely on the lines of the British Tariff, his motion shows the amount of class legislation there is in the free-trade policy of the British Government. An examination of the English Tariff shows that it includes a number of articles which are among the absolute necessities of life. There is no such thing as a free breakfast table in England. Among the articles taxed are beer, ale, playing cards, chicory, chloroform, cocoa, coffee, confectionery, fruit, patent medicines, dried fruit and raisins, soap, tea, tobacco, and varnish. These are the articles that are chosen for taxation by free-traders, or by revenue tariffists, to show how much regard they have for the workers. In addition to this, under the English revenue system,

there is a duty on every farm house of from 2d. to 9d. in the £1. They allow silks, plushes, and diamonds - the low imposts on which have aroused so much indignation on the part of the leader of the Opposition - to come in free, whilst the necessaries of life are taxed to the fullest extent. Then we come to another member of the Opposition who has tried his hand at constructing a fiscal policy, and that is the honorable member for North Sydney. The honorable member says that the necessaries of life should be free, but he proposes to put a duty on sugar, treacle, lollies, currants, jams, kerosene, tea, clothing, boots, and hats. Evidently he does not regard these as the necessaries of life for the working-man. He said in one breath that he would admit the necessaries of life free of duty ; but in the next breath he proposed to put duties on hats, boots, and clothing. Then we come to the Tariff that has been proposed by the Sydney Daily Telegraph. It is by this newspaper that the leader of the Opposition and the members of the free-trade party in New South Wales live, move, and have their being. It is really only through this journal that the leader of the Opposition is in this House, or that he has any following behind him. The Daily Telegraph proposes a high duty on tea, and upon all the necessaries of life that are in daily use by the working classes find by the farmers and miners - by all those people who have received so much sham consideration at the hands of the mover of this motion. In the Daily Telegraph list, jewellery, watches, musical instruments, and plated ware are taxed exactly to the same degree as boots, hats, clothing, and blankets, and thus we find the necessaries of life subjected to just as much duty as luxuries. The Daily Telegraph also proposes to place a tax upon agricultural implements. The honorable member for Wentworth proposed to put a 5 per cent, duty upon everything. The Treasurer proposes to raise £8,009,000; and the honorable member for North Sydney suggests a Tariff which he says will yield £5,048,000. The Daily Telegraph proposes a Tariff that would give us £9,000,000, and the Argus proposal would provide a revenue of £8,750,000. The leader of the Opposition, however, has no suggestion to make at all, but contents himself with adversely criticising the Government proposal. Then, in addition to these proposals, we have that of the honorable member for Parramatta, who says that although he was once a protectionist, he is now a free-trader. He says that he was simple when he was a protectionist, and that the scales had not fallen from his eyes when he wrote the extraordinary letter which has been already quoted from in this House. I would ask the honorable member if he was simple when he made this statement -

I have seen with mine own eyes men with pretty constant work die like rats from sheer starvation, and all because of the decline of the export trade, and the increase of the imported article.

I should like to know how far the honorable member's simplicity affected his vision. I think it is very deplorable that attempts should have been made by the leader of the Opposition, and by a large number of members sitting behind him, to arouse throughout New South Wales and other States a large amount of prejudice against the State of Victoria. The Victorian protectionists and manufacturers have been held up to general opprobrium, and I find that at the great free-trade meeting that was recently held in Sydney, Mr. J. H. Carruthers, a leading light in the great free - trade firmament, who was a member of the Reid Ministry, said -

This is not a Federal Tariff. Make no mistake about that. (Cheers.) It's a Victorian Tariff, lock, stock, and barrel ; made in Victoria by Victorians, and for Victorians. Sir William Lyne was always a Victorian in heart, and Mr. Barton is one of those self-sacrificing statesmen who has always been prepared to let his own State carry the full burdens of federation that the others might enjoy whatever profits were to be obtained from it. (Renewed cheers.) I would not be surprised if Mr. Barton offers the federal Chief Justiceship to a Victorian, and the High Commissionership to some South Australian federalist, leaving to New South Wales the sole comfort of having a Federal Premier a New South Welshman.

I venture to say that if a statement of that kind were made by a responsible public man in any other capital, with the intention of provoking provincial strife, the speaker would be hissed off the platform- This statement was made in the presence of the leader of the Opposition and other members of this House who offered no protest against it, but who apparently countenanced such utterances, irrespective of the extent to which they may be destructive of good feeling between the States, simply because there is a fear in the hearts of some Sydney importers that they may lose a certain amount of their import trade. That is really what is at the root of this agitation. Yet we are told that the voice of Sydney approves of the position which the leader of the Opposition has taken up

The right honorable and learned member has declared that the reason why Victorian honorable members

are protectionist is because protection is popular. That is a charge which he made in this House. These sort of statements go down in New South Wales. but I do not think they will be tolerated in any other part of the Commonwealth. The right honorable and learned member who utters these sentiments aspires to be the leader of the Federal Government, and to guide the destinies of a united Australia. Yet not many months have elapsed since he told a New South Wales audience that the other States desired federation only because they wished to exploit New South Wales. He declared that the other States were almost insolvent. That is the sort of man for whom we are asked to upset the present Ministry, in order that he may cross the floor of this House and become the leader of the Government. I have not previously referred to the honorable and learned member for Parkes, who has written a book containing 685 pages upon Liberty and Liberalism. I have read that book, with instruction to myself. It is just as well that one should come to understand what is regarded as liberalism by free traders. In seconding the address in reply to the Governor-General's opening speech, I was not able to deal with the question of free-trade versus protection, but I expressed surprise that great radicals and democrats were amongst the free-traders upon the other side of the House. I am not surprised now, because I understand what is their standard of liberalism. I know what the honorable and learned member for Parkes has defined as liberalism. He does not think that protection can be liberal.

Mr BRUCE SMITH

- Quite so ; because it curtails freedom.

Mr Kennedy

- Most useful things curtail freedom.

Mr CROUCH

- The honorable and learned member for Parkes is also opposed to factory legislation.

Mr BRUCE SMITH

- Hear, hear.

Mr CROUCH

- He is opposed to the early closing of shops, the eight hours law, the inspection of rotten ships, the Plimsoll laws, Sunday closing laws, State education and technical education. That is the sort of liberalism which we find associated with free-trade. What we regard as progressive legislation the honorable and learned member puts on a par with protection, as being illiberal. If that is the sort of liberalism which is cherished by the honorable and learned member for Parkes, the honorable member for South Australia, Mr. Poynton, and the honorable member for South Sydney, certainly I am a conservative. I believe in factory legislation, in the early closing of shops, in the eight hours law, in the inspection of rotten ships, in the Plimsoll laws, the Sunday closing laws, etc.

Mr SPEAKER

- Does the honorable and learned member intend to connect his remarks with the question under discussion 1

Mr CROUCH

- I am connecting them by saying that all these laws are opposed to liberalism in the minds of free-trade honorable members upon the other side of the House.

Mr BRUCE SMITH

- They are not answerable for my writings.

Mr CROUCH

- But the honorable and learned member is answerable for his own writings.

Mr BRUCE SMITH

- The honorable and learned member has no right to father them upon Other honorable members who sit upon the same side of the House as I do.

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Mr CROUCH

- I am ready to accept the honorable and learned member for Parkes as an authority upon this question. Indeed, he is the only consistent free-trader in the House. A lot of others pretend to be free-traders, but are afraid to follow that doctrine out to the logical conclusion to which the author of Liberty and Liberalism has carried it. If those who speak against protection, against interference with the liberty of the subject, and, indeed, against anything but individualism, follow freetrade to its logical conclusion they must

oppose all progressive legislation. But the honorable and learned member for Parkes has already found a disciple in the present leader of the Opposition. In this debate the right honorable and learned member for East Sydney said -

Then our democratic friends had to go one better and pass another Act to establish wages boards to bring wages up. They go from one artificial thing to another, and now that their tails are jammed they are crying out to the other States to do the same.

That quotation from Hansard, page 5739, shows how even the present leader of the Opposition is starting to follow the logical course pursued by the honorable and learned member for Parkes. He will ultimately find himself in exactly a similar position.

Mr BRUCE SMITH

- The honorable and learned member looked upon Mr. Gladstone as a good liberal, and he was a free-trader to the backbone.

Mr CROUCH

- I desire honorable members to recollect that the leader of the Opposition is also an author. He has published five essays dealing with free-trade. I tried to get them the other day in the Parliamentary Library, but ascertained that they had been taken away by the honorable member for Macquarie. I have not been able to get them since, so that I am not able to quote the right honorable and learned member's exact words. It must be known to the House that the argument has been repeatedly advanced that there are more factories in New South Wales than there are in Victoria.

Mr BRUCE SMITH

- According to the return of the Government.

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Mr CROUCH

- That is the position which the New South Wales free-traders, take up. But if honorable members will peruse the essays written by the leader of the Opposition, they will find it distinctly laid down by the author that no manufacturing industries can be established except by means of cheap and poorly paid labour. Let us assume for one moment that the arguments of the New South Wales free-traders are correct, and that there are more factories in New South Wales than there are in Victoria. Does not the right honorable and learned member for East Sydney give away the whole position by stating that those factories can only be built up by poorly-paid labour? That, I think, is the strongest argument that could possibly be urged against a free-trade policy. The right honorable gentleman has written another book, which is also in the library, and in which he speaks of the duties which were imposed on industrial products in New South Wales some years ago. In that book he expressed himself as very glad to see that the amount representing imports had decreased, a fact upon which he considered the State had to be congratulated. How different are those expressions from the statement he made to the House when submitting this motion. He now regards imports and exports as branches of trade which are equally to be encouraged, and contends that the more imports, the more 'prosperous we are as a community. The book to which I have referred was a handbook of New South Wales, not issued for perusal in this House in order to get the "voice of Melbourne" or the "voice of Sydney," but published to be read by reasonable men abroad, whom he was endeavouring to induce to settle in the State which he represents. He then pointed out that her imports had decreased by £2,000,000 odd, as compared with those of some years before, and expressed the pride he felt that the people of the State were able to manufacture the goods they required, urging that what was wanted was not federation but immigration. All this shows how absolutely inconsistent is the free-trade mind, and how impossible it is, at any rate for the right honorable member, unless he accepts the logical conclusion of the honorable and learned member for Parkes, to do other than get into a morass, where he will flounder about in vain efforts to extricate himself. The first clause of the motion refers to the financial proposals of the Government as being on an unsound and extravagant basis, and it is just as well to remember who it is that submits that motion, and what is his past financial career. We must recollect that we are asked to express that opinion in relation to a gentleman whom we on this side of the House believe to be the best Treasurer the Commonwealth could possibly have selected. But let us take the past career of the leader of the Opposition, and see what a financial authority he is. When he introduced direct taxation in New South Wales he found it quite impossible to supply the needs of the State without the assistance of the proceeds of sales of land and increased loans. During

the four and three quarter years he was Premier of New South Wales, there were sales of land to the amount of £10,400,000, and increased loans representing £4,500,000, or a total of nearly £15,000,000 of absolute capital which the right honorable member had to use in order to keep his finances straight. That was a natural consequence of free-trade, and I can quite imagine that the State Treasurer of New South Wales should regard it as absolutely a God-send that federation should stop him from the consequences of his own acts. Although the customs duties were abolished in New South Wales, direct taxation was not increased to any large extent. Coghlan's figures for 1899 show that there is as much direct taxation in Victoria as in New South Wales. In the latter State, the direct taxation in that year amounted to lis. 3d. per head, and, by a strange coincidence, to the same sum in Victoria. The direct taxation of New South Wales amounted to £761,000, as against £655,000 in Victoria, which represents, as I have said, lis. 3d. per head in each State. These figures show that Victoria had need of customs duties, and that New South Wales tried to get along without them, but did so only by spending £3,000,000 a year of capital in order to keep afloat. The end must come to such a course as that.

Mr Glynn

- How can the honorable and learned member's statement be correct, when the customs revenue of New South Wales was only £400,000 short of that of Victoria? Why should New South Wales spend £3,000,000 a year in order to make up the deficiency in Customs revenue ?

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Mr CROUCH

- It means that £3,600,000 of capital had to be recklessly used in making up the deficiency caused by extravagance, whereas we in Victoria curtailed our expenditure, and, in consequence, lost a large part of our population. That is the real reason for the loss of population which Victoria has suffered since 1891. The Government of New South Wales were able to spend on an average £2,600,000 a year during the five years the right honorable member for East Sydney was Premier, in order to keep the men who were unemployed in that State, and attract others from Victoria. That is the real explanation of the population question, which it is not necessary to enter upon further. Last year New South Wales received £2,820,989 of land revenue, as against a land revenue in Victoria of £353,000. That shows that New South Wales had, in this respect, an advantage of over £2,000,000 of land revenue, which was applied to her needs simply because she had not dared to face the position in the past. Free-trade was adopted, but was not successful. It was impossible to raise direct taxation, or to do without exemptions, and representatives of New South Wales, instead of speaking about the other States of the Commonwealth as insolvent, ought rather to so describe their own State, which was only too glad to enter the Commonwealth in view of the consequences to which it was drifting. I only desire now to show to the House exactly what is this " voice of Sydney " we have heard so much about. I shall show how the alleged dissatisfaction with the Tariff is created, by describing what occurred at the public meeting held in the King electorate, which was previously represented in the local parliament by the leader of the Opposition, and now forms part of that right honorable gentleman's Federal constituency. The meeting was called to protest against the Tariff, and amongst the speakers was Mrs. Dalton.. AVE read in the Daily Telegraph of 26th October - Mrs. Daltonrose to speak amidst cheers. " Barton," she said, " was going to tax mangles, starch, patent medicines which we want to save life with, and all the things the poor people use. (Cheers.) The poor people's boots were included ; he is going to tax the babies' bottles. (Laughter). What will become of us, what will become of this lovely country, with its beautiful plains and its fertile valleys - its broad expanse of enclosed waters ? (Wild cheers).

The voice of Sydney was asserting itself !

They want to drag us all down to the level of that stinking cabbage - garden, Melbourne. (Laughter.) We want wise men in the Parliament at the head of affairs, not goats. (Boars of laughter.)

That is rather hard on the electorate's representative. I do not think there is another newspaper in Australia which would print such stuff as in any sense an expression of public opinion. No other city and no other State except Sydney and New South Wales would wildly cheer such references. The fight on this occasion is not for free-trade or protection. There is no need to go into the principles which are involved in such a discussion, and the honorable and learned member for Northern Melbourne wisely avoided that issue. They advocate free-trade principles outside, but they do not advocate them in practice in this chamber. They do not want freetrade principles now, because they see that the natural corollary to

free-trade is land taxation. They call themselves revenue tariffists, and yet they abuse a revenue Tariff All the abuse that has been levelled against this Tariff throughout the Commonwealth, has not been directed against the protective items in it, but against the revenue duties. In fact honorable members opposite are what the honorable member for Tasmania, Mr. O'Malley, has called "planted free-traders." They make their greatest success, in opposing it, by taunting some old gentleman at a public meeting about his artificial teeth ! For myself, I believe in protection and I think I have a reason to do so. Protection has been a magnificent thing for "Victoria, as it will be for the Commonwealth of Australia. I am, therefore, heart and soul a protectionist. I believe in this policy, because it means prosperity for our workers, prosperity for our farmers, prosperity for our miners, who, if not directly benefited by a protective Tariff, are certainly benefited by the general prosperity of the community which follows from it. Every class of the community is benefited directly or indirectly by protection. I venture to assert that a large part of the prosperity of Australia is due to the protective policy that has been adopted in most of the States. In fact, a good deal of it is due to Victoria and Victorians. May I quote a well known line, with a variation -

What do they know of Victoria, who only Victoria know?

Some years ago an attempt was made to give the then colony of New South Wales the name of " Australia." If any State should be called " Australia," it is Victoria. Victoria has sent her best men, her energy, her enterprise, her brains, her money to all parts of the Commonwealth, and to the advantage of all the States. Even some members of the Opposition originally came from Victoria, and they are in themselves the best evidence that wherever Victorians go they almost always succeed. For the reasons I have given, I think that those who want to serve the Commonwealth best will advocate this policy, and do their utmost to enable the Commonwealth to prosper under a Tariff which, if not exactly on the lines of the Tariff now before us in all its details, will be generally upon those lines, and in accordance with the policy of the Government.

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Minister for Trade and Customs

Mr KINGSTON

. - It is not a very easy task to address the House on a subject of great importance, after the very long sitting in which we have been engaged, and which has necessitated my constant attendance in the chamber, and my abstinence from that nightly repose which is so necessary to weary men. However, I am confident that I shall have, in my attempt to do my duty in summing up a few of the matters which ought to be put before the

House on behalf of the Government, the assistance of the goodwill and consideration of honorable members. First, I should like to clear up one or two matters on which - unwittingly, no doubt - I have been misrepresented by prominent members of the Opposition. The first to which I would refer is the statement made, in the plainest possible terms, by the right honorable member for Tasmania, Sir Edward Braddon, that in declaring the Tariff proposals of the Government, I had said that this was a protectionist Tariff, with revenue incidental to protection. Sir, I never said anything of the sort, nor anything like it. I said precisely the reverse. I put the matter so that it was impossible of misconception if the right honorable member had listened to what I said, and had not taken his information on the subject second hand. I used these words

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We recognise fully that at this time in our history neither free-trader nor protectionist can have his way entirely. The Tariff is a compromise Tariff, but at the same time it gives effect to our policy. ... as declared at Maitland, which required that our Tariff should be framed so as to produce an amount sufficient to allow of there being returned to the States their ordinary receipts..... plus their share of the Federal expenditure. I said that our policy was further - moderate protection, particularly avoiding the unnecessary destruction of existing industries.

And I emphasized my position again in these words -

The objects of the Tariff were of varying importance. They were, above all, to obtain revenue, to preserve the solvency of the States, and to keep faith with them, because they entered into federation on the understanding that they would be so protected, and their right to the redemption of that promise continues unabated to-day.

I venture to think that our opponents must have a bad case, indeed, when they rely for the substantiation of their indictment against the Government - levelled chiefly at their Tariff proposals - on a complete

misrepresentation in the most specific terms, of what the position of the Government was, and put words into my mouth which I not only never uttered, but never thought of uttering. Then, sir, the leader of the Opposition took it upon himself to sneer, amongst other things, at my reference to intercolonial free-trade, as if I had no sympathy with it. He said that the words in which I "proclaimed" - that was the word he himself used - intercolonial free-trade, came "slowly and heavily" from my lips. Sir, the right honorable and learned member knows, and every honorable member of this House knows, as the public of Australia know, that I have never wavered in my advocacy of federation, intercolonial free-trade, and protection against the outside world; and I say that a suggestion of that sort made concerning me is altogether unwarranted, as no one knew better than he did. I say that for various reasons. One of these is that I had the honour of being associated with him in the federal movement right through the piece. Further, I was engaged in the movement and doing my best to foster it, when he was opposed to it in 1891, and when his attitude in connexion with federation subjected him to the criticisms which have been levelled against me, and to which I need not refer. I, at least, was steadfast in the faith. I go further, and tell the right honorable member that when he sneered at my advocacy of intercolonial free-trade, he might well have remembered that when he first formed a Government in New South Wales - before, in fact, it had been formed - the moment he was sent for by the Governor - he received a communication from me suggesting action in connexion with intercolonial free-trade. I had been corresponding with the previous New South Wales Government - the Dibbs Government. I had not been successful. The Dibbs Government was overthrown in August, 1894, and on the 1st August, 1894, this right honorable gentleman, who sneered at my advocacy of intercolonial free-trade, received from me - I having then the honour to be the Premier of South Australia - the following wire: -

Shall be very pleased, when your Ministry is formed, to negotiate for intercolonial free-trade. "Under these circumstances, I ask how is this sneer in the slightest degree justified" I received an answer from him on the 3rd August -

Just sworn in.

My wire was sent before the right honorable gentleman was sworn in -

Hasten to reply to yours of 1st referring to intercolonial free-trade, and to assure you of desire of this Government to promote more friendly intercourse between the Australian Colonies. Invite further communication.

And the very same day my reply went -

Reintercolonial free-trade. Very pleased to receive your assurances of desire to promote intercolonial free-trade. Would you be disposed to arrange for free interchange of local products and manufactures of New South Wales and South Australia? If so, we would lose no time in sending a Ministerial representative to Sydney to endeavour to negotiate for this or any larger scheme which might be thought desirable.

The negotiations which followed led to the larger proposals of federation, with intercolonial free-trade. Under these circumstances I think I have a right to complain of the terras in which the right honorable gentleman referred to me in this connexion. I further take credit for this, that the Government of which I had the honour to be the head was the first to negotiate a reciprocal agreement with a sister State, the colony of New Zealand. I had the honour to fight for that in the South Australian Legislature, though I am sorry to say I failed in effecting it. The right honorable gentleman went on to comment on my reference to free-trade between those who subscribed to the same conditions of life and of labour, referring, of course, to the sister States. The right honorable gentleman suggests that the conditions of life and labour are not the same amongst all classes of the Australian community. I never suggested that they were. But I say that no State is peculiar in that respect. We in South Australia have our pioneers, as they have in New South Wales - our wealthier classes and our poorer classes. The bushman is as well known to us in South Australia as he is in New South Wales, and to suggest that I was speaking of a dead level of all Australian society throughout the length and breadth of the continent, when I was only referring to equality of conditions between various States, is attempting to put a view of the matter before the House which the right honorable gentleman knew, or ought to have known, that I never attempted to put, and which he had no right to endeavour to put in the way he did. As regards these conditions of life and labour, I hold that, whilst we can, and will, admit to the freest commercial intercourse, people like those who inhabit the States of the Commonwealth, whatever the relative ranks amongst them may be, it is a

very different thing to provide for that freedom of intercourse and exchange between those who live under entirely different conditions, who work under conditions which are foreign to the conditions which we have done our best to establish, and which at length we have secured, but which I venture to say would be threatened in their very existence by the establishment of free-trade of the character to which the right honorable gentleman alluded. I will give a few illustrations. I refer honorable members to the teeming millions of the East. Can the Australian worker enter into free competition with them ? Ought he to be thrown into competition with them ? No, I say ; a thousand times, No !

Mr Glynn

- It will take ten of them to do the work that one Englishman will do.

Mr KINGSTON

- What is to become of our minimum wage and of all our benevolent arrangements established here for the good of our industries and of our Australian workers ? Throw us into competition with those who have established industries in the East - I refer to the Japanese - and who are pressing to extend the ramifications of their industries all over the world, and where are we ? What are their hours ? What are their wages ? I do not desire to dilate unnecessarily upon particulars, but I want honorable members to realize what free-trade means, free-trade as proposed by honorable members opposite, free-trade with the whole of the world, not only civilized but it might be even barbarous or worse ! I am not referring to the Japanese in the term I have just applied, "but I ask what are the rates of daily wages paid to Japanese ? Here are some of them : - Carpenters, 1s. 1½d. ; plasterers, 1s. 1d. ; stonecutters, 1s. 4d. ; sawyers, 1s. 1d. ; brickmakers, 1s. ; paperhangers, 1s. 1d.

Mr BRUCE SMITH

- What will one get for a shilling in Japan ?

Mr KINGSTON

- The honorable and learned gentleman interjects, "where did I get these "1

Mr BRUCE SMITH

- No ; certainly not !

Mr KINGSTON

- I accept the honorable and learned gentleman's statement, but it would be a very natural interjection. He might well have been asked where I got these figures.

Mr BRUCE SMITH

- I asked what will one get for a shilling in Japan ?

Mr KINGSTON

- Pish, rice, eggs, and things of that sort. Do we want to live like the Japanese ? I venture to consider that we do not. We want English money, and plenty of it, and Australian food, and plenty of it, and I say that at rates like those I have quoted we could not get it. If we throw our workers into competition with men who work at these wages, and under these conditions, where shall we be ? We shall be hopelessly out of it. I wonder if there are many here who desire to throw us into competition with paupers working under the conditions to which I refer. I got these figures, I am glad to be able to say, from official sources. There is no room whatever to doubt their accuracy. The wages are higher than they were some time ago, much higher. We can judge what they were some time ago, when these are the highest to which they have reached. I give them to honorable members for what they are worth, and I venture to say that a consideration of figures of this sort will let honorable members know what freetrade will mean for Australia if she be thrown into unrestricted competition with the whole of the world. Here are some more of the rates paid in Japan : - Clogmakers, 10d. ; dyers, 8d. ; blacksmiths, 1s. 2½d. ; founders, 1s. 1d. ; potters, 10d. ; lacquerers, 1s. ; paper-makers, 9d. ; compositors, 10½d. ; printers, 9d. ; shipwrights, 1s. ; gardeners, 1s. 1d. ; agricultural labourers, 7d. ; female agricultural labourers, 7½d. ; silk reeling, 6d. ; weavers, 10d. ; female weavers, 6d. ; coolies, 9½d. ; and fishermen, 10½d. I say that these are men with whom I do not wish to see anything approaching freetrade. Expose Australian workers to competition with men who produce articles under these conditions and I say they cannot live. Better, indeed, that they did not attempt to live, if we were to strike down the barriers which many States have already provided against competition of this sort, and if we were to subscribe to conditions which a section of the people in one part of Australia, and the people of only one other place in the Empire, the United Kingdom itself, have subscribed to.

Mr Thomson

- Do the right honorable gentleman's remarks apply to the United States 1

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Mr KINGSTON

- I am pleased to hear the honorable member interject, because it brings me to the consideration of the question what is the condition of labour in the United States. If we accept the statement of another distinguished member of His Majesty's Opposition, the honorable member for Parramatta, the fact is that the

United States labourer and mechanic work under conditions which are 20 per cent. less favorable than those of the Australian worker. I am going to prove that right up to the hilt.

Mr BRUCE SMITH

- "Why does the right honorable gentleman differentiate New Zealand from his outburst of intercolonial generosity?

Mr KINGSTON

- New Zealand, I believe, has a Tariff against us. When she removes that Tariff it will be time for us to consider whether we should remove ours.

Mr BRUCE SMITH

- Has the Minister attempted to negotiate as he tried to do with New South Wales?

Mr KINGSTON

- When Premier of South Australia, I effected an intercolonial arrangement with New Zealand, and we shall be glad if an arrangement can be arrived at between New Zealand and the Commonwealth. At present, however, the New Zealand barrier is up. Ours also is up. No doubt, proposals for the mutual benefit of the Commonwealth and New Zealand would receive the most serious consideration on the part of this Government. The interruption almost drew me away from my intention of quoting from the speech made by the honorable member for Parramatta, for the purpose of establishing the differences in the conditions between the United States labourer and the worker in Australia. We have received a lot of wonderful and most valuable information from the honorable member. I never met a gentleman who had a happier capacity, when he opened his mouth, of putting his foot into it, and still worse, of supplying the most valuable information for the destruction of his own proposals, when he had recourse to the ink-stand. I do not want to say anything unkind. I am sure that the happy relations which exist, not only between the honorable member and myself, but I am happy to say, between myself and all honorable members, will not be disturbed by anything we have to say in the course of debate. I do say, however, that whether the honorable member for Parramatta is advocating what he has seen with "mine own eyes," or quoting some newspaper writer, who he tells us is not anonymous, but who hides his identity under the aweinspiring nom de plume of "Mother Jones," or whether the honorable member is relating what happened between himself and some one else, he always gives himself away completely to his political adversaries. Therefore, I quote him with delight for the purpose of answering the honorable member for North Sydney. He told us that he had a conversation with a gentleman whom he met in a train, and who informed him that when business men in America made a contract in Australia they had to put on 20per cent. for the reason that the American worker worked at a much greater strain than his Australian brother. But here are the honorable member's words -

Because the American workmen bustle so much more than the workman anywhere else. They do not work only eight hours a day -

Honorable members should note the result. If we have free-trade with America our eight hours' system vanishes. They do not enjoy it there, and how can we live against them when our workers toil a lesser time at the same wage ? The honorable member continued -

They do not stop for lunch, except for just a snack.

Mr BRUCE SMITH

- That is in a protectionist country.

Mr KINGSTON

- If there is occasion for men of that sort to protect themselves against competition, how much greater is the necessity in our own case?

Mr SYDNEY SMITH

- But they do not protect their workmen.

Mr KINGSTON

- The honorable member is like Blucher. He comes up when it is all over. While I have been referring to something else, he has been toiling laboriously in the rear. But he chips in in that delightful way that is so characteristic of him. The honorable member for Parramatta went on to say that -

They work all the week, week in and week out. Then, said the honorable member with that emphasis which he uses so often, but mostly misapplies -

They work at a tension and strain that no workman anywhere else approaches.

What more evidence do we want of the necessity for protection against workmen of that description? The honorable member proceeded to talk about white slaves. If we are to keep our own men free, it will not be by free-trade. They must be protected from the competition of these white slaves to whom the honorable member for Parramatta referred so eloquently.

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Mr JOSEPH COOK

- The Minister can have it one way, but he cannot have it in both.

Mr KINGSTON

- One way will do for me. It is unnecessary to twice slay the slain. The honorable member for Parramatta has also done me an injustice in that he has put words into my mouth which I never uttered. I want to point out where he has sinned in the hope that he will do what he has not done hitherto - admit his fault, and rise at the earliest possible moment for the purpose of saying that he did not intend to do it, and that he hopes he will be forgiven. He represented me as saying that we ought to turn all our wool into garments. He put it in the most emphatic terms.

There is no equivocation about the statement.

What I did say was this -

Looking at our pastoral industry, is it not preposterous that the wool which we grow should be sent away to the other side of the world for the purpose of being turned first into cloth, and afterwards into garments to be sent back across the seas ?

I say it again. In this connexion it seems to me that we might as well send out wheat to the other side of the world for the purpose of being gristled there, and sent back in the shape of flour to meet our requirements.

Mr BRUCE SMITH

- Does not America send her cotton to England to be made up ?

Mr KINGSTON

- I was expecting that question. Will honorable members give me a little time to gloat over the fact that the enemy approaches the trap that has been set for him all too eagerly ? Does not the honorable member see that what I asked was, whether it was not preposterous for us to send our wool across the sea to be made into garments and sent back to us, meaning of course the garments that we were in need of?

Mr JOSEPH COOK

- But the right honorable and learned gentleman did not say that.

Mr KINGSTON

- I did. The passage is to be found in Hansard. So I say again, it is not fair to put words into a man's mouth. Who would be such a fool as to say a thing of that sort, or who could be so foolish as to think that any honorable member said it ?

Mr JOSEPH COOK

- I would not have thought it if the right honorable and learned member had not said it.

Mr KINGSTON

- Indeed I did not. The honorable member has a powerful memory, I have no doubt, but his imagination is stronger than his memory, and he often thinks that he remembers things when he only imagines them. I point this out in all kindness to him, so that, after a perusal of the pages of Hansard, he can see his fault, and take care that there is no need for making it the subject of criticism again. But to come to the honorable and learned member for Parkes. He asks - " Does not America send her cotton to England to be made-up and returned 1"

Mr O'malley

- She did before the war.

Mr SYDNEY SMITH

- And she does now.

Mr KINGSTON

- All right; to what extent ?

Mr Conroy

- I think £60,000,000.

Mr KINGSTON

- It is a terrible thing to get hold of figures and mix them up. A " Little Buttercup," who mixes the babies up, is not half so bad as the honorable and learned member for Werriwa, when as a financial " Little Buttercup " he gets stumbling amongst figures. They are not his forte ; they are not mine. But I do not like these great authorities to get up and talk to us on the subject of figures as if they were conferring a favour upon us, with the air of the superior person and pedagogue combined. It is a little too delightful to prick them with criticism, and to find that they are really human, because otherwise we might be induced to worship man rather than his Maker. This £66,000,000 is the one figure which the Opposition have got hold of, and they have got a bit tangled up over it.

Mr JOSEPH COOK

- Don't be so savage.

Mr KINGSTON

- Savage! I only mark my affection with the emphasis I lay in my tone. I am sure honorable members can easily recognise that I am only speaking in the best of terms.

Mr BRUCE SMITH

- A sort of pet tiger.

Mr KINGSTON

- If the honorable and learned member comes into my cage he may expect a little playful handling.

Mr BRUCE SMITH

- I am quite willing to take it.

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Mr KINGSTON

- America then sends away £66,000,000 worth of cotton! I forget how many million pounds worth of wheat we send to the old country. That suits us, but we make our flour here. And so do the Americans make, to all intents and purposes, their manufactured cottons and goods - there is no getting away from it.

Mr BRUCE SMITH

- That shows the absurdity of it. America is a protectionist country.

Mr KINGSTON

- Of course "absurdity" applies to everything which the honorable and learned member does not approve. I am venturing, having the opportunity to say a word or two on the subject - I may be all wrong - to suggest that there is another side of the case for the consideration of the House, and that I propose to present. This £66,000,000 comes back in garments, does it ?

Mr BRUCE SMITH

- I am not saying that ; it comes back in a manufactured condition.

Mr KINGSTON

- How much? Mr. Bruce Smith. - Oh, don't appeal to me.

Mr KINGSTON

- I. venture to think that I have the right to appeal to an honorable and learned member who always conveys by his air the impression that he is the source and fount of all authority. I ask him to tell me. I am afraid. I do not hesitate to assure him that although I have consulted the best authorities - I have got it all down in black and white - I tremble to quote the figures, lest they should be dispelled by one word from the honorable and learned member to the effect that they are not right. Will he kindly oblige me ?

Mr BRUCE SMITH

- Will the Minister allow me to give him an answer ?

Mr KINGSTON

- I shall not.

Mr BRUCE SMITH

- I should think not.

Mr KINGSTON

- No, the honorable and learned member must not make a speech ; and I know what it is to go about for a long time with a speech on my chest that I cannot get off. We listened to him with delight a little while ago.

Mr BRUCE SMITH

- The right honorable gentleman has given me some fresh notes.

Mr KINGSTON

- How much of the cotton comes back ?

Mr BRUCE SMITH

- That does not affect the question.

Mr KINGSTON

- Of course it does not affect the question. It might be a pocket handkerchief, or it might be millions of pounds worth of goods.

Mr BRUCE SMITH

- Millions of money.

Mr O'Malley

- It is the American surplus.

Mr KINGSTON

- I tell honorable members that not 10 per cent, comes back.

Mr BRUCE SMITH

- On what authority ?

Mr KINGSTON

- On the authority of Mulhall, latest edition.

Mr BRUCE SMITH

- Will the right honorable gentleman show me that not 10 per cent, comes back ?

Mr KINGSTON

- Not 10 per cent. I am going to put it in two ways.

Mr BRUCE SMITH

- Why two ways ?

Mr KINGSTON

- So that the honorable and learned member may understand. If he cannot grasp one, he may have a fond hope of getting hold of the other. Now, sir, cottons, local production. Total of American manufactures, £55,800,000 worth. Total imports cotton manufactures - what does the honorable and learned member think ?

Mr BRUCE SMITH

- The right honorable gentleman stops my mouth one minute, and then he invites me to answer him the next.

Mr KINGSTON

- I shall give the honorable and learned member time to quote the figures. How much ?

Mr BRUCE SMITH

- It is the Minister's speech, not mine.

Mr KINGSTON

- Cotton, local manufactures in the United States, £55,800,000, against cotton manufactures, imported - not simply from England, but from the whole of the world- £4,500,000 ; not 8 per cent.

Mr BRUCE SMITH

- It is 15 per cent, of what they send away.

Mr KINGSTON

- Good gracious ! Now think again. Does the honorable and learned member venture to tell me that 15 per cent, of £66,000,000 is only £4,800,000 ? Is he at fault with his arithmetic, or is Cocker wrong ? Why are the rules of arithmetic set at naught by him ? If he makes 15 per cent, of £66,000,000- £4,800,000, he does that which no other arithmetician ever did. The boys in the second class of a State school would get soundly smacked if they produced a result of that sort.

Mr BRUCE SMITH

- Macaulay's boy.

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Mr KINGSTON

- Anybody's boy, even a poor school-boy. I would suggest to the honorable and learned member that he should not draw a bow at a venture in these matters of calculation. Of course some of these cottons might possibly have got into clothes ; and America produces some clothing, and she imports some. I do not think I would be dealing honestly with the honorable and learned member if I did not quote the figures. Here they are : American manufactures, £111,000,000 worth of clothing for her own self. And how much does the honorable and learned member think she imports?

Mr Kennedy

- Do not tempt them again.

Mr KINGSTON

- No, they have been tempted to their ruin. Their reputation as financiers has gone ; it is necessary for them before they talk finance to have recourse to primary schools, for the purpose of being instructed in elementary rules. I am sure that they will feel that, for the safe-conduct of their business, it is highly desirable that they should receive a little further instruction before dealing with large amounts. The amount is £4,600,000, out of £111,000,000- not 4 per cent.

Mr BRUCE SMITH

-Why does the Minister compare her imports with her manufactures ? Why not compare her exports ?

Mr KINGSTON

- Because the suggestion is that America sends cottons to England for the purpose of being manufactured there, and shipped back for her own use. So far from that being so, honorable members on the other side have jumped to a conclusion which is not justified by facts, and the simple position is that, as regards cotton, not 8 per cent. is sent back from all the world, and as regards clothing, not 4 per cent.

Mr BRUCE SMITH

- It is still an absurdity, according to the Minister's figures.

Mr KINGSTON

- Of course, it is an absurdity in the eyes of the honorable member. I shall be very happy to lend the honorable member a book of tables.

Mr G B EDWARDS

- What about the imports of woollen goods to Australia ?

Mr KINGSTON

- The woollen goods are to Australia what the cotton goods are to America. That is as simple as simple can be, and the honorable member ought to be able to see it with his eyes shut. What I venture to argue is, that we ought to manufacture our woollens here in the same way as they are able to manufacture their cotton goods in America, where they produce the raw material. Even if America does, as has been stated, send away £66,000,000 worth of cotton to England, that is exported after manufacturing practically every ha'porth of clothing that she wants, and if we can do anything like that regarding our wool as well as in regard to our wheat and flour, we shall arrive at a far happier condition of things in Australia than we have hitherto experienced. As to the statements that have been made with reference to American trade with England, I say at once that next to Australia, I look upon England as the nearest and dearest to us, and I do not quote these figures for the purpose of gloating over any decay or decline in her commerce. We all have the best wishes towards England, God knows, and we all wish good speed to her. But the cotton trade of England with America has fallen off - there is no doubt about that. From 1870 to 1874- five years - the cotton manufactures sent by Great Britain to the United States amounted to 581,000,000 yards. On the other hand in the four years from 1885 to 1889 the British exports of cotton goods to the States fell to 224,000,000 yards- a loss of 357,000,000 yards, or three-fifths of the whole. I think that figures of that sort go to establish the position for which I so strongly contend, and justify me in what I have said.

Mr Glynn

- The total exports of cotton goods from England have not fallen off.

Mr KINGSTON

- I am not dealing with that question. Of course England has opened up fresh markets for her cotton goods, but naturally, as the result of protection in America and other countries, her trade with them has

been restricted. I should like to say something further with reference to the remarks of the honorable and learned member for Parkes. He made some suggestion that struck me as very extreme when he was criticising the action of the Treasurer, the Attorney-General, and myself in connexion with the Tariff. He put it that after the Prime Minister had spoken at Maitland we ran off to our several States - I am not quoting the precise words of the honorable and learned member, but I do not wish to misrepresent him - and that we there declared that the proposed Federal Tariff would be a bastard free-trade Tariff.

Mr BRUCE SMITH

- I did not say that. I said that the Ministers went away and preached protection, which was inconsistent with the Maitland utterances, and that they characterized the 15 per cent. Tariff proposed by the free-trade party as a bastard Tariff.

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Mr KINGSTON

- I am sorry the honorable member was misrepresented. As regards myself, and I can speak with equal certainty for the Treasurer and Attorney-General, I can say that when we returned to our various States we explained what the Maitland policy was, and did our best to further it, and we have been doing our best in that direction right through.

Mr BRUCE SMITH

- The Ministers preached protection.

Mr KINGSTON

- We did not preach protection as the first consideration.

Mr BRUCE SMITH

- The Ministers preached protection.

Mr Barton

- Did I not say in every speech " this means protection " ? The honorable and learned member kept saying that I did not mention protection, whereas I mentioned it twenty times in every speech.

Mr KINGSTON

- As regards the honorable and learned member's remarks concerning myself, I need not pursue the matter. He knows perfectly well that there was not a word of disloyalty to the Prime Minister or his policy in what I said, and it would be idle to suggest the contrary. The honorable and learned member went further into figures, and I invite the serious attention of the House to the views he put forward. He discovered, after some period of incubation over the figures, that the amounts that we were putting before the House - particularly the Treasurer's figures - were not correct, and that, as a matter of fact, instead of taking £34,000,000 imports as we had done, £41,000,000 was the total shown by the figures for 1900.

Mr BRUCE SMITH

- I did not advocate taking the figures for 1900, but taking half the rise.

Mr KINGSTON

- At any rate the honorable and learned member assumed that the correct figures were £41,000,000, and with this astonishing result, that instead of our receiving what we are asking - £9,000,000- we should receive £12,000,000.

Mr BRUCE SMITH

- That is if the Treasurer's calculations are correct. If £21,000,000 would produce £9,000,000, then £28,000,000 would produce £12,000,000.

Mr KINGSTON

- This discovery of the honorable and learned member's-

Mr BRUCE SMITH

- It is no discovery - it is simply the application of the rule of three.

Mr KINGSTON

- I hope the honorable and learned member is well up in the rule of three in this instance - he was not in regard to the other matter.

Mr Thomson

- The Minister likes the rule of one.

Mr KINGSTON

- I am confident that we shall not be compelled to submit to the rule of the Opposition. I do not think

anything of that sort is in contemplation at present. If our calculations are correct the honorable and learned member for Parkes assumes that the extra £7,000,000 is to produce an additional £3,000,000. Now, is it not a funny thing about this £7,000,000 according to the honorable and learned member's style of reckoning - seeing that the amount was shown as imports in the figures, for 1900 - that we did not have a vast increase of revenue 1

Mr BRUCE SMITH

- I do not believe the Treasurer's sum was right. I think the revenue was over-calculated.

Mr KINGSTON

- As a matter of fact this additional £7,000,000 did not bring in a quarter of a million excess of revenue for 1900 as compared with 1899.

Mr. Bruce Smith. - That shows that the Minister's calculations were wrong.

Mr KINGSTON

- It shows that the honorable and learned member does not understand the figures. First of all, it must be remembered that the values for 1900 were considerably in excess of those for 1899.

Mr BRUCE SMITH

- I have allowed three and a half millions for that.

Mr KINGSTON

- Oh, the honorable and learned member has done that ? - but he put it on the next year.

Mr SPEAKER

- Order ! I will ask the Minister, in the first place, not to provoke interjections, and, in the next place, I would request honorable members not to make interjections.

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Mr KINGSTON

- And with one accord they began to interject. If those figures are correct' we should have a much larger result. We have not got it. Why ? First, because those figures represent inflated values. The exports from the United Kingdom of domestic manufacture were at least 14J per cent, in excess of the values which obtained in the previous year. They have since resumed their normal value. Further, how was it, I venture to ask, that we did not get this excessive revenue ? The reason is that New South Wales has been loading up in anticipation of the Federal Tariff. That, fact is as plain as plain can be. Under such circumstances, why take an increase of that description as the basis of the calculations of subsequent years ? I tell honorable members, further, that as regards this loading up, the more we look into it, the more do we see how extensive it has been. There is one fact of importance which has been lately brought under our notice in this connexion. As a rule, as we have to pay £12,000,000 of interest annually, our imports are less than our exports by that amount. In 1899 they were less by £13,000,000. But last year they were only £3,000,000 less. The figures for 1899 and 1900 thus showed that in the latter year we had only over-traded to the extent of £9,000,000. If honorable members take the trouble to acquire local information on the subject, there can be no room for doubt as to what are the facts. So far from inflating these estimates, what is the natural disposition of colonies in relation to imports as they grow and become self-contained? The imports per head diminish. We see that in the following figures, as regards Australia : In 1 881 the imports per head represented a value of £12 3s. 9d.; in 1891 they equalled £11 4s.1d.; and in 1899, £8 16s. 3d. In this connexion it is very interesting to note the figures which are given in the Sydney Daily Telegraph. These show that in 1899 the imports represented a value of £34,000,000, although until 1891 they did not reach that amount, the figures for that year being £37,000,000, and for 1890 £35,000,000. We have not the slightest disposition either to unduly reduce or inflate our estimate. We have made an estimate which, we believe, will be regarded as fair and satisfactory by impartial men. A very good year may give better results, and undoubtedly a large influx of foreign capital would give them. But we have attempted to give what we consider is a fair estimate under ordinary circumstances, and that estimate we have submitted for the consideration of this House. In this connexion it occurs to me that the greatest financial authority in Australian journalism, who is known in the senior State as the commercial editor of the Sydney Daily Telegraph, has made a computation of what is a fair amount of imports to set down for a normal year. He estimates that amount at £34,300,000. Of course I admit that it is a difficult thing to fix what will be the precise results of the Tariff. But when honorable members complain of the higher rate they will see that we have more revenue to get and less to get it from. Instead

of having £63,000,000 worth of goods upon which to levy taxation, £29,000,000 worth have, by the establishment of Inter-State free-trade, been withdrawn from the taxation area.

Mr Poynton

- The Government get £500,000 upon sugar.

Mr KINGSTON

- That does not affect the question of the total value of the imported goods.

Mr Poynton

- It affects the revenue.

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Mr KINGSTON

- I am not discussing that at all. I am addressing myself to the question of whether or not our estimate of £34,000,000 as the annual value of our imported goods is a right one. I should like further to put it to honorable members that in our difficult task at this moment we are entitled to some degree of sympathy and assistance. I believe that we shall get that sympathy and assistance from many honorable members, irrespective of the side of the House upon which they may sit. I am sure that when our difficulties are fully explained we shall have the best wishes of the Australian public in striving to surmount this trouble. I feel that on an important occasion such as is involved in the framing of the first Federal Tariff, we have at least a right to expect absolute fair play from all sides, and I do not hesitate to say that in many respects we are not getting that fair play. I have only to refer to the way in which every trifle in connexion with the Tariff is magnified; how every representation is made for the purpose of inducing a feeling against the Tariff; how business men are, in some cases, imposing upon the general public by making the Tariff an excuse for raising prices when they ought not to be so raised. Let honorable members consider the extent of our difficulties. There was not a very large majority in New South Wales in favour of federation. The minority, or many of them, and the opponents of federation elsewhere, are in some cases only too glad to take advantage of any excuse to justify them in exclaiming - "I told you so." We cannot complain of the public. No one likes to be taxed. Customs taxation may not be so direct as other forms of taxation, but at the same time it comes home in a variety of ways to the household, and especially any alteration of it. Those who feel that where they were formerly free they are now taxed, or that where they were previously taxed they are now taxed to a higher degree, naturally wish that it were otherwise. So we find the criticisms to which I allude. . But I do claim that at a time like this, when revenue is an absolute necessity, each and all of us should do what we can for the purpose of letting the public appreciate what is the true position. It is not a question of their entire freedom from taxation. They cannot have that. The money must be had. If it is not obtained in this way it must be obtained in some other. It is idle to attempt to shift it from one to the other. All must bear their fair share. I venture to affirm that if this subject were considered by the general public .in that aspect there would be a disposition to recognise the necessities of the case, and to make the best they could of the obligations which they are called upon to discharge in the interests of and as the price of federation. I especially sympathize with the people of New South Wales. It would be idle to do otherwise. They have been brought up recently under a fiscal system which imposes little of these burdens upon them. Consequently, they feel the change more than others. Speaking roughly, their taxation is almost doubled. A million and a half we may say - I propose generally to speak in round numbers - is to be taken from them. But not only the Government, but all the members of this House, and the Opposition in particular, should join in pointing out that this was the inevitable result, and was what was contemplated and intended; that whilst we require this money from the people of New South Wales, it does not go into the pockets of others; that they are not charged one penny per head more than is charged per head to the inhabitants of the smaller States; that they get the money back subject to their fair contribution of federal cost on the basis of population - every penny of it; and I venture to consider that they can make very good use of it. If these things are pointed out there will be a very different disposition exhibited than has been shown in this connexion hitherto. Was this taxation necessary? Was this high Tariff necessary?

Mr Conroy

- No!

Mr KINGSTON

- I hear an honorable member say "no." If we are proposing to indulge in taxation that is unnecessary, all

I can say is that we are sorry to hear it, and shall be glad at the earliest possible moment to set the matter right. What was the policy promulgated at Maitland ? Not to exact one penny of taxation more than was necessary. What is the policy to-day ? The same !

Mr Thomson

- No !

Mr KINGSTON

- When I hear that interjection, I say that if an honorable member talks about this Government being false to their pledges, he libels us. We are accused of treachery ! The Prime Minister - the man who has been the trusted leader of Australia in this great unifying movement, and who also enjoys his position with the goodwill of the people of this country - he, is a traitor ! From whom does this charge come? What is the line that divides us from the men who are arrayed against us, and who drew that line? The line is that between free-trade and protection to existing industries.

Mr V L SOLOMON

- Hear, hear, that is it.

Mr KINGSTON

- Revenue, and protection to existing industries. What was the fight about at the election ? Why, sir, the battle cry went forth - raised by those who rallied round the standard of the leader of the Opposition - that we were to be opposed by the free-traders. He waved the freetrade flag, and they followed him. Our policy was revenue and protection to existing industries.

Mr Thomson

- Protection !

Mr KINGSTON

- Yes, and that is the policy which we put forward to-day. Yet, forsooth, those who drew the dividing line say that this is not the Tariff we advocated. Was it not? Look at the reports of the electoral campaign.

What was the cry ?

Mr BRUCE SMITH

- In what State ?

Mr KINGSTON

- In the honorable member's own State.

Mr BRUCE SMITH

- "The best men."

Mr KINGSTON

- The best men !

Mr BRUCE SMITH

- The Prime Minister himself said, " Elect the best men."

Mr KINGSTON

- But the Prime Minister raised the question of the Tariff. Did he ever abandon his Maitland speech ? Why did the honorable and learned member rally round the free-trade flag - the flag of a decaying cause ?

Mr Wilks

- The flag of liberty !

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Mr KINGSTON

- " Oh ! Liberty, what crimes are committed in thy name ! " Why, sir, when we came to this House and before that time, what was theory of honorable members opposite ? They said that the protectionists were hauling their flag down half-mast.

They talked of the funeral of protection. "You are afraid of it to-day," said these gentlemen. But now they say we are going for protection ; now the flag is up mast-high, and they accuse us of being false to our promises.

Mr Reid

- Hear, hear. Mast-high !

Mr KINGSTON

- Protection second, after revenue. The cry that we have been false to our pledges is too preposterous to be seriously considered. Any excuse on the part of these gentlemen, these partisans, is used for the

purpose of attacking and of criticising the Government. Let the flag be low or let it be high, it is all the same to them - it is either not high enough or the reverse. We came here with certain support. When I mentioned the subject before the electors, I referred to the Maitland speech, and said - "This is our programme - revenue, and, after that, protection - moderate protection." We invited the people to try it, and they are trying it now. We believe that the verdict will leave no room for doubt. As to the question of revenue, let me put this consideration to any honorable member who had a seat in the Convention. I might even put it to the leader of the Opposition himself. What was contemplated at the time we framed the Commonwealth Bill, a high or a low Tariff?

Mr O'Malley

- A righteous Tariff.

Mr KINGSTON

- I use the words of the leader of the Opposition, and I say that his proposal - not expressed in the Convention itself, but afterwards - was that we should have a very high Tariff. A very high Tariff means protection incidental to the imposition of revenue duties. I go further. I say that the amount even was contemplated. But before I proceed to deal with that part of the argument, I should like to put the matter thus : Was it not clearly stated within the walls of the Convention that the financial necessities of the States could only be met by a high Tariff? I could quote from many speakers in that great gathering, but it will be more important to quote from the utterances of the leader of the Opposition himself. Out of his own mouth I shall be able to prove that he promised a very high Tariff, that he contemplated the raising of a sum closely approximating to that which we are proposing to raise, and that he made it as clear as the noon day sun that the honor and credit, not only of the Convention, but of the first Federal Parliament, was pledged to meet the necessities of the States.

If that is so, what is our duty ? Our duty is to do that as nearly as practicable.

Mr V L SOLOMON

- But not inflate the figures.

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Mr KINGSTON

- I am sorry to hear it even suggested that we desire to inflate the figures for the purpose, I suppose, of imposing protection. We know perfectly, well that the duties chiefly objected to are not the protective, but the revenue duties ; and the suggestion now made is all too preposterous. Those honorable members who were at the Federal Convention will be able to corroborate every word I say. If there is any necessity for confirmation, the passages are to be found in the pages of the Federal Hansard; and by these passages we are pledged to do our best in the interests of the financial necessities of the States. An attempt was made at the Convention to insert a clause or clauses for the purpose of having within the four corners of the Bill an express declaration that these necessities would be met, but objection was taken to the form. The leader of the Opposition, with all that eloquence and force of which he is capable, said - " Do not put it as a hard-and-fast line ; but I tell you this, that I believe, as a man of honour, that we in the Federal Parliament will be bound to do whatever we can for the purpose of meeting those necessities." In the Federal Hansard for November, 1897, the right honorable gentleman is reported to have said -

The Federal Parliament takes from each of the five colonies its almost sole source of revenue..... No stronger obligation under such circumstances could rest on any body of honorable gentlemen. . . . than that of not exposing the constituent parts of the Federation to insolvency, for it will be nothing less than that.

Words of that sort, spoken with the force and vigour which the right honorable gentleman generally gives to his utterances, carried conviction to the hearts of those who listened to him, and we, believing that the Federal Parliament would rise to a full appreciation of the obligation which would rest upon them, were content not to further press the matter. But the right honorable gentleman continued -

We must believe that the Federal Government may be safely trusted to maintain the financial position of each of the States as one of the most sacred things committed to their charge.

One of the " most sacred things " committed to our charge ! There are the financial necessities of the States ; yet, with the lightest heart, independent of the consideration of whether or not the States really want assistance, or whether we can give it, the honorable member for North Sydney proposed to cut the

States short of one million of the total amount raised, thus in some, cases doubling, and in others increasing, the deficit which would have to be provided for. It is proposed, so far as regards the present necessities of the States, to take away their almost sole source of revenue, and to refuse them that right which is theirs. The States want not a penny of our money, but they say to us - " You have the power of customs taxation ; so exercise that power that we may be able to maintain our credit and to pay our debts - your honour is- our honour, and we rely on the promise you made to do what you could for the purpose of sustaining it."

Mr Thomson

- That reduction made a difference of only £35,000 to Tasmania.

Mr KINGSTON

- The only State which would be left solvent in regard to her existing revenue would be the State of New South Wales, and each of the other States would be exposed to what the leader of the Opposition has referred to as insolvency. They would be deprived of their sole source of revenue, and would have to have recourse to a system of taxation which was never contemplated at the time they entered into the compact.

Mr Thomson

- That is not correct according to the right honorable gentleman's own figures.

Mr KINGSTON

- The leader of the Opposition went further on the occasion to which I am referring, and said - It is inconceivable that the Federal Parliament will begin its existence as an Australian legislative body by a course of finance which will immediately throw all the colonies into difficulties. The situation, I think, is inconceivable. If we are not prepared to believe that the outcome of the movement will be a Parliament which will protect the colonies against such obvious dangers, then I say we cannot believe in the thing itself.

There is a sacred trust - an obligation declared in the plainest terms - and the leader of the Opposition thought it inconceivable that it should not be fully recognised. But now the scene changes. The only State to be provided with the same means it at present possesses for maintaining its credit, is that one State, the- requirements of which are the least. All the others are to be treated in the way to which I have referred.

Mr Thomson

- The Treasurer's figures are- incorrect.

Mr KINGSTON

- As regards the words of the leader of the Opposition, they can be regarded in two ways. Talking to his Parliament in 1899 on the address in reply, he spoke practically as the Australian Prime Minister designate, or, at least, as a gentleman who fully recognised the responsibilities of his position. He spoke, not as a party leader, but as an Australian statesman whom we are all proud to know. I have reckoned it amongst the greatest of my pleasures to be associated in various movements with the leader of the Opposition, but I say that he has his varying moods. He is at his best with responsibility on his shoulders, and at his worst as the party leader he is to-day. In the one case he recognises to the full the national responsibility which rests on him, and in the other case, he is apparently careless, at least for a moment, of the solemn obligation to which he himself has referred in the most picturesque terms. In the New South Wales Parliament in 1899 he spoke thus -

Do not let any one think for a moment that when I make these statements I at all shirk the question, that there is bound to be a very high Tariff.

Mr Reid

- Hear, hear!

Mr Wilks

- We call 15 per cent, a high . Tariff in New South Wales.

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Mr KINGSTON

- The right honorable gentleman proceeded -

We all know that whatever Government is in power there must be a high Customs Tariff. I frankly - admit that if I stood up before the House and said anything else, I should simply be sinning against my own

knowledge. I admit it, and give it to every one for what it is worth, that there must be a high Customs Tariff under federation, and that is one of the sacrifices that some of us are prepared to make for federation. An honorable member has suggested that the leader of the Opposition was then speaking relatively. I venture to consider that he could not have forgotten the words he used at that Convention as regards the necessities of the States. I will carry it further, and- show as clear as- the noon-day sun that he contemplated that to meet the necessities of the State in the- circumstances that we recognise we are in at present, there should be at least a revenue of £8,500,000. If I recollect rightly, the amount the right honorable gentleman spoke of in the Town Hall in Sydney a day or two ago - I did not read the full report - was £7,500,000.

Sir George Turner

- £7,600,000.

Mr.W atkins. - That was after he turned round.

Mr KINGSTON

- There was a time when the right honorable gentleman's attitude was not so pronounced on the benefits of federation as it afterwards became, when he was warning the people of some of the dangers and difficulties attaching to federation, and when he was pointing out the cost, I tell honorable members that the cost as he calculated it - his calculation being applied to the circumstances of today - would have amounted to £8,700,000, and I shall show it. He spoke at Newcastle, and we find the report of his speech in the Sydney Morning Herald of 27th May, 1898, the period of his halting somewhat. I have his own words when he was telling the people the bitter truth. I do not think I shall ever be found even dreaming of suggesting that the right honorable gentleman does anything else. He said -

Now let them take a Tariff which would be necessary to meet the financial necessities of the other colonies - £7,000,000 a year. Under this Tariff the financial committee made the following estimate : - In New South Wales there would be a Customs revenue of £3,010,000, which was £1,245,000 a year more than New South Wales wanted. Victoria would be taxed to the extent of £2,240,000 a year, or £2,000 more than was wanted. South Australia would be taxed £735,000 a year, or £47,000 more than was wanted. Western Australia would be taxed £700,000 a year, which was less than she wanted. Tasmania would be taxed £315,000, or £59,000 less than was wanted. The question was, how would this Tariff affect New South Wales ? The people of the colony would contribute £3,000,000 a year, or £2 5s. 5d. per head - or deducting excise, down to £2 per head in round figures. This was a much larger tax than in any other country.

Mr.Reid. - The paper is wrong. It could not be £700,000 for Western Australia under a uniform Tariff.

Mr KINGSTON

- Yes, but we had the other clause in also. This is not far out from the amount now proposed to be raised, not taking into account the special Tariff. It a little over-estimates the amount of South Australia, but it is a very close shot indeed to what we propose. Honorable members may think that there is a wide gap between £7,000,000 and £8,500,000.

Mr Reid

- £8,943,000.

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Mr KINGSTON

- But it is not so, because the right honorable gentleman's estimate applied to only five States, as Queensland was not then included. Queensland has since come in, and that State's requirements are £1,565,000. Tasmania has her revenue increased by £100,000, and Western Australia also requires an increased revenue. So we get at a total amount by two guides : First, the declaration that there must be a high Tariff- a very high Tariff - then the calculation of an actual amount, approximating to £8,800,000, within a very small sum indeed of that which we at present propose. I say that under these circumstances the position is established as clear as the noon-day sun : First, that we promised to do what we could, fairly to meet the State's necessities, pledged at the Convention. Then, that it was recognised that there must be a very high Tariff. Further, also, the right honorable and learned leader of the Opposition showed that the Tariff would approximate most closely to that which we are proposing at the present moment. I say also, in this connexion, that authorities - which may be biased, but at the same time I do not suppose they would be biased in favour of the Government - such authorities as the Melbourne Argus and Sydney

Daily Telegraph - Mr. Nash, of course, being responsible for the Daily Telegraph calculations - estimating an amount very closely approximating to these figures. The Argus suggested £8,750,000. The honorable member for Wentworth made the amount £8,500,000, and in the very valuable essay on the subject published in United Australia, and written by the Honorable the Speaker, a similar estimate was given. From these aggregations of authority which, until investigation, we could not even have hoped to be able to produce, it is established beyond doubt that all who had anything to do with the framing of the Constitution from the days of its earliest history, and who loyally applied their minds to the consideration of the question, are practically agreed that we want something like £8,750,000. I do not hesitate to say that if it could be shown that less would suffice, nothing would be more pleasing to the Government. If it can be shown that the States wish to make economies, or that the States might wish for lesser taxation - and they could best express their views through their members here, though the local State authorities are of course capable of giving the most useful information on the subject - if it can be shown that this money is not wanted then by all means let us not raise it, but if we are fairly within the range of the States' necessities, which we cannot honorably escape providing for, our course is clear. I am sure that Parliament, and, I hope, every party in it, will sustain us in doing what is necessary in the circumstances. The leader of the Opposition put it that we had taken from the States almost their sole source of revenue. They have a right to look to us to recoup the loss, in order that they may not be short of that which they previously received, and have to bear in addition, the Federal cost. Let us do what is right, and face the consequences. I am sure that we shall be justified by subsequent events. The honorable member for North Sydney referred in a light and airy way to the deficiency in the case of some of the States.

Mr BRUCE SMITH

- That is not the honorable member's usual manner.

Mr KINGSTON

- It is not, and that was why I noticed it particularly. At the same time, I know we all listen with the deepest interest to any observations which fall from the honorable member. He said that we were short as regards three of the States. Tasmania is . to go short to the extent of £150,000 under our proposal ; "Western Australia, £250,000 ; and Queensland, £250,000. Of course I am speaking in round numbers. He said that in the circumstances he was making a calculation after putting the Federal cost at £300,000. The honorable member was making a calculation in his circumstances as a representative of New South Wales. It was as much as to say - " I know my State will be all right in any circumstances."

Mr Thomson

- I did not say so.

Mr KINGSTON

- Does the honorable member think that I suggest that he did?

Mr Thomson

- I said that, as a New South Wales representative, I should be very glad to consent to advances being made to these States by the Commonwealth.

Mr KINGSTON

- The States do not propose to become mendicants, depending on the charity of the Commonwealth.

Mr Thomson

- The Treasurer made that proposal.

Sir George Turner

- I did not do anything of the kind.

Mr Thomson

- The right honorable and learned gentleman suggested it.

Mr KINGSTON

- There is a difference between suggesting and insisting upon it.

Mr Reid

- The Government could not insist upon it.

Mr KINGSTON

- No ; but the honorable member practically threw one or two alternatives at them. They were to go in for that or local taxation, or retrenchment of a character which would not be possible, certainly in South Australia, to any considerable extent. That was not the position in which the States expected to be

placed. That is not the position we have a right to put them in. Whilst we regret that we cannot make greater provision, we do think that we might go to the length we propose.

Mr Thomson

- Why not give another million?

Mr KINGSTON

- The line must be drawn somewhere. It is bad enough when three States are left short. If we increase the burden it seems to me the position will be very difficult. It is a difficult task, and we are happy indeed to find a way out of it. At the same time, I think that we ought to approach the question with the consideration that the States have claims on us which we ought not to disregard lightly. The honorable member for North Sydney proposes to reduce the Tariff by £1,000,000. What would be the effect of that ? Taking the State of New South Wales as a third of the whole Commonwealth, she would lose £330,000 which she did not want, but the balance of £666,000 would be taken off the provision made for the necessities of other States. What does that mean ? Roughly speaking, Tasmania's present deficiency of £150,000 would be increased to £200,000.

Mr Thomson

- It would be only £35,000 more.

Mr KINGSTON

- I will put it closer, and say that it would be £190,000. Queensland's shortage would be increased from £250,000 to £400,000.

Mr Thomson

- The difference would be £135,000.

Mr KINGSTON

- Western Australia's shortage of £250,000 would be increased to £330,000.

Mr Thomson

- £320,000.

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Mr KINGSTON

- I know what the honorable member is doing. I do not think he is making any provision for the £300,000 federal cost. South Australia's surplus of £16,000 would be converted into a deficit of £60,000. What does the honorable member think of a proposal like that ? On the one hand the State would pay its way if only by a small margin of £16,000, and on the other its surplus would be reduced by something like £70,000, so that it would be turned into a deficit of £60,000. I claim to know something of the necessities of the State from which I come, and I venture to think that would be a very heavy burden upon her. It would be one which she never contemplated. If she had been told when she was invited to federate that she would have to bear such a burden, then the efforts we put forward to induce her to join in that beneficent movement, would have had to be redoubled in order to secure success. What about Victoria? Under existing circumstances that State would have a surplus of £175,000. The honorable member's proposal, however, would convert that surplus into a deficit of £100,000. Thus we should have five States with a deficiency.

Mr McCay

- In order to please New South Wales.

Mr KINGSTON

- To please one State.

Mr Thomson

- New South Wales would get the least out of it.

Mr KINGSTON

- We have had various difficulties in connexion with the federal movement ; in some States greater difficulties than in others. We have had the greatest difficulty in connexion with New South Wales. I do not hesitate to say that New South Wales has stood out for the hardest bargain. She would impose terms which she had no right to impose. She forced the hand of the other States in their love for federation. She got her bargain. The capital is hers. Let me say in this connexion, and let me not be misunderstood, that no member of the Federal Ministry knows either one State or another in his official capacity, save to do his best for that which is right to all. New South Wales, however, has in my opinion more to gain. What

has she gained? She has gained access to our markets.

Mr Thomson

- She gave the other States free access to her markets.

Mr KINGSTON

- Surely she gave it in her own interests? We believe she gave it, not for love of the other States, but because it suited her to do so.

Mr MAHON

- It was also in the interests of the other States.

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Mr KINGSTON

- It was not in the interests of the other States, but because the leader of the Opposition in this House as Premier of New South Wales believed it was a right thing to do in the interests of that State. She had more to gain from federation in that respect than we had. She gains access to our markets ; we had access to hers previously. As regards the benefits we derive from federation, who reaps the golden harvest as to manufactures, industries, and increased development of trade and resources? The leader of the Opposition tells us that it is the State from which he comes, and we do not grudge it. She has advantages given her by nature, which in the struggle between the traders of different States gives her the command by right, as it were, of coal and iron. In none of those respects do we envy her aught. But we do say that in a matter of this sort the credit of each State is to be considered. When the State honour is to some extent implicated ; when, to use the language of the right honorable and learned member, our almost sole source of revenue has been transferred to a United Australia in trust to be exercised for the benefit of all, I can hardly think that that trust would be fairly and fully discharged if the interests of one State were to be altogether considered in this connexion, if the words which were spoken in the Convention were to be forgotten, and we were left shorn of our resources and of our power to maintain our corporate honour. Sir, it would be a staggering blow, an unexpected blow, a great disappointment; it would come as a shock. I know how tempting it is in a time like this to consider that if we do our duty in this respect we get no thanks from the States. Such is the selfishness of men, they will take the money, gladly spend it, cast upon us the odium of its collection as regards both the amount and the way in which it is recovered. Things of that sort, patent as they are, should not stand between us and the discharge of our duty. Let us strive to learn where our duty lies. If it lies, as I believe, in the direction of making the necessary provision, even if we incur opprobrium we shall retain the approval of our own consciences by doing that which we ought, and which I am sure this House will be prepared, to do. I have noticed as regards the Tariff itself a variety of criticisms by irresponsible persons. I am so laced to some extent by the fact that in every State men in responsible positions, Ministers, including Treasurers, speak in approving terms of the course which we have set before us.

Mr Reid

- A section !

Mr KINGSTON

- But as regards the details of what are presented for public consideration - touch this section, that section, and the other section, who likes to be taxed ! Each and all, I would rather say all, meet with ready sympathizers. Those who did not like federation, those who do not like this Government, those who are honestly wedded to free-trade, those who make free-trade an excuse for making a party attack, foment and stimulate agitation by saying - "Oh, yes, you ought not to be taxed so unfairly, No ! no ! the idea is preposterous." The honest way of looking at it and dealing with it is to say to all of them that the thing must be faced. If a lesser sum will suffice well and good, but the money must be had. It is the price to be paid for federation, and all we ought to strive here to do is to find out what the amount is, and what is the best way in which it can be raised. He would be a poor debater indeed who, having such a fertile theme on which to raise public discord, were unable to raise, as it were, a storm of indignation as regards the Tariff, which must tax where taxation did not previously exist, and which in the great senior state of all doubles the taxation on each man and woman of that great community, but doubles it only in accordance with the necessity which had to be faced. Was not this predicted by all who previously considered the matter ? As the honorable member for Wentworth said in most graphic language, ought it not to be disclosed to the people at the earliest possible moment in order that they should nerve themselves to

stand the shock and regain the equanimity which is necessary for the purpose of finding the best solution of the difficulty. How have we been served by the Opposition ? Have they adopted tactics of the character to which I referred ? They have spoken here, there, and everywhere. Was it to allay, to soothe, to enable the people to face a national emergency? Nothing of the sort. To provoke, to irritate, to try to get an excuse for indignation, to foment discord and to promote strife. But I am inclined to believe that here we have a calmer atmosphere, and if this debate should end, as it no doubt will end to-day, in the failure of the attempt to overthrow the Government, we shall address ourselves with determination and success to the duty of considering each and every item in detail, and providing that which is best under the circumstances. It is for reasons such as that that I do not propose, knowing what the fate of this motion is to be, to deal with details at the present moment, and so promote anything in the shape of waste of time. What do the Opposition suggest? We have heard little or nothing. The honorable member for North Sydney put forward something gently, gingerly. He would not father it, and the leader of the Opposition would not father it.

Mr Reid

- I only father my own.

Mr KINGSTON

- The right honorable member must be careful for fear that it might be fathered on him.

Mr Thomson

- Does the Minister ask the Opposition to provide his policy ?

Mr KINGSTON

- The honorable member brings it forward as some modification which would practically disarm opposition to even the Ministerial proposal. How much better he could do it if he had to do it, which I am thankful he has not at the present moment--

Mr Reid

- The Minister should be grateful to him.

Mr KINGSTON

- I am. The honorable member threw this thing up as a sort of feather, it seems to me, for the purpose of finding out which way the wind blew, and judging as far as I possibly could by the utterances of his leader, which have been recorded for public approval, I am inclined to think that at the Sydney Town-hall his leader was grasping at this feather, and suggesting an attitude in relation to that proposition which would have a soothing effect upon the public mind.

Mr Reid

- It is a wonder the Minister did not go up to soothe them a bit. Why does not the Prime Minister or the Minister for Home Affairs go up and soothe them a bit?.

Mr KINGSTON

- We shall be about in due time.

Mr Reid

-When the money is due ?

Mr KINGSTON

- I do not know that I am going along there just yet. I hope, if this contest is to be prolonged, to have an opportunity of discussing matters of this sort.

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Mr Reid

- Let us go up there.

Mr KINGSTON

- Oh, yes; but I have not got an invitation yet. I understand that there is no proposal on the part of the Opposition. What do they intend to do - do they intend to let the States go short, or to do as the leader of the Opposition did when he introduced Ms free-trade policy in New South Wales, namely, propose a land and income tax. Here let me say this to the leader of the Opposition. Of course I do not know so much about New South Wales politics as he does, but if I can read history in this connexion, so far as the freetrade movement was concerned, I believe that its strength lay in the land tax. If the light honorable gentleman had not advocated the land tax the free-trade policy in his State would not have been so far advanced as it is to-day.

Mr McDonald

- It would be a good thing to have it here.

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Mr KINGSTON

- I do not know if the idea of the right honorable gentleman is to propose something in the shape of a further land tax, but it seems to me that as land taxes are already in operation in some of the States, it would be a little hard if any double-banking were proposed. At the same time, I do not hesitate to declare my personal regard for a land tax. It is one of the proudest recollections of my life that I had the honour to draft the first Bill providing for a tax on unimproved land values - the first Bill for the continent of Australia. The Government of which I had the honour to be a member succeeded in passing that Bill into law in 1884, and on that Bill it seems to me the land tax legislation of the right honorable the leader of the Opposition was based. To deal more closely with the terms of the motion which the right honorable gentleman has moved, it seems to me to be a sort of drag net. It is supported by an appeal to class and local prejudices, and it serves to fan the expiring embers - at least by the way in which it was moved - of State jealousies. The speech, of the right honorable member in moving the motion, appeared to be an apostrophe to liberty - the liberty to suffer and starve - the usual hackneyed appeal that is indulged in by those who clamour for freedom of trade, very frequently in utter disregard of its necessary consequences. The motion is a proposal to hold above everything the survival of the fittest, to make no provision for the protection of the weak, to reject - as far as we have had any indication of what is really intended - all that could really tend to the prevention of the injury of the weak by the strong. It is an apostrophe to the liberty which renders local industrial benevolent legislation worthless, in that the worker loses his work in competition with the goods of the sweated worker in foreign countries. It is an appeal to the craze for cheapness for low wages, and cheap men. It is an advocacy of the policy which keeps out cheap labour, but lets in the wares produced by cheap labour. To my mind it is infinitely better that we should let in the cheap worker himself, rather than his wares. If the cheap worker comes here, we can at least hold him within the area of our jurisdiction, and can legislate regarding the conditions under which he shall work. The motion is the outcome of a policy which will deprive Australians - if amended in the direction suggested by the honorable member for North Sydney - of markets for their labour and for their produce to the extent of at least £2, 500, 000 annually. To my mind, the chief consideration in the settlement of the issues between free-trade and protection is this - whether it is better that we should have a market for our labour and our produce in our midst, or that we should send our money outside of Australia to better the markets of the foreigner, and to employ the labour of the foreign worker - to employ the foreign worker in making up our raw material to the displacement of the opportunities for employment of our own workers at good wages; which are among the chief necessities of man. The poor have been frequently referred to during this debate - we always have them with us. If we read any page in the early history of any State on the Australian continent, what do we find there - the curse of the time, the cry of the weak, the cry for employment, for an opportunity to earn the daily bread. In my own State I have heard it time and again, and in the other States they have had the same condition of affairs in equal, or in even greater intensity. I know of no sadder sight than that of an honest and industrious man going about seeking work and unable to obtain it; returning, as it were, heartbroken to his little home at night, with his wife, and aye, it may be, his children, greedily rushing to meet his approaching footsteps, only to be met with the one old heart-breaking reply - "No luck, no work." His labour is daily wasted, his capital diminishes as the days go by, and the only means of redress is to be found in the works instituted by the State for the relief of those in such sad plights. Is the day always to be that we are to stop our efforts to make the necessary provision, when necessity meets the eye - are we simply to give bread to prevent men from starving, and to have relief work all over the place - here and there - to the mortification of those who desire Australia to stand in good repute? Are we to discountenance all who wish well to the labourer? What are we to do? It seems to me that the point is this. Shall we struggle to keep available for Australian labour and Australian producer such markets as we can reasonably control? Do we not know and feel that it is right that the work should go to our own people? Do we not know and feel that they have the first claim upon us? And yet, as far as our legislation in this connexion is concerned, the point that has occupied public attention, and the issue that is now raised is whether or not, in connexion with our fiscal policy, we shall do ought to promote local production and the employment of local labour, and greater general happiness

and comfort for the poor than has been previously attained. There are obvious reasons which will induce me to curtail my remarks in order that there shall be every opportunity afforded to the mover of the motion to reply, and that we may proceed to a division without unduly trespassing on the time of this House. But I should like to say, while speaking of the importance of giving employment to our own people, whether they be workers or producers, that it does seem to me an almost self-evident truth that no pains should be spared by statesmen to secure to their own people all the means of profitable employment and production which are possible. In this connexion I note with interest that the leader of the Opposition himself refers to the immense advantage of producing or manufacturing all that we possibly can within the borders of the Commonwealth. We cannot lay too much stress on the importance of promoting internal trade. Internal trade has been variously referred to by political economists of the highest repute as the most important of all trades. It employs the two capitals - the capital of the person that produces, and that of the person who manufactures. Emphasis has repeatedly been laid on the fact that trade of this description is twice as valuable as is foreign trade. I want, so far as I possibly can, to induce thought on the part of those with whom it has been my pleasure to co-operate for so many years - the workers and the friends of the workers - on the importance of stimulating our internal trade. I wish to contrast with the importance of a matter of this sort the much less importance of cheapness - cheapness which is the craze of the free-trader, and to which he is prepared to sacrifice all, rather than lose the pastries coin of the realm by indulging in the exercise of a patriotic sentiment. I cannot help thinking that the free-trader in his heart must feel, when he looks at the question of how much better, more patriotic and advantageous to the community it is, that all should be working together - the one making and the other manufacturing - that the internal trade and the home market should be stimulated rather than that through a beggarly craze for cheapness the interests of his fellow worker and citizen should be discarded, and the employment and profits sent abroad. I want to put it, if possible, into so many figures. Let us take, for instance, a consideration like the following : - Manufactured goods are wanted. They can be obtained within the realm of the Commonwealth for £1,050. They can be obtained in foreign countries for £1,000. How much better a thing is it that the £1,050 should be paid to the manufacturer within the community than that the £1,000 should be sent abroad ! Let us look at the result. If the manufactured goods are purchased within the Commonwealth, what is the result for the expenditure of the £1,050? There is a loss to the purchaser of £50. But, on the other hand, what is the gain to the Commonwealth? There is a gain of £1,000. That money may be equally distributed amongst 50 men, who would thus receive £20 each. The balance, honorable members will see, is altogether in favour of the employment of our own compatriots and fellow citizens.

Mr G B EDWARDS

- If the alternative were idleness ?

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Mr KINGSTON

- I am pleased, indeed, that the honorable member has interjected, because in nine cases out of ten, that is the position. People cannot transfer themselves at a moment's notice from one source of occupation to another. We know how difficult it is very often for men to obtain employment in their own particular trade or occupation. Take them away from their own trades, and send the money out of the country to purchase imported goods from elsewhere, and what is the result ? Instead of the £1,000 being spent within the four corners of the Commonwealth in the way of wages, or of reward to the producer to be expended by him in supplying his various wants, in supporting local tradesmen, in giving revenue to the Commonwealth through the Customs, and thus recouping much more than the original loss, if we come to examine the matter, it is as plain as is the noon-day sun that these considerations should undoubtedly speak all eloquently in favour of the smaller sacrifice in the difference of the prices for the good of all.

Mr Harper

- That is the teaching of Adam Smith.

Mr KINGSTON

- Adam Smith has spoken with no uncertain sound as to the importance of stimulating the home market. As regards this question of cheapness - what does it amount to ? Cheapness - think what it means ! Unprotected competition with all the capital, skill, cheap labour, and unrestricted conditions of labour and employment in the old world, and in every country. What is the good of Early Closing Acts, the eight hours

system, and wages boards, conciliation or otherwise? How can we, if we admit these goods free into our markets, impose our benevolent conditions upon those who manufacture them? What is the object of striving to do all we can within our borders to regulate the employment and conditions of labour, when by the free admission of goods, which may have been produced under the most horrible unrestricted sweating, we force our workers to undersell or to suffer by going unemployed and starving. Cheapness! What is the good of cheapness if the people have not the money to take advantage of it? What is the good of having boots sold at 10s. per pair instead of 12s. 6d., if the people have not the 10s. to pay for them? Is it not far better that the people should have to pay the larger sum, and have the money with which to pay? What is the prospect of men, who insist on decent conditions of life and labour, being able to compete with those who subscribe to no such conditions? Whether it be increased capital or better machinery, we should set our standard of life and labour as free and high as may be. Do not go to extremes, but, having set that standard, recognise what are the conditions of the world, and do not hesitate to impose, by a fiscal policy, such terms on the importations of goods as shall insure effect being given to our will. That cannot be done except by protection, without which our laws are as idle as idle may be. What are we told here time and again? We are told that because wages boards exist here, and wages under the circumstances are higher and the conditions of labour better, Victorian workers must go to the wall. If that be the case with regard to competition with our neighbours of the other States, how much more so must it be the case in regard to lower conditions of life and labour? Let us look the matter fairly in the face. Are we going to tackle this question as we ought to? If we are content to pass legislation for the purpose of protecting against competition within the prescribed circle of Australian jurisdiction, what is the good of it if at the same time we admit free goods, which are not produced under similar conditions of life and labour, to compete with, oust, and render unemployed our workers.

Mr Winter Cooke

- May I ask how the right honorable gentleman proposes to protect the primary producer and his worker against cheap labour?

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Mr KINGSTON

- I am delighted to have the inquiry made by the honorable member for Wannon. I know perfectly well that a question from him comes with the simple desire not to throw me in the slightest way off my course, but to direct my attention to some matter which is troubling him. How do I propose to protect the primary producer and his workman? What is protection? It is assistance given by the inhabitants of a State or Commonwealth through the public purse, in order to protect industries for the good of the community. It may be that we cannot give protection in that way to the primary producer, but so long as the assistance comes to him from the same public - from the same purse, same pocket, and from the community of the Commonwealth - it matters little how it comes. We ought to protect and assist the primary producer in every way possible, and that is, and has been, our policy for years. With what effect have we laboured in that behalf? We have given cheap land, and where in that connexion did we hear of the doctrine - "Buy in the cheapest market and sell in the dearest." If we chose we could sell the State lands for cash to capitalists who would let them out to the primary producer and charge the latter exorbitant rent. But that is not what has been done. Had it been a simple question of cheapest and dearest, the State might, so far as direct results are concerned, have done much better. But in the long run would it have been better? And I similarly ask whether in the long run it would be better if the workers and manufacturers were unemployed and our capital sent elsewhere for the purpose of fostering the enterprise of foreign manufacturers and foreign workers? The primary producer has been given not only cheap land, but also cheap money through State banks and other similar institutions, and cheap access to and from the farm and market by means of State railways, roads, jetties, bridges, and in every conceivable way in which money could be expended for the public good.

Sir George Turner

- And water supply.

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Mr KINGSTON

- And by means of water supply, bonuses, and aids to prospecting and mining. All these and other means are directly employed for the purpose of giving aid to the primary producer; and long may that state of

things continue ! It was the policy in the past to assist the farmer by means of protection. We are told that because the Inter-State barriers have been thrown down, the opportunity for that aid no longer remains, and that in regard to foreign markets, there is not the same advantage in the way of granting protection. But does that alter the case ? Will honorable members tell me that protection, which was admitted to be a good thing while it assisted the farmers directly, is no longer to be considered a good thing because it cannot now apply to their interests to the same extent ? The mode is nothing ; the question is whence the assistance comes, and it comes from the public purse. Whether by protection - whether by indirect methods or direct methods - let each and all be fairly treated. Under these circumstances the farmer, who has hitherto enjoyed the advantages of protection, -will not, I am sure, simply because he can no longer be helped or greatly helped in that way, insist at this moment that the mode which has been used to help him shall no longer be available to others. Let one and all, and every industry, be the peculiar care of the State. We help in one way or the other each manufacturer and each industry primary or otherwise ; and to the greater extent these industries are created the better for the country. Honorable members will not fail to recollect that the Government are seeking to do what they can by means of bonuses for the more direct encouragement of those industries which will operate to the benefit of the farmer. Although the farmer may not be aided to the same extent as his brother Australian, he is aided against outside competition, and we see evidence of that aid every day. New Zealand's loss is our gain. I do not wish or hope to produce anything in the shape of jealousy between the Commonwealth and the great colony of New Zealand ; but that colony has her barriers raised against us, and we naturally raise our barriers which operate against her. Let the matter be made the subject of reciprocal arrangement, if honorable members like, but do not sacrifice our farmers for the benefit of those outside the Commonwealth, who do not at this moment throw their markets open to us, but insist on levying taxes on Australian goods. I venture to think that the acceptance of this policy is of all importance to us. What was said by Lord Salisbury some time ago, in reference to the foreign trader? He said that in matters of this sort the other countries oppress you, but we have thrown away our weapons. Free-trade gives them the command of our markets and we can insist on nothing in the shape of a similar Tariff for the advantage of our land. I believe that by the continuance of the barriers which we here propose to maintain, there will be at least a considerable direct advantage to our farmers ; and I know further, in this connexion, that we can assist them in the future as we have done in the past in other ways. Perhaps the very raising of these barriers will give us an opportunity of entering into reciprocal arrangements which will be for the benefit of the Commonwealth and of other communities with which we trade. I should like to quote, on 'this doctrine of cheapness - the doctrine of buying in the cheapest market and selling in the dearest - from the utterances of one who years ago spoke on this subject of free-trade. What is the good of cheapness if the articles are not accessible to the community tSir J ohn Byles put the matter in this -way -

For the benefit of the masses, it is not enough to make things cheap, even in the best sense of the word. What is wanted is, to make them accessible, attainable, by the multitude. By making- things cheap, you do not necessarily make them accessible. Nay, there are some modes of making things cheap which, as we have seen, will make them less accessible to the multitude than they were before. What the masses want is the means of purchase. If the means of purchase be wholly absent, it is a matter of supreme indifference to them whether things be dear or cheap. The only means of purchase which they possess are the wages of their labour. In a word, employment is their means of purchase. You may have cheapness without full and various employment for the masses, that is cheapness but without plenty. You may have full employment for the masses at good wages, without the cheapness; that may be competency, or even plenty, without cheapness. The aim of all good legislation should be to unite the two blessings - cheapness and plenty. But if, as often happens, in the imperfection of human affairs, you have to choose not only between two evils, but sometimes also between two good things, inconsistent with each other, which of the two is to be chosen - cheapness for the benefit of a few, or plenty for the benefit of all? Undoubtedly, plenty. Then the study of every Government, in order to produce plenty, permanent plenty, plenty widely diffused and extending to the masses, should be the full and various productive employment of the people. The test of every measure ought to be, and used to be this - "Will it promote the productive employment of the people ?" It has been already shown, and on the authority of Adam Smith himself, that the production of articles at home which can be made or grown somewhat cheaper abroad, though it should not produce cheapness, does promote the productive employment of the people - does give them

the means of purchase-does produce plenty, permanent plenty, plenty widely diffused, plenty extending everywhere to the masses of the population ; and that the opposite policy, even under the most favourable circumstances, though it should and will create cheapness, will destroy the means of purchase, and introduce a real and spreading want.

Under those circumstances how long should we halt between two opinions ? What is it to be - cheapness without accessibility, or accessibility to plenty, which it ought to be and can be ? There is another reason .for adopting this policy, for the benefit of the worker, in this fair land of Australia, a land whose commencement as a nation we are now inaugurating. Sir, the motion of the leader of the Opposition is somewhat in the nature of a drag-net. It is an endeavour to tickle the squatters, to please the farmers, to tempt the miners, and to flatter the pioneers. It is one of the most attractive motions I ever saw.

Mr Reid

- The right honorable gentleman cannot say that of his Tariff !

Mr KINGSTON

- The right honorable member could say it, but he will not. Party considerations prevent him. I hope that some day my right honorable friend will rise superior to matters of that sort, and give voice to the paeans of praise which should hail the introduction of a Tariff to which he now so slanderously refers - I use the term in its mildest sense. Honorable members opposite would lead the country to believe that they are going to have a fiscal millennium. The necessities of life - tax them ! Perish the thought ! The farmers - ask them for a trifle ! Away with the idea ! The squatter - look in his direction for a contribution ? You are doomed, if you do ! Every one else is to pay nothing, and soon the whole land shall be free.

Mr Reid

- That is protection as represented by the Minister.

Mr KINGSTON

- No, sir, that is the free-trade which is professed by the right honorable member. But it can never come, and will never come as long as people are called upon to pay their debts, and to provide the necessary financial assistance for the liquidation of their ordinary liabilities. But this drag-net goes on gathering. At the free-trade meeting held in Sydney at the beginning of this week, admission to which was by ticket-

Mr Reid

- That is not true. It was an open meeting, and thousands were addressed in the open street.

Mr KINGSTON

- At the Sydney Town hall meeting the free-traders added the further alluring item - no taxation on raw material.

Mr Reid

- Who did ?

Mr KINGSTON

- That was what I saw in the papers.

Mr Reid

- I do not think so.

Mr KINGSTON

- It was urged that the Tariff should not press unduly on raw material.

Mr Reid

- Surely there is a difference between those two statements.

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Mr KINGSTON

- Vires acquired eundo - they gather strength as they go ! I do not know where this thing will end if it is not stopped. It is going to be stopped this afternoon. This is the cry : - " All you manufacturers, pastoralists, miners, men who use these necessities, come one and all and rejoice" - according to the proposition of the right honorable gentleman - "we are going to enter into a happy partnership. Of course, if we were under other circumstances, of having the Government's duty of providing necessary funds, it would be different ; but come with us and you shall be free, and we need have no thought for paltry matters of that sort."

Mr Reid

- We are going straight ; no blooming compromise.

Mr KINGSTON

- Let us deal with it. There is a lot of money wanted, and we must get it, and on the subject of necessities I tell the right honorable gentleman that if I had my way I would be only too happy to go as far as ever he would on the subject of the freedom from taxation of the necessities of life not produced here.

Mr McColl

- So would every one.

Mr KINGSTON

- No doubt of it.

Mr Reid

- Hear, hear; what about the China eggs ?

Mr KINGSTON

- "The China eggs!" I am only too delighted to hear a remark of that sort from the right honorable gentleman, for it only shows how ignorant he is of the history of his own State. The right honorable and learned member does not know that a protection of that sort is very necessary, as regards his own particular State, and for this reason : She cannot provide at present, owing to a want of encouragement of the agricultural egg supply, for her own necessities ; and she has to have recourse to the Celestial Empire for the purpose of procuring what is wanted. It is just a typical case. Here is this great State, with her unlimited resources, her large area of country, everything - but wise statesmen.

Mr Reid

- Everything but plenty of

Mr KINGSTON

- The result is that for the ordinary, matutinal, innocent egg, she is short, and she has to have recourse to a heathen empire for the necessary supply.

Mr Reid

- And to heathen hens, too ; that's the worst of it !

Mr KINGSTON

- Chinese eggs are imported in large quantities into New South Wales. Our attention was specially directed to the fact in the interests of the agriculturists, so long neglected by the right honorable gentleman, And for the purpose of giving the people of New South Wales an encouragement in connexion with a minor industry of the farm which is of the utmost importance, this particular tax is provided - at the request of the New South Wales people, addressed to Federal Ministers calling their particular attention to the matter.

Mr A McLEAN

- They have not sufficient eggs even for election purposes, and they have to use flour.

Mr KINGSTON

- For the purpose of ascertaining how the wind blows we throw up a straw ; and we get a fair idea of how New South Wales is managed, and what regard is paid to the interests of her agricultural community when we find that she cannot supply her own eggs.

Mr Reid

- We do not sweat our hens as they do in South Australia.

Mr KINGSTON

- The result is that the eggs of the sweated hen luxuriating in Canton, or some such place, displaces the more humble and unseated article of the Sydney fowl or duck. Just see the difference in New South Wales ; they cannot produce their own eggs ! Contrast that with what obtains in South Australia. South Australia not only produces all the eggs that she wants herself, but she sends many to New South Wales, and exports - it is a very interesting item - upwards of £80,000 worth of eggs annually. New South Wales cannot export a single one, and has to go elsewhere for the purpose of making up the supply required by her own people.

Mr Reid

- It is the only thing that has saved South Australia in the last five years.

Mr KINGSTON

- It only shows how much may be done for agriculture in a minor matter like this.

Mr G B EDWARDS

- The wealth of New South Wales enables her to consume more.

Mr Reid

- She can afford to have fowls for dinner.

Mr KINGSTON

- In South Australia we can afford not only to have fowls and eggs, but to sell both fowls and eggs to the unfortunate people of a sister State in want of them.

Mr JOSEPH COOK

- New South Wales exports fowls by hundreds of thousands.

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Mr KINGSTON

- There is nothing which would give greater pleasure to the Government than providing for the freedom of the necessaries of life. They naturally think that it is a fair thing that, so far as the means of existence are concerned, the food of the people should go untaxed. But they know full well that the greatest outcry has been provoked against this Tariff on account of the revenue duties which, owing to financial conditions, are imposed upon the food supplies of the people. If we get a chance of reducing the duties, our first thought, I venture to think, will be to turn in the direction of the freedom of the necessaries of life. I say, further, that we feel also that as regards a good many of these items, we have provided taxation upon raw materials for manufactures, which we should be glad, indeed, to relax. , We think that the margin is often too little between the manufactured article and the raw material. It is not our will, but the national poverty which consents. If, in the future, we can see an opportunity of providing for further freedom of necessaries or raw materials, rely upon our heartiest wishes being with proposals to that effect, which, if we could, we should have been only too glad to have introduced in the first instance. The national necessity is to make both ends meet. Our necessities in the way of revenue production compels proposals of this sort, and I say here, lest it be thought that ray enthusiasm in this respect is lately born, that fourteen years ago I was a member of the Playford Government, who introduced a Tariff to South Australia, in which provision was made for the freedom of the articles of the breakfast table, tea, coffee, cocoa, sugar - I am not sure about kerosene. I would that circumstances had permitted the introduction of relaxations of such taxation into this Tariff. In America, how do they know the difference between the protectionists and the free-trader and the revenue tariffist? The free trader has a defined policy, approved by Henry George; but what is Henry George's attitude as regards a revenue Tariff? He scoffs at it; he tells us practically that a Customs Tariff can only be justified on grounds of protection, We are protectionists ! We are not Henry Georges ; but we believe that it is a good thing that the food of the people should be free, especially if not produced here. In America, under a protectionist Tariff, tea comes in untaxed. If we were here to provide for a simple relaxation, honorable members can well imagine what would be our delight. They may talk, and sneer, and scoff at the members of the

Government, but look at our records ! Look at what our proposals have been. We have been on the stage of public life in Australia for no inconsiderable time. Do honorable members think that it is a pleasure for us to impose taxation ? It is not a pleasure - it is a regret, but at the same time it is a duty, and where duty points we propose to go. We are told by one honorable member that the necessaries of life are to come in free; that the squatters are to go free ; that the farmers are to go free ; that the miners are to go free, and lastly, we have had the manufacturers named. If all these are to go free, where in the name of fortune can we find any subject for taxation, for the purpose of discharging our national duty in the way of collecting the revenue necessary for the maintenance of the national credit and honour. The honorable member for North Sydney has said that he is in favour of the encouragement of manufactures, except in the case of exotic industries.

Mr Thomson

- But not by protective duties.

Mr KINGSTON

- The honorable member said that in Australia, in all except exotic industries, which were not worthy of encouragement, it was desirable that we should have manufactures. How are we going to get them?

Mr Thomson

- We can get them under a free-trade Tariff.

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Mr KINGSTON

- A free-trade Tariff? I shall talk to the honorable member about that in a moment. What is the meaning of an exotic industry ? It means an industry which is not largely wanted, an industry which is not natural to our soil and climate. Can the industries connected with our primary productions, and natural to our soil and climate, be called exotics ? Surely not ! It seems to me that our pastoralists, farmers, miners, and manufacturers all constitute industries which are connected with the production of the raw material, and which are of a character that can by no means be called exotic. They deserve encouragement. They are all industries which are of particular worth and value to Australia. What success, what assistance do they not render to Australia ? Should we not struggle to do all we can to foster manufactures of that description. In such circumstances is it possible to seriously consider the passing of such a proposition as that which the leader of the Opposition has suggested for the condemnation of the encouragement offered to staple manufactures ? Above all, these should be selected for special encouragement; but, on the other hand, they are selected by the leader of the Opposition for special disqualification. And what produces our Australian wealth? Our staple industries. What are they? They are the industries of the pastoralist, the agriculturist, and the miner. The total value of our national wealth production in connexion with these primary industries is £112,000,000. How much is represented by the agriculturist, the pastoralist, and the miner? The squatter represents, £33,000,000; the farmer and dairyman, £26,000,000; the miner, £22,000,000- making a total of £81,000,000, out of the £112,000,000 of our national annual production from staple industries of Australia. Do honorable members mean to tell me that eight-elevenths of the whole national wealth of Australia are to pay nothing in respect of the establishment of industries, or the maintenance of the establishments of the Commonwealth? Who is going to declare unlimited exemptions in this direction ? If there were such exemptions the necessary revenue could not be obtained. I appeal to members of the Opposition to be men, to be open, to be candid. I would say to them do not seek greedily every opportunity for fomenting discord, for exciting agitation, for sympathizing with the wish, whether deserved or not, of every man or individual, to escape the payment of his due, and the discharge of his obligations to the Commonwealth. The honorable member for Wentworth asked that they should be told that this was their duty and necessity, that the money must be found, and they should be asked whether they were prepared to pay their share. I venture to say that the miner, the squatter, and the agriculturist will respond that they are prepared to take their part, and that they do not want any one to bear their burdens - their fair share of the national obligations. What is their fair share? What is the amount sought to be exacted from these industries in this connexion? Honorable members will be surprised when I tell them how little it is. I have a certificate here from one of my chief officers, who tells me that it is probable that not more than £250,000 will be received from the taxation of the special requisites for these three great national industries. That is the taxation which is imposed upon them by this particular Tariff. £250,000 out of a total revenue of £9,000,000 ! That is not equal to 3 percent. It is a libel on the farmers and miners and agriculturists to suggest that they wish to avoid the contribution of this infinitesimal proportion of the national expenditure which we are all prepared to pay.

Mr McDonald

- Does' that estimate include all that the miners would have to pay ?

Mr KINGSTON

- It comprises all they would have to pay in respect of their special requisites. Special requisites, of course, do not include necessities of life which are common to every one. If we take the total debit against these industries in regard to the items agricultural machinery, tanks, machinery, and engines (not elsewhere included), manufactures of metal (not elsewhere included), disinfectants, vehicles, timber (dressed), other timber, candles, explosives (not elsewhere included), and fuse, the amount is not £500,000, and honorable members know ' that it is not to these industries' solely that matters of this sort can be fairly debited. I should like to say a good deal more in this connexion, but I feel that we have taken a long time in discussing this matter.

Mr JOSEPH COOK

- A very long time.

Mr KINGSTON

- I do not think any honorable member will suggest that I have unnecessarily occupied the time of the

House for one single moment.

Sir George Turner

- The finest speech ever delivered.

Mr JOSEPH COOK

- Stopping honorable members from going home.

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Mr KINGSTON

- I can assure honorable members that I have taken great trouble to prepare myself in this connexion' I have a number of notes which I willingly abandon, because, whatever I do, I should like to feel that in my relation to the other side of the House, I am fair even almost to the extreme of being unfair to my own party. I thank honorable members for the kind attention they have given to the remarks which I have felt it my duty to address to them, and I trust that they will at the earliest possible moment assist in negating this motion, which will induce us to the conclusion that however much in matters of detail we may have failed in the preparation of this Tariff, still at the least our principles are of a character which they approve, and that they desire us to continue in the discharge of our work.

Mr HUME COOK

- They cannot answer you!

Mr REID

- In reply an honorable member on the other side, in the exuberance of his youthful confidence, said - "They will not answer you." That is exactly the thing which I propose to do.

Mr HUME COOK

- Pardon me. I said "they cannot answer you."

Mr REID

- I beg pardon.

Mr McDonald

- That is only his statement.

Mr JOSEPH COOK

- It is a discourteous explanation.

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Mr REID

- The honorable member is perfectly entitled to make an explanation of that sort. I do not in any sense hold that to be a discourteous explanation, because he, naturally, at present is quite sure about everything ; but as he grows a little older, as we all, unfortunately, have to do, he will not be quite so sure about himself, to begin with. There is no doubt that this is a great occasion. I do not wish to be tempted into discussing any matters of a personal character. I congratulate the Minister for Trade and Customs on delivering a most able and eloquent speech. Much as I differ from my right honorable friend, I have always been in a position to fully appreciate his high qualities, and I think the speech he has made on this occasion is one which every person may read with pleasure. At the same time, it is one of those speeches which can be disposed of practically in one or two sentences. In the first place, the right honorable gentleman has come out of his shell. He has run the protectionist flag up to the top of the mast : it was a fraud on Australia that this thing was not done at first. If ever a Government, when they asked the people of this new Commonwealth to trust them, owed a duty of fearless frankness in, at any rate, defining broad principles of action in reference to matters of great moment to all classes of the community, that was the time. Experienced men, trained Prime Ministers, gathered together, men whom the people were accustomed to address ; and if there is one duty which men whom the people trust owe to them, it is that of treating them honestly and candidly in return. The right honorable gentleman dared not make that speech at any time but the time he has chosen - when the people's voices are stifled, when the people's power is for the time suspended, when the division-lists have been carefully analyzed, when there is no further hope of keeping upon the Treasury benches honorable members who have any regard, for their election pledges. It is, after a singular occurrence in this Chamber, that we at last hear a manly and straightforward, and, from a protectionist point of view, a thoroughly patriotic speech. I have always respected a man who could deal with the subject of protection in the way in which my right honorable friend has done. In all my attacks upon him I have never once for a moment doubted his perfect sincerity ;

but I am compelled to make a much graver charge against him than a want of sincerity, and that is a want of candour - that somewhere in Australia he should have made that speech when he was inviting the confidence of the people ; that somewhere in Australia his colleagues should have made that speech when they were inviting the confidence of the people of Australia ; that at Maitland, when the Prime Minister addressed himself to the people of Australia surrounded by his colleagues, that speech ought to have been made. When we see three honorable members, whose personal honour, I suppose, no one will doubt, after faithfully and loyally sitting behind the Government; when we see three honorable members one after the other quoting the utterances of the Prime Minister, and proving their disappointment at the difference between his public professions and this Tariff, we see a spectacle which ought to be humiliating either to those three honorable members or to the Ministry. Since these three honorable members have taken that course, has a single constituent addressed them complaining of their action? Has a single meeting been held in their constituencies to protest against their action ? Throughout Australia, has a single meeting been held to support this Tariff? On the contrary, we find that feelings which the right honorable member the Minister for Trade and Customs, in the pride of place, describes as discord, agitate the Australian community. In his younger days, great manifestations of national feeling - at the head of which he generally was himself - were looked upon as the voice of something very near almighty wisdom. But now that the voice of the people has been heard right over Australia with no uncertain sound, the Australian democracy is in a state of discord. It requires to be soothed, and he appeals to us to soothe the public mind of Australia, to pursue a patriotic course ; not to carry out our pledges, but to help a complacent Ministry to do that which they have not yet had the courage to vindicate on any public platform. We hear of some announcement of New South Wales Ministers appearing, in the Town-hall in Melbourne - a very proper thing to do ; but they owed a prior duty to appear in Sydney, or, at any rate, a duty to appear in both Melbourne and Sydney. A Prime Minister, who owes to a constituency of New South Wales his position and his power, should have condescended to soothe the people of Maitland, to soothe the people of New South Wales, to show that it is only discord, and not the natural indignation of a people who had been deceived. There are times when an Australian population can take things very easily. But there is one thing which Australians are not yet accustomed to regard with complacency, and that is acts of betrayal. The talk was all about compromise ; the talk was all about revenue without destruction ; but now we are getting the candid transparent truth. The way in which to destroy a people is to impose a revenue Tariff. "When the Prime Minister gave, as the key-word of his whole policy - revenue without destruction - he ought to have explained to the people that revenue meant destruction ; that all the main springs of national prosperity, everything that lay at the root of our industrial life, every impulse of humanity called out with one voice - for what! - for a policy of protection. We are told that if tire people are well employed they can afford to pay taxes, and that the only means of securing them employment is by protection - that is, by a revenue-destroying policy. Although there are some protectionists who are hardy enough to consider that these two principles are in absolute harmony, men without any great pretensions to political eminence, but who have at least a certain degree of common sense, know that if there are two tilings which are absolutely antagonistic, they are the principle of a revenue Tariff, and the principle of a protective Tariff. The principle of a protective Tariff is that imports are a curse, and cheapness is a curse, and that, therefore, imports should be reduced as much as possible. The protectionists say - "Make your Customs revenue small, and your people will be prosperous, strong, and able to easily bear the burdens of a nation." Talk about sacrifices ! The Minister for Trade and Customs does not ask the people to make sacrifices. If he believes what he says, and I know he does, he asks them to enrich themselves. He asks them, by means of this great policy of shutting out all the evils of the sweated world beyond, to insure for labour here peace and plenty; and I say that the man who believes in this principle is out of place under the banner of the man who spoke at Maitland. I regret that the exigencies of my right honorable friend the Prime Minister and his public position compel him to be absent. He cannot help that, nor can I. But I feel now that it is my duty to say - I do not go by what other honorable members have said, as they have to judge for themselves - that I feel that I am only voicing the honest opinion of the great bulk of the people of New South Wales, and certainly of the Prime Minister's constituency, when I say - without accusing the right honorable gentleman of anything mean or treacherous in intent - that, in point of fact, and in point of political result, his speeches were couched in a vagueness of language which would be regarded as sinister if we did not

respect him. I admit that he has a habit of speaking in vague terms, but this was a question which required more open treatment. In the first instance these gentlemen who are supposed to be the apostles of federation, appealed to the people to cast aside every other consideration and follow them. They told the people that those who were not associated with them were planning some deep treachery against the Constitution, that the vital principles of the Constitution required that all true federalists should stand side by side. With that assurance, and in that faith, tens of thousands of people who abhor the principles of protection fought under the banner of my right honorable friend. They responded to his call. How absurd was all the talk of conspiring to overthrow the Constitution, surrounded as it is by so many democratic principles and safeguards. The action of the Government showed that some deep political design was concealed behind, and now we find accomplished, at the hands of those who sought to be considered the guardians of the Australian Constitution, an act which makes constitutions of little concern. What is the spirit of our Australian Constitution ? It is that there should be a relation of principle between the people and their representatives in this Federal Parliament. What is the soul that inhabits that sacred shrine ? - the soul of a great democracy ; and surely the elementary principles of honour and candour are required to keep the sacred flame pure. I say that, read in the light of subsequent events, a grave wrong was committed on the people of this country by keeping them in ignorance of what this Ministry was really driving at. We know what New South Wales would have said to that. The Prime Minister would not have been sent here, and several other honorable gentlemen would not have been sent here. I come now to a phase of this subject which strikes me with considerable pain. There has been, I regret to say, a most palpable attempt to conceal the real operation of this Tariff. Who ever thought, when the Customs Bill was being passed, that this sort of monstrous treatment was to be practised under an Australian Tariff? We lead in the misleading schedules of the Tariff that there are certain duties on the articles that are mentioned there, but we find that in the administration of the Customhouse these duties of 30 per cent. or 20 per cent. become 10 per cent higher. And why ? Because the packing charges abroad, the cost of the cases, the cost of the transit from the manufactory to the port of shipment, and a thousand other charges, are added to the value of the goods ; 10 per cent. is added on to these charges, and a 20 or 30 per cent. duty is levied on the total. When the Minister for Trade and Customs was indulging in cheap and carefully prepared orations about large questions of human feeling, I thought he would have done greater service to the community if he had replied to some of the more serious charges against this Tariff which now fill the whole atmosphere of Australia. I have before me an invoice for bottles, which are necessary for use in our great colonial wine industry. I suppose that that is an industry for which we all have some regard. Now, the charges on this shipment of bottles, which is worth £96, amount to £217. That is to say that there is protection of over 200 per cent. in favour of the colonial bottle industry. What do the Customs authorities do? It is true that they do not charge on the freight now, but they charge on the packing and so on, and the £96 becomes £188 by the addition to the prime cost of the article of £92 for charges. Ten per cent. is added to that, which makes £206 16s., and then 20 per cent. duty on the bottles is added to the £206 16s., making a duty of £41 7s. upon a shipment worth £96.

Mr Harper

- Did the right honorable gentleman say that that was done under the Customs Act?

Mr REID

- It is utterly immaterial to the man who has to pay the money whether the charges are made under the Customs Act or by any other authority. Here we have an imported article upon which we were told a duty of 20 per cent. was to be charged, whereas the impost practically amounts to 40 per cent. I say that these are frauds, and that if a private individual were to do such a thing as is now being done by the Customs authorities he would be convicted of imposition. It is an imposition on the people of Australia that such frauds should be concealed beneath the Tariff.

Mr Kingston

- I think it is done under the old Tariff.

Mr REID

- Indeed it is not. Then there is the case of bedsteads.

Mr Kingston

- Will the right honorable and learned member tell me the date of the documents from which he gets his information ?

Mr REID

- I will hand the documents to the Minister later on. Under this Tariff the duty upon bedsteads, which was formerly 25 per cent., becomes 30 per cent., the duty upon American chairs, instead of being 20 per cent., becomes 30 per cent. That reminds me that when the Minister for Trade and Customs invites the House and the people to turn their eyes to the degraded coloured centres of the East, we know well enough that the labour which protectionists most fear is that of the highly paid workers of the United States. It is not the labour of China, Peru, or Siam, that Victorian protectionists are afraid of, but that of the people whose wages they say are the highest in the world, and of the country where they say the standard of comfort is the highest. Why should the Minister for Trade and Customs employ his great gifts in order to obscure the true issue ? It is not the degraded coloured line that is in my right honorable and learned friend's mind. It is a line to divide the Anglo-Saxon race. It is a line to keep out the American and New Zealander. Do they live under conditions inferior to our own? I say that Ave are doing some good in brushing aside these monstrous hypocrisies. The father of the present Lord Brassey was, I suppose, one of the greatest employers of labour in the world. He employed tens of thousands of men in different countries, and he gave it as his opinion there was no difference in point of fact between paying a superior man high wages and an inferior man low wages. His experience, he said, was that from the varying rates which he paid in various countries and to different workmen, the actual result was about the same. For low wages he got little work, for high wages he got much work. That is the great secret of American supremacy to-day. It is not because the people there are weak, degraded, or effeminate that wages are high in the United States, but because the people represent the cream of human ingenuity and industry. Alas too, it is because the physical strength of the American in the factory is put to a pace of cruel pressure which is unknown even in miserable England. The man has become entangled in the machine and the vast machine must go round with lightning speed crushing him by the way. Let us get rid of these pretences. The honorable member for New England spoke like a man, as he always does. I may differ from that honorable member and from the Minister for Trade and Customs, but I always have a large amount of respect for them, because they invariably give themselves away. The honorable member for New England comes down to this Parliament, a real representative of the old English tory landlord. He hates cheapness. He goes along the shop fronts of Sydney and sees the commoner articles which must be bought by the poorer classes. He says, "These commoner articles in the window are too cheap," and his heart rebels against it, just as did the heart of the tory landlord against the idea of cheap food for the British people 50 years ago. What a horrid thing cheapness was when it would put a loaf of bread upon the table of a family which was starving.

Mr Sawers

- Sweating.

Mr REID

- Yes; sweating. When one commences to sweat others, he puts a ring fence round the people he is going to sweat. What are the protectionists doing now ? They are toying to erect a vast ring fence all round this continent, so that they can sweat Australians as other people are sweated in the various protectionist countries of the world. But I wish to come back to my right honorable friend's horror of cheapness. The Minister for Trade and Customs is essentially reproducing the old tory principles of 50 years ago. His horror of cheapness is a fearful and wonderful thing. I have never found an Australian manufacturer display any horror of cheapness. Can the Minister point to one man engaged in manufacturing in Australia who does not run after cheapness ? Why should we not attack the thing at the very core ? Since it is the poor man who works that we want to help, why not apply this heaven-sent principle to him direct ? Why not put a ring fence around human beings? Why allow men to be brought here from England, if they like to come from that half-starved miserable country ? Why not put a 20 per cent, ad valorem duty upon them? That would be protecting labour. Why not cure the unemployed distress by preventing any one from coming into the country until every one who is already here is employed. It is the sort of talk we have had to-day that almost turns the stomach of a man. Does any one who knows anything about the conditions of America not know that the one class of man who is not to be found in the American factories is the American himself ? Did not the people of America, in erecting a stately fabric of prosperity for the American people, incur enormous burdens in order to fill their grand

factories with Hungarians, and with the derelicts of Europe, who were brought over by the million 1 When there was a strike in an American factory, what was the cure? A ship-load of these people from the South of Europe ! What is the use of talking about protection for labour?

Mr Fowler

- That is how the honorable member for Tasmania lost his billet, or at least he told us so the other night.

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Mr REID

- Which honorable member for Tasmania ? One of the representatives of that State ought to lose his billet. If the honorable member is alluding to the honorable member for Tasmania, Sir Philip Fysh, the latter ought to lose his billet right off. But I do not wish to see his colleague, Mr. O'Malley, out of the House, because he has gone straight upon this question from the beginning. I respect a straight opponent, but I cannot sufficiently express my contempt for a crooked friend. I want to come back to another matter of great importance. Here is the great Republic of the United States. Surely, with the marvellous resources which it possesses, under the heaven-sent policy of protection prosperity should be assured to the masses there. The United States possesses vast natural resources, a politically free constitution, and no long or highly descended aristocratic families, who monopolize the lands as they do in England. In this connexion we ought not to forget that free-trade England has ever been labouring under the curse of- locked-up lands. If the principles underlying the holding of the lands of the mother-country were as free as those underlying our commercial policy, many of the dark blots upon her fame would disappear. What is the glory of France ? Is it her protection ? No ; it is her peasant proprietary, which has given millions to the fanning industry of that great country. When my honorable friends talk about Germany and the great progress Germany is making, do they' know the position in which the unskilled workmen of that country have been placed in consequence of the great increase in the price of food there? Germany, we are told, has been made a highly protectionist paradise owing to the transcendent genius of Bismarck. Bismarck and protection ! Bismarck wanted to sweat the German people for money with which to keep up his army. What did the man of "blood and iron" care about protection? The man of "blood and iron" wanted money, and he could get it only by taxing the people under the name of protection. Germany is a great nation, with a gifted, thorough, and manly race, but what can these manly, well-educated Germans earn ? Two shillings for a day's work of eleven and twelve hours. They have the finest type of manhood in Europe, and are surrounded by the heaven-sent bulwark of distressed humanity, and yet a man with a wife and three children in Germany to-day has to work for days in order to pay the duty on his bread, before a penny comes in for the support of the family. The Minister for Trade and Customs drew that picture of distress which has so often been drawn, of the hungry children greedily running to greet the father as he comes from his unsuccessful quest for work. Among all the absurdities of the absurd principle of protection is there one greater than the proposition, as a remedy for distress, of the taxation of the poor ? What a queer remedy for distress taxation is. If a rich man is in trouble, do we help him with a land tax ? No ; he knows that a land tax is no help to him, because he has the common sense which has enabled him to grow rich. It is a monstrous absurdity not to see that if the margin in a country is so narrow between starvation and idleness and employment, how cruel it is to make the cost of living artificially dear. The Minister for Trade and Customs is manly, and he admits that protection docs make living dear; but he says that the slight difference is recouped in some marvellous way. It is astonishing how we can recoup the loss of others by scientific deduction. It is the easiest thing in the world, while one is all right oneself, to explain to another man that if he pays out a sovereign he will get it back some other time in some other way. I can quite understand lawyers, like the Minister for Trade and Customs and myself, having an inborn horror of cheapness, to which we are not accustomed in any way ; but when labour is struggling with hardship and distress, in the name of heaven relieve it in some other way than by putting burdens on every rag which the wife and child wear, and every morsel which they eat. The Minister for Trade and Customs has taken up high ground, and practically impugns our humanity. He, in effect, says that whereas starving people are coming piteously to him, we are the cruel monsters who wish to stand between him and the relief he offers - that we wish to fasten on to the country a policy which will multiply misery and distress. If I believed that to be true, I should throw a thousand policies to the wind. I am not one who holds theories of political economy in that way. It is because I have traced the history of the protectionist policy in other countries that I have such a

deep detestation of it. I always find that, if a nation descends to artifice, the men who gain by the artifice are not the masses of the people. What avails it for one great capitalist to outwit another ? What avails it to artificially add to the price of a thing which only a rich man needs? What money is there in that ? Hence it is that the Minister for Trade and Customs scorns to put more than 15 per. cent, on satins, silks, and velvets. It is, I suppose, unworthy of notice, but boots and shoes and hats, which are cheap, have to bear duties of 130 per cent, and 61 per cent. That is the policy which is to enable the poor man to put shoes on his children's feet ; that is the policy which is to enable a starving man to keep his family in decency and comfort. The fact is that it is because the cheapest things are used by the masses, that the burden of this protectionist system is especially brought to bear on them ; it is only out of the multitude of buyers that sellers can make their fortunes. If the Minister for Trade and Customs had explained those broad principles of philanthropy, it would have been better for him and for us. They were perfect, and they would incite enthusiastic cheers. But if at the end of his magnificent perorations some humble workman had said - " Mr. Kingston, how do you figure that out with reference to satins and cheap boots and shoes ? " - the Minister would have replied - " Oh, that means I have put 15 per cent, on satins, and 61 per cent, on the cheapest kinds of boots and shoes." When that answer was given, the man would look at the Minister as if he thought he had gone stark, staring mad. Every man can talk in that magnificent way, but a man with a Tariff like that is a curse to any country. This is said to be clap-trap. Now that the Government are away from their masters they have become a very select body - a very superior body. They look on great national meetings as discord and vulgar agitation. The province of a politician is to soothe the people who fear that they are about to be robbed. But let the Minister for Trade and Customs go to Sydney and try to soothe the housewives of that city : let him tell them that pattering feet will come home with shoes on at 01 per cent. ad valorem. Even the grave which is to hide the misery of the taxed people does not escape, and we have 80 per cent, ad valorem on cheap tombstones. That is the grand policy which is to make Australia smile with exuberant prosperity. Thank heaven the Tariff has electrified the intelligence of the masses right through Australia. The "foreigner" does not seem to come along ; he has not yet been signalled at the heads of any Australian port. Let me impugn the statesmanship of the Minister for Trade and Customs on a very simple matter. My right honorable friend was so carried away by the fervour of his feelings in the interests of distressed humanity that he made the most destructive confession a Treasurer ever made who had a protective Tariff on his hands. What did he say ? There is only one yearning desire which is disturbing the rest of this Federal Minister, and that is how to get rid of the duties upon all the necessaries of life. Does the right honorable gentleman know what the necessaries of life mean to those who have not much to pay for them ? It is nothing to us, perhaps, to be asked to pay 10 per cent., 50 per cent., or even 1,000 per cent, on our boots and shoes. But what does it mean to the masses, who have to keep us going? Boots and shoes are necessaries of life. They are taxed 61 per cent, ad valorem. But if we are prepared to pay a guinea for our boots we get off with 30 per cent.

Mr Sawers

- They get them very cheaply through the manufacture being done in the country.

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Mr REID

- No doubt the honorable member would make them for himself, being a thorough protectionist, and then he would keep the money in the family as well as in the country ! I should suppose that butter was a necessary of life. If honorable members go over the Tariff they will find that out of thousands of items there are hundreds and hundreds which in any decent community are considered necessaries of life. Many of these necessaries of life are produced by the farmer. That reminds me of a remark made by my honorable friend the member for Gippsland. He told us very candidly that about twelve or fifteen years ago he called a number of country members together. He had discovered that the system of protection in Victoria was doing nothing for the farmers, and was doing everything for the manufacturers. So that we find that for twenty years the protective system has been a burden upon the farmers of Victoria, who has utterly neglected their own interests. The honorable member for Gippsland had to come to the rescue, and get a stock tax imposed. And, by the way, when that stock tax of 2s. a head on sheep, and 30s. a head on bullocks, was taken off, within two weeks the price of sheep went down 2s. a head, and the price of bullocks 30s. a head. So that the foreigner does not seem to have been paying the stock tax. I got those facts from the best authorities - stock and station agents, and men dealing in meat in a large way.

There was one person who was nearly swindled by a tradesman in Melbourne, and sympathy must be felt for a lady who went into a boot shop in this city to buy a pair of boots, of a kind for which she had been accustomed to pay 25s. She was asked 32s. There was an exposure, and she got them for 25s. I do not think that any honorable member on this side of the House has said that people who buy the higher quality of boots and shoes have anything to complain of. On the contrary, we have pointed out that the higher the value of the article, the less the tax upon it. Now it appears that there is no duty upon best ladies' boots, for which this lady expected to pay 25s.; or the duty is reduced - probably that is the explanation. The honorable member for Melbourne Ports, however, bewails the reduction of these duties in some respects. What do you think, Mr. Speaker, is the reduction that the Melbourne artisan cannot stand? A reduction from about 150 per cent. to about 70 per cent ! He cannot live with that amount of protection, even with wages boards ! What a state of things industry must have come to in Victoria, when men can produce a larger quantity of boots and shoes in New South Wales without a penny of duty, whilst the poor Victorian must have 70 per cent., and will starve at that. Does not that show that we can offer to our people two choices ? We can surround them with every inducement to relax their energies, and not to keep pace with every growing improvement of the age; or we can leave them under the stimulus, which my honorable friend, the member for Melbourne Ports, would call a cruel stimulus of unrestricted competition, and by so doing develop their energies so that they may hold their own against the world. This "curse" of unrestricted competition was exposed on Eight Hours' Day in Sydney. It was shown then what sort of workmen this "curse" makes. We saw what starved, down-trodden, miserable, decrepit, workmen there were in Sydney. I believe that about 16,000 trades unionists marched through the streets of that city a month ago.

Mr Watson

- It was the first time for ten years that we have had anything like so many.

Mr REID

- That is just what I say ! Things have been looking up since I threw the Customs barriers down ! But there were always great demonstrations, even before this year.

Mr Watson

- Not as good as they ought to have been.

Mr. REID. - The Sydney workman is notoriously a sleepy fellow as compared with the Melbourne workman, and yet he can live against the competition of Japanese and Chinese labour. How is it? It is not that the Victorian stock is not as good as that of the British stock in any part of the world. It is not that the workmen here are not the descendants of some of the finest men in the world, who came here from all quarters of the globe. It is because if you lower the manliness of men you will get a crop that is not manly.

Mr Hughes

- What degeneracy from the days of the Eureka Stockade, to the days of men who will fill other people's billets for lower wages !

Mr REID

- There is a picture, indeed ! I want to show my gratitude for the forbearance which honorable members on both sides of the House have shown me by condensing my remarks as much as I can. I will throw away mountains of notes which I made in reference to different speeches. I wish particularly to concentrate my remarks upon the speeches delivered by the honorable member for Gippsland and the honorable and learned member for Indi. Without being invidious - because I think that the tone of the debate has been extremely high - if I may take two speeches from among a number of very excellent ones on the other side, I venture to select those two as presenting between them about as strong a statement of the protectionist case as I have heard. Even in the case of those speeches I shall refer to only one or two of the salient points. I feel that I cannot at this time venture to do more than that. I want to refer to one or two remarkable expressions in the speech of my honorable friend the member for Gippsland, in which he described the commercial enterprise of Great Britain, which carries half the commerce of the world under the British flag, as a species of blackmail levied on the producers and distributors of the world. The honorable member used the word " blackmail."

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Mr A McLEAN

- Not in connexion with Great Britain. I said that the nation that contented itself with distributing instead of

producing did that. I did not apply it to Great Britain.

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Mr REID

- I think my honorable friend -will see that the. work of the British fleet is a work of distributing ; consequently, according to the honorable member, the work of the British mercantile fleet is blackmail. I do not know that any answer is necessary for an honorable member who uses such arguments. Is it not clear that one of the greatest services which can be rendered to the producers of the world is the cheap transit of their productions all over the oceans of the globe? Surely that is an advantage ? This service is rendered by the British fleet, because other nations cannot build their ships as cheaply as the British can. Here is this principle of cheapness again ! What an awful curse it is that enables Great Britain to earn £80,000,000 a year in freights all over the world ? Why cannot the Great Republic, with its vast stores of metals, compete with this little Island in the Seas? Here is Great Britain with her 12,000,000 tonnage against the United States with her 2,000,000 tonnage, Germany with her 2,000,000 tonnage, and France with her 1,000,000 tonnage or something more. I look upon the work of the British mercantile fleets, even from a protectionist point of view, in carrying produce from the producer to the buyer, as one of the most magnificent services which the producers of the world can get. Where would our producers be if freights from Australia were 50 per cent, higher than they are today ? Where would the farmer be ? Where would the pastoralist be? Cannot we see that when we come to separate a cluster of nerves, which combine to produce a perfect harmony of energy, we begin to interfere with things that are beyond our control ? What goes to make up the full strength of any nation ? - a thousand different forces, a thousand different factors. I think one of the best tests in the world when we go abroad is, not so much to compare one county with another, as to compare the same country under the two different policies. I think that is a far fairer test. I do not look upon any of these tests as conclusive; they are interesting but not conclusive. But let us take the one country in the world where this cruel policy of free-trade has been in force for 50 years. They had the tender, humane, benevolent policy once; they had that humane and benevolent policy of protection once ; they had that policy which greeted the unemployed father so tenderly when he came home every day, and his children ran out greedily to meet him. I can sum up the climax of that humane policy after centuries of application to one of the grandest subjects for the experiment the world has ever seen, in this way : In the agricultural districts, agricultural labourers were so degraded that they could not pass from one English parish to another without a permit. And why a permit ? Because nearly every one of them was on the pauper list, and a parish would not have a man coming from the books of another parish on to its books. They would not allow them to move from one parish to another, because of the enormous burden of the agricultural labourer upon the poor-rates. We go to the factories, and what do we find ? We find our great manufacturing centres in England seething with sedition. Why % Because of their indigence and abject misery. We go to the mines of England, and we find the mother and the child working down in those dark mines to keep the home even in food. We find the manufacturers in a state of misery and sedition. The labourers in the counties were in the same state, and all over Great Britain they had a paralyzed community. My honorable friend the member for Gippsland says that stagnation set in with free-trade. Again, I say that an honorable gentleman who can make such a statement does not really call for serious notice. Stagnation \ Stagnation for this grand old mother country of ours ! Now, I shall show my honorable friend the sort of stagnation there is in disputes between employer and workmen. I suppose that in this land full of paupers the employer has all the best of it. He has starving men running after him for work ; yet taking the last two years for which I have the figures, 1898 and 1899, I find that in 1898 labour disputes between master and man increased the wages of 1,015,000 workers on an average of 1s. 7d. per week each in a fight between cruel capital and starving labour. In the next year there were 1,453 changes in the labour rates of England, 1,436 of which were increases and seventeen were decreases and that affected 1,100,000 workers, and they got increases amounting to 1s. 6-J-d. per week each. There are 2,000,000 workers, whose wages have gone up 1s. 6d. per week each in two successive years. Now, is not that worth a thousand of the experiences of my honorable friend the member for Gippsland ? I forgive the honorable member for this reason : Every man who changes his religion or his political principles is sure to be more red-hot than any man who has never changed them.

Mr A McLEAN

- What increases did the other nations make?

Mr REID

- It is the same all through the world. My honorable friend, having changed, is like the man - and I say it without any disrespect - who always gets further away from the principle than the man who has never changed, and I say that my honorable friend has out-Heroded Herod in the remarks he has made in reference to this question.

Mr A McLEAN

- I quoted the increases in protectionist countries as well as in England.

Mr REID

- Did the honorable member quote those 2,000,000I have referred to ?

Mr A McLEAN

- I quoted 37 per cent. in England, whilst America increased wages by 66 per cent.

Mr REID

- Oh, America is all right ; there are no " bare feet " in America ; but I am speaking now of " starving England."

Mr A McLEAN

- I compared England with France, Germany, and America.

Mr REID

- I am going now to deal with the pauperism in England. That was a strong point with the honorable member. Does the honorable member for Gippsland know that there are only half as many able-bodied paupers in England now as there were 50 years ago ? Does he know that the latest returns show that in this great country with 17,000,000adultsexposed to the cruel competition of the world, there are only 99,000 able-bodied men in receipt of relief ? What an awful state of destitution ! According to the last census, Victoria alone had 23,000 out of a total population of 1,100,000.

Mr Kingston

- What is the leader of the Opposition quoting from ?

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Mr REID

- I am quoting from the Daily Mail Year Book. There are a number of children and others, who are not able bodied, and a number of insane, but here comes in what I conceive to be the glory of England, although she is supposed to be in such a miserable state. She has a system of poor rates for the benefit of the poor. If other countries carried on their system of relief in that way, we should have a tale that would stagger us. Where is there another country that has a poor rate on property as a national system ? England is rich enough to afford it, but America is not yet able to do so. Of the world's commerce of 18,000,000,000 dollars, Great Britain has 18 per cent., Germany has 10 per cent., and the United States 9 per cent. England has nearly as much as the other two. My honorable friend says that he does not believe in the square mile theory, but Victorian protectionists use it freely" when it suits their purpose. I never thought much of the system until I saw it used a good deal down here. There is another theory which the honorable gentleman put forward, to which I shall refer briefly. He committed himself to the statement that if the imports and exports of a country did not agree, they would be balanced by coin. During the ten years, 1889 to 1898, the goods imported by Great Britain amounted to £1,334,000,000 in excess of imports. That was a big bulk to pay in sovereigns. During the same period she exported gold and bullion and silver specie amounting to £356,000,000, while she imported £401,000,000 worth. There were £1,334,000,000 excess of imports of merchandise, and £45,000,000 more of imports of gold and silver. There is something else there. What is it? The policy of Great Britain is not that of the Minister for Trade and Customs, who would follow a coin round the borders of Australia to see that it did not get out, lest it should be lost. That is not the maxim of British merchants and capitalists. They lend their money all over the world. They do not want it back. They bring back their ships laden with raw material and cheap food, and they make up most of this raw material and send it out in a manufactured state to the markets of the world. The honorable and learned member for Indi referred to the marvellous progress of America. May I instance one little fact, which in itself is sufficient to dispose of a great deal of what he said. They grow an enormous quantity of raw cotton in the United States. Where do they send it? It is taken by the British merchant in his ships . to Liverpool and up to Manchester. The British people import £34,000,000 worth of cotton from America and other parts of the world. They clothe themselves with it, so far as cotton

articles of clothing are concerned, and send away £67,000,000 worth in the finished state. They supply the whole population of the British Isles with cotton goods, and yet they are able to sell in the world's market £67,000,000 worth of articles manufactured from the raw cotton. America sends out £4,000,000 or £5,000,000 worth of cotton goods to the markets of the world. The country we CO719 from has a proud record there. It is a marvellous thing, but it is nothing to the triumph which is being prepared by the Federal Ministry. The Treasurer and the Prime Minister have announced solemnly that they see no reason why our wool should be sent home to be made up, and that, in their opinion, it should be made up here. Why should we not make it up here ? It is a grand policy, "but it is a kind of policy that only a tyro in mercantile knowledge would venture to propound. Are these gigantic industries, which send their products into the markets of the world to the tune of £60,000,000 a year, constructed by the pen and ink ingenuity of colonial or British politicians? No ; they are not built up in that way. The idea of any Government system changing the current of trade in that way is preposterous. We all hope that Australia will have a great woollen industry, but that will have to come when we are not so well off. What is the hope of the great manufactures of Australia? How are we to manufacture cheaply, or to compete with the cheap labour of other countries ? Can we have a monopoly of mechanical appliances ? Can we so devise our mechanical appliances that our machinery will be better than the British or German manufactories ? Can we have better factories ? The manufacturers of England and Germany can buy raw material all over the world. How are we going to compete with these under-paid sweated countries until our own labour is under-paid and sweated too ? There is no magic about production. It seems to me "that the prospect of growing these noxious weeds of sweated industries on this bright continent should cause a man associated with the interests of labour to shudder. In the plenitude of time, when our millions become tens of millions, we shall have a crop of misery which will solve the difficulty in regard to cheap manufactures. Will the erection of a fence solve it? Never ! We may run a ring, around our own people, but we cannot bulldoze the markets of the world. When we come to compete with those markets, we shall have to do as all other nations do. That is why I have abhorred the policy of producing artificial industries, which belong to a period of human misery and overpopulation. I do not refer to all our manufactories. I am not alluding to a large number of Australian industries, which, are bound to come soon, and be a source of prosperity to us. But I cannot come to the level of the honorable member for Echuca,, who seems to think that the people who develop our internal industries are sewers of wood and drawers of water, and that we should bring higher industries into Victoria. What true political snobbishness that is. Is the labour of the farmer something inferior ? Is it not at the heart of all national progress and strength ? The -honorable member represents an agricultural constituency, but he is guilty, actually, of the ineffable snobbishness of drawing a distinction between industries of the town, which live upon the people, and industries which have to live upon the people in countries abroad. It seems to me that this policy of industrial favoritism reaches an inhuman point when it burdens the machinery of our agricultural industries. Where do they sell ? It is not a case of coming to us and trying to push into our markets. They have to take their chance at the other end of the world, and push into markets thousands of miles away from the producing centres. They have to enter into competition with this terrible cheapness, this accursed abundance. That is the lot of our pioneer industries, and forsooth, in this great struggle in the cheap markets of the world, our farmers are to be taxed on their machinery. If you will favour industries, favour the great and natural industries of the soil. And may I suggest to my gifted friend, the Minister for Trade and Customs, that if the Government believe in what he said to-day, they have a simple method of making us all rich in the right way. What is the right way ? For the Government themselves to establish these industries, if they are light. Why, if this is a national policy, should the burden rest only on the people who buy the article that is made ? They are encouraging an industry. Why, if it is a national policy, should not the burden of it be distributed over the nation? The inherent fatal fallacy of the protectionist doctrine is that it handicaps the wrong man. It makes a man who is encouraging an industry, and buying what it makes, pay the burden, whereas the nation ought to pay it, and when the nation pays it the sweating and wages evils will disappear. What did the honorable member for Melbourne Ports discover in Victoria before the Wages boards were established ? When they had this policy of clearness all round Victoria, before the three wages boards were established, what did the secretary of the Anti-Sweating League say ? He said that universal sweating was going on in Melbourne in all the industries. There was protection ! The Victorians are a first-class people. If it runs to sweating in Victoria with men like my honorable and learned friend, Mr. Isaacs, with

their eagle eyes looking on, what will it do in other countries? There is the acknowledgment of the league, of which the Attorney-General and the honorable member for Melbourne Ports are officials, that protection in Victoria ran to universal sweating. There are people here to-day as badly sweated as are any people in the world. Let the benevolent gentlemen who are interested in down-trodden Victorian labour, take an interest in the position of the milkmen of Melbourne. Let them inquire into the circumstances of the milkmen, and they will find a picture of misery and sweating equal to that in any place out of Australia. Let them look on these sores that come upon this policy of theirs. It was all covered with sores until a further device was planned. Having got the policy they had to run after the manufacturer to make him disgorge. We had none of these troubles in New South Wales. The men managed pretty well to get fair wages without them. If you take the wages of the wages boards of Victoria, and those of our people, you will find a difference of id. per week between them - £1 13s.10d. in Victoria, and £1 13s.6d. in New South Wales. But there is that accursed cheapness for the man with the £1 13s. 6d., and that beneficent scarcity for the man with the £1 13s. 10d. Fourpence more and scarcity versus fourpence less and abundance ! What is the use of arguing about Europe, and America, and Great Britain, when we have this stark, staring fact before us, that one-tenth of the population of this blessed country has cleared out Of it in ten years ? Could you have a truer demonstration that the labour conditions are better somewhere else than when men leave here by the hundred thousand? If one-tenth of the people of England went away in ten years would you not fill the air with your semi-gratification at the decadence of the mother country? A loss of 4,000,000 of people in ten years !

Mr Kingston

- What is the proportion left in Ireland ?

Mr REID

- Is this Ireland ?

Mr Kingston

- The honorable member is talking about Great Britain.

Mr REID

- My honorable friend knows that there are many subjects connected with Ireland which do not make it a fair comparison ; his is a weak interruption. I am not talking about Ireland ; I am talking about one of the most progressive and enlightened communities on God's earth - Victoria. Now, one-tenth of the manhood of this protectionist paradise had to emigrate like the Irish emigrant of 40 years ago. Did he emigrate from high wages, and dignified and comfortable surroundings, to rough it again in the world ? That one fact ought to talk to labour with a trumpet tongue. A country which drives forth labour out of it is in a bad way. A country like Victoria, which cannot keep 1,200,000 people in it, has been in bad hands. It is a wonderful thing to give old-age pensions, but a thousand times better to keep your men in the country. That one fact cast a black band over Victoria, and is it wonderful that the people of the State feel at last the pressure of this policy which is driving men away ? Every man who goes is a customer lost to 50 industries of Victoria. A man can work in only one line, but he is a customer in 50lines. Every man who leaves is a loss to the country, not a gain, unless you carry the protectionist theory down to the Robinson Crusoe extreme. He was a perfect protectionist in spite of himself. No breath of sweated labour could be wafted towards his free and independent home. No foreigners, no importations, perfect solitude, and perfect wealth !

Mr Kingston

- But he had black labour - his man Friday.

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Mr REID

- But Friday he treated like a man, and that is more than the politicians have done with Victorians. I do not believe in your way of treating men, which begins by taxing them, and ends by driving them out of the country. If that is your statesmanship, you had better give way to some other people who will do better for them. I do not think I need trouble much with reference to Victoria, while that state of things is going on. I cannot congratulate the honorable member for Tasmania, Sir Philip Fysh, on the position which he has taken up in connexion with this matter. He was billed all through Tasmania with posters about 1 2ft. high - " Vote for Sir Philip Fysh and free:trade," and like the worthy and distinguished member for Tasmania, Mr. Piesse - " No truckling to Victorian protectionists."

Mr Piesse

- That is an old gag.

Mr REID

- It was a gag - the honorable member is quite right. This most worthy, grave, and reverend signior was guilty of a very wrong act when he was seeking the support of the people of Tasmania. In order not to do him any injustice - and I can convict him out of his own mouth - I shall take his own explanation of his own programme. He was foolish enough to try to explain the unexplainable, and he solely read to the House a statement of his governing principles. Listen to this -

. Inter-State free-trade.

That is all right.

Revenue Tariff to suit our needs - that is, the needs of Tasmania, which means revenue as he knows - and stave off heavy burdens of land and income taxes ; no Commonwealth direct taxation ; a fair trial for Mr. Barton as the first Federal Premier, and general acceptance of his platform.

What is his platform ? All Australia wants to know. We know what his taxes are -

But his fiscal proposals must fit Tasmania's necessities as far as possible.

My honorable friend put in the forefront of his advertisement the revenue Tariff. I cannot congratulate any public man who after placing in the front of his programme a revenue Tariff, votes on this occasion with the Government.

Mr Piesse

- The Tariff is not settled yet.

Mr REID

- The Tariff is not settled yet, it is true, and the honorable member may creep out of his hole by-and-by and nibble a bit at it.

Mr Piesse

- I am not going to creep into the right honorable gentleman's party.

Mr REID

- The honorable member will do me the credit of saying that I never asked him.

Mr Piesse

- The right honorable gentleman is asking me now.

Mr REID

- Asking now? The honorable member knows well that it is absurd to say that I am asking him now, after his speech on the motion. The honorable member is not like one of those gentlemen who make a speech one way and vote another.

Mr Piesse

- That is what the honorable gentleman says I am doing.

Mr REID

- I take my honorable friend to be a grade above that. I do not wish to rate him as low as that. I wish to point out to him, with all respect, that it is a disappointment to a man to have to fight this battle, and to find that the men who ought to be standing beside him are in the camp of the enemy.

Mr Piesse

- I am standing where I always stood.

Mr REID

- Then the honorable member is not standing at all. It is very characteristic of my honorable friend's attitude that when he thinks he is standing he is sitting down. There are some other gentlemen on the other side who honestly ought to have voted with us on this occasion - I mean gentlemen like the honorable member for Moira, the honorable member for Wimmera, and the honorable member for Laanecoorie. I am not putting those honorable members forward as free-traders, because I know that they are protectionists, but they are protectionists who distinctly stated to their constituents that they would be no parties to a high Tariff. Now, this is distinctly a high Tariff. My honorable friend the member for Kennedy, the honorable member for Darling, and the honorable member for Wide Bay, are going to vote on the other side. With reference to those gentlemen I have nothing to say, except that it is a source of deep pain to me that they should be called upon to practically vote against their convictions. There is no blinking the fact, and my honorable friends will have the manliness to acknowledge, that they have no

sympathy with this Tariff.

Mr McDonald

- Hear, hear. Quite right !

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Mr REID

- My honorable friends are voting with the Government for reasons of which they have to judge, and the honorable member for Tasmania is voting on the same side for reasons no one can fathom, but, at the same time, I hope his conduct will prove to be in keeping with his promises. I trust that these honorable members, and others who are voting for the Government on this occasion, will strengthen our hands in trying to make this Tariff less objectionable than it is. Honorable members will see that from a selfish, party point of view it would suit us to leave this Tariff just as it is, with all its imperfections on its head ; but I think that my honorable friends and myself have a higher conception of our duty than to take such a course. Although we may be defeated with regard to the motion, I hope we shall set aside party interests, and fight as great a fight as we can in endeavouring, as the Minister for Home Affairs has said, to knock the rough edges off the Tariff. The Minister says that it has any number of rough edges, and it will have a number more before it is finished, if my honorable friends have their way. I shall strive with might and main to reduce this Tariff to reasonable proportions ; but it is really impossible to reasonably amend a Tariff framed as this is. A Tariff is a most complicated thing to work out, and when you begin to pick out this piece and the other piece, there is very great danger of the whole tiling being reduced to confusion. Therefore, as far as I am concerned, I do not look forward with any satisfaction to the task of endeavouring to improve this Tariff. I believe it will be reduced by improvement to utter confusion. Still, it will be our duty to do our best. Whatever doubts honorable members opposite may have as to their duty to then- constituents, there is no manner of doubt in our minds as to our duty. I think I can safely say that our duty will be to make this Tariff as far as possible a genuine revenue Tariff ; to reduce those duties which rest upon the great natural industries of the country, and upon the necessities of life' as much as possible. I see insuperable difficulties in the way, because protection comes right across the path, and if it is to prevail in committee it will practically prevent us from doing what we desire. The two principles are utterly and hopelessly antagonistic, and the project of the Government is so imperfect that it will be impossible to make anything like a creditable job of the Tariff. I may be allowed to allude to some remarks which have been made with regard to the policy of the Opposition, and it will save time if I refrain from referring to individual speakers. Certain honorable gentlemen have bitterly complained that I have not outlined a Tariff for the Ministry. I do not know why they should. The Ministry never asked me to do it. If they had honestly desired me to assist them to frame a Tariff they ought to have told me so before they submitted it to the House. It seems to me to be the silliest thing in the world to complain now. If they had come to me and said, " Mr Reid, this is a great national matter, affecting the daily life of the people ; will you help us or give us your best advice?" I should probably have said - " Yes " ; but when the job is finished they complain that I did not help them. That is the silliest talk in the world. What my honorable friends really wanted was that I should set out an irresponsible policy which would have enabled them to distract the public mind from their policy by attacking mine. I do not, however, intend to confuse the issues in that way. It is enough for the public to digest what they have before them now without having another Tariff submitted to them. With reference to this particular matter of policy I do not hold myself responsible to any man in this House. I have stated my views openly to thousands of people in my own electorate, where I was at home. I told the people without any hesitation - I could not be expected to go into details - that my policy broadly was this : In the first instance, I am in accord with the Government in not making a direct taxation a part of the Federal finance. That, however, is no new decision, as I announced it when I was before the people. It is my unmistakable decision that matters of direct taxation had better be worked out by the States for themselves, and in that respect the Government and myself are on the same ground. As to customs duties, I say that the amount the Government are proposing to raise through the Customs is exorbitant. I make it out to be exorbitant in two ways, and I think both of my arguments are thoroughly sound. It is perfectly clear to me that the Government have enormously under-estimated their revenue from the Tariff. Take the Tariff as it stands. If it were passed to-morrow, the Treasurer says that in a normal year it would produce £8,900,000. I say that the estimate is altogether wrong. My right honorable friends had an interest in doing this, although I do not urge for a moment that it swayed them in

their action. But whereas the imports of Australia during last year amounted to £41,000,000, the Government have reduced that sum by £ 7,000,000. They estimate the total value of the imports on the basis of the year 1899, which they call a normal year. But honorable members will see that they do not add an item, which every one will admit ought to have been added - an allowance for a normal increase year by year of the trade of Australia. The history of our imports clearly points to a line of increase, and the increase during the last three years, apart from the fiscal disturbance has been very great. To my mind a normal increase on the trade of 1899 would represent a value of at least £2,000,000. That means £4,000,000 for the two years 1899 to 1901. Therefore, we shall get £4,000,000 for taxation purposes more than the Minister anticipates. Then the Government estimate that the suppressed imports owing to the operation of this Tariff will represent a value of £5,000,000. According to their doctrine that £5,000,000 worth of imports will disappear in the first normal year. I consider that that is altogether an extravagant estimate. Either this is a red-hot protectionist Tariff or else that result will not take place. I believe that £5,000,000 is an extravagant estimate, so that the taxable basis will in all probability be several million pounds more. In my opinion, therefore, the revenue derived from this Tariff will be considerably higher than the amount estimated. I wish now to refer to a part of the address of the Minister for Trade and Customs which I think calls for some special notice. The right honorable and learned gentleman said that I put before the Federal Convention my view that this Parliament must have a supreme concern in the financial stability of the States. I do not retract one word of what I said upon that occasion. But if the Minister takes the year 1899 as a normal year for the imports, I am justified in taking that year as a normal one in regard to the finances generally. I cannot see why I should not do so. The Ministry have themselves announced that the States have been piling up expenditure in anticipation of federation. I say that whilst we are here to see that the States are not reduced to any position of distress, we are also here in another capacity. We are here not to allow ourselves to be the mere helpless victims of the extravagance of the States. My honorable friend's remarks were altogether mischievous if they were intended to prevent this Parliament from using its proper influence against State extravagance. Surely it would be placing a tortured construction upon anything which I said, to declare that I was willing to support any scheme, however wild or extravagant, as to the amount of money to be collected. What was my reason for securing an alteration of the Constitution ? At the Premiers' Conference I foresaw the difficulty we should be in without some amendment of the draft Constitution. As the Constitution was drawn, if the States got into a position of difficulty, we should have been unable to help them, except by the method which has been adopted by the Ministry, of imposing an unnecessarily high Tariff. That is a crude, clumsy, and oppressive way of assisting them. It is nothing to us, but it means a great deal to the taxpayers of Australia. Within reasonable limits, we should refuse to acknowledge, as a basis of finance, the extravagant expenditure which is going on just now throughout Australia. On the other hand, on the basis which I suggested, it would be possible for the Commonwealth to assist any State that might chance to require assistance. There is no degradation to any State in receiving assistance from the Commonwealth during this transition stage. Any money lent to them by the Commonwealth has to be honestly repaid. Therefore, I do not feel that the Minister for Trade and Customs can call upon me in any way to support his. extravagant proposals. I think it is rather a pity that the Treasurer should have used expressions which may possibly be construed into throwing a doubt upon the solvency of the States unless certain things are done. More than once in his speech the Treasurer used this word "solvency" in connexion with the States. I repudiate absolutely the imputation that the States may become insolvent. No greater damage could be done to the States than is likely to be done by the use of language of that sort.

Sir George Turner

- I meant that the Commonwealth could not allow one of the States to become insolvent, and the right honorable and learned member knows that.

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Mr REID

- Whilst honorable members of this House would take the Treasurer's reference in that way, some of the financial critics of London might seize hold of language of that sort for the purpose of injuring the States. In future let us avoid the use of such words in connexion with any Australian State. The bulk of their debts is for railways, which are an absolutely safe asset. All the States are absolutely sound, and accepting

assistance will not affect their solvency or insolvency. I am prepared to go a reasonable way in the direction of putting fresh taxation on the people of New South Wales for this purpose ; but when the Prime Minister, the Minister for Trade and Customs, and almost every other honorable member who has spoken on the Government side, have drawn attention to remarks of mine to the effect that the people of the mother State must be prepared for a very high Tariff, I think the least candour should surely be sufficient to protect me from such an interpretation as that I meant a highly protective Tariff. Such a construction of my words is absolutely tortuous. I was addressing people who were accustomed to a phenomenally low Tariff, and . I was bound in honour - and I wish others had fulfilled the honorable obligation as fully - to let the people know of the great change that must come. A sound revenue Tariff of £8,000,000 would involve a great change in taxation in New South Wales, where it would be regarded as very high ; and I erred on the side of candour in putting before the people what the result would probably be. But to endeavour to trap me into a shred of approval of the particular Tariff now under review, as a means of raising a large revenue, is altogether too silly and too unfair. After the all-night sitting which the House has had, I think I ought in fairness to abandon a number of the observations which I should have made had the House been fresh. I feel very much indebted to honorable members for the courteous patience with which they have listened to me, and I feel I shall have a number of other opportunities of dealing with some of the matters to which it would now be convenient to refer. But one remark has been made to which I attach a great deal of importance. The Treasurer impressed on us how wise it would be to give this Tariff the element of permanence; and I thoroughly agree with the right honorable gentleman that that would be the greatest service that we could render to the people of Australia. It is one of the greatest objects an Australian statesman can set before him ; but there is a great difference between agreement on a point of that kind, and the acceptance, as permanent, of a Tariff by men who absolutely protest against it as unrepresentative of the feelings and principles of the people of Australia. We can do nothing as yet, but I hope we shall be able to arrive at some way of putting the Tariff before the people of Australia. There was a time when the plebiscite was ridiculed by a number of politicians in Australia, but the plan has been often used, and I think with great advantage. I admit that it would not be a fair thing to lay before the public the Tariff which the Government have placed upon the table of the House, and ask them the question - "Are you in favour of this Tariff?" That would be an unfair tiling, because it would be inviting every one who had a complaint to vote against the Tariff. I am not one to ask for an issue of that sort ; but we might solve the matter in perhaps a very happy way if, amongst ourselves, we were to consider whether we could not, in some form fair to the Government, send the Tariff to a plebiscite. I have considered the matter a little, and I think there is a fair issue which, put in proper language, might be referred to the people of Australia. I want to put the question in a way fair to the Government as well as fair to ourselves, because it is only in such a way that the proposal I am making can be successfully carried out. I am prepared to take up the invitation of the Treasurer. I am prepared, so far as I am concerned - and I believe I may speak for the party I represent, although we have not consulted - to accept the Tariff of the Government, with such amendments as we may make in Committee, as a permanent Tariff for ten years at least - and even for fifteen years - if the following issue, which, I think, would be fair to the Government, were placed before the people - " Is this, the Government Tariff, a fair basis for the Commonwealth Tariff?" I think that is a fair issue. The people would not be asked to vote for the Tariff, but, to say whether, in their opinion, it is a fair basis for the Commonwealth Tariff. That issue involves the question of principle. Every man in favour of the Government policy - that is, the protective-cum-revenue policy, would say "yes;" and every one in favour of a revenue Tariff without protection, would say, "no." This suggestion would, if anything, give the Government an advantage over the other side.

Sir George Turner

- - The people would not see the other Tariff.

Mr REID

- What does the right honorable gentleman mean by " the other Tariff?"

Sir George Turner

- The revenue Tariff.

Mr REID

- Of course they would not ; find surely the right honorable and learned member does not want me to

frame a Tariff yet?

Sir George Turner

- The people would be voting in the dark.

Mr REID

- I am quite willing to place my proposals as to the Tariff in very few lines before the people. I am so anxious to get this question settled and out of the way of members on both sides of the House, that I am not stipulating for any particular way of attaining that object. My desire is that we should hit upon some plan of placing before the people the issue between the Government and the Opposition ; and my proposal would have the effect of settling the question for ten or fifteen years. We must rise above our own personal interests, whether on the Ministerial or opposition side of the House ; and this is a matter which particularly affects every one in the community.

Mr Kingston

- Could we override the Constitution, and supersede Parliament, in the way suggested ?

Mr REID

- No one could wish to do that, but it would be a good beginning if both parties could make such an arrangement. The best beginning of all, however, would be a Tariff approved by the people themselves ; and I do not suppose that we should want to worry over fiscal matters after the people had pronounced their opinion. We have the choice between two courses. If the Government do not accept the suggestion I have made, I promise - such are my views, and they are the views of a lifetime - that they shall have no rest on this question until the people have decided. The Government may take the suggestion as they like ; I want to get rid of the question. If the Government do not accept my suggestion now, they will have to adopt some similar means later on ; but the democrats, who are about to confer untold blessings on the barefooted mendicants of New South Wales, might be prepared to risk such a plebiscite. What becomes of all the pathos of my honorable friend the Minister for Trade and Customs, ' if he refuses to put to the people the issue that has been raised to-day? His pathos becomes bathos - mere political stage performance. I quite admit that if the Ministers look at the matter in a narrow personal light, they may say - "Well, we seem pretty snug ; we have a docile lot of followers behind us, and we are all right, whatever becomes of the country." But the Ministry are not men of that stamp. I think the Prime Minister ought to look on my suggestion as a fair one, because some such suggestion will have to be carried out later on. What is a general election but a plebiscite of the people, and on what better question could there be a general election than on the Tariff? I know, of course, that when the Prime Minister is discoursing on the Tariff he plays some very seductive melodies - " There are conspirators who want to strangle this fair Australian Commonwealth. They may do it by some kind of coup-d'etat unknown to the Constitution - may wipe it out as Cromwell might have done. The best men, too ! The people must never think of electing any but the best men ! " - which means himself and every other member" of the federal gang in New South Wales.. That sort of thing can only be done once. The right honorable member is always able once to fool the people, but the second time he finds they will not have him at any price. He will find that when he goes to New South Wales. The Minister for Trade and Customs called upon us to soothe the discontent and discord which prevail in New South Wales in reference to this Tariff. May I suggest to my right honorable friend, who is billed to address a meeting in Melbourne on Monday night, that he should ' make it convenient to go to Sydney, and endeavour to soothe the people there ?

Mr Barton

- I shall have to go some day.

Mr REID

- I know that the right honorable gentleman is putting off the ' day as long as possible !

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Mr Barton

- The right honorable gentleman knows that that is not correct. He knows how impossible it has been for me to arrange any meeting in Sydney up to date.

Mr REID

- I will give the right honorable gentleman a month.

Mr Barton

- I shall go in my own time, not in the right honorable member's.

Mr REID

- I want the Prime Minister or my able friend the Minister for Trade and Customs, who is a great favorite in New South Wales on his general political career - we like him - to try and soothe the feelings of the people in Sydney on this question. I will give them a montes grace, so that things may cool down a little. But I can assure them in advance that I have had an opportunity of addressing two enormous meetings at the Town-hall there, inside and outside, and, with the exception of a venerable old clergyman at the one meeting, and an Italian at the 'other, no one voted for the Barton Tariff. I want my right honorable friend to give the people of Sydney his explanation of his Maitland speech in the light of this protectionist Tariff. Is my right honorable friend the Prime Minister aware that, in his absence, the Minister for Trade and Customs has stripped off every disguise from the Government, and that, instead of dealing with the Tariff in the course of a three hours' speech, he talked of nothing but the benefits and blessings of protection 1 He told us that the flag had gone up to the top of the mast. I said then, in the absence of the Prime Minister, and I say it now in his presence, that if the Government ever intended to put their protectionist flag to the top of the mast, they ought to have had the manliness to do it when they were seeking election. They should not have left two signals flying. " Revenue without destruction " should have read " destruction without revenue." There can be no sort of pretence that duties of 61 per cent, on cheap boots and shoes mean revenue. Surely the Minister will admit that. He would never have dreamt of telling the people at Maitland that revenue without destruction meant duties of 61 per cent, on cheap boots and shoes. If the Prime Minister had given the people of New South Wales any idea of this Tariff he would have been scouted - I do not mean personally, but as a public man. They would have scouted him and most of his supporters, and they will do so on the first opportunity. I do not wish to embroil this most important matter, which does affect all 19 y z classes of the community, more than can be helped by any political agitation or political uncertainty. I think we should offer a really valuable present to the people of the Commonwealth if we asked them to settle this matter once and for all. The result, of course, would have to be loyally abided by by both sides. I am thoroughly in favour of that course myself.

Mr Watson

- It could be taken for the period during which the Braddon blot remains operative.

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Mr REID

- I think Ministers would consult their own personal dignity - I say nothing of their emoluments, because I know it must be a source of pecuniary loss to occupy these high offices - by seriously considering the proposition which I have made, which would have the effect of obtaining that permanency which is the desire of the people. Permanency may be the result of despotic rule ; it may be the result of a fraud on the people. But this permanency put before the people is an honorable permanency, a democratic permanency, a permanency that no sensible man would desire to disturb. On behalf of the people of all the States, I say that the Government will be subjected to agitation unless some such course is taken. A pathetic appeal has been made by the Minister for Trade and Customs on the question of humanity and the welfare of the poor. The policy which I advocate has had the advantage of being tried in an Australian community, where, instead of bringing distress upon the people, it brought comfort. In spite of a large number of adverse and antagonistic conditions, such as droughts and low prices for Australian produce, the people of New South Wales, who at one time were taken to be protectionists, have come almost universally to favour a revenue Tariff. I quite admit that free-trade is impossible. I have always admitted that. But I say that the difference between a policy which puts money raised from the pockets of the taxpayers into the coffers of Australia, and a policy which puts the money into the pockets of a few individuals is a radical one. The Prime Minister had a send-off when he left Sydney last week. While thousands of people were clamouring to express their indignation against this Tariff, 30 or 40 gentlemen accompanied the Prime Minister to the train, and he got an enthusiastic cheer from that small group, headed by Mr. Beale, the manufacturer of Australian pianos, and by Mr. Gillies, the manufacturer of candles and soap. Mr. Beale is a man who is having these Tariff imposts thrust upon him. The Treasurer need not stare at me. He knows something about this case.

Sir George Turner

-Yes, I know something about it.

Mr REID

- Mr. Beale has been about a good deal.

Sir George Turner

- I have never seen him.

Mr REID

- Oh, no ; the Treasurer has not seen him. This gentleman has been able to establish his business in New South Wales without a shred of a duty. He has been turning out an enormous number of pianos every year - I believe, speaking from memory, 500 last year. He is the only manufacturer of these instruments in Australia. There have been duties on pianos in Victoria for many years past, but they have not been able to establish any industry like that in Sydney. Mr. Beale has got on very well without having money taken out of the public pocket for his advantage. Then Mr. Sandford has become a wealthy man. The duties under this Tariff will be of advantage to him. Instead of this Tariff being beneficial to the great bulk of the people, the adoption of such a policy will enable the clever men, with their power of combination and of capital, to fleece the poor.

Question put. The House divided -

25

AYES

39

NOES

Majority 14

Question so resolved in the negative.

Mr Mahon

- One more would make "forty thieves."

SPECIAL ADJOURNMENT

Point of Order - The Cup Holiday. - Order of Business

Motion (by Mr. Barton) proposed -

That the House, at its rising, adjourn until 7.30 p.m., on Tuesday next.

Mr Isaacs

- I do not know whether I am in order at this juncture, but I desire to draw your attention, Mr. Speaker, to the fact that an observation was made just now by an honorable member which gives considerable offence to honorable members on this side of the House.

Mr JOSEPH COOK

- I rise to a point of order. The matter to which the honorable and learned member refers can be raised after the question before the Chair has been dealt with.

Mr SPEAKER

- The honorable member for Parramatta is not in order. The honorable and learned member for Indi raised a point of order as to some remark which was made by an honorable member whom he has not yet named.

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Mr Isaacs

- This is a matter which, I think, is of grave concern to us all. I do not want to say anything that may be unpleasant, but an observation which

I consider to be of a highly objectionable nature was made just now in regard to the 39 honorable members who voted with the Government. The honorable member for Coolgardie said that one more would have made 40 thieves. I ask that the honorable member be called upon to withdraw his observation.

Mr SPEAKER

- I thought the honorable member said one more would make "forty three," otherwise I should have checked him. I ask the honorable member for Coolgardie to say whether he used the remark, and, if so, to withdraw it.

Mr Mahon

- I had no wish to reflect on honorable members. The remark that I made was merely a playful reference to a well known tale.

Sir Malcolm McEacharn

- The honorable member's face showed it.

Mr Mahon

- If honorable members are not prepared to accept my explanation I cannot go any further. I had no desire or intention to reflect upon the honesty of the honorable gentlemen who voted against the motion.

Mr SPEAKER

- Does the honorable member withdraw the remark ?

Mr Mahon

- Certainly.

Mr O'MALLEY

- I wish to ask the Prime Minister whether he will agree to the adjournment of the House until Wednesday morning next. It is not fair to the reporters who have to attend here to sit on Tuesday evening. They will have to report the Cup meeting, and I think that is a matter which we ought to consider. Let us not start out as sweaters in the beginning of our career?

Mr McDonald

- Why should we not meet at the usual hour on Tuesday ?

Mr O'MALLEY

- The reporters have been kept here all night. On Monday night they will be on duty at the big meeting in the Town-hall, on Tuesday they will have to report the Cup festival during the day and attend here at night. I think we ought to show some consideration for the reporters, to whom we have to look for support in making our reputation.

Mr McDONALD

- Honorable members are paid £400 a year to attend here and do their duty. If they are not prepared to do so they should resign, and allow some one else to fill their places. I fail to see why we should postpone our meeting on Tuesday, even until after seven o'clock. It is all very well for those honorable members who live in Melbourne, but surely they should have some consideration for those of us who live in more distant parts. It is impossible for the Tariff to be finished before Christmas. The result will be a short adjournment, and it is more than probable that during that adjournment a number of honorable members who live in the far north of Queensland will be unable to reach their homes ; probably they will be kept here until March. The Government should take this matter seriously into consideration. Because Cup Day happens to be a holiday throughout Victoria, I fail to see why honorable members who represent the whole Commonwealth should be called upon to observe it when they are here for legislative purposes. I hope we shall meet at the usual hour on Tuesday, and I shall be prepared to divide the House on the question. There is one other matter to which I should like to refer. We have had some three weeks' debate on the Tariff, and I think we might have a change to lighter fare. Our minds are pretty well saturated with the principles of free-trade and protection.

Mr Wilks

- We have only had a sprint.

Mr McDONALD

- I know it was only a skirmish. We have disposed of this motion, however, and in view of the fact that the country is aware now of what the proposed duties are, does not the Prime Minister think it would be well to proceed as early as possible with the Kanaka Bill ?

Mr REID

- I rather agree in principle with the honorable member for Kennedy, that the Federal Parliament should not take any notice of the Melbourne Cup. At the same time I feel a difficulty in opposing the motion, because I understand the day is a public holiday in Victoria. No doubt it is the great festival day of the year here, and in these circumstances I do not feel inclined to oppose the motion. The Ministry, however, have taken a proper course in not proposing to adjourn over the day. It is right that we should meet during the evening of Tuesday. So far as the reporters are concerned, I think we might agree to give them as well as the Mansard staff a holiday on that night.

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Minister for External Affairs

Mr BARTON

. - It might not be a bad thing for this Parliament and country if the Hansard staff were given a holiday for

a month. If that were done I think we should get shorter speeches.

Mr Reid

- There is the old tory silence.

Mr BARTON

- Cannot the right honorable and learned member trust the press ? I rise to say, however, that if I thought there was any likelihood of a quorum I would go on as usual on Tuesday afternoon, but while I know that I can obtain a quorum in the evening, I can see that I cannot get one in the afternoon. That is why I moved the motion. As to the suggestion made by the honorable member for Kennedy, I had really anticipated it, because I have given already, by a public statement, an indication of the fact that the debate on the second reading of the Pacific Islands Labourers Bill will be proceeded with on Tuesday evening. I should like to add for the benefit of honorable members, many of whom have spoken of various objections to the Tariff, that if those objections can be reduced to some concrete form, and the information on which they are founded can be supplied in writing to the Minister for Trade and Customs, the adoption of that course will facilitate their consideration, whether they are agreed with or not.

Mr Reid

- Then I shall have to write a book.

Question put. The House divided -

40

AYES

10

NOES

Majority..... 21

Question so resolved in the affirmative.

ADJOURNMENT

Fifth Victorian Contingent- Military

Commandant - Supply of Leather - Secession of Queensland

Motion (by Mr. Barton) proposed -

That the House do now adjourn.

Mr WATSON

- Has the Prime Minister any objection to lay upon the table of the House, at its next sitting, the complete report by Major McKnight in respect of the Wilmansrust affair? The portion of the report which has been published is utterly useless, so far as the real point at issue is concerned. I do not see that the publication of the full report could complicate our relations with the old land. It is due to us to know whether any of our soldiers have behaved in a manner which reflects no credit upon us.

Mr WILKS

- If the Government have come to a decision with regard to the appointment of a military commandant, will the Prime Minister give to the House the name of the officer whom they have decided to appoint ?

Mr JOSEPH COOK

- I desire to bring under the notice of the Prime Minister an important matter concerning the furnishing of leather to the Government. Perhaps I can explain the matter best by leading a notice which appeared in the Government Gazette, as follows -

Tenders will be received until . 11 o'clock a.m, on the 23rd October, 1901, from persons willing to furnish leather of Victorian manufacture in such quantities as may be ordered by the Victorian Government, or by the Federal Government for its officers situated in Victoria, for six months commencing 1st January, 1902, as per schedule No. 40. The conditions of the contract are those published under General Stores for 1901-1902 in the Government Gazette, 29th March, 1901, page 1,157.

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Mr Watson

- Does it say which department? -Mr. JOSEPH COOK.- No. This extract is taken from the Australian Leather Journal of 15th October, but the signature to the notice in the Gazette is not attached. I believe that it appeared in the Gazette of the 29th March last, I shall be obliged to the Prime Minister if he will inquire into the matter, and if it is found that the tender ought to have been an open one, being a Federal matter, take care that such a thing docs not recur.

Mr McDONALD

-I desire to know if the attention of the Prime Minister has been called to the following paragraph in the Brisbane Courier of 10th October -

Reasonable men may soon have to decide whether the Federal Parliament should not be asked to allow Queensland to leave the Commonwealth, and no less an authority than Mr. Chamberlain has given it as his opinion that such a request, under certain conditions, ought to be granted.

Can the right honorable and learned gentleman inform the House whether any representation has been made to the Secretary of State for the Colonies with regard to the withdrawal of Queensland from the Commonwealth, and if he can get that information, will he be so good as to lay it before the House?

Minister for External Affairs

Mr BARTON

in reply. - With regard to Major McKnight's report, I explained before that he had furnished certain direct statements with regard to the Wilmansrust disaster which were based upon his own knowledge, but, with respect to the question which arose as to certain courts-martial, and the circumstances leading up to them, he furnished no information that was not hearsay. I considered that it was certainly not my duty to lay this information upon the table unless the House particularly wished it - having in view not only what I have stated, but the fact that the incident has been closed by the release of the men, and by the supercession of the general, who was deemed to have treated them in a manner which, if correctly reported, certainly no one could approve of.

Mr Fisher

- Does not the Prime Minister think that that statement reflects upon the officer?

Mr BARTON

- Hearsay statements on these subjects are not of much value, but, as I said before, I shall be pleased to hand the report for inspection and perusal to any honorable member who wishes it, but I am not prepared to lay it upon the table. I said, however, that if it were the general desire of honorable members, I would lay it upon the table, because I would not resist the will of Parliament in a matter of this sort. If, however, honorable members will look at the report, and see the extent to which it depends upon hearsay evidence, they will not, I am sure, insist upon its being laid before the House.

Mr Watson

- Is there any possibility of securing direct information on the subject ?

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Mr BARTON

- I think so. We have cabled for the fullest information, and I think we may very well let the matter rest until we get it, because honorable members may safely assume that the particulars we shall receive will be more reliable than any report founded upon hearsay. I do not say this with the object of suppressing information. It is only fair to say that, provided that facts are as have been stated, public sympathy can only be in the one direction, and I do not wish to dissociate myself from the public in my sympathy. With regard to the question of the honorable member for Dalley, respecting the military commandant, I may inform him that no commandant has yet been appointed. There have been lengthy communications on the subject, and as these are secret it is not within my power to lay them on the table at present. I can assure the honorable member that the Government is not delaying the matter in anyway, but on the contrary is urging it as much as possible. The honorable member will see with me that the whole matter has been necessarily hung up for three weeks owing to the debate which we have just passed through. With reference to the question about leather raised by the honorable member for Parramatta, the statement he has referred to apparently appeared in a Victorian Government Gazette notice. It was not an advertisement of this Government, and it has not been published in the Commonwealth Gazette. I will, however, make inquiries as he desires. I understand that some of the leather is described as 'such leather as may be required by the Victorian or Federal Government.' That may have arisen from a decision which was arrived at some time ago that any supplies required by the Federal Government departments before we established a stores department - for which there is no present necessity - should be obtained at the contract rates arranged for by the Victorian Government. In respect to supplies required in the various States the desire is - and it will be carried out as far as possible - that articles shall either be supplied after open tendering throughout the Commonwealth or obtained in the State in which

they are appropriated. With regard to the statement of the Brisbane Courier, repeated by the honorable member for Kennedy, I should like to say that no despatch of any such tenor or colour as indicated has been received by the Government. The Government have made no representations which could have evoked any such reply, and as far as I am aware, there is not the slightest pretence of truth in the statement.

Mr Fisher

- There are only three men and a dog in Queensland who want separation.

Mr BARTON

- It is wholly unlikely that the statement is true, not only because I do not anticipate any desire for separation on the part of the majority of the people of Queensland, but also because I know that no such representations could come from the present Secretary of State for the Colonies.

Question resolved in the affirmative.

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17:30:00

House adjourned at 5.30 p.m. (Friday).