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1901-05-29

Senate.

The President took the chair at 2.30 p.m.

GOVERNOR-GENERAL'S SPEECH

Address in Reply

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Address in Reply.

Debate resumed from 23rd May (vide page 275) on motion by Senator Fraser -

That the Address in Reply to His Excellency the Governor-General's speech, as read by the Clerk, be now adopted,

Upon which Senator Millen had moved, by way of amendment : -

That the proposed address be amended by the addition of the following words : - " But, while fully concurring in the proposal for the gradual reduction and ultimate relinquishment of the kanaka labour at present within the Commonwealth, are of opinion that the further importation of such labour should be at once prohibited."

Senator PULSFORD

- I think it will be worth our while to consider the issue on which the general election was fought, and the statements that were made on the same subject during the great contest before the referendum. There is no doubt, broadly speaking, that what is known as the fiscal issue dominated the contest generally throughout Australia, though some exception may be made in the case of the important State of Queensland.

Senator Playford

- It did not dominate our contest.

Senator PULSFORD

- I wish to draw attention to a statement made by the Prime Minister. Speaking on the 22nd May, 1898, when he wished to influence the people of New South Wales and of Australia generally to accept the Constitution Bill, he said -

What the Commonwealth Convention had endeavoured to do was to leave the nation free to adopt its own fiscal policy. This Bill would leave the Commonwealth free to adopt a policy of freetrade or of protection. The fact of the matter was that it rested with the people of the colonies themselves whether a free-trade or protectionist Tariff" was adopted.

It would be impossible for statements to be made more clear and definite than those made on that occasion by the right honorable gentleman. At the same time Sir George Turner, who then was Premier of Victoria, in a telegram which was sent to myself, and which dealt generally with the fight going on in the two colonies, said, on the subject of the Tariff - "

I think the revenue required can be obtained either by a free-trade Or a protectionist Tariff.

That also was a clear and definite statement -

Senator McGregor

- Tell us what a freetrade Tariff is first.

Senator PULSFORD

- That also was a clear and definite statement made in view of the referendum to be taken, and nothing has occurred since then that can possibly alter the position as laid down by those two gentlemen. But in what is known as his Maitland speech, the Prime Minister adopted a new attitude. He said that a change had come, and that the people could not adopt a clear-cut fiscal policy ; that it would have to be something which was a mixture of both policies : and he mentioned that the revenue for last year was about ?7,750,000, figures which he said had not previously been considered when dealing with the subject of federation. But he overlooked the important fact that since the general referendum was taken Queensland, with her revenue of ?1,500,000, had come into the federation, and that that addition of ?1,500,000 made the only practical alteration in the figures before the people of Australia. So that we as a people are quite as free to-day to discuss and decide upon a Tariff in view of the conflicting claims of free-trade and protection, as we were when the question of the referendum was before us. The subject of what is a revenue Tariff and what is meant by a revenue Tariff has been raised.

Senator McGregor

- Or by a free-trade Tariff.

Senator PULSFORD

- I know that the honorable member has a terrible and all consuming thirst for information, but I notice that his thirst is of rather an intermittent nature. When Senator O'Connor was speaking the honorable member did not seem to have any thirst at all ; it is only when a senator on the opposite benches is speaking that this thirst seems to overcome him.

Senator McGregor

- But I would like to know what a free-trade Tariff is 1 '

Senator PULSFORD

- I have no doubt that the honorable member will know something before long.

Senator McGregor

- I shall have to wait a long time.

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Senator PULSFORD

- So that there may be no doubt as to the position, I shall read an extract on this point from a work by Mr. B. R. Wise. He is known as one of our most eminent free-traders, but he did not see his way to go with the free-trade party in the late general election. He said he was true to free-trade, but that he must follow the Prime Minister and he echoed the right honorable gentleman's statements on the subject. A few years ago Mr. Wise wrote a book, entitled Industrial Freedom, in which he dealt with this subject. He said - Let us be sure in what sense we are using the term free-trade. In its political and controversial sense free-trade simply means the absence of duties of a protective character. It is sometimes used in a wider sense, to denote the absence of all customs duties ; but this is not the meaning which it bears when it is used in opposition to the term "protection." In that sense it is simply the absence of duties of a protective character. It is no mere pedantry to insist upon this simple definition, because much of the confusion and heat of the controversy between free traders and protectionists arises from neglecting to remember it. I shall now read a quotation from a man whose eminence in history is due to his promulgation of free-trade. Mr. Cobden said -

We do not want to touch duties simply for revenue, but we want to prevent certain parties from having a revenue which is of benefit to themselves, but advantage to none else. On the contrary, what we seek for is the improvement of Her Majesty's revenue ; what we wish to gain is that improvement.

On another occasion he said -

One of your candidates actually says that freetrade means the abolition of all Customs house duties. We have said, thousands of times, that our object is not to take away the Queen's officers from the Customs house, but to take away those officers who sit at the receipt of custom to take tithe and toll for the benefit of peculiar classes.

I shall next give a definition of Customs duties from the Encyclopedia Britannica : -

A Customs duty on the import of commodities has to be paid by the domestic consumers of the commodities. The foreign producer will not sell them at less than cost, and the importing merchant will not bring them in unless he obtains his cost, his own fair profit, and the import duty over and above these essential constituents of the transaction. But if the commodity be one of domestic as well as foreign supply, the effect of the Customs duty is to raise the price of the domestic supply in some proportion to the duty ; and the consumer, in so far as the commodity is one of necessity to him, has no choice. He has to pay the tax, with the further dissatisfaction of knowing that it goes to no public purpose, but only into the pockets of some of his own private neighbours.

I shall now make a brief quotation from a great American publication. In Webster's International Dictionary, the word Tariff is defined as -

A schedule, system, or scheme of duties imposed by the Government of the country upon goods imported or exported - as a revenue Tariff, a protective Tariff.

Senator McGregor

- Does it say anything about a free-trade Tariff?

Senator PULSFORD

- If the senator will keep his thirst for information in abeyance for a little while, it will be to our mutual

advantage.

Senator O'Connor

- That is an American publication..

Senator McGregor

- I only want to know what it is.

Senator PULSFORD

- I know what the honorable member wants. He would like to stop the progress of my remarks, no doubt.

Senator McGregor

- No.

Senator- PULSFORD.- Senator O'Connor says " that is an American publication." It is an American publication, and because it is an American publication is the reason why it has its special value.

Senator O'Connor

- I said that to explain why the illustration of a free-trade Tariff was not given.

Senator McGregor

- Oh ! I see. Thanks.

Senator O'Connor

- That was to Senator McGregor.

Senator PULSFORD

- The fact that this is an American explanation of what a Tariff is - and America itself is the most noteworthy protectionist country in the world - shows that the term " a revenue Tariff" is understood in America; and it is, I venture to say, understood in Australia from end to end, and by every senator within the walls of this Chamber.

Senator McGregor

- Hear, hear. But it is not a free-trade one.

Senator PULSFORD

- However much they may try to pretend ignorance, however much the Age and papers like it, may profess to know nothing about the matter, we may all be quite certain that what these gentlemen seek is a Tariff that shall be protective - that shall give protection to various industries, not to all industries, because all industries cannot be benefited by a Tariff. They seek to benefit certain classes, and we are seeking a revenue Tariff! every penny of which shall go into the coffers of His Majesty's Exchequer, and not into the pockets of private individuals.

Senator McGregor

- Does the honorable member call, that a free-trade Tariff?

Senator PULSFORD

- I do.

Senator McGregor

- That is all right.

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Senator PULSFORD

- I call that a freetrade Tariff in the sense in which it has been defined by Mr. Wise. But I shall say something more. A free-trade Tariff in its ultimate terms means a Tariff which is substantially confined to, we will say, intoxicants and narcotics, which allows everything else to come in without paying a duty of any kind, and we free-traders hope that the time will come when such a Tariff will be possible. You know, no doubt, that it is possible for Australia if Australia could accept financial conditions similar to those which can be accepted by New South Wales. It is because the other States of the Commonwealth cannot accept such financial conditions that we have to be content with a Tariff which brings in a large amount of revenue, but because it brings in this large amount of revenue, we say it is all the more necessary we should see that we are not burdened with additional duties for the sake of protecting industries.

Senator McGregor

- That is very clear.

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Senator PULSFORD

- It is to be noticed in this Speech that we have a very confused statement with regard to the Tariff. The

Attorney-General, speaking in Sydney during the elections, said that he was a protectionist to the backbone. I defy anybody in the reference to the subject of the Tariff in the speech to find the slightest shadow of backbone. There is no such thing as backbone in it. The only thing that is clear is a begging appeal on behalf of certain vested industries. The position now taken up is not that the policy of protection is a great and noble policy which would enrich Australia, but that certain industries existing, mainly in the State of Victoria, have been fed in the past, and that they ought to be fed in the future. Let me look a little bit at this point. At the Convention of 1891, Mr. Deakin did his utmost to get a clause inserted in the Constitution, which was then agreed to, by which the State of "Victoria would be guaranteed a continuance of the protection enjoyed by its various industries. He went so far as to say- We must request and require some such guarantee as that which I have rudely outlined.

But the request - the demand - which was made by Mr. Deakin on behalf of Victorian protected manufactures, found hardly any echo, even from the representatives of protection from the other States. Mr. Kingston at that Convention expressed himself as follows :-

I had shared the somewhat common idea that Victoria, by force of the protective system which she has so long enjoyed, had built up her manufactures to such a state of perfection that they could defy competition. That was the position taken up at the Convention of 1891 by Mr. Kingston, and it was confirmed by speaker after speaker, protectionists and free-traders alike, so that it is quite clear that, there having been in 1891 a distinct refusal to entertain the subject of guaranteeing Victorian industries any amount of protection, that there is no claim on the Commonwealth for that which is now put forward in the speech of the Governor - General. Then I would point out this also : It is idle to say that the Government will not do anything that will injure protected industries, because the very act of union sweeps away with one blow the greatest amount of protection enjoyed in Australia. The act of union destroys the protection now enjoyed in Victoria by the pastoral and agricultural industries. It destroys the protection enjoyed in Queensland, or in any of the other colonies, because in every article of food Australia produces more than she consumes, and it is impossible, therefore, to put protective duties on the great items of meat or grain. When the Governor-General's speech says that protected industries must still be protected, it hides the fact that the act of union sweeps away the major portion of the protection now enjoyed, and why certain industries, which are small in number, and which have a comparatively small amount of capital locked up in them, should be singled out for preference is more than I can understand. Then, on the subject of assistance for industries, there is one thing that is overlooked - and I think it is generally overlooked in Australia in discussing the fiscal question - that is, that Australia is further than any other country from the great manufacturing centres of the world. I think that that distinction constitutes a natural protection for the manufactures of Australia of a very important character. There are goods of a fragile character which cost at least 100 per cent, to bring from Europe to Australia. There are other articles which by reason of their bulk - for instance, salt - cost something like 200 per cent, to bring to Australia. And yet, notwithstanding that enormous natural protection, I believe that people who have indulged in the luxury of making salt in Australia have asked the Government of the colony in which they reside for protection for the industry in order that they might have something to enable them to compete against the lower wages of the old country. In manufactured goods of various kinds this natural protection runs up from 10 to 50, 60, and 70 per cent., and, taking the imports of manufactured goods, all round, it is fair and reasonable to say that the natural protection enjoyed by the manufacturers of Australia averages 25 per cent. Now, with that natural protection, I do not think we need be very greatly concerned with regard to their position in the future. It appears to me that the Government have not given that attention to the position of Australia which they should have done. They have handed us what is practically an encyclopaedia of political subjects which could not be dealt with until the crack of doom, but when we want a time-table a dictionary is not of much use to us. It would be of much greater value to Australia to know exactly what the Government propose to do in the way of legislation in the course of the next few weeks. The position of Australia is, in some respects, a very serious one. All the States, in bygone years, have indulged in the luxury of borrowing, until to-day Australia is indebted to Great Britain in a sum which represents in interest alone somewhere about ?14,000,000 or ?15,000,000 yearly. There is a necessity, therefore, for looking our financial position in the face. I have felt and argued all along that federation was cooperative Government, and that co-operation meant economy, and that it ought to be possible, by uniting together a great many branches of government, not to increase the aggregate expenditure, but to

effect savings. Now, if the Government had recognised the financial position, if they had seen the importance of dealing at once with the great Tariff question, they would have done something to meet the position in Australia. I read in some papers statements that certain importers are anxious to have the question dealt with in order that they may put money into their own pockets. But the Postmaster-General himself knows of a very different position ' of affairs in Queensland, where very heavy duties exist on a great many articles. Merchants and others know that, whatever the lines on which the Tariff may be fixed, many duties now charged in Queensland must be reduced, and, therefore, they are of necessity cutting down their transactions in the goods that may be affected to the smallest extent possible, and I think, taking Australia as a whole, the number of articles in which trade is being increased is fewer than in which it is being decreased. Therefore, remembering that all Australia is interested, and that all industries are more or less affected, I think it is the bounden duty of the Government, at the earliest possible moment, to take some steps in the direction of introducing the Tariff. Of course, the preparation of a protectionist Tariff is one thing and of a free-trade Tariff another. A freetrade Government could have prepared their Tariff in a few days, but a protectionist' Tariff is a different thing altogether. You have to listen to the cries of all the different industries. I think it was in 1886 that Mr. Walker, then Commissioner of Trade and Customs, in. his statement to the Victorian Parliament, said that he had had no less than 300 different applications either for the imposition of new duties or for the increase of duties. If in a protectionist colony 300 applications of this nature can be made to the Government, what is likely to be the movement now going on throughout Australia, from end to end? I have no doubt there is a great movement of which we, outside the charmed circle, know nothing. But all this means time. The Government have to weigh all these different interests. They have to see how much they can give to one industry without weakening another industry ; one has to be balanced against another, and, therefore, it is, perhaps, no wonder that they have to take a long time in the preparation of their Tariff. Truly, before it is all over the protectionists of Australia will stew in their own gravy, if I may use an historical illustration, which I have no doubt some of my friends will remember. I admit that the Government consists of very able men. I do not think it would be possible to constitute a more able Cabinet, but their ability runs rather on professional than on business lines. I do not think the Cabinet is strong on its business side, and therefore I think there is all the more reason why we should look with some anxiety to the introduction of the Tariff. It is stated that we shall require a Tariff that will raise a revenue of £8,000,000 or £8,500,000,. the exact amount is not worth quarrelling about; but decidedly I object to the statement that because £8,000,000 or £8,500,000 is required therefore we must submit to protectionist duties. I have no hesitation at all in stating that out of the duties on intoxicants and narcotics a revenue of £5,000,000 could be obtained, but not by a Government which makes the revenue leak in all directions. I say that amount can be obtained if the whole of the money coming in from intoxicants and narcotics is received by the Government, and I am confirmed in that statement by the fact that £4,250,000 is received already with the leaks to which I have referred. I am confirmed further in the statement by knowing that in Great Britain a revenue exceeding £50,000,000 is collected from intoxicants and narcotics, and £5,000,000 is only the equivalent amount for a population such as exists within the borders of the Australian Commonwealth. Therefore, if a revenue of £5,000,000 be obtained in this way, there is only a balance of £3,000,000 or £3,500,000 to collect, and I am quite sure that that amount could be raised by duties which would not carry the burden of protection with them. The question is : Are we going to have a plunder Tariff or a revenue Tariff?

Senator Higgs

- The question for you to consider is, how you can obtain office ?

Senator PULSFORD

- I will refer to that at once. Last week we were twitted with having no leader, and with speaking with varying voices. I venture to say that, if we had been determined at all hazards to force business so that we might obtain office, the first thing we should have done would have been to appoint a leader.

Senator McGregor

- To line up.

Senator PULSFORD

- Yes, to line up. We did not do so, for the reason that we were all more or less strangers to one another, and we thought we might as well allow a little time to pass until we became better acquainted. We were under no burning necessity to appoint a leader with the view of ousting the Government then and there.

That is my answer to the honorable member.

Senator McGregor

- The honorable senator has too many leaders to have many followers.

Senator PULSFORD

- Now, as I have said, the question is - Are we to have a plunder Tariff or a revenue Tariff? I wish to make quite clear the difference between the two.

Senator McGregor

- A blunder Tariff.

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Senator PULSFORD

- I will refer to statements, which any honorable member can find for himself, in Mulhall's "Wealth and Progress of the Nations." Referring to the value of American manufactures, he states that the amount is increased by either one-third or one-fourth through the protective system of America. Now, this amount comes to no less than \$488,000,000. We all know that Mulhall was a statistician of great ability. Unfortunately we have to speak of him now in the past tense, because he died a few months ago. He was a man of profound knowledge of statistics. The American Government is collecting a total of about \$70,000,000 from Customs and Excise, and protected manufacturers, the private tax-gatherers of America, are said to be collecting \$488,000,000, making a total of \$556,000,000. The amount of \$488,000,000, I have no hesitation in saying, is greatly exaggerated. I have with me a work by Colonel G. W. Bell, whom some of my friends will remember as lately the United States Consul in Sydney. He is a man of very great literary ability and power of expression, and he puts at 1,000,000,000 dollars the cost to the United States of the protective system - that is \$200,000,000. I am not at all particular as to the amount; the sum is so excessive that you may reduce it by one-half, or three-fourths, and still the balance is so enormous, and so greatly exceeds the amount obtained by the Treasury that it must arrest your attention. Free-traders and protectionists alike admit that the Government must raise \$8,000,000 or \$8,500,000, but free-traders say that having got that money you must stop there. We do not want \$1,000,000 added onto that \$8,500,000 for the benefit of private manufacturers. That is the difference between the position occupied by free-traders and by honorable members on the Government side of the House on this point. Now I should like to refer, while on this subject, to the question of the sugar industry. I am sorry Senator O'Connor is not here now, because in speaking about sugar last week he said, as reported on page 126 of Hansard -

This question of the dealing with the kanaka labour and the interests of the persons who are employed, and who have capital invested, in the sugar industry cannot be fairly considered apart from the fiscal issue. If you put no duty on sugar, and, therefore, make very much worse the condition of the planter and those whom he employs than it is at present, it may be that it would be grossly unfair to put upon him the hardship of a rapid diminution of coloured labour. On the other hand, if you give him by a reasonable duty what is a compensation to him - if you give him that which increases the price of sugar to him - then you may all the more quickly put him in a position to get rid of his kanaka labour. I think I have only to state a few figures in order to show honorable members how directly this question of the imposition of a duty upon sugar will affect the sugar grower. Honorable members will find that the consumption of sugar in Australia at the present time is 170,000 tons. Of that quantity Queensland supplies 130,000 tons, New South Wales supplies about 25,000 tons, and the balance comes from other places. So that the supply in Australia itself is about 15,000 tons short of the demand. The inference from that is obvious, that where the supply is less than the demand, and a duty is imposed, the producer gets the benefit of practically the whole of the duty. If any duty is put upon the production of sugar, and any duty is put upon the importation of sugar, the benefit of it is directly felt by the sugar producers throughout Queensland and other parts of Australia. Therefore, I contend that when you are dealing with the question of how you are to bring about fairly and reasonably the abolition of the introduction of kanaka labour, you cannot do it without knowing to what extent you are going to help the sugar-grower by the imposition of duty.

Now, Senator O'Connor claimed that the question of kanakas and the question of the duty on sugar had to be considered together, and he quoted certain figures which, he said, made it possible for Australia to allow the sugar planters in Queensland to obtain a considerable sum of money by the increased prices of their sugar, and so to get on without kanaka labour. Senator O'Connor, however, fell into a grievous error,

because his figures were entirely wrong. I have taken certain figures from the statistics of Queensland, published in 1899, and to be found on page 401. They show that the quantity of sugar manufactured in Queensland in 1898 was 163,734 tons.

Senator Glassey

- That was our record year.

Senator PULSFORD

- Making a total with the New South Wales production of 193,000 tons, or 23,000 tons in excess of the quantity put by Senator O'Connor as the consumption of Australia.

Senator GLASSEY

- Take the following year.

Senator PULSFORD

- Next year the production was 123,000 tons. When the production has once touched the total of 193,000 tons, it has gone past the point at which protection is possible.

Senator Playford

- Not for the whole of Australia.

Senator PULSFORD

- For the whole of Australia. Senator O'Connor put the consumption for the whole of Australia at 170,000 tons, and that is about it. At any rate, in 1898 there was more sugar produced in Australia than was consumed ; and, with any little advantage given to the producers, the production of sugar would be immensely increased, and the protection of the sugar grower would become impossible. I want to point out two things. In the first place, we are asked to support a policy of protection in order to assist the producer to get rid of kanaka labour, but it is not pointed out that a stage has already been reached at which assistance by means of a protective duty is impossible. Odd seasons may occur in which it may take place; but if effective protection were given, the production of sugar in Queensland would mount up by hundreds of thousands of tons. It will thus be seen that it is absolutely impossible that the question of kanaka labour can be met in any shape or form by a customs duty.

Senator Dobson

- The protective duty would help to form a ring.

Senator PULSFORD

- I wish to draw the attention of honorable members to this fact. If 200,000 tons of sugar be produced in Australia, and it is possible to increase the price of that sugar by the amount of the duty, say, 20s per ton, that means £1,000,000 collected, not for the good of the Treasury, but collected all over Australia, in addition to the taxation that is to be gathered in for the Treasury. Therefore, I claim that I have it from the mouth of Senator O'Connor himself that protective taxation does mean a burden to the people greatly in excess of the amount of money that is collected for the Treasury. I cannot stand here without making some general reference to the fiscal question.

Senator McGregor

- The honorable senator has made reference to nothing else yet.

Senator PULSFORD

- Well, I will put it that I wish to make reference to the theory of the fiscal question, the basis of it. I have been referring only to certain facts in regard to the Tariff. I think it is desirable for all of those who want to understand this question, and want to be fair and to recognise what has taken place, to remember that during the reign of Her Most Gracious Majesty Queen Victoria, the whole of the statesmen who guided the destinies of Great Britain, without a single exception, were free-traders. Peel, Bright, Gladstone, Cobden - all of those whose names have been associated with the great measures which mark the reign of Her Majesty - were one and all free-traders.

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Senator Playford

- The statesmen of Great Britain are all very shaky about it now.

Senator PULSFORD

- No, they are not. Another important thing is this, that on the shelves of the British Museum you may take down volume after volume, some 70 volumes in all, by political economists, and you will only find one or two of them who in any way favour protection. .

Senator McGregor

- There are only one or two Bibles in the world.

Senator PULSFORD

- There is one Bible in the world, and it teaches us that we should do unto others as we would that they would do unto us. That is a principle to which free-traders lay claim.

Senator Keating

- But the other fellows will not do it.

Senator PULSFORD

- The other fellows do it.

Senator Keating

- But they will not.

Senator PULSFORD

- What sort of nonsense are we to have talked next ?

Senator Keating

- Only England will do it.

Senator PULSFORD

- Very well, and what does England do ? England takes our produce, and the produce of all her colonies. What a revolution has substantially been brought about in the world by Great Britain's free-trade policy?

There are no facts which can be brought forward to equal the wonderful results of her policy of free-trade, and this does not apply alone to Great Britain. If we want to understand what the fiscal policy will . do, or what anything will do, we have to consider it in its fullest sense. No policy like this can be confined in its effects to the country in which it operates. The policy of Great Britain has benefited all the world.

Honorable members will find, if they refer to statistics, that in one period of ten years Great Britain bought from the United States ?820,000,000 worth of produce, while the next best customer of the United States purchased only ?129,000,000 worth. You will find that the prosperity enjoyed in Canada is very largely traceable to the great trade done by Great Britain with her. Of ?27,000,000 worth of produce exported from Canada, not less than ?17,000,000 worth was taken by Great Britain.

Senator McGregor

- Nearly all food.stuffs

Senator PULSFORD

- Very well. What are the people to live on? Paving stones or grass ? Do yOU want to deprive people of their food ? It is to the glory of British free-trade that it has reduced the expenditure of the people, that it has filled the homes of the people with food, whereas in the old days of protection they had to be content with food insufficient in quantity and poor in quality. I will go further than that. If you will go to New Zealand you will find she has had a great experience ; and to-day she is more prosperous than she was during the previous seven or eight years. She has gained greatly by experience. Look at her export returns and you will find that as the exports grew so did the prosperity of New Zealand grow. What was .admitted in this Chamber the other day by Senator Fraser? He told us that when Victoria was in trouble in the nineties a great expansion took place in her natural industries. Where did that butter go to to which he referred? To the open market of Great Britain; and so I ask honorable members to remember that the free-trade policy of Great Britain has effects that are felt right through the whole of the world. The history of the free-trade movement in Great Britain for the last half of the century just closed has yet to be written, but when the historian comes to write the record of British freetrade, if he does it fully and carefully, he will make it clear that it has tended to the enrichment of the whole world. While on this point I would ask - What was the effect of the policy of Victoria 1 How much good did it do for the rest of the world ?

Senator McGregor

- It kept down prices in New South Wales.

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Senator PULSFORD

- It did no good, but the free-trade policy of New South Wales did good to every colony in Australia, and every country in the world with which it dealt. Let me tell honorable members there is no protectionist country in the world that dare be absolutely true to its so-called principles, and Australia happily benefits immensely by these failures. France, Germany, and Belgium admit our pastoral products free of- duty. It



is a remarkable fact, considering what we hear, that in 1899, I think, France, Germany, and Belgium bought of Australasia - I am including New Zealand in these figures - £9,000,000 worth of goods, and only sold to Australasia £3,000,000 worth. That was done in spite of the open markets of New South Wales. It does not appear as if our open markets lead to any extraordinary flooding. Here we have the fact that these great countries of Europe, having millions of sheep themselves, ignore their pastoral interests and admit wool free of duty. The States of Australia are indebted mainly to these European countries for the way in which they have ignored the protective policy which is supposed to rule their finances.

Senator Stewart

- If they want wool they have to buy it somewhere.

Senator PULSFORD

- What about the United States? It elects not to buy it somewhere. We have there a duty of 5¢d. per lb. on washed wool, 10¢d. per lb. on unwashed, and 16¢d. on scoured wool. That acts as a deterrent to the importation of wool. Every one knows that while the Cleveland Government were in power Australia benefited materially, in the shape of the increased value of its wool, by reason of the purchases made by America. If America would do as Germany and France has done - ignore its pastoral industry, and allow wool to come in free - it would be a benefit to all Australia.

Senator Stewart

- Hear, hear.

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Senator PULSFORD

- Hear, hear, says an honorable member. What is going to happen to the world if every country is to swallow protection? What will become of the trade which now exists if country after country adopts the policy of protection? Trade is only exchange. We send our goods away, and get other goods in return for them. The produce that we produce is, as regards value, but as dirt beneath our feet unless we have some power of exchange. The power of exchange makes that which otherwise would be of no value of great value to us, and brings us the goods and the wealth which we all desire. It is a very remarkable thing that during the last century the world's movement seemed to have been going in the direction of sweeping away Tariffs. That is one reason why Germany has gone so much to the front. Protectionists would have us believe that because Germany has a protective Tariff she has grown great. They ignore the fact that some years ago the country now known as the German Empire consisted of 20 or 30 different states, countries, or duchies, and that between each of these there was a Tariff line. A Tariff line is always found where there is a political boundary. You have a political boundary, and there you have a Customs house. These boundaries have been swept away, and the Customs houses have disappeared with them. Of these countries to-day - these 26 countries which form the German Empire - all are absolutely free in their trade one with another. We see the same factor in America. Every one knows the name of Andrew Carnegie, who amassed great wealth through protection. He says in his book, "The Triumph of Democracy," that America is the most magnificent illustration of freetrade the world has ever seen. He points out that you can send goods thousands and thousands of miles through America, down her rivers and along her railway systems, and never through these prolonged journeys come across a Customs house. This, he claims, has been of very great benefit to the United States of America. Yet people claim that the ring fence round the outside which affects a very small modicum of trade has done good, as if anything that prevents trade could add to the enrichment of a country. I think at this juncture we can also consider the position of Great Britain and this Commonwealth. What is to be our position? We know that the people are proud of the Empire. We know that they are loyal to King and country. We know that they consider the Commonwealth to be a part of the British Empire. Yet what does it mean? That we should erect trade barriers in that direction between the Commonwealth and the United Kingdom whilst we are sweeping down the barriers between the sister States? Why should we tax the products of the mother country and let in free the goods of the sister States? I should like to read a passage on this point from the pen of the late Right Honorable W. B. Dalley, of New South Wales. He arranged for the first expedition that ever left Australia to fight with the British arms. I refer to the Soudan Expedition. In a letter addressed by Mr. Dalley to myself, the following passage occurs: -

Nothing can be said to qualify the statement that a fettered trade is a defective loyalty to the Empire which

has based its policy upon absolute freedom, and which is rebuked and to some extent enfeebled before the world when that policy is practically protested against by any portion of the Empire.

I think it is high time that the people of Australia thought out the position, and asked themselves whether they are prepared to sanction anything which shall be offensive to Great Britain - anything which shall tend deliberately to lessen the trade with the country which takes all our products and the products of other great portions of the Empire. Then with regard to the position of free-trade Great Britain, I think it is worth while willing public notice to what was admitted by the protectionist organ of Melbourne and the protectionist organ of Sydney in their references on January 24th to the death of Her Most Gracious Majesty Queen Victoria. The Melbourne paper said -

The reign has been a record one in many ways besides in length. During it the nation has made marvellous progress in every direction and in every respect.

The other protectionist organ said-

Senator Glassey

- What paper is that?

Senator PULSFORD.- The Sydney protectionist paper, the Star.

The advance of the Empire during her reign has been unrivalled in the history of the world, and in commerce, colonization, the arts and sciences, and, indeed, in all phases of progress, the Queen's dominions have throbbed in healthy activity, and conscious and justifiable pride of pre-eminence.

After such statements as those it is folly for these papers to attempt to persuade their readers that the position of Great Britain is one of decadence. I think I might ask attention to the seventh annual report of the Department of the Board of Trade in 1899. It states, I think, that the percentage of unemployed was lower than in any year since 1891. It shows that in 1897 there was a large increase in the amount of weekly wages paid : that in 1898 there was again a much larger increase; that in 1899 the increase was still much larger; and that in 1900 the increase was greater than ever, making an increase in the wages paid by the various industries that reported to the Board of Trade of ?21,000,000 for 1900 over the wages paid in 1896. When we find that practically there are no unemployed; that the wages paid have been increasing by leaps and bounds, it is idle for anybody to tell us that Great Britain is not in a most flourishing condition. It is not long since the Premier of New Zealand informed the House of Representatives that the New Zealand Government had wished to buy locomotives, and they found that they could not get delivery in England for twelve or eighteen months. Trade was so great, makers were so crowded with orders, that the Government had to send their orders to America. They wished to buy steel rails, and they found, themselves blocked again. The makers in England were so full of orders that they could not execute New Zealand orders within twelve months. The Government wanted a supply of ordinary railway plant, and they found there again that they had to send to America.

Senator Stewart

- Because they could get them much more quickly.

Senator PULSFORD

- Yes ; that is what I am telling the House. The English people were so full of orders-

Senator Stewart

- No:

Senator PULSFORD

- They were making all they could make, and the Americans were not full of orders.

Senator Stewart

- Why did Cecil Rhodes go to America instead of England with his contract? Because he could be supplied in a quarter of the time.

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Senator PULSFORD

- I wish to say a few words in regard to what is known as preferential treatment. We know that in Canada an arrangement has been made by which a reduction of duty has taken place on certain imports from Great Britain, not on all, but on certain specified imports, and it is claimed by certain persons that this is a great token of loyalty to the Empire, and that it is a course which should be followed elsewhere. That is not a freetrade course. The free-traders do not wish to put any impediments in the path of British trade. But the people in Canada say - "We'll put impediments in the path of Great Britain, but we'll put bigger

impediments in the way of certain other countries." Or, to put it in another way, they say - "We'll kick British manufacturers, but we'll kick Continental manufacturers harder still." We Australians, at any rate we free-traders in Australia, say we will not kick British manufacturers at all ; that is the position. I want to refer to the question of a Zollverein. Senator Dobson expressed a hope that the time might arrive when a Zollverein would be established for the whole of the British Empire. I wish to point out that the trade of the Empire is already far too great for any such thing ever to take place. I have here a list of articles which are produced in the Empire, far beyond the consuming power of the Empire, and therefore, as you cannot in a small country, in New South Wales or South Australia, give protection when an article is exported, so you can not give protection to an article when it is produced any wherein the Empire beyond the consuming power of the whole Empire. These articles include wool, tallow, hides, skins, tin, coal, jute, rice',,, tea, coffee, palm oil, 1 cocoanut oil, rum, pepper; ginger, pearl shell, various kinds of fish (such as salmon), indigo, dye woods, 'and many drugs. This is a very long list of articles.

Senator McGregor

- My word; we are well off.

Senator PULSFORD

- These are produced in various quarters of the Empire, and the aggregate production is so great that we have to rely on the great consuming countries of Europe to take a certain surplus. Germany, whilst selling to us ?3,000,000 worth of - goods, has actually taken from us ?9,000,000 worth, but 'she has done something more than that. Honorable members know that London is the great market for wool, and Germany, France, and Belgium take from the London market ?8,000,000 worth of wool. I do not know how much of that wool is Australian ; but I presume that the bulk of it is, so that, in addition to taking the ?9,000,000 worth of goods direct from Australia, she takes a great many million pounds worth of wool from the London market. These facts will explain to the House why it is absolutely impossible, when it comes to be carefully considered, if such a point ever arises, to form a Zollverein of the British Empire, that is, a Zollverein in which there shall be free-trade within and protection without. I might also point out the effect of the system now ruling in Canada. Notwithstanding the fact that there is a certain advantage given on certain duties in Canada to British manufactures, in 1899 the average duty collected on British goods was 19'S per cent., and on American goods only 12-6 per cent. Of course, the imports from America were mostly raw materials ; but then a country exports that which she has to sell, and American exports to Canada were only charged 12'6 per cent, average duty, whereas the imports of British goods arriving in Canada, notwithstanding the alleged concession, were charged 19 '8 per cent. duty. The question of the Tariff is one of such overwhelming importance that I think it is our duty to urge the Government, nay to insist upon the Government, making known the time at which it will be introduced, and introducing it at a very early period.

Senator O'Connor

- Hear, hear!

Senator PULSFORD

- I think also that unless some satisfaction is given to the country on this point it will be the duty of the Senate to take some steps to mark in some unmistakable manner .their view on the subject.

Senator Barrett

- A vote of want of confidence.

Senator PULSFORD

- I would point out, finally, that the one section in the Constitution. Act which is worded in a most emphatic manner is that relating to trade between the States. The words of that section are that trade between the States shall be "absolutely free." There is nowhere within the corners of that Constitution, so far as I know, any other section that is worded in that distinct and strong manner. .We free-traders feel that we have gained a great advantage for Australia in obtaining InterState free-trade, and our great aim is to obtain similar freedom with the rest of the world.

Senator Best

- The protectionists join you there with pleasure

Senator PULSFORD

- Similar freedom with the rest of the world ?

Senator Best

- No ; Inter-State freetrade.

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Senator PULSFORD

- I wish to make one remark with regard to our trade with Asia. If there is any special class of trade in respect to which it is customary for protectionists to pour out the vials of their wrath it is the trade with Asia, and yet I venture to tell the Senate that Australasia gains more from Asia than Asia gains from Australasia, even with the open ports of New South Wales. For years and years now long past Asia has been practically the only market in the world for silver, and if it were not for the demand for silver that now exists in Asia we might close the great silver mines of Broken Hill to-morrow. We ship the bulk of our silver there. It may go first of all to the old country, but ultimately it gets to Asia. In one period of eight years I observe that out of ?110,000,000 worth of silver exported by the exporting countries, ?97,000,000 worth was taken by the East. Beyond a certain amount of tea and other items easily mentioned, the exports of Asia to Australasia do not total an amount in value which reaches that which Australia has the luck to be able to sell to Asia. Therefore, we have every reason to desire that trade should be absolutely free not only within our borders, but with the rest of the world. ' We have another reason for desiring this. I have spoken of the money cost of protection, but we object to protection for something still greater. We object to protection because of its political and moral costs. We object to protection because it is a degrading policy, because it degrades the political life of the community. It has degraded, I think it is well known, the political life of America, and we can easily see how it would be likely to degrade the political life of Australia. If we find hundreds and hundreds of people at work pressing the Government to give them special favours, and we find special favours being granted, we may be sure that there is a corresponding fall in the moral tone of the political life of the community. One other point on this subject I would urge, and that is, that we want to avoid a block in our legislation. For many years past the fiscal question has been a great block in the political life of Victoria. If we go in now for a protective policy we shall have a very long debate on it, and when the debate is over we shall have protectionists in all parts of Australia saying that they have not got enough, that they must have more. We shall have revision after revision, and we shall have the time that ought to be devoted to great reforms, to bringing forward measures that would be for the benefit of Australia, wasted in the consideration of measures which could only bring about an injury to the political life of the Commonwealth, and pecuniary loss to the people. We desire, therefore, to do, and we shall do our utmost to put on the statute-book of Australia a Tariff which shall embody the highest of all principles - the principle of free-trade.

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Senator PLAYFORD

- This is the second time I have had the pleasure of speaking in this Chamber. On the first occasion that I spoke I was a member of the Conference called together by the late Sir Henry Parkes, for the purpose of asking the leading men in the colonies whether the time had not then arrived when we should take steps to unite Australia under one Government. That Conference, as honorable members are well aware, led to the Convention which met in Sydney in 1891, and which drafted the Commonwealth Bill. I am exceedingly pleased, on this second occasion of speaking in this Chamber, to be able to say that I represent the colony of South Australia as a senator, and my only regret in connexion with our meeting here is that the late Sir Henry Parkes, who originated the Conference which has resulted in the Commonwealth of Australia, is not alive and present with us on this occasion. -Now, the first question I will address myself to is that of the Tariff. Senator Pulsford has confined himself entirely to that one question.- I understand, from the tone of his remarks, and from interjections which have been made, that he is one of the leading members of the Opposition, and very possibly may be appointed leader. The honorable member made it very apparent that, so far as the other points of the policy of the Government are concerned, he has no fault to find with them. It is on the fiscal issue alone evidently that the Opposition are concentrating the whole of their efforts. When I was in England, and I was there for four years, representing my colony as Agent-General, I read one morning in the Times something which was said by Lord Salisbury, and in reading it I felt very much depressed. I thought - "Well, England occupies a very poor position under the circumstances, and not at all an enviable one." The occasion of Lord Salisbury's remarks was a deputation which waited upon him from the sugar-growing colonies of the West Indies, asking that a countervailing duty should be placed on beet sugar which was coming in from the continent of Europe,

bounty fed to the tune of ?2 per ton, and which was unfairly competing with the sugar of the colonies of Great Britain, and injuring very seriously their financial position. It was, in fact, ruining a great many' of them. It was not, as they said, that they feared fair and straightforward competition. It was not as if those sugars came in on exactly the same terms as their sugars did, but it was because those sugars received a special bounty which placed them in a specially favorable position to compete against the sugars grown in the colonies of the mother land. What was the answer given to the deputation 1 Lord Salisbury said - "Gentlemen, we have thrown away our weapons." He meant that, through the adoption of a free-trade policy, England had no weapons wherewith to fight this bounty-fed sugar from other countries. England was perfectly powerless to help its own people, and I felt, as a moderate protectionist, that in that particular instance there was sufficient justification for a countervailing duty, and for departing from the rigid free-trade policy of Great Britain. In all cases we adopt principles which we believe to be the most advantageous to us, and I believe when Great Britain adopted a free-trade policy she believed it would be the most advantageous. Senator Pulsford has referred to Mr. Cobden, and to the statement he made. He must remember that Mr. Cobden thought that, so far as the local manufactures of Great Britain were concerned, the freight which outside countries had to pay and the other charges imposed upon their goods, were a sufficient protection for the home grower and manufacturer. If Mr. Cobden lived to-day, he would find the thing would not work at all. Goods are now brought from Germany, Holland, Spain, and other countries, and placed in many important markets of Great Britain at a less price than the home manufacturer can place them there for. Special arrangements, so far as freight is concerned, are made with the railway companies, special arrangements are made with foreign steam-ship companies to carry these goods into the markets of Great Britain at exceedingly low rates, and these goods are competing with the home-grown products at a lower price than the people living only 100 to 150 miles away can place these goods on the same market for. Then we know that Mr. Cobden said another thing. He said, in a spirit of prophesy, and it is very dangerous to prophesy unless we know, "that the whole of Europe, in a very few years, will become free-trade." "What are the facts? Had he any real reason for the statement he made? "Was he justified, from the position of affairs, in making that statement? He was abundantly justified. Napoleon III, a strong free-trader, was on the throne of France, and he entered into a treaty, called Cobden's treaty, which was advantageous to both England and France. The King of the Belgians was an unmistakable free-trader. Cavour, the great liberator of Italy, was a free-trader, and Bismarck was a free-trader. "What was the result? So far as France is concerned, we know that the Sedan was the result, and the republic came back. Free-trade was thrown to the winds. A high protective Tariff was arranged, and the chance of ever having free-trade again in France was gone. The Government of the King of the Belgians passed a free-trade Tariff. England flooded her markets, and many of the factories were shut up. Poverty and hard times resulted, and the people rose up against the Tariff, when the country went back to protection. Cavour, of course, never had a chance of putting his free-trade principles into force. In Germany,

Bismarck tried free-trade with precisely the same result as followed from its trial in Belgium, and he went back to the principle of protection. In the same way it has been tried two or three times in the United States of America and always with the same result. I am quite sure that our free-trade friends are conscientious in this matter, but surely they will admit that the civilized nations to which I have alluded know what is best in their own interests. It is not as if they had not ever tried free-trade. They have done so, with injurious results, and they have gone back to protection with the best possible results. I do not think we need go into that question any further. I started life as a free-trader. Young men are often taken with what they read in their youth. I read a great deal of John Stuart Mill, Cobden, and John Bright, and I formed the opinion that free-trade was right. It was not until I grew older, and travelled through Europe, America, and Canada, -and studied the question for myself on the spot, that I came to the conclusion that, so far as the State in which I was interested was concerned, its best policy was a moderate protective policy. As Premier and Treasurer of that State, I introduced the Tariff, which is in existence in South Australia to-day. It was introduced in 1887, and, with some few small exceptions, it has never been altered since. "We have flourished under it. No complaints have been made about it, and I am confident that a similar Tariff for the Commonwealth of Australia would answer well.. At the conference which was held in Sydney I remember discussing this question with the late Sir Henry Parkes and various other gentlemen. "We were wondering what was likely to be the Tariff of the Australian Commonwealth, and

both free-traders and protectionists, during the conversation, admitted that the policy for Federated Australia would be free-trade between the colonies and protection against the rest of the world. It only amounts to this - What measure of protection will you put on 1 Some one has said that Mr. Barton has altered his views on this question, and has departed from his first utterances. I listened to him very carefully in the Town Hall at Adelaide, where he devoted a great portion, of his speech to this subject, and I have no hesitation in saying - and that was before the Maitland speech - that the paragraphs contained in the Governor-General's speech exactly fit in with the impression that he created on my mind as to what his policy would be when he was addressing the people of Adelaide. I do not believe it has ever altered a bit, although I know how easy it is to twist language and make it appear to mean what we never intended it to mean. So far as I am concerned, I believe Mr. Barton has never departed from his utterances. Now, an amendment has been moved on the Address in Reply, and I am exceedingly sorry for it, because it really amounts to a vote of no confidence, which if it was moved by any gentleman who was recognised as a leader would be accepted as such. There are some honorable members, no doubt, who think we, in this Chamber, ought to have the power of ousting Ministries. Incidentally we have that power, but directly we have not. I do not see how responsible government could be carried on if the Ministry were liable to be put out by either of the two chambers of the Legislature acting independently of the other. If this amendment were carried, what result would it have? "Unless the other Chamber took the matter up on the same lines, the Government would pay no attention to it, and properly so, too. Therefore, it is useless for us to pass a motion of this character. What is the constitution of 'this Senate? I admit that, as far as the constitution is concerned, it is unique, in the sense that it does not represent the majority of the people. It represents the States irrespective of their population, and therefore this is a unique Chamber - unique in the history of the world, except so far as the United States are concerned. In the United States there is a somewhat similar state of affairs, with the difference that the senators are there elected by the State legislators, and not by the people. Therefore, we are in a unique position, inasmuch as we do not represent population, but the whole of the people. We are not the elect of the elect, as was proposed in the first Constitution Bill, but we are elected from the source of all power - the people. Is there anything unique about our power ? Nothing at all. We have the same power as the Legislative Council of the State of South Australia - neither more or less. We have no power to introduce Money Bills, neither has the Legislative Council of South Australia. The Legislative Council of South Australia has no power of amending Money Bills - neither have we. The Legislative Council, however, of South Australia has the power to make suggestions for the amendment of Money Bills, and so have we. With regard to all other measures we have co-equal power with the House of Representatives. It may be interesting to honorable members to know how it occurred that the Upper House and the Lower House in the State of South Australia came to have this exceedingly unique provision in force. In the Constitution which was granted to the colony of South Australia in 1857, the provision with regard to Money Bills, so far as regarded the Council, was that no Money Bill could be rejected, but not one word was said about making amendments, and the first session that was held the Council commenced to make amendments which the Assembly promptly repudiated. You can imagine the dead-lock that ensued. Neither House would give way, and an immense amount of trouble followed. The whole wheels of Government were completely clogged, and then we met and adopted that method of settling difficulties so common to Englishmen, of compromising. The House of Assembly allowed the Council to make suggestions instead of amendments, with the understanding that when those suggestions came to the Assembly, and were disagreed with, the Bill would-be returned, and the Council could then either accept it in its entirety or let it drop. They entered into that compact although it was not provided for in the Constitution. In after years the two Houses quarrelled over a subject in which both were keenly interested, with the result that for seventeen years the Council never used the power of suggestion, and it was not until 1874 that the Council offered a suggestion on a Money Bill which the House of Assembly rejected, with the result that the Bill was thrown out. The first Bill I expect upon which we will have suggestions to offer will be the Tariff Bill. In 1887, when I brought in my Tariff Bill in South Australia, the Legislative Council took the opportunity of offering a number of suggestions to us, but they were of such a character that I was able, as Treasurer, to tell the House I thought we might agree to them. I hope the result will be the same as far as the Commonwealth Tariff is concerned.

Senator Dobson

- I hope we shall make alterations as occasion requires it.

Senator PLAYFORD

- The weakness of these suggestions, to my mind, lies here. There is no power for the two Houses to appoint managers to meet in conference. Those senators who have had experience in States Parliaments know how frequently we have been enabled, when important amendments have been moved, and when the Houses have disagreed, to save a very valuable measure by appointing managers from each House to meet in conference, and to talk quietly over the matter in camera. These managers have discussed the whole matter, and suggested a compromise, which has been agreed to eventually by both Houses, and has resulted in the saving of a very valuable Bill.

Senator O'Connor

- That power must be inherent.

Senator PLAYFORD

- Standing orders were- laid on the table of this Senate which were called joint standing orders, and under the heading of Money Bills, section 53, of the Commonwealth Act - that is the section which allows the suggestions - there is a series of very valuable proposed joint standing orders. They do not, however, contain a provision for a conference, which is most important. They contain a valuable provision that, supposing senators make a suggestion, the House of Representatives may accept it with amendments. I have been surprised, however, by the receipt of another copy, in which the whole tiring is excised.

Senator Best

- Because it is not a joint Standing order.

Senator O'Connor

- It is for this reason : I left in the second standing orders no matter which was likely to be debatable; but they will all come before the Standing Orders Committee, and I hope some such standing order as the honorable member refers to will be adopted.

Senator PLAYFORD

- I only want to point out, from my experience, so far as both Houses are concerned, that very useful suggestions have been made by the Council, which have been accepted by the other branch of Legislature, and valuable amendments have been embodied in the law, which would not have been there save for the power of suggestion. I do not want it to go one step further than to provide that both Houses may appoint managers to sit round a table and discuss their points of difference, It is astonishing how frequently

Ave are able to come to some compromise which, if not all that each of us want, gives us something, and is very valuable.

Senator Charleston

- The tendency in South Australia has been more in the direction of putting off the decision until that stage has been reached.

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Senator PLAYFORD

- I do not think so : I think it has worked exceedingly well. I have not been in the House for four years; but Mr. Holder informs me, and so does my friend the Right Honorable C. C. Kingston, that the power of suggestion has worked exceedingly well. My honorable friend Senator Charleston, who was a member of the Legislative Council, knows that the suggestions have been very valuable, and they would have been still more valuable if there had been this right of agreeing to a compromise in the way I have suggested. The next point upon which I wish to touch is that of a white Australia, which has given rise to the amendment now before the Chamber. I do not think . there is any necessity for discussing this question,' because all senators are absolutely agreed that we should keep out Asiatics and other undesirable aliens from Australia, come what may. The only point really in dispute .is in reference to kanaka labour.

Personally, I know little about it. I understand a great many members who come from other distant parts, like Western Australia, have also a limited knowledge of the subject. I listened, with the greatest attention to Senator O'Connor, the Vice-President of the Executive Council. That is a very long title, and I trust that I may be allowed to refer to him as Senator O'Connor. He spoke of the magnitude of the interests involved, and they are evidently very great. We ought not, as reasonable, fair, and just men to step in and

destroy this industry right away without considering what we are doing, and what the result is going to be. Therefore, I am going to take time and make a study of this question, so that when I do vote upon it I shall be able to give a conscientious and intelligent vote. I am not in a position to do that at present. I should like to hear honorable members from Queensland, who have a more intimate knowledge of the question, than other members of this Senate have. J. should like to hear their side and their views of this exceedingly important question, considering the great interest involved in it. In reference to a white Australia, there is another point I wish to make. The Government of South Australia have asked the Commonwealth to take over the Northern Territory. Why did they ask that? .Because the Northern Territory was causing a loss of something like ?80,000 a year to South Australia, which, practically, she could not afford to bear. Why was the loss occasioned, we may ask ? Because South Australia was determined to keep the Northern Territory white, and not to admit any alien labour there.

Senator McGregor

- They are nearly all Chinamen who are there.

Senator PLAYFORD

- There are 1,500 or 1,600 whites, and something like 3,000 Chinamen, so that they are not nearly all Chinamen. That does not, however, detract from my argument. The Chinese were let into the Northern Territory when they were being allowed to come in all over Australia. Directly Australia spoke out upon the matter we spoke out too, and stopped the influx of Chinese. By doing that we have suffered this loss. If we had allowed them to come in, the result would have been that, instead of tens of thousands, we should have hundreds upon hundreds of thousands of Chinamen there. We should have been able to tax all of them, and from the revenue so derived to pay the whole expenditure connected with it. That is not all. Determined as we are to keep the Northern Territory white, we have done another thing. We have absolutely refused to sell it. Only a very few years ago we refused an offer to pay the whole expense to which we had been put in connexion with the Territory.

Senator Fraser

- From whom?

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Senator PLAYFORD

- From a syndicate which had as its object the formation of a chartered company to govern the Northern Territory. The Northern Territory is not part of South Australia. It is simply granted to us by letters patent from the Government of Great Britain. They can revoke these letters patent at any time. Even the accounts of the Territory are kept separate. It was in consequence of our taking a line of telegraph right across the continent that we took over the territory through which that line runs. It was to connect the whole of Australia with Europe, and the rest of the world by means of a telegraph line that we undertook, this great work. There has only been one white man who has travelled through the continent from north to south ; I refer to Stuart. Others have only touched at the Gulf of Carpentaria ; they have never crossed from north to south. When I was in England as Agent-General, a number of leading financiers came to me and. said - " We are willing to take over the whole of the Northern Territory, to pay the whole expense you have been put to in connexion with it, to pay you for your railways, your jetties, your Government buildings, and for the loss of revenue that you have sustained during a certain number of years - amounting in all to close on ?3,000,000." I said to them- "What are the terms"? Their reply was - "The terms are an absolute sale with the right to do what ive like with the territory. We will form a chartered company to deal with it." I said in reply - "What about coloured labour"? The answer was - "We are to deal only with the Imperial Government. You are to sell it to us, and we will deal with the Home Government as to the conditions." This offer was sent out. The South Australian Government refused it - not only on the ground that it would be injurious to South Australia to have an influx of alien races into the Northern Territory, but injurious to the whole of Australia. We have kept that part of the continent white up to the present time at considerable loss to ourselves ; and we say, in common justice and fairness, that, although we are willing to bear our . share in keeping Australia white, if there is any loss in connexion with it, we should only be called on to pay our share ; that if there is to be a loss at all in the future it should unmistakably be distributed over the whole of Australia. Every State should contribute towards it in proportion to its means. That is the way we put it. I ask honorable senators to consider these arguments fairly. If they can see any flaw in them, well and good. If they cannot I say they are unanswerable, and it is



the unmistakable duty of the Commonwealth to relieve the little State of South Australia - which has done so much to keep Australia white - of this heavy burden. I have little doubt that the Commonwealth Government will undertake the responsibility eventually. While on this subject I may be permitted to say a word or two about railways, because in connexion with the Northern Territory there is a transcontinental railway. So far as this is concerned, the position is that from Adelaide in a direct line across to Port Darwin we have already constructed 688 miles of railway. My friend, Senator Fraser, constructed a portion of it., We have constructed on the other side 150 miles of railway from Port Darwin in a direct line towards Adelaide. We have, therefore, a gap of 1,062 miles of railway yet to be filled. The estimated cost of filling up that gap is £5,500,000, including all appliances necessary, rolling stock and every thing connected therewith. This is a rough estimate. No survey has yet been made for railway purposes, but we are intimately acquainted with the country because our telegraph line runs through it. This is the direct railway towards the east ; the direct route to China, Japan, Java, and the islands in the Pacific. As Senator Pulsford has pointed out, the trend of empire is going in that direction. Instead of to the west, as it used to do from Great Britain, it is going to How northwards, and we are going to cross the continent northwards, and find markets in China, Japan, Java, and the Philippine Islands. No doubt, he is correct. There is another reason why this gap should be filled. In the centre of the continent we have a strip of country known as McDonnell Ranges, where the rainfall is on an average 12 inches. We have gold there ; a battery has already been put up, and gold is being found in sufficient quantities for it to be worked. The average crushing yield for the two years approximate very closely to 1 oz. to the ton. If a railway were made, these gold mines would be more fully developed. If they were in Victoria they would be developed fast enough, but being right in the centre of the continent, and the people there having to obtain their supplies on the backs of camels, YOU can imagine the difficulties under which they are working; yet we can assure ourselves that gold in considerable quantities is to be found there, and this transcontinental line would open up the mines. The Commonwealth Government have very fairly and properly promised to look into the matter. I regard that line of railway as the most important the Commonwealth could undertake. It bridges the continent right across from one end to another ; it brings us into near communication with the east, but it is a work of such magnitude that the little State of South Australia, with less than 400,000 souls, could not possibly bear the expense and could not run the risk of it. While on this point I might mention another railway, the railway to Western Australia, of which Senator Matheson has spoken so feelingly. It is singular that the distance is about the same as that of the Northern Territory line. The length of the Western Australia line would be 1,080 miles as against 1,062 for the transcontinental line. I cannot say that there are any ranges on the Western Australia line, but I do say there is gold on the road, because we have found gold at Tarcoola, on the other side of Port Augusta, and on the direct route where I believe batteries are now at work. AYe are sure that, as far as the first 200 miles are concerned, there will be a very decent traffic, but of all the Godforsaken countries in the world that ever a railway could go through I have never seen anything to equal this. The average rainfall is 5 inches until you get to Eucla.

Senator Matheson

- What is there to choose between the two lines? What is the rainfall in central Australia 1

Senator PLAYFORD

- I think we have as low as 5 inches in some parts, but as high as 12 inches, which you cannot reach. However, we will not argue that at all. As far as South Australia is concerned, we are only too willing to bear our share of the loss which this railway will cause, because we will get a profit which the other States will not enjoy, as it goes through our territory. For some 600 miles it is an absolutely waterless country ; there are no bridges or culverts to be built. It will be the most easily constructed line under the Commonwealth with this one exception, that there will be no water. There is no water, and the trouble of getting any will make the cost the same as that of the transcontinental railway - that is £5,500,000. There is one thing I ask the Government to consider very seriously in connexion with what has been suggested by Western Australia. They propose to carry the line down to Eucla, which is close to the coast, and then take it back into the country.

Senator Matheson

- There is an alternative route.

Senator PLAYFORD

- Yes, but the line ought to go absolutely straight to Kalgoorlie.

Senator Matheson

- From where to where ?

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Senator PLAYFORD

- A detour only adds to the length of a line. Anything which you add to the length of a line, which is to be built to insure the quick passage of mails and passengers, is a disadvantage. You have no port at Eucla ; you have no country of any kind there, but it is very well provided with means of communication from the sea. The people there do not want a railway. They cannot grow anything to supply the line except cattle, which, of course, they will drive, and not train. To take this detour, and go right down to Eucla-

Senator Matheson

- Down from where?

Senator PLAYFORD

- Down from the direct line.

Senator Matheson

- Port Augusta is our objective.

Senator PLAYFORD

- After the line has gone past the Great Bight it turns round.

Senator Matheson

- Eucla is at the head of it.

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Senator PLAYFORD

- That will be fairly considered I have not the slightest doubt by the surveyors. The next question I wish to say a few words about is that of old-age pensions. In my opinion, the Commonwealth ought not to grant old-age pensions. Unmistakably, that question ought to be left to the States to deal with. If the Commonwealth does anything it should be in the direction of subsidizing the funds of the States. If you establish a system of old-age pensions for the whole of the Commonwealth you will have to appoint an army of officers- to make examinations into the claims of the different applicants for pensions. You have no officers of your own. Every State has its own policemen : every State has its own magistrates, and a State can carry out the scheme of old-age pensions, and look into the bona fides of the different applicants, with practically no expense at all. But suppose you start on a Commonwealth basis, do you suppose that the policemen in the States are going to work for you for nothing ? Do you suppose that the magistrates in the States are going to work for you for nothing ? Do you suppose that you will get the care and attention which would be given to the applications by local bodies, if the pension comes from the Commonwealth ? Do you think that the officers of a State will be very careful to inquire into the question of whether a man deserves a pension or not if the cost is going to be borne by the Commonwealth? Not at all. You are only opening the door to frauds on a most gigantic scale. You want to interest the local people. You want to take advantage of their local knowledge. If you let them know that they will have to pay the piper, they will be exceedingly careful how they will spend the money. On the other hand, you will have to go to great expense in appointing your own officers. You will have to keep an army of officers, and you will not get that care, that attention, which the local people would supply in "the selection of fit recipients for old-age pensions. I believe in an old-age pensions scheme, if it is carried out properly and judiciously. I have not the slightest objection to the Commonwealth helping in those cases in which a man has resided for a portion of his life in one State, and a portion in another State, when the laws of the States do not entitle him to get a pension ; whereas if he had lived the whole of his time in the one State, they would have entitled him to a pension. That man deserves consideration at our hands, and should receive it. But I do not believe in the payment of old-age pensions being undertaken wholly by the Commonwealth. Another very debatable question is the taking over of the whole of the State railways by the Commonwealth. I think that is one of the greatest mistakes that could be made - one of the most stupid things that we could do under any circumstances. I do not believe in the idea a bit. First and foremost, you cannot take over a railway without the consent of the State. Secondly, you will have the States looking at the proposal like South Australia would. South Australia would say - " Our railways are paying . 4 or 4? per cent. They are paying all the interest on the capital, and all the working expenses. We

do not lose a penny on them. We have not lost a penny on them for the last year or two. A year or two ago they paid 5 per cent. On the whole they have paid their way, and given the Treasurer a small sum to put into the Treasury, and thereby relieve taxation." But go to some of the other States, where the railways have not paid at all, and are not likely to pay. Why should our railways, which are a paying concern to us, be bound to make up the deficiency which will, undoubtedly occur on the Queensland and other railways? The tiling is simple nonsense. It cannot be done, and I do not think it ought to be done. I do not think that under one great central management the railways of this continent can be properly controlled. I know that such a system would introduce into this Parliament one of the greatest curses that ever could be introduced into a Parliament, and that is the curse of log-rolling. Directly you takeover the railways and you say that for the future all railways shall be the property of the Commonwealth, you will have to construct lines of development in the different States, and then\* you will have Queensland and South Australia combining, and Queensland saying - "You vote for our railways in Queensland, and we'll vote for your railways in South Australia, and we'll both manage to carry our lines." Whatever we do, I think we ought to be kept out of temptation. I do not mean to say that we would yield to temptation, but there is a prayer somewhere which says - "Deliver us from temptation." If there could possibly be a tempting subject introduced into Parliament, it is that of the railways. Consider the trouble we should have in deciding as to whether a railway would pay if made. A great many railways which would not pay the Commonwealth, would pay the States. A State may develop a piece of country and put a population on the soil and grow valuable products for export by means of a railway which does not pay them directly, but which pays them indirectly. The chances are that the Commonwealth could not do that. It would be a very bad thing for the Commonwealth if the railways were ever taken over from the States. I know the argument that will be used. The argument is that, unless the State railways are taken over, you will have a continuance of the present cut-throat policy with all its unfair differential rates. What is the good of the section of the Constitution which gives you the power of appointing an Inter-State Commission to put a stop to this competition? Either you have this power or you have not. If you have the power you do not want to buy the railways of the States to prevent the competition. If you do not possess the power, evidently you have not got what the framers of the Constitution expected and intended that you should have.

Senator DE LARGIE

- What about the honorable senator's transcontinental railway?

Senator PLAYFORD

- I have not proposed to take over the whole of the railways, but there may be some railways which the Commonwealth might take over. I am arguing the question of taking over the whole of the railways; I am not arguing the question of taking over some of the railways. I believe it may be advisable for the Commonwealth in the future to take over a line of railway, such as the line from Brisbane to Sydney, the line from Sydney to Melbourne, the line from Melbourne to Adelaide, and the line from Adelaide to Perth, to work these lines as Commonwealth main lines, but certainly not to take over the railways as a whole. Now I come to the postal question. I am very glad to see that it is mentioned in very cautious language in this speech -

As soon as practicable, the postal and telegraphic rates of the several States will be assimilated, and, when the finances of the Commonwealth admit, an uniform and, if possible, universal penny postage rate will be established.

I had the pleasure of listening to Senator Drake at the meeting at the Town-Hall, at Adelaide at which the Prime Minister spoke. I heard the honorable gentleman speak there in such a sanguine tone about the introduction of penny postage, that I pricked up my ears, and I thought I would look into the question. He did not absolutely commit himself - for he is too old a politician for that - but he did go as near as he could. That great meeting dispersed to the tune of "Let us be joyful, we are going to have penny postage as soon as the Commonwealth Parliament can pass the necessary law." I looked up the matter to see whether it was possible to carry out the idea.

Senator Drake

- I would like to see the report of that speech.

Senator PLAYFORD

- There is an opinion that our postal service is paying. I have the results of the operation of the postal

services in the different States for the year 1900. New South Wales lost the magnificent sum of £80,254 ; Victoria., £46,504 ; Queensland, £12,248 ; South Australia-, £6,285 ; Western Australia, £51,063; while little Tasmania, to her credit be it said, made a gain of £14,147.

Senator Dobson

- -That is exactly the profit' on Tattersalls ; about £15,000 a year we get from that source.

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Senator PLAYFORD

- What does it all come to ? With the present rates, you are losing practically £300,000 a year, after deducting, of course, the £14,000 which is gained by Tasmania. We had a postal conference here not long ago, and it brought up a report in which it was stated that a penny postage would occasion a loss of £300,000 a year to the revenue.

Senator Drake. - That is on paper.

Senator PLAYFORD

- I think the heads of the department knew what they were talking about. I am quite sure that Sir Charles Todd from South Australia did, and the Tasmanian man, I think, would know something about it, too, for he works his department to a very good purpose. That would mean £600,000 a year. What are the principles on which the postal and telegraphic services should be conducted? That is a question we have to ask ourselves. There is only one principle to be considered. For the people who use the Postal and Telegraphic departments, we are public carriers. We carry for them their letters and messages, and the least we, can ask is that for the services we render to them they shall pay sufficient, at all events, to enable us to meet our working expenses and the interest on the money we invested for their comfort and convenience.

Senator Fraser

- Unless there is extravagance.

Senator PLAYFORD

- That is the principle we ought to go upon. If we do not follow that principle, how will it work out ? I will take the case of a friend of mine, who mentioned exactly the position which would obtain if penny postage were introduced in his case. A miller in South Australia said to me - " Taking the twelve months through, I spend £40 on postage. If penny postage were introduced, I should spend £20. I should not write any more letters. I write all that are necessary now for my purpose. I might write one or two more possibly, but I hardly think so. Who would make up the deficiency ? As the Commonwealth is only going to raise its revenue from Customs and Excise duties, and as Customs and Excise duties will touch everybody, the men working in my mill, who hardly ever send a letter a year, will have to put their hands into their pockets to make up that loss on my letters. I shall have to put my hand into my pocket as one individual, having gained £20, and my workmen and the poorer members of the community will be the losers." I do say to the Government - " Reduce your rates as much as you can, so long as you can show that you are not going to have a very big deficit the first year, and so long as you can show the Parliament that the probabilities are unmistakably in favour of the deficit of the first year being less in the second year, still less in the third year, and ultimately wiped out by the increased business." I do not object to a small deficit in a matter of this sort, if that is going to be the result. But I do object to an annual loss of £300,000 or £600,000, and to our dipping our hands into the Customs revenue, which rightly belongs - except so far as Commonwealth purposes are concerned - to the several States, and making the contributions which are to be made to the States so much, less in consequence of our policy, and practically forcing them to impose increased taxation. I come now to the most important question of all. The most important question which could engage our attention is unmistakably that of economy. You cannot be too economical so long as you are not parsimonious and mean. Economy should undoubtedly be the watchword of the senators, who are especially sent here to represent the States as States ; who are especially sent here to represent the smaller States, which in the House of Representatives are so greatly out-numbered by, at all events, the two larger States. We should therefore look with very great care at all expenditures. Here is one expenditure which I think we ought to stop.

Senator Pulsford

- -What about the plunder Tariff the honorable senator wants ?

Senator PLAYFORD

- On that subject I do not think the senator wants me to go back and say a few words to convince him about the plunder or blunder Tariff. We will leave that alone at the present time.

Senator O'Connor

- He cannot be convinced.

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Senator PLAYFORD

- Undoubtedly, we ought to be economical. There is one point on which I distinctly disapprove of an expenditure which has been or is about to be incurred. The Commonwealth Act says that the number of Ministers of State shall be seven, and that their remuneration shall be £12,000 a year. I am informed that the Ministry intend, not only to have that Ministerial allowance of £12,000, but the allowance of £400 a year each as members of Parliament. I am informed that the Prime Minister is to receive out of that £12,000 £2,100, and to get £400 as a Member of Parliament, practically a salary of £2,500, and that the other Ministers are to get with the parliamentary allowance of £400 a salary of £2,000 each, leaving them a little sum to divide among the whips and so forth. Whatever we do we ought, to pay a sufficient and liberal salary, but it should be done fairly and above board, and should not include fees or remuneration of any kind. The people of the community will, when they see that the Prime Minister receives £2,100 as salary, forget in a very short time that he is receiving another sum of £400, or in all a salary of £2,500. Precisely the same thing will occur with the other Ministers. I am not saying whether it is too much or whether it is too little, because in the Commonwealth Bill, which I had a hand in framing, we proposed that Ministers should divide among them £15,000 a year, and that Members of Parliament should be paid £500 a year. That £15,000 a year was reduced by the Convention of 1897, when I was in London, to £12,000, and the parliamentary allowance was reduced to £400. I entirely disapprove of Ministers dipping their hands at all in the direction I have indicated. I know that in South Australia, where we have payment of members, Ministers do nothing of the sort.

Senator Sir William Zeal

- No more do they do so anywhere else.

Senator PLAYFORD

- I do not know that Ministers do so anywhere else. It is only fair to the State to say that in the Payment of Members Act in South Australia there is a direct prohibition against men receiving payment as members when they become Ministers of the Crown.

Senator Sir William Zeal

- So there is in this State.

Senator PLAYFORD

- The provision is not made in the Commonwealth Act. It almost took my breath away, Sir, when I heard a certain statement. I do not know whether the statement is true - I hope there is no truth in it - but still it may be well to give Ministers an opportunity to say whether there is any truth in it or not. It has been agreed, or it is about to be agreed, that the railway revenue of every State shall receive a contribution of £100 for the carriage of each member of the Commonwealth Parliament. When you come to reckon the contributions to the six States you will find that the cost of free passes for members will amount to the magnificent sum of £60,000 a year. Surely that must be wrong.

Senator O'CONNOR

- It is absolutely untrue.

Senator PLAYFORD

- I am very glad to bear it. I did not say that I believed it, but I gave the Ministry the opportunity contradicting it in as public a manner as possible. Whatever we do in this respect we should do fairly, and certainly Tasmania cannot expect us to pay, except to a very small extent, for railway passes over her railways. The same thing applies to Western Australia, and South Australia could not expect so large a sum in proportion as Victoria, nor could Queensland expect so large a sum in proportion as Western Australia.

Senator Sir William Zeal

- The Western Australian members should get their steamer passages.

Senator PLAYFORD

- That is another point. I contend that Western Australian and Tasmanian members should get their

steamer passages. It is only fair that they should be put in the same position as those from South Australia. We have free railway passes, and do not have to pay for them out of our own pockets. Now, if we are to be economical, economy should start at home. I see in the Standing Orders that a Chairman of Committees and a Deputy President is to be appointed, and I say there is no necessity for such an appointment. You, sir, presided over the Legislative Council of South Australia for many years. You never had the assistance of a Chairman of Committees, and never required one.

Senator Sir William Zeal

- This is a larger affair.

Senator PLAYFORD

- I do not think so, except for the first session, perhaps. Our legislation may affect bigger interests, but it will not take a longer time. I am confident that, so far as this session is concerned,, when possibly there may be some excess of work, there are members of this House, who have had considerable experience in Parliament, who would be only too pleased, without any payment, to relieve the President whenever it might be deemed desirable or necessary. I am quite sure also that you would find that the work of the Senate would go on equally satisfactorily.

Senator Sir William Zeal

- The honorable senator cannot expect the President to be always in the chair.

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Senator PLAYFORD

- He can always get some one to relieve him. We should set an example to the States, and show that we are determined that the Commonwealth shall be established on lines of economy. You must recollect that we are taking from the States a portion of their revenue, and if we want to make this Commonwealth unpopular, if we want to make it cursed throughout the length and breadth of Australia we have only got to be extravagant, and so extravagant that the amount of revenue received from the Customs which has to be returned to the States will be so small that they will be forced into direct taxation, the only form of taxation they have got. If there is any form of taxation that falls most heavily upon the taxpayers it is direct taxation. You can take a lot of money out of the pockets of the people by Customs and Excise. They pay it in dribbles, and do not know that they are paying it. But it is a different matter when you ask for so much income tax or so much land tax. Therefore I think it is not only right and proper that we should be economical without being parsimonious, but it is in our own interests that we should show the people whom we represent that we are 'determined to work this Commonwealth on as economical lines as possible, that we will not pay more cats than catch mice, and that we will in our own Chamber set an example by showing that we can make some small economy in connexion with the chairmanship of committees.

Senator HARNEY

- I do not know if in my remarks I can add anything useful to what has already been said, but it is only fair that I should accept the challenge thrown out by the courteous representative of the Government in this House, and, although I may be unable to enlighten the subject, throw some light upon the Senate by letting honorable members better know the character and faculties of those with whom in future they will have to deal. I must say that when I perused the address the impression it left upon my mind was that the party who framed it and the person who phrased it were exceedingly frightened of those who were to read it. Its tone from first to last is one of compromise and conciliation. Whenever it was apparently suspected that the "matter touched upon would lead to controversy, the language was made timid and plausible as though to say - "I unfortunately may have to tread upon your corns, but I do not mean to do any harm to you, and I will make it up to you in other ways." It is only when the speech touches upon grounds where we are well known to be at one, that we find that vigorous and decisive language which, coming from a Government that says it is so strong, ought to be its dominant notes from first to last. It seems to me that, as the address purports to contain reasons for the summoning of Parliament, it should set forth certain well-defined notions upon a well-defined policy ; otherwise there are no reasons for summoning Parliament.

Senator McGregor

- The honorable senator wants something he can fight about.

Senator HARNEY

- Exactly. We want something one can fight about. It is not a tribute to the fight able qualities of the House that the speech should have been couched in language so elastic that it may be stretched to cover anything necessary to the maintenance of a majority.

Senator McGregor

- The honorable senator does not believe in conciliation 1

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Senator HARNEY

- I do, but not before some opposition has presented itself. Now, the first subject I will touch upon is that of alien immigration. That has been brought prominently forward by reason of the amendment moved by Senator Millen, which I, for one, do not intend to support. The clause in the speech reads that there should be a gradual abolition of the introduction of labour from the South Sea Islands, and Senator Millen wishes to substitute for the words "gradual abolition," the words "at once." The question seems to me to resolve itself into two considerations - first, whether the immigration of kanakas should be prohibited at once ; and secondly, whether it should be prohibited at all.' Now, as regards the first, I listened with very great pleasure to the exceedingly lucid exposition of the subject given by the representative of the Government in this Chamber. I must say that he has entirely converted me to his way of thinking. It would appear from his statement that these kanakas are employed under contracts terminable at varying periods within three -years, and it would also appear from a remark unconsciously made by Senator Millen that a great advantage accrues to the white man by the employment of the kanakas. I think, therefore, it would be unfair to subject some of the white employers to a disadvantage at an earlier period than others. Senator Matheson has said that this makes no difference, because if you prohibit them at some time or other you commit an act of. unfairness. But my answer is this : - If at some time or other you are to commit an act of unfairness, that is no reason why you should aggravate that act, or do what is avoidable ' by making the unfairness in one case greater than it would be in another. But I do not agree with Senator Matheson that you need commit an act of unfairness at any time, because, if it is right to prohibit kanakas, then there is nothing unfair in doing so, provided you give a reasonable notice beforehand to those who employ them ; and I think such a notice would be one expiring at the termination of the contracts that now have the longest time to run. But that really is not the whole difficulty. I heartily agree with what every speaker has said, that it is advisable to have a white Australia, and I entirely sympathize with the remarks of my friend, Senator McGregor, in the able and interesting speech which he made some days ago, that we should do nothing to bring about the inoculation of our people with the infections and contaminations of the East. I also agree with Senator Higgs, that, in the graphic language of Sir John .Downer, we should do nothing to enable these people to starve us out. I further agree with what was said by Senator Smith, that in America to-day one of the greatest national grievances is the mixed race that has risen up by reason of the lax laws against aliens in the early, days. In Australia the fear of that evil is magnified tenfold, because while in America you had only two contiguous peoples, you have in Australia a small population of 4,000,000, surrounded by countless millions of inferior races, supplying all those temptations which their long hours of work and their cheap wages can give to the white settlers requiring employees. I- am firmly of opinion that we should have a white Australia/but we should pause well arid see that in our attempt to remove one evil we do not create a greater in its place. Like the last speaker, I have personally no knowledge of this subject; and while I am content to listen and learn, I must say I was - strongly impressed with the remarks of the Honorable Senator. O'Connor. It is not for us lightly to interfere with an industry in which the capital employed varies from ?5,000,000 to ?7,000,000, and in which the number of Europeans engaged is over 22,000, particularly when these Europeans are not items in wealthy companies, but themselves independent proprietors. I therefore, like Senator Playford, will reserve my opinion until I have had an opportunity of more fully investigating the matter, and until I hear the result of the inquiries now being made. If the result of those inquiries satisfies me that it is possible for this industry to progress by the employment of white men, then I will regard it as no objection that they charge higher wages, and that there is less profit in the industry. I will then throw in my voice with those who echo the sentiment which exists in every Australian breast, that we should have upon this vast continent no inferior race to mar the prospects of our own people. But if the result of these inquiries satisfies me that with the kanaka must go the industry, which means, not merely a loss to those immediately concerned, but a loss to the entire national wealth, in which we all share, then I think we shall

have to consider whether it would be better for us in these southern districts to have only a sovereign in our pockets, with the knowledge that the whole of this Australian continent possesses no coloured skin, or to have 25s. in our pocket - the 5s. additional being placed ' there by our share in the distribution of the wealth that these people help to create.

Senator McGregor

- That is a doubtful policy.

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Senator HARNEY

- Well, my answer to that is, better to doubt before than to regret afterwards. I think it is better to keep one's mind in a state of suspense upon, this subject, until one has an opportunity of forming an intelligent judgment, and I am entirely opposed to those parrot cries which, under the stimulus of popular prejudice, would come to a conclusion before they have heard argument. There is another subject upon which I would like to make some remarks. It is that of the establishment of the Australian High Court. I have listened with great pleasure and interest; and with much instruction, to the able speeches delivered by Senators Sir Josiah Symon and Sir John Downer. If it is not impertinence on my part to express an opinion, I must say that, in their opposing views, I entirely agree with Senator Sir John Downer. Senator Sir Josiah Symon would have us think that the delegation to London resulted in something that we ought to be proud of. Senator Sir John Downer takes the opposite view, and not only do I agree with him, but I go further, and say that the compromise there, effected puts us in no better position than if what was asked by the Imperial authorities had been conceded to the full. Indeed, it puts us in an infinitely worse position than if all reference to a High Court of Appeal had been eliminated from the Bill altogether ; because, sir, what? was the state of the law before this meddling took place ? We then had our Privy Council, which was the final arbiter of our constitutional and private rights. I think there were grave and are still grave objections to be urged against that I think that having any tribunal 13,000 miles away adjudicating in ignorance of our local conditions, at enormous expense and at a more enormous waste of time, is an anomaly which should not be encouraged. That was the objection which existed before, but we have to ask ourselves does that objection no longer exist ? I followed every word that Senator Sir John Downer said upon the question. What is the meaning of this compromise? It is this, that in all constitutional questions the Privy Council has still a qualified superintending power. There is still a qualified right of appeal in such matters, and in those bigger matters, our own individual rights and liberties, there is a right of appeal to the Privy Council every iota as strong as it was originally.

Senator Sir William Zeal

- A very good thing too.

Senator HARNEY

- No; it is worse. There is added to it now a third appeal court. If you are dissatisfied with the decision of the Pull Court, you can, as heretofore, go direct to the Privy Council under the prerogative right, or go -to the High Court, and after you have spent your time and money, perhaps exhausting both in going to the High Court, you are as far off finality as ever, because you can still be brought to the Privy Council.

Senator Sir William Zeal

- That is free-trade.

Senator HARNEY

- They say that the greatest sign of genius is to find similitudes in the most distant ideas. My honorable friend must have great genius.

Senator Sir John Downer

- It is not protection.

Senator O'Connor

- It is high Tariff probably.

Senator HARNEY

- The effect of leaving in existence the right to go to the Privy Council, and yet adding a third appeal court, is a very great danger, because every lawyer knows that one of the evils of too many appeals is that the rich man may, by going from tribunal to tribunal, and disregarding the opinions given against him, exhaust the poor man, and thus beat him by a process of wearing him out and not by justice. I do not know whether Senator Sir John Downer agrees with me in this proposition, but it seemed to me to be the only



inference from his remarks, that we should either have no High Court of Appeal at all in Australia,, or it should be the final court. In my opinion, it should be the final court, because, apart altogether from the saving in expense, from the saving of time, and the knowledge that our local Judges would have of the local surroundings of the litigants, I entirely agree with the remark that fell from Senator Sir John Downer that in going on from the High Court to the Privy Council there is absolutely no presumption of greater justice being done.

Senator McGregor

- Does the honorable senator want to cut the crimson thread ?

Senator HARNEY

- My friend comes from a party that knows little of disinterestedness. We, of the unfortunate brethren who live 'upon the precarious results of the law, are given up to these considerations, of philanthropy and the rights of others.

Senator MCGREGOR

- The poor man has a lot of advocates.

Senator Barrett

- If he has some money.

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Senator HARNEY

- There is no presumption of greater justice being done by passing the High Court and going to the Privy Council, because when a decision has passed from the Judges of Nisi Prius, the Pull Court and the High Court, then, if all these judges are unanimous, or practically unanimous, in their opinion, no litigant should be encouraged to hope for other justice by going further. If there is a diversity in their judgments, then I say that the difficulty is not in the lawyers, but is inherent in the case itself. It then becomes a question less of the fallibility of; 1, human judgment than of the fallibility of . human jurisprudence. It is one of those; border-line cases, which fall within no ascertained legal principles, and in which therefore, it is impossible for any lawyer or jurist to give a settled opinion one way or the other. After all, what is all law but the collection of principles representing the rule running through certain sets of facts, and these, though multiplying for generations, yet leave many cases which are foreign to all of them. Where cases do arise like these the experience of lawyers is that they are the cases which go from one appeal court to another, the ultimate decision being dependent, not on the state of the law, but on the idiosyncrasies of the final tribunal. The decision is a matter, not of jurisprudence, but of speculation. These remarks really only lead up to the practical question of what we ought now to do. The Constitution as framed contains the objectionable section I have referred to. For many reasons, which I will deal with before I resume my seat, it is inadvisable to alter the Constitution, and we have, therefore, to consider how now we can prevent the ill-effects of the section as it stands. I would suggest to the representative of the Government in this Senate that the Government can do much in that direction in the drafting of their High Court Bill ; they can, by creating difficulties as to getting a stay of execution, by requiring deposits of money, by rendering complex the machinery, make it almost impossible for litigants to go further, and by so doing-

Senator Sir Frederick Sargood

- That would make it worse for the poor man.

Senator HARNEY

- No, because, as I have explained, once the case has reached the High Court then the decision there given, if in accordance with those already given, ought to be final for rich or poor. If it is not in accordance with the decisions already given the variance in the judgments is not due to the fault of the Judge, but is inherent in the wise itself. By so doing I think you will bring about finality in the Court of Australia, and at the same time you will preserve the sentiment of Imperial superintendence, which is held to be desirable. If you are going to make this Australian Court a tribunal of last resort you must, in my opinion, give to it the authority, you must clothe it with the dignity, you must cast round it a halo worthy of the highest tribunal in this great and growing nation. You can only do so by taking steps to insure that your bench represents the highest judicial eminence, the fullest colonial experience, and that it possesses in the greatest possible degree the public confidence.

Senator McGregor

- Cannot the honorable senator get a few philanthropists on it ?

Senator HARNEY

- I hope we will have many philanthropists on it, and if my friend was as well acquainted with courts of law as I am, he would perceive that in most Judges the complaint lies less against their sense of righteousness, or of their carrying out what that sense prompts, than in their inability to come at all the facts of the case. No suggestion is well grounded which implies that a Judge on the bench is affected in his decision by anything other than his idea of justice. I respectfully suggest to the leader of the Government in this Senate a few considerations with the view of securing to this bench the character that I think it should possess. First of all, I consider there should be at least five Judges.

Senator Sir William Zeal

- How many appeals will they have from all the States 1

Senator Barrett

- About two too many.

Senator Sir William Zeal

- About one per State per annum.

Senator HARNEY

- The number of appeals to the Privy Council is very much higher than the average stated, and the number of appeals to the High Court would be fifty times as great. It is not that litigants are content with judgments they obtain here, it is not that their litigious spirit is satisfied that they do not more often appeal, it is because they cannot contemplate the prospect of waiting two years and throwing away a thousand pounds to get a judgment from the Privy Council. I think the number of appeals would multiply enormously in the case of the High Court.

Senator O'Connor

- Hear, hear.

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Senator HARNEY

- I think you should have five judges. It is desirable to have an odd number for many reasons. Seven would be too many, and three would be too few. We have to bear in mind that the High Court will have a good deal of chamber work, that it will have other tilings to do besides hearing appeals. Then a Judge may be sick, a Judge may be absent, and this is not a tribunal in which, in case of the absence or inability through sickness of any judge to attend, his place can be supplied by an acting justice. That would at once lower the dignity of such a tribunal. I have ascertained that in Canada, which has only a population of about 5,000,000 - very little larger than our own - they have a Chief Justice and five puisne Judges, and we have no reason to doubt that the Australian people will be less desirous of bringing their quarrels to the arbitrament of a court of justice than the people of Canada.

Senator McGregor

- Whatabout Senator Playford with his economy 1

Senator HARNEY

- I think Senator Playford's economy does not altogether accord with wisdom, if he will allow me to say so. Another suggestion I wish to offer - and here I expect to have a chorus of dissent from the Labour corner - is that the judges should receive not only high, but very high salaries.

Senator Sir William Zeal

- ?10,000 a year.

Senator HARNEY

- I am altogether disinterested in making this suggestion - I do not hope to obtain a seat on the bench yet. In Ireland we have a population of nearly the same number as Australia, and we have seventeen or eighteen Supreme Court Judges. The lowest salary received is ?3,500, and the highest, the Lord Chancellor's, ?6,000. The salaries paid in Australia have always, in my humble opinion, been disgracefully low. We should have the bench in every State, and in every part of the world, composed of men who are the flower of the bar. You would not like to submit your case to a court where the person arguing the case to the bench was an abler and more experienced lawyer than the person before whom he went through the anomalous farce of bowing and scraping and acknowledging superiority. It is an anomaly to have a third or fourth rate practitioner making more at the practice of his profession than the Judge on the bench receives. That exists all over the States.

Senator Sir William Zeal

- Nothing of the kind.

Senator HARNEY

- I happen to be a lawyer, and have practised in a State for some years. I know persons who are not worthy to fasten the shoe-laces of the Judges who have been earning more from the practise of their profession than the Judges have been getting in salary. The salary should be sufficient to attract the highest talent from the bar. Do my friends think this is a mere matter of reward for those who are members of the profession? Do they not know that there is a deep constitutional reason underlying the payment of big salaries to Judges? Are they not aware that if the bench is to hold in the eyes of the public that dignity and that weight which are essential to the due administration of justice the Judges should by their salaries be lifted above all petty need? They should be placed on a pinnacle where no corrupt influence could for a moment approach. They should be enabled by their salaries to hold a social prestige and an aloofness which will beget in the minds of ordinary litigants a feeling of sacredness for them, and thereby one of reverence for their office. There is another suggestion. I think the judges should have absolutely no connexion with the State Benches. You may, if you wish, and you ought to, take the ablest men upon these benches, but, once they are sworn in as members of the High Court, they should for ever should cease their connexion with the State Benches. I may here say, in parentheses, that there may be a great deal of delusion attaching to the dignity that surrounds a Judge, just as there is in many other things; but no one philosophically well-informed can have failed to recognise that half of our public ends are brought about by wise delusions. What you have to do with your Judge, just as you have to do with your clergyman, is not so much to reward him for what he himself does, as to make the public - revere and think highly of him - to fancy that he is a very much superior person to what he really may be.

Senator Higgs

- The public are not so ignorant as all that.

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Senator HARNEY

- The public in Queensland may be very knowing, but the impact all over the world are ruled by these delusions, and they are usually more subject to them in the districts where they talk the most about their being free from them. I think, therefore, it is imperative, if we are to have the character that I would desire in this High Court, that the general public should have ingrained in their thoughts this notion: that no leanings, no tendencies shown by the Judge in the State Court have been brought up to the bench of the High Court, and you will never dissociate that notion from their minds, if on any occasion you allow a Judge who sat on a State Bench to subsequently sit, while his connexion with the State lasts, on the High Court Bench... I have another suggestion, and I know that the representative of the Government does not regard it as in any way impertinent on my part to make these suggestions, because, if there may be nothing in them, they may at all events supply food for reflection, and result in the outcome of something that will be of weight. I think we should have, as nearly as possible, a Judge chosen from each of the States. Australia is a very vast area. We have various industrial conditions; great variety in our modes of life; great variety in our social characteristics; and a greater variety still in our laws and practice. It is, therefore, most desirable that any bench you may create for the purpose of adjudicating upon matters which may come from any of the States should contain a person who will answer the description of an expert from each State. It is desirable that no litigant can be heard to say - "I lost my appeal because the High Court Bench had no one on it to tell the others about the peculiar conditions, about the environment which surrounded the facts of my case." This principle has been adopted by the House of Lords. While I was in the old country - in Ireland - a debate took place in the House of Lords, in which it was pointed out that, having regard to the amount of law that was done in Ireland, and to the peculiarity in the characteristics of that people, it was wrong to have only one Judge, and that was Lord MacNaghton from Ireland on the Judicial Committee. Another Judge was then added. They then had one from Wales, two from Ireland, and two from Scotland, and three, I think, from England. Only last year, if I remember aright, they extended the same principle to the colonies, and now we have, a Judge from Australia, a Judge from South Africa, and a Judge from Canada. I think we cannot do better than follow that example. To sum up, then, my ideas of this court come to this: You should have five Judges; you should have them as nearly as possible chosen from each State; you should pay them very high salaries,

far out of proportion to the miserable pittances they now obtain, and you should have them, once they take their seats on the High Court Bench, entirely sever their connexion with the State Bench if they are taken from it. Such a court as this, sir - at least such a court as I conceive - would, of its own inherent force, prove a court of final jurisdiction. The barrier of difficulties I have suggested that we should raise in order to right the errors of the compromise that was made in London would soon prove a barrier of velvet. No one would feel its pressure - no one would seek to surmount it. Every litigant who entered the portals of this tribunal would do so in hopeful expectation, under the motto, *Fiat justitia, ruat caelum*, and he would leave it whether successful or unsuccessful, content that justice had been done. Before I leave this subject let me make one more remark which has been suggested to me by the language of economy used by Senator Playford. If we would elevate this court into being the final arbiter of our individual rights and liberties, as we have already elevated it into the solemn, and proud position of being the guardian of our Constitution itself, we should be very careful - we should pause well - before we allow any paltry any penurious any ideas of social levelling to for one moment or in the slightest \_ degree interfere with the dignity, the weight, the public confidence that such a court should possess.

Senator Sir Frederick Sargood

- What would our creditors say if they only had such a court to deal with ?

Senator HARNEY

- I know what they would say.

Senator Sir John Downer

- They would congratulate us upon it, I should think!

Senator HARNEY

- They would say this : We hesitated and trembled for a long time when this court was suggested, because we thought it would be wretched, , poorly paid and subject to corrupt influence ; but now our fears are dispelled, because we see standing erect on the young land of Australia a court which in weight, which in prestige, which in dignity is able to vie with our own highest tribunal at home, which has a local knowledge which we can never possess, and whose decrees are, therefore, more likely to be in accord with sound judgment.

Senator Sir John Downer

- Is there any appeal from the Russian courts to the Privy Council, because we lend them a great deal of money 1

Senator HARNEY

- No, though they have as much reason to fear that we should not do right.

Senator Keating

- There is no appeal from the American courts or the Turkish courts.

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Senator HARNEY

- Another matter on which I am called upon to make a few remarks is that of the transcontinental railway. I was very sorry to see that Senator Playford, who comes from the State which ought to be anxious to lend Western Australia a helping-hand, should have so studiously endeavoured to belittle it. I think the phraseology of the speech is very ominous, because it says -

Examinations of the country intervening between the railway systems of South and Western Australia are now in progress, together with other inquiries.

What are these inquiries.? Are they into' the proposed route? No. That would be an inquiry following upon, not preceding, the determination to construct the line. Are they inquiries as to whether it is advisable to connect Western Australia with the rest of Australia ? No ; because the second clause answers that. Isolation is the chief obstacle; and that isolation ought to be removed. What then are these inquiries ? They are - they must be - as to whether it will be a paying concern.

Senator Playford

- As to the cost.

Senator HARNEY

- As to whether it will pay on the capital put into it.

Senator Playford

- No, no. As to the cost. They are examining the route.

Senator HARNEY

- What is the necessity for examining the route until you have decided to construct the railway ? If you are going to construct the railway-

Senator Playford

- Does not the honorable senator want to know what it costs first?

Senator HARNEY

- Does not the honorable member agree with me then ?

Senator Playford

- We want an examination to know what it will cost.

Senator HARNEY

- The interruption of my honorable friend shows that he entirely agrees with the observation I am making. The only object of these inquiries must be as to whether, having regard to the cost, it will pay or not.

Senator McGregor

- How can you tell the cost until you know the route ?

Senator HARNEY

- I do not suggest for one moment that it will not pay ; but I respectfully put it to the Senate -whether that is the ground on which its construction should mainly rest. I think it rests on another and a higher ground - on the national ground - the ground of defence, and also on the ground that was put by Senator Matheson that there was a distinct understanding when Western Australia joined in the federal bond that this rail way would 'be built. Senator O'Connor challenged Senator Matheson to say where was the promise given. No direct promise was necessary, but a direct negation lay upon the Government, the onus lay upon them, because when we have

Major-General Edwards' report suggesting this railway, when it was in fact the germ from which federation grew when we have South Australia intimating to Western Australia that it would give its consent, surely it lay upon those in authority to say to Western Australia - " You are deluded; we do not intend to construct this line." We have not to show a direct promise : they have to show a direct negative to the implication that naturally arose. I think that there is a ground which is mosaiced into the whole federal structure, that should strongly appeal to this House. For Western Australia federation will never be complete without this railway. You may remove your customs barriers, sweep aside the obstacles that hold us asunder; but we shall still require the iron chain that is to fasten us together ; and even though it did mean a slight commercial loss - I do not say it would - even though it did mean a slight sacrifice, would not that sacrifice be well made at the price of greater national security, of greater national unity, and, having regard to the promise which was implied, of greater national honour? The question I now come to, if I have not detained the House too long, is the fiscal issue. I do not intend to go at any great length into this question, because another and more appropriate opportunity will be afforded when we can discuss it unencumbered by other topics. But there are a couple of remarks that senators have let fall, which I think call upon me to make some comment. Senator De Largie stated that, in his opinion, this question should be determined upon a referendum. I know that is an old theory of the able party to which he belongs. I am not aware that he has yet become or even aspires to become and thereby depart from the principles of his party a member of that idle and lazy body in which I and others may make our livelihood.

Senator McGregor

- Philanthropists.

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Senator HARNEY

- But if he were, he would recognise how difficult it is, sometimes impossible, to make even a very simple issue intelligible to that intelligent body which constitutes the palladium of British liberty, and he will therefore ask himself whether a tribunal of the whole people, which, presumably, is less intelligent than a picked twelve of them, is the best in the world to determine a question which of all others is noted for its complexity and its details. If ever there was a question which required to be solved by the dry light of reason, as it is called, it is this ; and if ever there was a question that would for ever be obscured when viewed through an atmosphere deeply saturated with party passion and class prejudice, it is this same fiscal question, that so glibly is to be left to the voice of the whole people. I mean nothing at all disrespectful to the great voxpopuli. It is generally, and on simple issues, intuitively right, but it is equally

generally on questions of detail argumentatively wrong. In this connexion I cannot help quoting the remark of Ruskin, and I do it without any disrespect, that on questions of this kind " a few wise hearts are better than a wilderness of fools."

Senator DAWSON

- Why did the honorable senator submit federation to the " wilderness of fools."

Senator HARNEY

- Federation was a simple question not marred by details.

A Senator. - Nonsense.

Senator HARNEY

- The answer to that is found in the question itself. The question was " Yes " or " No " for the Bill, and the question now is, " Are you going to draft a Tariff Bill with all its different and varying items, and ask the people to say " Yes " or " No " to each item. If you are, your Tariff Bill will only be the precursor of a million Tariff Bills - so many differences will arise that a majority will be satisfied with none. Senator McGregor seems to imply that none of the speakers on this side understand what is meant by a revenue Tariff.

Senator McGregor

- No, a free-trade Tariff.

Senator HARNEY

- Well, I will endeavour to give an explanation. Free-trade is not the absence of all customs duties. Free-trade is the absence of customs duties of a protective character.

Senator McGregor

- That is a revenue Tariff.

Senator HARNEY.- Will the honorable member keep his observations to himself for a moment ?

The PRESIDENT

- I would ask Senator McGregor not to interrupt so much.

Senator HARNEY

- I maintain that you have free-trade so long as you do nothing to interfere with the freedom of trade, that is so long as you do nothing to limit or affect the quantity or quality of imports. I can readily conceive a Tariff, a very substantial revenue Tariff, that will answer that definition. If you impose duties on commodities that you must use but cannot produce locally then you do . not lessen by ?1 the exchange through the port, whilst at the same time you provide a means of revenue.

A Senator. - That is a revenue Tariff.

Senator HARNEY

- I do not care what you call it. But that is my definition of freedom of trade. Senator Pulsford has very kindly given the etymological meaning of the word "free-trade." I do not require to go into etymology to define free-trade. I regard free-trade as meaning no hindrance to trade of any sort.

Senator Playford

- If you have a Customs house you have a hindrance.

Senator HARNEY

- No ; you have not, if you have your customs duties upon those imports which you do not produce yourself. Take tea for instance.

Senator Drake

- We can grow tea.

Senator HARNEY

- If you put a duty on tea you do not lessen by ?1 the amount of tea that will come in, because you cannot get tea in Australia.

Senator Drake

- Oh yes you do.

Senator HARNEY

- You do in the theoretical sense that people may use coffee or whisky instead of tea. I am not a very deep student of the subject, but I have tried as far as I could to form an intelligent opinion upon it. Let us not quarrel about words which may have a different connotation according to the view of the speaker ; let us talk about things themselves. What I approve of is a Tariff that aims at paying into the Treasury box every penny that comes out of the consumer's pocket. As long as you secure that what is paid by the

consumer goes into the Treasury chest you have a revenue or, as I call, it, a free-trade Tariff.

Senator Keating

- Where does it go to, if it does not go into the Treasury chest 1 Does the Custom house officer take the duty?

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Senator HARNEY

- -What happens is this : The duty that is paid upon tea is a duty imposed by the Government. The excess of price which is caused by the duty is an excess the benefit of which is derived by the State, and not an excess the benefit of which is derived by a class. It is clearly distinguished from a protectionist duty, the true aim and purpose of which is not to raise revenue, but to bolster up certain persons who are interested in a particular article. The difference between the

Tariff we want and the Tariff you want is this : What we want is that every penny we pay shall go to the State to be expended for our good, and we regret if in trying to bring this about we, afford protection to any persons. You want to afford protection to certain staggering industries, and, if in doing so, a few revenue crumbs drop you will sweep them up and put them into the Treasury, and cry - " See what we get from our Tariff." I was very much struck by certain figures that were quoted to-day by Senator Pulsford. If I understood him aright, according to Mulhall, the American people are mulcted in the sum of ?488,000,000 annually in order that ?70,000,000 may reach the Treasury. Where do the other ?418,000,000 go to? They go into the pockets of the American manufacturers.

Senator Barrett

- They are all wealthy men.

Senator HARNEY

- Yes, and so would I be if I were to 'obtain a sovereign from every one in this room, and were to go through the farce of giving employment by expending half of the sum and putting the other half into my pocket.

Senator Styles

- Are the Victorian manufacturers all wealthy ?

Senator HARNEY

- In spite of protection, I am told some of them are poor.

Senator DAWSON

- Does the honorable senator believe in allowing laymen to practise in the law courts ?

Senator HARNEY

- No, I do not.

Senator DAWSON

- Does the honorable senator believe in protection for the lawyer?

Senator HARNEY

- I do. Will my honorable friend content his soul in patience and chew this answer : The protection that I object to is that which disadvantages the whole community for the benefit of a class ; the protection he refers to is a protection which advantages the whole community by the creation of a class. Now, I see it stated in the speech that we ought to do nothing to pull down substantial industries, and I quite agree with that, but I would like to ask Senator Playford, who seemed to be so satisfied with his view that he did not go, into particulars - how can an industry be a substantial industry if it cannot stand by itself? We, the free-traders, would leave untouched every substantial industry; but we would sweep away those delusive, shadowy, and sickly things that are called industries, but which are really nothing but shares in a duty. Any industry that cannot stand without a duty is a mockery and a sham. It is nothing but a receptacle into which we pour portions of the earnings of the people, to have them distributed in the form of wages, a part of which is again retained by the employers.

Senator McGregor

- Will the honorable senator tell us some of the sickly industries ?

Senator HARNEY

- The woollen industry - very sick indeed - sick unto death.

Senator DAWSON

- It is not dead yet.

Senator HARNEY

- No, because of the protectionist whisky you are pouring down its throat, and by means of which you are just keeping its heart beating. That is a very unhealthy form of pulsation, and that is a very unhealthy industry which, as in the case of the woollen industry, is unable on Australian soil to compete in its manufactured articles with the articles manufactured from the same wool in England, notwithstanding the double freight, the double insurance, the exchange, and the stimulant of 35 or 40 per cent.

Senator DAWSON

- What killed' the linen and woollen industries in Ireland?

Senator HARNEY

- Not free-trade, but we are not discussing Irish politics now.

Senator Best

- What killed most of her industries ?

Senator HARNEY

- The want of industry in Ireland itself.

Senator Keating

- The Irish are industrious enough elsewhere.

Senator HARNEY

- Yes, in a healthy atmosphere, but not in an atmosphere that is laden with bad laws. In my opinion, Senator Sir Josiah Symon put the position in its clearest form.

Senator McGregor

- He did not libel Ireland.

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Senator HARNEY

- Nor do I. I am an Irishman, and I am not ashamed of Ireland. Senator Sir Josiah Symon seemed to place the situation in the way that was most intelligible from his side. The question is not one of abstract reasoning between free-trade and protection. The question is what are we in Australia going to do. We all know that if we had free-trade doctrines carried' to their legitimate conclusion, they would be unanswerable, because even a schoolboy could see that the community must increase both in its wealth and in the character of the commodities it consumes, if there is a free interchange and a mutual interchange of products. I agree with Senator Playford that Cobden based most of his arguments on theoretical freetrade, and I am not at all prepared to say that so long as England is only a country of free imports, and not of freedom for exports, that free-trade is the acme of all that is reasonable and good. We in Australia have to decide what is best for this country, and we ought, I presume, to be guided by the Bentham maxim of the greatest good for the greatest number. When I find that there are only two or three per cent, in Australia who trust for their" livelihood to the manufactures of the country, and that there are 98 per cent, living on the land and its incidental products, then I have to direct my attention to that policy which will do the largest amount of good for the 98 per cent. What, really, is the backbone of Australia? Is it not our wool, our agriculture, and our mineral products ? I heard before I came to this continent that some years ago there was a crisis in "Victoria, and I inquired into its cause. I was told that it was brought about in this way. Tinsel, seductive, artificial factories were reared up in the towns. Young men disliking the, isolation of their bucolic existence in the back country came down to enjoy the nice pleasantries of the towns ; Melbourne became overstocked, and the Government had to find employment. A public works policy was started, and that necessitated huge borrowing. Huge borrowing necessitated huge deposits with the banks; the banks wanted interest, and the money was lent out on landed securities which raised land to fictitious values. So the bubble rose, and so the bubble burst. I have been told that when it had burst the deluded men who went into these tinsel and fictitious employments hied back to the land. They went back in thousands, and threw themselves into the arms, so to speak, of their first love. Out of her exuberance has sprung the new life that is regenerating Australia. If that is not proof that Australia's strength lies in her primary products, proof is impossible. I think the wisest course is for us to stick to the land which has stuck to us. It has sufficient strength in it to keep going twenty times our present population. Let us wait until nature has herself created industries in the towns. The industrial germ, like any other germ, requires healthy conditions for its growth, and as our civilization becomes more dense so will those conditions arise. I have dwelt a good deal longer on this question than I had intended. Another



matter on which I proposed to make some remarks, and upon which I have been additionally prompted to do so by the observations which fell from Senator Playford, is in regard to the Constitution. I agree with Senator Playford that it is a unique one. It has no parallel in history, but I do not agree with him that it is a foregone conclusion that we are to play second fiddle to the House of Representatives. I think that no human forecast can accurately gauge which of these two Houses will be the more powerful. I think that Senator Playford entirely mistook the functions and the character of the Senate when he compared it with an ordinary Legislative Council. It is different in every essential particular.

Senator McGregor

- South Australia has not an ordinary Legislative Council.

Senator Playford

- The Senate's powers are no greater.

Senator HARNEY

- The powers of the Senate are infinitely greater. I want to know what is the meaning of the English language if we are to read anything else but co-equal power, in these words, "except as provided in this section the Senate shall have equal power with the House of Representatives." What is provided in this section ?

Senator Playford

- We cannot introduce a Money Bill ?

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Senator HARNEY

- What is provided? It is not even that we have no power in Money Bills. It is that we have no power to deal with proposed laws, appropriating revenue or moneys or imposing taxation, but even this is qualified. The section says -

But a proposed law shall not be taken to appropriate revenue or moneys, or to impose taxation by reason only of its containing provisions for the imposition or appropriation of fines or other pecuniary penalties, or for the demand or payment or appropriation of fees.

Only a very narrow thing, and where the vast difference, to my mind, between this and the South Australian Legislative Council is found, is this. Senator Sir John Downer interrupted Senator Playford when he was stating that they had the same power in South Australia to suggest amendments or to deal with Money Bills. Why, it turns out that they had no constitutional power to do so, but that they obtained that power by virtue of a special compact. The difference is this : That if the power emanated from the Constitution, it would graft its weakening properties upon all the other sections, but when the power is one by virtue of a special compact, it is narrowed down to the exigencies of that compact. What do we find 1 That Senator Playford himself, who was a very able and very dominant member of the Assembly, frequently did chafe at any opposition that was ventured by the Council.

Senator Playford

- No. We got on very well.

Senator HARNEY

- That tender spot which has been created by the suggestion of these conflicts is coming upwards now in the senator's mind. Why was it that the Legislative Council of South Australia was fool enough to itself abrogate the privilege which existed by virtue of the Constitution 1 Because it was frequently hammered at by the Assembly.

Senator Playford

- Nothing of the sort.

Senator HARNEY

- And because it had not the vindicatory power which is given to this Senate. Because the two Houses had no High Court to settle their quarrels and to mark the demarcation between their authorities. If the Constitution of any of the States was to be interpreted by a High Court such as our own will be, then we would never find this extraordinary departure by a body from its privileges which is indicated by the curious compact that apparently was entered into between the two Houses in South Australia.

Senator Keating

- It practically exists in every one of the States now.

Senator HARNEY

- The more States in which it exists the more force there is in my argument for the necessity of a High Court to interpret the Constitution.

Senator McGregor

- It has nothing to do with the Constitution.

Senator HARNEY

- It has a very great deal to do with the Constitution. There are some differences. We in this Senate are representatives of the States ; we have a mandate from them uncontrolled by any other House. We come here not to eat humble pie or bend the knee . in any way to the House of Representatives. We are here in no way connected with the House of Representatives. We are a body of co-ordinate jurisdiction, representing States, and within the limits of the mandate from our States we have every particle as much power as they have in the House of Representatives. I think that we more nearly approximate in our position - I will look the matter up before I speak again- - to the powers that were held by the Roman Senate than to any other body to which we can be compared. That Senate was the most powerful that ever existed.

Senator Playford

- They had only one House there.

Senator HARNEY

- My honorable friend has all through his argument implied that we are two Houses coming under the same mandate ; but we are not. Our chambers happen to be side by side, but the franchise upon which the members of each are elected is entirely different, and the duties they are called upon to perform have no relation, theoretically speaking, one with the other. We are here representing in this Chamber a congeries of the States of Australia. They in the other Chamber represent the people of Australia.

Senator DAWSON

- On the same franchise.

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Senator HARNEY

- -The same franchise as regards voters, but not as regards area. They speak for the nation we speak, independently of them, for the States. I should like to point out a curious illustration of how in the drafting of this Constitution an apparent attempt has been made to balance the powers of the two Houses. By section 57, a remedy is given to the House of Representatives, in case the Senate throws out a Bill sent forward to it - the remedy of a double dissolution. No corresponding remedy, however, is given to this Senate in case the Lower House should throw out one of our Bills. When this was pointed out by Senator Nield, Senator O'Connor replied that the reason was that, as the Lower House has control of the purse, if it was permissible to this House to block their legislation, we would have it in our hands to stop the whole machinery for the working out of the Constitution. When he said that, it struck me as containing a weakness ; but it is only fair to say that I have taken the trouble to look at the Convention Debates, and find that that was the exact point then made by him. It is, however, no answer, as many Bills are introduced in the Lower House which have nothing to do with money, and therefore we find this anomaly, that while the

Houses are stated on these non-money matters to be of co-ordinate jurisdiction, a privilege is given to the Lower House which is denied to the Senate.

Senator McGregor

- Where is the honorable senator's argument ?

Senator HARNEY

- My argument is, I think, intelligent to every intelligent person. It is not my statement. It is the words of the Bill - " They shall have equal power."

Senator Playford

- " Except."

The PRESIDENT

- I must ask Senator Playford not to interrupt.

Senator HARNEY

- " They shall have equal power, except in Money Bills." I am giving a case where the exception does not apply. I am referring to a Bill introduced in the Lower House which has in no way whatsoever to do with

money, and I am showing in reference to such a Bill that a privilege is denied to us who are said to have equal power in regard to measures of that nature. If that is not intelligible, it is not the fault of human speech. A curious thing that I wish to point out is that, while this anomalous privilege is given to the Lower House when dealing with the Senate, intentionally a greater privilege is given to the Senate by the very same section when dealing with the Lower House; because, while they in the Lower House have power to invoke a double dissolution when we reject or fail to pass a measure, the Bill is silent as to what we may not do by dilly-dallying and holding ourselves in a state of suspense. Thus, when the Constitution comes to be worked out, it is impossible to say which House will become the more powerful. But, while I am giving utterance to these remarks, I am satisfied that since the Constitution represents the wisdom of Australia's ablest men it will be found to shape itself to our requirements. I concur with Senator Sir John Downer, rather than with Senator Playford in this, that the shape it is to take will entirely depend not only upon the personnel of the members of this first Parliament, but upon their exertions. Of all things, Mr. President, I think we should set our faces most strenuously - at all events at this early stage - against anything in the nature of an alteration of the Constitution. All students of history know that in both ancient and modern times the greatest safeguard against the extravagances of the self-styled progressive party has rested in the fixity and stability of the Constitution.

Senator McGregor

- What is the self-styled progressive party ?

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Senator HARNEY

- It is that party from among whom I heard an honorable senator say we were not going half fast enough ; that there was a tremendous lot of social legislation that we wanted to get through. That is the progressive party which would cover the ground so fast that it would not regard the scenery on either side. I think a Constitution should not be too rigid like that of the United States, nor too flexible like that of Switzerland. Ours, in my opinion, hits the happy medium ; it is sufficiently elastic to bend to the will of the people, and sufficiently rigid, if we keep it as it is, only to bend slowly. I will conclude by saying that this Constitution is at all events entitled to a fair and, I would add, to a lengthy and deliberate trial. That much, apart from all other considerations, is due to the industry and ability of those who framed it. After all, it is only the legal and written expression of a federation which gained practically our unanimous approval - a federation which, though full of complexities and adjustments, is in its essence simplicity itself. Our federation has been moulded by no external pressure ; it has been suggested by no common danger ; it has arisen from no diplomatic relations, from no national complications ; it has sprung spontaneously from the internal affections of the people themselves. That consideration alone should moderate all our proceedings. It should beget in us a spirit of toleration, and should teach us not to approach this Constitution with a carping and critical mind that might lead to its disintegration, but to extend our gaze to the vastness of the subject, and taking it in broadly and comprehensively - this mingled yarn of good and ill together - honestly ' strive to realize by it the high purposes of its authors.

Senator FERGUSON(Queensland).I wish to say a few words. I should have spoken earlier only that I am in a position somewhat different from that of any other senator. I was out of Australia during the electioneering campaign. I only arrived here a short time ago, after being absent in the old country for over a year, so that I am to a certain extent at a disadvantage. I had not the same opportunities as other senators had of studying the chief questions which were before the electors, or of ascertaining the views of the different candidates on them. But I have listened to so many speeches by senators that I begin to understand to a certain extent the opinions they hold on the various subjects mentioned in the Governor-General's speech. When I was in Scotland I received a cablegram from a friend in Queensland, informing me that I was nominated as one of sixteen candidates for the Senate, and that the election would take place on the 30th March. As it was impossible for me to be in Queensland before polling day, I had to cable to my attorney there authorizing him to issue my address, which was very short, favoring free-trade and a white Australia. That was all my electioneering speech. When I arrived in Australia I was rather surprised to find that I was one of the six chosen by the electors to represent them in this very important section of the Federal Parliament. My address referred to free-trade, but every senator, so far as I can judge from his speech, has abandoned a free-trade policy, and adopted a revenue Tariff policy. They are, so far as I can see, revenue tariffists. I notice that in another place the leader of the Opposition

has abandoned his free-trade policy, and I may say that he is one of the most powerful leaders of the free-trade policy in Australia. He has adopted a revenue Tariff.

Senator Higgs

- - A moderate protectionist Tariff.

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Senator FERGUSON

- A moderate protectionist or a revenue tariffist, whichever honorable members like to call him. I notice that the Prime Minister has adopted the same policy ; he is a revenue tariffist Senator O'Connor here is a revenue tariffist and the speech of the Governor-General tells us that revenue must be the first consideration. Honorable members are all revenue tariffists, and I am the only freetrader in the Senate so far as I can see at present. I know that a revenue of £8,500,000 has to be raised. I think that the only Tariff we can adopt is a revenue Tariff. I would like in very few words to give my idea as to how that sum should be raised. I shall put my ideas in a very condensed form, so as not to take up too much time on a matter which has been so much discussed. The total import trade of the Commonwealth is £63,500,000 per annum. Of that, £29,000,000 is

Inter-State trade that will pass free in future. This leaves £34,500,000 of trade from which we are to raise a revenue of £8,500,000. The existing customs and excise duties on tobacco and liquor yield £4,500,000. Some senators have said that this can easily be raised to £5,000,000. Between these and an excise duty on sugar there is no doubt that it can be raised to £5,000,000. Then we have a revenue of £3,500,000 to get; and as the value of the tobacco and liquor imported is only £2,500,000, we have still £32,000,000 of import trade to get that amount from. If there is no free list, and a uniform duty of 11 per cent, is agreed upon, it will yield exactly that sum. I think there must be a demand for a free list, and I expect we shall have to accept a free list, and a high one. I would be very agreeable that a high free list should be adopted. Suppose we adopt a free list of £8,500,000, the uniform duty would rise to 15 per cent. Suppose we adopt a free list of £10,000,000, the duty then would be 16 per cent. And suppose we adopt a free list of £12,000,000, the duty then would be 174- per cent. I think that would be a fair way to raise the whole of the revenue we want. Supposing the duties on tobacco and liquors and the excise duty on sugar will yield a revenue of £5,000,000, then £3,500,000 can be raised easily on the balance of £32,000,000 of imports. If you adopt a 16 per cent, duty I think that will be quite high enough to protect any industry. There may be certain articles which require special duties to be imposed, but if we once depart from this, and put a duty of 2d. or 3d. per pound on this thing, and 5s. or 10s. per ton on that, it is pure protection. Even in respect to the Tariff I have mentioned, it will be simply a pure revenue Tariff, but if you depart from that and put certain duties on articles such as I have mentioned, you go into pure protection. The Tariff question has been so thoroughly discussed that I need say nothing further about it. The next matter I would refer to is the federal territory. There has been very little said upon this question. I think it is a question of very great importance. It is a question on which we should make as little delay as possible. If there is suitable territory to be found it should be decided upon promptly. We all appreciate the hospitality of the State of Victoria in placing their very best House at our disposal, but we cannot be expected to trespass too long on them. I am sure that we would all prefer to have a House of our own. I do not believe, I never did believe, in living in another person's house, and I say that the sooner we decide on having a capital of our own the better. There is no doubt that the capital of a country must of necessity exercise a great influence in the country, and the capital of the Commonwealth must become the most important centre in Australia. I do not mean in point of commerce, or in point of population, but as the place where federal laws will be enacted and executive powers exercised. Every State should have a voice in deciding the site of the federal capital. It has been said that Queensland is not much interested in the matter, but I do not agree with that view. I think Queensland is as much interested in it as is any other State in the union, and, perhaps, more so from my point of view. I believe the day is not far distant when federal members will see that it will be to the great advantage of the Commonwealth as a whole that Queensland should be formed into three separate States: It is impossible for a territory of 668,475 square miles, with a seaboard of over 2,000 miles, and the seat of government in the extreme southern corner, to be governed or developed as it should be. Queensland already is divided into three divisions - South, Central, and North - which, as nearly as the natural boundaries will allow, are equal in point of territory. Each division has a navigable port, a commercial city, and a main trunk line running through it, and the

export trade of each division is as nearly as possible equal to about £3,000,000 a year. So that nature has evidently intended that this enormous territory should be cut up into three States, and each State should have the power of developing and managing its own affairs. What is the cause of the great progress that has been made by the States of America ? It is simply the facilities which the States have had to manage their own affairs in the different parts of the Union". The country is divided into 49 divisions. Each division is called a territory ; and so soon as it has a certain population - about 40,000 - all it has to do is to apply to Congress and ask to be allowed to join as a State, and the application is granted. The territory of the United

States of America is almost the same in extent as that of the territory of this Commonwealth. The territory of the United States is 2,970,000 square miles, and the territory of the Commonwealth is 2,767,394 square miles, including Tasmania. We have only six States in the Commonwealth, whereas they have 49 States in the United States. There are ten territories which have not yet joined the Union, because their population is not large enough to entitle them to be admitted ; but so soon as they get the necessary population no obstacle will be put in their way. I feel quite satisfied that if this matter is thoroughly considered this Parliament will see that it is to the advantage of the Commonwealth that Queensland be formed into three States. I come back to the site of the capital. I hope that a territory can be found in the mother State beyond the 100 mile limit from Sydney fairly central, and having respect to climate and elevation sufficient to insure a thorough system of draining, a water supply of the very best, and, if possible, by gravitation, and accessibility, fulfilling other conditions, such as nearness to coal, building stone of good quality, marble, cement, lime, and whatever is necessary for the building of a capital, irrespective of any private interests. If a territory of that kind can be found in the mother State it should be accepted, and, when once a site is accepted, every care should be taken that every detail in the plan of the city is thoroughly investigated and , gone into before any expenditure has been incurred. If you do not do that there are certain to be mistakes made, and a lot of money wasted. .But, if a thorough investigation is made, and a good premium offered by the Federal Government for the best design suitable to the site, then it will be economy in the end, and it will save a lot of mistakes in the building of a new city. And, after the plan is decided upon, I should say that every street should have wide avenues, planted with ornamental trees, water ' reserves, and everything which is desirable for a fine city. Every house should be detached, and should have a garden front and back, and should be built of a -uniform height. I would give scope to the architect for his ability so far as designs are concerned, but I would have the houses of uniform height ; and every street should have a sub-way or a covered way in the middle, arched in and large enough to accommodate the sewers, the water mains, the gas-pipes, the telephone and telegraph wires, and the cable wires ; and every house should have permanent pipes laid into the sub-way for sewer, gas, water, and all that is required for the house. All these pipes should be laid in such a way that they could be easily got at for repairs or renewals or removals, without disturbing the pathways, the sub-ways, the streets, or the roads. I need not go farther than Melbourne- to show how immense expense is needlessly incurred. Elizabeth-street is opened up for hundreds of yards for the purpose of laying down pipes. All this expense and annoyance should be avoided in the city. But it is somewhat trifling here compared to what takes place in old cities, where hundreds of thousands of pounds are expended in breaking up streets and inconveniencing people in order to lay down or repair pipes. All this can be avoided in the federal city if proper care is exercised before a single step is taken to commence any building. If these means are adopted the federal city can be constructed. If a proper plan is made, it will be by far the most economical course at the end ; and we shall be able to say that we have the most attractive and healthy city in the world. Of course, it will take a good many years before we can have our own home. The cornerstone of the capital of the United States of America was laid in 1793, and in 1800 the Government of that country removed into their new home. So that seven years elapsed from the time the foundation-stone was laid before they could occupy the new building. I hope it will not take us more than half of that time. I do not know that there are many other matters I wish to refer to, but I will say that part of my address to the electors referred to a white Australia. I am quite satisfied with the statement that Senator O'Connor gave us last week about a white Australia. I am quite satisfied that the Government intend to treat the sugar-growers fairly, so far as getting rid of black labour is concerned. At the present time Queensland is in a very bad state, and it will take her at least four years before she can get over the terrible losses caused by the drought in the western part of the State, and she depends chiefly now upon

the coastal districts, and particularly the sugar districts.

Senator Glassey

- Some of the sugar districts are in a very bad way. My own district is.

Senator FERGUSON

- At all events, the sugar industry is worth nearly ?1,500,000 per annum to Queensland. It is quite equal to the butter industry of the State of Victoria, which I was told almost kept that State from insolvency. At the present time Queensland cannot afford to lose the sugar industry.

Senator GLASSEY

- We do not want to lose it at all.

Senator FERGUSON

- You will lose it to a very great extent if you are not careful.

Senator DAWSON

- We want to lose the kanaka.

Senator FERGUSON

- So do I; but give time. So far as the kanaka is concerned you need not bother your heads about him. You need not enact any law, because it is only a matter of a few years when there will be no kanakas in the country. They are getting scarcer and scarcer. At the same time I am quite prepared that arrangements should be made to abolish the kanaka in the way the leader of the Government has said. I have always been opposed to coloured labour.

Senator MCGREGOR

- We might save a few of the kanakas yet.

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Senator FERGUSON

- I do not want particularly to save them. I do not think there is anything more for me to say except to make a short reference to the InterState Commission. No doubt -that is one of the most important matters the Government has to deal with, and the success of the commission will depend entirely upon the ability and integrity of the men chosen. A high order of talent is necessary for any man who wishes to perform the duties of a commissioner. The commissioners should be possessed of expert knowledge and administrative ability in regard to the best railway traffic management in Australia. It should have the knowledge of business men, and I believe that many members will agree that it would not be complete without the legal knowledge of a sound lawyer. No doubt it would be a proper thing that the chairman should be a judge or barrister. I hope that the Government will see that the four large States mostly interested in railway and river competition are represented on the commission. If that is done it will be more likely to give satisfaction to the country as a whole. I was going to say a few words on the matter of defence, but so many military men have dealt with the subject that I need not refer to it now. I will therefore conclude my remarks.

Senator BARRETT

- Though this debate has lasted for a considerable period, still I think it has had some educative results, and, after all, when it is closed we will realize that there will be a great deal to learn from it. Some able speakers have addressed themselves to the questions dealt with in the Governor-General's speech, and there have been many points minutely dealt with by the senators who have preceded me. For instance, this afternoon we had a very learned address with regard to the constitution and powers of this Chamber, and frequently during the course of the debate the powers which the Senate will exercise under the Constitution have been referred to, and particularly by Senator Sir Josiah Symon and Senator Playford. Yet, after all, when we come to consider all the powers we have under the Constitution as expressed by honorable members, we will find that there is a very great difference of opinion. While agreeing to a very great extent with respect to the powers which this Senate can exercise under the Constitution with the views put forward by Senator Sir John Downer, yet at the same time I say that, if we are going to make the Senate co-equal with the other House, and claim coequal powers with it on all matters, the result will be disastrous as far as this branch of the Legislature is concerned. In my judgment the framers of the Constitution never intended the Senate to have co-equal powers with the other House in all matters. We know that the power must rest in the hands of one House, and although there may be a difference of opinion with regard to the position which we will take up, and perhaps in defining the relations of this

House to the Constitution, yet what power we possess should be exercised wisely and well. I will, therefore, not attempt to-night to in any way trench upon that line of debate, except to say that I trust that, whatever position the Senate takes up in relation to the Constitution, we will exercise our powers with the utmost wisdom. Our position is, as has been pointed out by several senators a very unique one. We are about to start the machinery of government, or rather I should be more correct in saying that we have started the machinery of government that is about to bring in a new political era.

I think I am voicing the views of my fellow members when I state that we recognise the high and exalted position that we stand in to-day not only in relation to the Constitution, but also to the Senate itself. The necessity of making a good start will, I think, be recognised by all, because, in my humble judgment, upon the wisdom of this Senate and its exercise of the functions of government, depends the making or marring of Australia for a good many years. Hence the impression I have formed is that, while these great powers do exist under the Constitution, and although we are about to face great questions that affect the interests of the whole of Australia, I have faith in the members of this Chamber that they will bring to bear all the wisdom they possess, so that whatever position we take up in regard to questions that are pressing for immediate settlement, what we do will be done wisely, and in such a way that the future welfare of the continent will be assured. The first point I wish to touch upon is the position we stand in this evening with respect to the amendment moved by Senator Millen, and let me say at once that, as far as I am concerned, I intend to vote dead against that amendment. I believe that the Government should have a fair trial. ' They have not yet had a chance of showing what they intend to do, and it seems to me to be not only a mistake, but almost a blunder, that an amendment of this character should have been tabled.

Senator DAWSON

- It was not a mistake or blunder, but a trick.

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Senator BARRETT

-Well, whatever may have been the motive of it, let me say that I intend to support the Government so long as they bring in measures that are for the welfare of Australia as a whole, and that I am not going at this juncture to be led aside by a trick or subterfuge in respect to any support I am likely to give them. So long as they stand by the programme that they have submitted to this House ; so long as they show their earnestness with regard to those questions, there is no doubt they will have the support of honorable members ; but the moment they turn aside from the policy they have enunciated, the moment they show any vacillation or weakness, at that moment should terminate their career as a Government. While I am sitting on this side of the

House I, with some of my fellow senators, have a programme that I desire to see carried out, and no matter what men may be in power, if they are in earnest with regard to that programme, they will receive my support, and, I think, the support of a majority of honorable members. Now, it has been said that the position which this Senate holds is largely different from that of Upper Chambers as we have known them in Australia. For my own part, I do not know how it is - whether it is the historical associations connected with the Chamber or not - there is something about it that does not seem to suit the tone and spirit of some honorable members. For instance, if I look to my friends on the right, when I know their fighting capacity in other branches of the legislative machine, it seems to me that they have either been overpowered or overshadowed by the traditions of this place. I never thought myself that I would become a member of this Senate. However, such has been the mardi of progress, that not only I, but other men, have found entrance into this Chamber, and I believe that the Senate in the future, considering its representative capacity, will represent the fighting power of Australia. I should be loath to believe that this Senate will be on the same level as the Upper Chambers we have known in other parts of the continent.

Senator O'connor

- The honorable senator need not be afraid; there will be plenty of fighting by-and-by.

Senator BARRETT

- Consider the position we stand in. In the first place, there is no property qualification for this Chamber - every male elector has a vote - and in order to provide a safety valve for the Constitution, both Chambers are dissolvable. Then, again, we have the democratic principle of payment of members.

Senator DAWSON

- "We are not paid enough.

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Senator BARRETT

- No, I admit that, and I shall take heart of grace after the speech of Senator Harney. We are not paid enough ; and, if we are going in for adequate payment all round, members of this House should be paid a much higher salary. As I have said, we have the democratic principle of payment of members, and it matters not where a man is found in the whole of Australia, if he has power and ability to represent the people, they can elect him and say to him - " Go into the Legislative Chamber and do the work for which it seems you are fitted." The Constitution provides the means by which that can be done. Now, I want to say something with regard to the question of the franchise. In my opinion, after the Tariff has been settled upon a satisfactory basis, one of the first questions that should engage the attention of the Government is that of the franchise. The position that is facing us to-day is this : that in several States of Australia there is a varying franchise which should not exist. For years in the State of Victoria we tried to get a different franchise than the one we have to-day; and, had it not been for the position taken up by one branch of the Legislature - -which refused to obey the mandate of the people of this State - we should have had adult suffrage at the federal elections. Therefore, we find ourselves facing this position, that in two States of Australia we have adult suffrage, and, according to the powers given to us in the Constitution, we can never take away the superior voting power which those States have. When, therefore, this question is settled, there is only one way by which it can be satisfactorily settled in the interests of the people, and that is by having adult suffrage, which is the widest possible franchise. Therefore I trust that by the time the members of this Parliament have to go to their constituents we shall have a uniform franchise throughout the whole of the continent. On the question of the federal territory, I was very much pleased to hear the remarks of Senator Ferguson. I think upon this important question we should have definite views. 'With regard to the limits that the Constitution has put upon the area of the federal territory I think it should be very largely increased. I go in for reserving, as far as possible, the largest area of land that is available for our federal capital. I am one of those who believe in nationalizing all the land that comes to the Federal Government; and when we consider the very great change that has come over public opinion with regard to this important question during the last few years, I think, without the shadow of a doubt, that when the Government come to face it they will have behind them the great -majority of .the people of Australia, who have declared their desire to nationalize the' federal territory. I believe that, instead of reserving 100 square miles, if it were possible, we should get double that area, or even as much as 1,000 square miles. If that were obtained, and if the territory -were treated wisely and well, the result would be in the future that a great deal of the money required for federal purposes would come from the land. In order to show the wisdom of this course, I will give an illustration that will convince honorable members more than anything else of what we should do with respect to this matter. I am going to take a small piece of land in Melbourne known as Nicholson's corner.

Senator McGregor

- The honorable senator must not keep it.

Senator BARRETT

- I am only going to take it as an illustration to clinch the argument I am advancing to show the necessity for adopting this course. I suppose the land in question is not more than 2 acres in extent. It is bounded by Swanston-street, Elizabeth-street, Collins-street, and Little Collins-street. Fifty-seven years ago the sum obtained for the rental value of that land was only ?160 per annum. To-day, by the enormous rise in land values, there is obtained from it ?266,550 per annum.

Senator Sir William Zeal

- Nonsense!

Senator BARRETT

- That is the rent obtained from the land, and I am prepared to prove it. Originally that land was sold for ?1,073, but a few years ago it was valued by one of the best valuers in this city at ?5,331,000.

Senator Playford

- Does that include improvements ?

Senator BARRETT

- Land and improvements. During 57 years the lucky owners of this land have received about ?7,000,000



in ground rents.

Senator Sir William Zeal

- Not a tenth part of it.

Senator BARRETT

- This will show the necessity that exists for dealing with the federal territory in the way I have stated.

Senator McGregor

- A little bit of direct taxation would get over that.

Senator BARRETT

- Yes, it would ; and that reminds me of another fact in regard to this illustration. For the last fifteen years the largest owner of land in the area I have referred to has not been in the colony from which he derives such a princely income.

Senator Keating

- Double tax him.

Senator BARRETT

- That shows, at all events, that the people who get such princely incomes from our land should bear a share in our national taxation. With regard to the question of a white Australia, I am afraid honorable members must be getting tired of it. I will have no paltering so far as any vote that I can give upon the question is concerned. We are told that the time is inopportune ; that vested interests are at stake ; and it seems to me that while there are those in this Senate, as well as outside, who are prepared to assent to the principle of a white Australia, yet when they come to deal with the question they are not very strong upon it. When we consider the necessity of keeping this country for men of our own race and blood, when we remember the great issues that are at stake, and when we recall to mind the teachings of history, we ought to be very careful to see that we leave no loophole for inferior races throughout Australia. As far as I am concerned, and as far as it is legitimate within the four corners of our Constitution, I will do all that I can to keep them out. Upon this matter I have received, during the last few days, a statement from the pearl divers who are engaged in the pearl shelling industry in the northern part of Australia. After all, the kanaka trouble is only a very small portion of the whole matter, when we come to consider the alien question as it affects Australia. In our own State of Victoria, the census of ten years ago showed that there was something like 80,000 aliens, and when the one which has just been taken comes to be made up, we will find that we have had a very large increase. Coming back to one phase of this subject, I have a statement from the pearl shelters of the northern part of Australia. One of them writes :-

The white men of great wealth who employ coloured aliens for pearl shelling found that the coloured men saved their earnings and bought boats of their own. The moneyed man found the coloured men, under those conditions, too strong a competitor for him, and had a law made, so far as Queensland shelling grounds go, that no coloured man was to work on his own account or own a boat. This law was made in December of 1898, and assented to by the Queen in 1899.

Senator McGregor

- That was to protect vested interests.

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Senator BARRETT

- Yes. The writer continues : -

Surely, if this was just and right, the white divers may claim the same right. If the moneyed man is to be protected, justice demands the working man to be protected. I pray that you will take up these pearl shell fisheries, for, unless we working men combine, we may be quite trodden under foot. The white pearl-sheller capitalist - in Queensland, at all events - wants to employ coloured men, but be protected against them working for themselves. It is time we had a share of this protection. Coloured labour should be abolished altogether from these fisheries after, say, seven years from now. The white sailors, sailmakers, and shipwrights have all been kept out of pearling industries.

This is the statement of a white diver who has been engaged in the industry for the last eighteen years.

Senator DAWSON

- What is the date of that 1 The white man has been squeezed out for some time.

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Senator BARRETT

- I have also a petition from divers which bears out the statement that has been made upon this question by the other correspondent. The petition sets forth :-

We European divers (that is users of the European diving dress) ask you respectfully to intercede on our behalf with the Parliament of Australia to grant us protection against the inroad of coloured Asiatic alien divers who are in the employ of European masters, diving in the waters of the northern coast of Australia, from Cooktown, Queensland, round to nearly Geraldton on the coast of Western Australia. These men are employed to bring up pearl shell from the waters just referred to, and we are of course powerless to compete against them, worked as they are by very rich men. If the coloured divers were working on their own account we would feel then that in this industry, which at present scarcely gives any employment to white men at all, we might still compete ; but a European diver, with limited capital, working for himself with one boat has no chance whatever against the great number of coloured divers who are worked by moneyed men who can have relays of these men in their boats and tire us completely out. As it is, in this industry we think at least 350 divers using diving dresses, and all the implements of our trade, must be employed. They raise material worth very nearly a quarter of a million every year. If any other trade than ours had to contend against such unfair competition we feel sure it would be removed ; but this is a long way distant, and so escapes attention. As to providing European divers, this is easily done; a man who likes the work learns it in three months without being taught at all. Asiatics have acquired this art, so can Europeans as they have done; but while European masters are allowed to employ aliens and unthinking subservient Malays we have no chance, and have already had to leave the field. We remember when there were many European divers working in this industry - they have been driven out - they cannot live in the poor way the coloured men do working for their European masters. We respectfully pray that you will take up the cause of the European divers.

This petition has been signed by 46 men who had been engaged in this particular industry. It shows that if we had only to deal with the kanaka question it would be a very trifling matter. But there are other obstacles which stand in the way, and, so far as alien labour is concerned, I think it is our duty to do all we can to keep Australia for men of our own race and blood. This brings me to the question of the fiscal policy. I almost feel, Mr. President, in approaching it that I have heard arguments advanced which show that some senators have something to unlearn. Upon this question I do not want to speak with two voices. I have always been - as those who know me best will admit - a strong protectionist. After all, you might theorize upon this question as much as you like. If you can point to a concrete instance, so far as any country is concerned, I think it is the best argument that can be advanced. In Victoria we have had evidence of the value of a protective policy, and in this Senate, and elsewhere, we will do our level best to fight for that which we believe is in the interests of the people of Australia. At the same time, I think we should approach this question in a spirit of fairness and fair play to all parties. I am aware of this - and those who have had an opportunity, or who have been compelled to take up this question will agree with me - that it is a very involved one indeed. I suppose there is no subject that is so delicate for a representative House to handle than the question of making or revising a Tariff. Even in our own State Parliaments we have found it a difficult question. When we come to consider the Tariff as it will affect the whole of Australia it becomes a question of very great magnitude indeed. Every industry in Australia has to receive fair play, and I think that we ought all to approach the subject in a way that will result in evenhanded justice to every one. I am here tonight to say that no nation, so far as I have been able to ascertain, ever became prosperous or ever became great that has not had the charm of legislative enchantment thrown round the growing industries of her people. England and the United States of America in modern times are valuable illustrations of the truth of this statement, and have we not in Victoria witnessed the stimulating effects produced since the Tariff was passed in 1865 that gave to us the first modicum of protection ?

Senator Charleston

- Does not the honorable senator think he ought to be able to travel alone now ?

Senator BARRETT

- I do not mean to be led off the track by that sort of thing. Why, I have heard a remark made in this Chamber that we ought to have a Tariff that at any rate will give to us the protection we need. Other honorable senators have said that we ought to have an equal amount levied all round, and thereby obtain the revenue we desire.

Senator DAWSON

- Does every man in "Victoria want a policeman to look after him?

Senator BARRETT

- No ; but I say this, that there have been industries that have been built up in this State by wise protective duties. We had an illustration of that a few weeks ago, when the trades of Victoria paraded the city of Melbourne, showing the extent and variety of the industries. I am not to be led away by arguments of that description. We should remember that the livelihood of thousands of men and women are involved. I wish that the Government had been a little stronger with respect to its declaration upon this point.

Senator Glassey

- They mean more than they say.

Senator BARRETT

- I hope they do but, if they do not keep to the profession they have made, then, so far as protectionists in the Senate are concerned, the Government will have opposition from our quarter. I do not desire to go further into this matter. We are dealing now with the general principles that are found in the Governor-General's speech. When the Tariff Bill is presented to this House, and when we have items placed before us, then we will not only debate the question fully, but give arguments showing why we support or oppose the measure. Upon the question of defence, let me say I am in accord with those senators who desire to see a citizen soldiery in our midst. I am not an advocate of gold lace, nor would I encourage to any extent a military spirit. " At the same time, I do not wish to be misunderstood. I think we should give reasonable protection to our people ; that we should man our forts, and see that we are in a proper state of defence should a foreign foe attack us. I hope, Mr. President - I say it in all solemnity - I say that I pray to God that the day will never come when we will foster a military spirit to such a degree as we see in some of the continental nations. There is no need for it in this country. We know that the result of it is to bring about excessive taxation ; it brings about a train of things we have no desire to see in Australia ; and, while I hope we shall be prepared to resist the attack of a foreign foe, I trust we will consider the question wisely from the point of view I have just advanced, and that we will not go to the other extreme. The organization of the public service" is another subject with which we shall have to deal. No doubt when the Bill comes to be presented to us we shall find in it a good deal of debatable matter. I trust that when our public service is organized it will be upon proper lines. I hope we shall not have the mistakes in the Bill that exist in the laws of the various States, that at any rate it will be upon 'sound lines, and also that due economy will be exercised. I wish to say a word or two with regard to some of the omissions from this speech. In the first place no mention is made of anything in connexion with our Factories Act. This question, I think, involves the progress of Australia. It is one upon which we should have an early pronouncement.

Senator Dobson

- It has nothing to do with the Federal Government.

Senator BARRETT

- In one sense it has nothing to do with the Federal Government, and yet in another way it has, because the time will soon come when, if we desire to see the law, as we have it in some of the States, applied to the whole of Australia, the Federal Government must take up the question. I advocate that there should be a uniform factory law throughout Australia. There may be a difference of opinion with regard to this subject, but honorable members can see at once that if the law is not uniform throughout Australia the result must be that those persons who are in a better position must be brought down to the level of those who are in an inferior position. Therefore, I trust, as this question affects the great majority of the workers of Australia, the Government will remember that and legislate in the way I have suggested.

Senator Playford

- I do not think this Parliament has the power to legislate on the point.

Senator Dobson

- Not unless a State asks us to do so.

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Senator BARRETT

- This is a matter which may perhaps force itself upon the attention of the Federal Government. I hope we shall soon arrive at that point at which, perhaps, the State Governments will force this question on the

attention of the Federal Government, so that we shall have a uniform factory law throughout Australia.

Senator Higgs

- We could make a representation to the State Parliaments.

Senator BARRETT

- I want to say a few words on the question of conciliation and compulsory arbitration. This, I think, will loom largely in the near future. It is one of those questions which, in other parts of the world, have engaged the attention of various Governments. I sincerely trust that, as we have been promised a Bill on this subject, the Government will at a very early date bring in a measure that will afford us scope for legislative action in this direction. Ten years ago the question of conciliation and compulsory arbitration was considered to be outside the realm of practical politics. There is no necessity this evening for me to enlarge on the disastrous strikes and locks-out that have occurred in various parts of Australia. We have had evidence in this State, as well as in the various States of the union, and we shall be compelled, sooner or later, to legislate in this particular direction. I sincerely trust that in any measure which the Government may bring forward, compulsory clauses will be inserted. I say emphatically, after giving a little study to this question, unless an Act of that description contains compulsory clauses, it will be worse than useless. We have had the successful experience of New Zealand on this all-important question.

Senator Sir Frederick Sargood

- Not as to conciliation.

Senator BARRETT

- Not with respect to conciliation, because that is the weak point in the New Zealand Act. The experience of New Zealand has shown that it would have been far better if that portion of the Act had been eliminated, and that from the first, any demand that was made by organized bodies of workmen should have gone at once to the court of arbitration. If it goes at once to the court of arbitration you will have finality, and you will not have the time frittered away, as we find occurs under the New Zealand Act in the stages with respect to the conciliation proposals. Perhaps it is not known to some senators that we have on the statute-book of Victoria an Act dealing with this question. The absence of compulsory clauses makes the Act completely a dead letter, because you can only set the law in motion, when both parties to a dispute are prepared to bring it before a Court. If one party stands aloof and will not have arbitration then you have no finality in an industrial quarrel. Therefore, I sincerely hope that the Bill to give relief to those that may be engaged in industrial struggles will contain compulsory clauses, that at any rate will give finality and settlement in these disastrous matters. I do not know that I have very much more to say. I hope that we shall adopt a business spirit in the Senate, and approach the various questions that will be submitted in such a way that the result will be that, at any rate so far as the Commonwealth Parliament is concerned, the great questions that demand a settlement will be settled in such a way as shall bring progress and peace to the people of this continent.

Senator STYLES

- Like Senator Barrett I have some little hesitation in addressing this august assembly, not on account of the building but on account of its occupants. I feel that I am in the presence of many who would be listened to with interest and attention in any deliberative assembly in the world, even in the mother of parliaments itself - the British House of Commons - and I hope if I hesitate and stumble, honorable members will overlook my nervousness. I feel just what I say. I think a great many honorable members, who have preceded me omitted to refer, as is usual in such cases, to the mover and seconder of the Address in Reply. Of course, we all expected from a battle-scarred veteran like Senator Fraser a good speech. And I listened with very great attention to what appeared to me to be a very excellent speech by the seconder of his motion. Not only is Senator Keating a young member, but he is also a young man, and I shall look forward with interest to his career, as I expect great things from him. Of course, as Senator Playford pointed out, some witty or humorous fellow - I am not sure who it was; Josh Billings, I think - said it is unsafe to prophesy unless you know. I do not know, but I have a strong opinion that Senator Keating will be heard of later on, when some of us have gone to what, I hope, will be a better place than even the Senate of the Commonwealth of Australia.

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Senator Higgs

- What is to become of the mover and seconder of the amendment %

Senator STYLES

- I was about to refer to the amendment. I, in common with almost every honorable member, regret that it was moved. I should like Senator Millen - for whom I feel great respect, having heard him the other day for the first time - to withdraw it. I listened the other day with some little astonishment and regret also to the speech of the honorable and learned, and if he were here I should say the genial, Senator Sir John Downer. I think it 'looked a good deal like the stage Irishman trailing his coat across the stage in order that somebody might jump upon it. I do not know why we should expect that another place will trench on our rights or our prerogatives. I am firmly of opinion that there is a number of able men in the other Chamber who will tell that Chamber just what its powers are, and what our powers are, and there is no necessity to wish a certain gentleman " good day" till you meet him. Senator Sir John Downer gave us credit for being game. I hope we are game - we come from the right stock - to do what is right, quite irrespective of what any one may think. I wish to refer to two or three matters that are mentioned in the Governor-General's speech. First, in regard to the Inter-State Commission. I think Senator Harney, in referring to the High Court, referred to this body, and by the way all the lawyers seem to dwell on this High Court. I have heard evil-minded persons say that the lawyers , would like to see a dispute between the two Houses that could only be settled by the High Court, in order that the High Court might be called into existence in a hurry.

Senator O'Connor

- I may tell the honorable member that the High Court has no power at all to settle disputes between the two Houses.

Senator STYLES

- - I quite understand that it is rather dangerous ground for a layman to trench upon - the prerogative of the legal profession, but I was under the impression that in certain cases the High Court would decide differences that arose between the two Houses.

Senator Dobson

- If we encroach upon the rights of the States then the High Court will come in.

Senator STYLES

- I was about to say that Senator Harney thought that each of five States ought to have the right to nominate a Judge for the High Court.

Senator Matheson

- He never said nominate, he said they should be selected.

Senator STYLES

- I shall go a little further. I was going to adopt that method for constituting the Inter-State Commission. I should like to see the Federal Government invite each State Parliament or State Government to suggest or nominate a man to take a seat on the Inter-State Commission. It appears to me that a New South Wales man or a South Australian must know more about his State than those outside can know about it. It seems to me that if six members constitute the Inter-State Commission, there would be two out of the six States which would never be involved in any dispute in our time - that is Tasmania and Western Australia. The four representatives of the four larger States might get to cross-purposes, and although they might be, and no doubt would be, men of strict integrity and great ability, yet there is such a thing, I believe, as unconscious bias. A man might have a leaning to his own State without knowing that he had, and the representatives of Tasmania and Western Australia would sit in judgment, so to speak, between the four larger States. I think the matter is worth considering. Why should we not have equal representation on the Inter-State Commission 'as well as in this Chamber 1

Senator Dobson

- It means three more large-salaried 'officers.

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Senator STYLES

- I would not make the salaries high. You talk about large salaries. Suppose it involves an expenditure of ?2,000 or ?3,000 a year more : that is not very much if the work is done properly and well. It is a big thing - the next most powerful body, I am told, to the Parliament itself. With respect 'to the federal territory, Senator Barrett said he hoped that the area would be much larger than the minimum fixed by the Commonwealth Act, viz., 100 square -miles. He wants an area of 1 , 000 square miles. I should go one

better ; I should like to see an area of 10,000-squaremiles set aside for the federal territory ; and, if it were in the State of New South Wales, seeing that she has a territory of 311,000 square miles, she would still have a territory of 300,000 square miles, or a territory 50 per cent, larger than either the great French Republic or the mighty Germany itself. With the federal territory nationalized, I fancy by the time some who are now born reach my age, the ground rent derived from that territory would go a good way towards defraying the cost of government. Look at Sydney. The annual value of Sydney is set down at ?5,000,000. I suppose the valuation is made in the usual way by municipal valuers ; and we know what that is worth. If they say ?5,000,000, I should think it is highly probable that it is worth ?7,000,000 a year. The ground rents for a metropolis like Sydney would, I have no hesitation in saying, now pay the interest on the public debt of New South Wales. I hope that not one foot of our federal territory will be parted with, that the land will be nationalized, and that the Government will secure a large area - I do not care how large, seeing that 10,000 square miles would be only one 31st part of the State of New South Wales - a mere speck. I observe that the Government are going to take some action with respect to patents and inventions. I would like to give my own experience about patents. Many years ago I wanted about 50 tons of machinery, and, like a good protectionist, I set about importing it, not making it here, because a catalogue was placed in my hands describing this machinery as being patented machinery, which could not be made here. I sent home my money and got the machinery. In the course of a year or two certain portions of the machinery required renewing. I went to the engineering establishments, and they declined to touch it because it was a patent. It had the word "patent" stamped on the machine in some twenty odd places in letters an inch long but there was not one ounce of the 50 tons patented. I undertook to take out a patent for a part of the machine which I thought would answer my purpose just as well as that which was imported. After I had paid all the expenses and taken out the patent, I did what I ought to have done in the first place ; I went to the Patent-office, and found there was no patent at all in connexion with the machine. Then I went to the man who sold me the machine, and I had some conversation with him in his place; but my money had gone. And when I went to the engineering establishments and showed them that this was not a patent, and offered to give them any guarantee they liked, they undertook to make a piece of machinery. They made the machinery for ?82 10s., delivered on my works. The price at Hull, in England, for a similar thing, but not quite so good - common Staffordshire iron - -was ?85. When I saw the price it seemed to me that the machine ought to be made for about half the money at home, but they had chiselled me and chiselled other people on the strength of its being a patent. I come now to the reaper and binder question, which was referred to by Senator Eraser. If the Government would accept the suggestion, it would be in the interests of the farming community of Australia if this question of patents were looked into so far as reapers and binders and cream separators are concerned. Reapers and binders now cost about ?55 each. I made it my business recently to go to one of the leading manufacturers and ask him what he would make one for. He said - "I would not make one for less than ?100 ; but if you give me an order for some thousands, I would turn them out for ?20 apiece." That was the firm of T. Robinson and Company. It would be just as well, if there are any patent rights connected with these machines, for the Government to look into the matter, and ascertain -whether it is possible to buy the patentees out and have the machines made here. There is a precedent for that in this State, where the Government only last year gave ?20,000 for the rights to the cyanide patent when it had only eighteen months to run.

Senator DAWSON

- I think it had four years to run.

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Senator STYLES

- I think not. I think it would have run out about the end of next year. I know I voted against the proposition, not on account of the principle, but because the amount paid was too much. I think the Government should ascertain whether there are any patents in connexion with these machines I speak of, and if there are buy them out. In 1899 there were imported into Victoria reapers and binders to the value of ?73,000, and ?29,000 worth of cream separators. The cream separators that are sold at ?42 could be turned out here at ?15, and there can be no doubt that the whole of the importation of, these three machines that I have mentioned throughout the federation would amount to a value of a quarter of a million per year. That money could be kept in the country and the machines sold to the farmers for much

less than they can buy them at now. We come now to the interminable fiscal question. I will not go into any details, but the dominant note of the speeches delivered so far has been - if they come from protectionists that Victoria is a 'glowing and splendid example of what can be done under protection, and on the other hand, if they come from free-traders that New South Wales has everything that is good, and is prosperous under a free-trade policy. Here let me say that I have the greatest respect for an honest free-trader - I do not care who he is, or where he comes from - and for an honest protectionist also. I do not like a man who is a protectionist or a free-trader just because it suits his position. I was looking the other day into Coghlan's "Seven Colonies of Australasia," a source from which we get about three-fourths of our information. I was looking to see the value of the products of the great free-trade State of New South Wales, which has three and a half times the area of Victoria, with 170,000 more persons, and which is double its age. I wanted to compare like with like dispassionately, and I found that in New South Wales, in 1889, the value of the products was given at £35,579,000, while in Victoria the value was £30,570,000. Now, Senator Gould told the Senate that pastoral pursuits were the backbone and mainstay of Australia, and that is especially the case with reference to New South Wales. It would hardly be fair, therefore, seeing that New South Wales has such an enormous territory compared with ours, to compare the production in pastoral pursuits in New South Wales with that of Victoria. You might just as well make a comparison between little Tasmania and Victoria, which is three and a third times larger than Tasmania. New South Wales is three and a half times larger than Victoria. and I will leave pastoral pursuits out of consideration in both cases, seeing that New South Wales has such an enormous stock of sheep - 36,000,000, to our 13,000,000-150,000 more cattle than we have, and 50,000 more horses. Deduct the value of pastoral pursuits in Victoria and New South Wales respectively, and you will find that the production of New South Wales is only £391,000 more value than that of Victoria. The reason is that New South Wales' pastoral pursuits return £14,527,000 while Victoria's return is £7,219,000. If you eliminate those two items you will find that practically the production is the same in little protectionist Victoria as in big freetrade New South Wales.

Senator Best

- Is" the honorable senator including minerals ?

Senator STYLES

- No, I am coming to that, jj In minerals, New South Wales in the same year produced £2,502,000 worth more than Victoria. Take that off in both cases, and it will be found that really Victoria produced £2,000,000 worth more than New South Wales.

Senator Charleston

- A funny way of reckoning.

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Senator STYLES

- I think it is a fair way. That is how it presents itself to my mind. To say, " Look at Victoria and look at Tasmania, and see what we have done in comparison," would be most unfair, and Tasmanian representatives would have a right to point out that the area of that State is only 26,000 square miles, while that of Victoria is 88,000. I come now to the question of revenue. The revenue of Victoria is £7,451,000 ; but there are three or four items left out which go into the consolidated revenue in New South Wales. For instance, our metropolitan tram system last year yielded £457,000 : that went into a private company's pocket. The receipts from the trams in New South Wales go into the Treasury, as the receipts from our trams ought to have gone into the Treasury, and from the Melbourne Harbor Trust £130,000 went to the Commissioners. Then we had £163,000 from sewerage and water supply which went to the Metropolitan Board of Works. Had those items gone into revenue it would have stood at £8,201,000, while the revenue of New South Wales was £9,974,000. Now come to the area of the respective colonies : We have got no land to sell ; New South Wales has already sold 47,000,000 acres, while we have sold 23,000,000 acres. She has sold within 9,000,000 acres of the whole area of Victoria. Her revenue from land was £2,108,000: in Victoria it was £375,000. New South Wales last year sold £1,276,000 worth of land, and called it revenue. No wonder they do not want much through the Customs, because they have only to shove a few millions of acres on the market, and they have plenty of money, and they can continue to do it for a generation or two. If you deduct the income from land sales and land occupation in both States you will find that, though New South Wales has a population of 170,000 more

than Victoria, her revenue was only £40,000 more. The land alienated and leased in New South Wales amounts to 174,892,000 acres, whilst in Victoria the land leased and sold only amounts to 36,397,000 acres; 138,494,000 more acres are either sold or leased and in use in New South Wales than in Victoria, and that itself is an area larger than the French Republic or the Empire of Germany, and fifteen times bigger than the Kingdom of Denmark. No wonder they can get money from their pastoral pursuits. Come now to another item showing seeming prosperity : During five years ended on the 30th June last, New South Wales borrowed £5,880,000 more than Victoria, - that is, £1,176,000 a year more loan money than was spent in Victoria. I want to show that the prosperity of New South Wales is not due to her fiscal policy at all, and that it has nothing to do with it.

Senator Charleston

- Has the honorable senator included the borrowing for sewerage, and so on ?

Senator STYLES

- No, I have not ; that would be about £2,000,000. A very high authority, from a free-trade point of view, told the people in Adelaide recently that there was no surer indication of the prosperity of a nation than its savings bank returns, and Senator Charleston who was on the platform cheered the statement. It was made in October last by the Right Honorable G. H. Reid, now leader of His Majesty's Opposition in the other Chamber. In 1840, the United Kingdom had 18s. per head in the savings bank; France had 4s. 6d. per head ; and Germany 2s. fid. per head. In 1896, 56 years after, free-trade England had £3 18s. per head ; France £4 6s., and Germany £4 2s. 6d. The increase during that time in Great Britain was £131,400,000. That is where the Right Honorable G. H. Reid fell in ; he quoted that, and left the other items alone. I will supply the omission. France during that time increased her savings by £158,200,000, the increase being actually greater than the total of Great Britain. Germany had an increase during the same period of £211,500,000, or about £55,000,000 of an increase more than Great Britain has altogether. Now come to the protectionist United States, and see what they have done. I can only go back as far as 1880. In that year they had £3 13s. per head of the population in the savings banks - and this is a sure indication of the prosperity of a nation - in 1896 it had jumped up to £6 per head, or an increase of £216,000,000 in sixteen years - something like £60,000,000 or £70,000,000 more than Great Britain had altogether. The mind almost fails to grasp the magnitude of the figures representing the savings of the people in the United States, which amounted to £446,000,000. On the question of old-age pensions I heartily approve of the principle, as we all do, more especially when we are on the platform. We are all anxious that such pensions should be paid ; but I notice that a great number of people are anxious that some one else should do the paying. It seems to me, all other things being equal, if one fiscal policy encourages thrift more than another that is a reason why it should be adopted. Now, I will compare New South Wales with Victoria, taking Coghlan's figures again. New South Wales has 261,000 depositors; Victoria 375,000 depositors, or 114,000 more than New South Wales; an increase of 11,000 in one year. She was only about 3,000 ahead in 1899; but last year she was 114,000 ahead. Further, taking population into account, you will find that for every hundred depositors in the savings banks of New South Wales there are 169 in Victoria. If a man deposits to the limit in New South Wales he obtains interest on £200, in this State the amount is £250. By depositing up to the limit in New South Wales he receives £6 a year ; if he deposits up to the same limit of £200 here, he receives £4 10s. Therefore, the interest paid by the New South Wales Government is 33 per cent, higher than the interest paid in this State, and yet, in the face of that, there are 169 depositors in Victoria to every 100 in New South Wales.

Senator Charleston

- There is a greater demand for capital in New South Wales

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Senator STYLES

- There is - for Victorian capital. The mineral and pastoral resources of New South Wales have been, and are now being, largely developed by Victorian capital, but I do not know that you can point to one case in which New South Wales capital comes to Victoria. They keep it all to themselves - and they want it. I come now to the transcontinental railway. We have been told that the Western Australian electors were promised this railway. Who promised it? Was it the candidates for seats in this and in the other Chamber ? They said - " We will get the railway, if we can." But before I come to that I should like to Say that I approve of our railway systems being federalized. I am aware that there will be a great deal of opposition



to that, but I think it would be about the best thing that could happen. We have been told by Senator Playford that the South Australian railways pay 4 per cent. ; but, on the other hand, others do not pay. The Western Australian railways pay well ; the Tasmanian railways pay nothing at all ; there is such a difference in the way the accounts of the different railway systems are kept that if the matter comes before this Chamber very many honorable members will look closely into it. It depends to a great extent upon the way in. which the accounts are kept as to whether the railways pay or not. Gratuities, for instance, are paid out of current revenue in Victoria to the extent of ?80,000 a year ; and our coal bill is double that of the New South Wales railways. There is another matter that protectionist Victoria has done for her people, which free-trade New South Wales has neglected to do. There is a railway station or stopping place in New South Wales, every 8 miles throughout the system. In Victoria there is a railway station or stopping place every 4 miles throughout the system. If we were to reduce the number of our railway stations 'in the same proportion - I have gone into this matter before - we should save ?103,000 per year.

Senator Charleston

- The stations are required to accommodate the traffic. Population is closer.

Senator STYLES

- They are to accommodate our traffic of course. We have double the number of stations in proportion to the mileage that there are in New South Wales. We have some 800 of them. If we were to reduce our stations - and we could do it except in the suburbs - we should save ?103,000 per annum, but we prefer to, pay that and give the accommodation to our producers and others. In the speech delivered by the Prime Minister at Maitland a good deal was said in reference to a uniform railway gauge. I fail to discover any reference to that question in the Governor-General's speech, although it is a matter of far more importance than either the railway required . by the Western Australians or that beloved by the South Australian representatives. It must come, and I would ask the representative of the Government to note this - not because I am any wiser than any other honorable member, except that I have had twenty years of railway experience-

Senator DAWSON

- Which is a roundabout way of saying that the honorable senator is.

Senator STYLES

- I am afraid I shall have to sit on my honorable friend, Senator Dawson, some of these clays, when I get up in a hurry. There is a consensus of opinion, that a uniform gauge is inevitable at some time. The first question that should be decided - and the Government may take it in hand at once - is what the gauge should be.

Senator O'Connor

- -The Government have no power to deal with it under the Constitution, except by the sanction of the States.

Senator STYLES

- I am quite aware of that. It would not be an expensive thing ; it could' be settled by the heads of the Railway departments in conference. What is the best gauge for the Commonwealth ?

Senator Glassey

- Would not that be a matter for the Inter-State Commission "

Senator STYLES

- I am afraid that commission would be composed of the wrong stamp of men. It is quite likely that the permanent heads of the Railway departments would be better able to judge. We are continually building rolling-stock in all the States. That rolling-stock, I have no hesitation in saying, could be devised in such a way that it could be altered to suit a uniform gauge. That is not beyond the ability of our engineers.

Senator Sir Frederick Sargood

- That is being done now.

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Senator STYLES

- So I have heard, but what grounds have they for doing so ? What do they propose the uniform gauge shall be 1 Is it to be 3ft. 6in. or 4ft. 8 1/2in.? If it is to be a 4ft. 8?in. gauge, I shall be in favour of it. That is the standard gauge throughout the world, a gauge, by the way, designed by a working man named

George Stephenson. I think it would be a good thing to decide what the uniform gauge should be in order that the various States may prepare their own stock in a way that would not require' very much alteration. It might save a large sum of money. .A uniform gauge, we are told, is a very good thing in case of war. Let us hope we will never have a war, although this is one of the reasons advanced by the Western Australians in support of their line. I think I heard Senator Harney and Senator Smith bring the question up. But Kitchener did not find railways much good when he had 90,000 men to guard them? Is it intended that a foreign force coming here shall land at Perth and come 'overland to invade us here 7 Is it supposed\* that, instead of tackling Sydney or Melbourne, they -would land at Perth or Fremantle, and come here comfortably by the overland railway ?

Senator Matheson

- The honorable senator seems to forget that there are obligations to defend Western Australia.

Senator STYLES

- Sir John Forrest said that it would cost ?3,000,000 to provide a 4ft. 8-in. gauge line. I think it would be nearer ?5,000,000. You can buy up Perth and Fremantle for- ?3,500,000, according to Coghlan:

Senator Smith

- That is the annual value.

Senator STYLES

- No, the capital value. The capital value of Perth is ?2,250,000, and the capital value of Fremantle is ?1,250,000. Would it be better to permit the enemy to come and knock both towns down, and let us build them up again, than waste ?0,000,000 on a railway?

Senator Matheson

- What was the value of Melbourne 50 years ago?

Senator STYLES

- I was wondering whether it would not be better to allow the enemy to knock both these towns down, and let us build them up again elsewhere.

Senator Matheson

- The honorable senator is scarcely a federalist now.

Senator STYLES

- As to the question of defence, I have learned from- the war in South Africa that to shoot straight and shoot often, is one of the arts of' war, and that in doing so you should 'take care to get behind a tree. The day has gone by when the nations used to marshal their armies in battle array. Now-a-days no man would think of coming out and making himself a target for the man behind the boulder. If all our young men are taught to use the rifle properly, we need not be afraid of any power on earth.

Senator McGregor

- And taught to hide behind boulders.

Senator STYLES

- Yes; shoot straight and often. The lesson from South Africa is that there is no nation in the world could have done what Great Britain did. I don't say it in any boastful spirit. I do not think any two nations in the world could have transported 50,000 troops that distance in so short a time. It was found that 50,000 troops were not sufficient, and they had to import 220,000 into South Africa. What for? To deal with some few score thousands of the Boers. Here we have hundreds of thousands of men ready to fight - some of the best raw material in the world - and we have no occasion to be afraid of any country in the world. An enemy would have to run the gantlet of the British fleet, and travel many thousands of miles to reach us.

Senator Harney

- Can the honorable senator point to 1,000 miles of undefended coast in South Africa?

Senator STYLES

- We have defences here. The enemy could not get into Brisbane, if the Government sank a ship at the mouth of the river, and the same would apply to the port of Adelaide. I believe some years ago, when we thought the Russians were coming here - I do not know whether Senator Sir Frederick Sargood was Minister of Defence at the time-

Senator Sir Frederick Sargood

- Yes.

Senator STYLES

- We had hulks prepared to drop them in the fairway. If the enemy came on shore they would be wiped out. If we have a Federal Commandant, I think we ought to get him from South Africa. We should get an officer who has had plenty of active service during the war - a man who could teach the young people what the Boers taught him.

Senator McGregor

- How would De Wet do?

Senator STYLES

- I am not speaking of De Wet. There are some duffers among the officers there, of course, but some one has said ; but there are men there as good as ever handled a sword. Let us have a man who can teach our people how to fight. Senator Fraser spoke of our warships as the first line of defence. We have a warship here, and if the Government would be willing to spend £25,000 there is not a ship likely to visit the port which could hurt her very much. I allude to the Cerberus. She is armed with old-fashioned 10-inch muzzle-loading guns. If the Government were to put four new breech-loading guns into her we need not be afraid of any ship.

Senator Sir Frederick Sargood

- She would not stand the change of guns.

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Senator STYLES

- We have heard a lot about the kanakas. Speaking for myself, I am quite satisfied with the speech delivered by Senator O'Connor the other night. There is one aspect of the coloured agony, however, which I have not seen touched upon, and to which I wish to call the attention of the honorable the Postmaster-General. I should like to know whether the honorable gentleman, when the next contract is being made with the mail-boats, will see that a stipulation is inserted forbidding the employment of Asiatics 1

Senator Drake

- "We have that provision in some of the mail contracts already. Queensland has it, for instance.

Senator STYLES

- I am referring to the P. and O. Company. In the event of war we should draft our recruits from the mercantile marine into our navy, and that is one reason why the subsidy should only be given to boats that are manned by our own countrymen. Here is a whole line of large steamers - the P. and O. Company's line - receiving from the Commonwealth £36,000 ; or £85,000 in all, the balance being paid by the Imperial Government.

Senator Harney

- It is like a man's customers telling him how to run his own business.

Senator STYLES

- We pay them.

Senator Harney

- And the customer pays you.

Senator STYLES

- I would rather give the companies which employ white men a much larger subsidy. Supposing Great Britain were entangled in a big war with one or two naval powers, a number of these vessels would be armed as fast cruisers. Then you would have to take these darkies out. If they were already manned with white men, that would be unnecessary. In 1896 there was a conference representing Australasia, which met and passed a certain resolution. This Postal and Telegraph Conference was composed of the political heads of the Postal departments of the seven colonies, with their respective deputies, so that the subject was well considered, no doubt. It met in Sydney on the 20th January, 1896, and passed the following resolution : -

This conference, having considered the reply of the London office to the stipulation of the Hobart conference with regard to the manning of the mail boats by white instead of coloured labour, recognises fully the force of the reason given by the Imperial Government against insisting on the exclusion of coloured labour, viz. , the necessity of discriminating; between various classes of British subjects ; but in reply would respectfully point out that by some steam-ship companies the labour of the contributing colonies is excluded from employment, and an invidious preference given to the labour of countries which

do not contribute to the maintenance of the service. No injustice would thus be done by the stipulation that the labour of the countries subsidizing the service only should be employed. And, therefore, this conference is of opinion that the mails to and from Australia and Great Britain should be carried by ships manned with white crews only.

This was the unanimous decision of the representatives of the seven colonies. Here is a telegram sent by the president of the Postal Conference at Sydney to the Postmaster-General, London, and which wound up the business : -

Much regret you decline to do anything re coloured labour. We are not in position to call for tenders on our own account, and are therefore compelled accede to your proposal.

I apprehend that we have got beyond that proposal. That was when we were a disjointed community.

Now we, as a Parliament, can speak as one voice for six of the States represented at the conference. I hope that when this contract is about to be terminated the Government will take steps to see that none but white labour is employed upon ships subsidized by the Commonwealth.

Debate (on motion of Senator Dawson) adjourned.

#### SPECIAL ADJOURNMENT

Resolved (on motion by Senator O'Connor) -

That the Senate at its rising adjourn until 2.30 p.m. to-morrow.

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12:31:00

Senate adjourned at 0.31 p.m.