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1901-06-04

House of Representatives.

Mr. Speaker took the chair at 2.30 p.m.

MINISTERIAL STATEMENT

Temporary Supply Bill

Minister for External Affairs

Mr BARTON

. - Before the order of the day is called on, I should like to say, if Mr. Speaker will allow me, a word by way of explanation to honorable members. If honorable gentlemen will refer to the Constitution Act, they will see that by section 83 a period of one month, after the first meeting of the Parliament, is allowed during which the Governor-General in Council -

May draw from the Treasury, and expend such moneys as may be necessary for the maintenance of any department transferred to the Commonwealth, and for the holding of the first elections for the Parliament. That period expires on Sunday next, the 9th June, and, as Friday is our last sitting day before the 9th, it will be necessary, in order to keep within the provisions of the Constitution, to obtain the requisite Supply not later than that day. As it is not usual to introduce any measure which may prove contentious before the Address in Reply is adopted, this necessity enables me to ask honorable members to co-operate with me in securing the conclusion of the debate upon the Address either to-night, or, at the latest, by half-past six to-morrow evening, in order that we may then proceed to ask for and obtain supply.

GOVERNOR-GENERAL'S SPEECH

Address in Reply

Debate resumed from 31st May (vide page 568) upon motion by Mr. W. H. Groom -

That the following Address, in reply to the speech of His Excellency the Governor-General, be agreed to by this House : -

May it please Your Excellency : -

We, the House of Representatives of the Parliament of the Commonwealth of Australia, in Parliament assembled, beg to express our loyalty to our Most Gracious Sovereign, and to thank Your Excellency for the gracious speech which you have been pleased to address to Parliament.

Upon which Mr. Cook had moved, by way of amendment -

That the following words be added to the proposed address : - "We desire, however; to inform Your Excellency that in our opinion the proposals of the speech regarding the question of what has been termed a white Australia are inadequate, and not in accord with the views of the majority of the Australian people."

Mr A C GROOM

- As I understand that the Government are anxious to close the debate as soon as may be convenient to honorable members, my remarks shall be as brief as possible. I have listened with great pleasure and interest to the excellent speeches which have been delivered by honorable members on both sides of the House, and I think that this body is to be congratulated upon the spirit in which those speeches were made. As this is the first debate of the first Parliament of Australia, I think every advantage should be taken by honorable members of this opportunity to express their views. The discussion must already have been of very great assistance to the Government, inasmuch as they must now have learned the opinions of representatives from all parts of Australia upon the various questions which are referred to in the Governor-General's speech, and this knowledge should be of very great assistance to them in framing the measures which they propose to put before us during the session. I have noticed, however, that comparatively few of the members who sit immediately behind the Government have addressed the House. We have had very few speeches from honorable members who were returned by the State of Victoria to advocate high protective duties. We have had speeches from members of the Opposition in favour of free-trade, and from a large number of honorable members who sit on the Government side of the House in favour of protection ; but, so far as my memory serves me, none of those honorable members who advocate protection have stated what measure of protection they actually desire.

Mr Mauger

- Surely this is not the time to do that.

Mr A C GROOM

- Those honorable members have not even told us with how little protection they will be satisfied, if they do not get everything they want.

Mr McCay

- We shall probably have to be satisfied with what we can get.

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Mr A C GROOM

- I hope that honorable members will be satisfied with what they get, and that they will not get very much. It seems to me that the Government are in rather an awkward position in regard to this very important question. To use an old phrase, they appear to be "between " the devil and the deep sea." Honorable members on the opposition side of the chamber urge the adoption of a free-trade policy, while honorable members who sit behind the Government are, we know, in favour of the imposition of high protective duties. If we are to take the speeches delivered by these honorable members during the elections as a guide to what they require, it seems to me that the Government must depend, to a very large extent, upon the assistance which they will get from honorable members sitting upon the cross benches who are in favour of moderate and reasonable duties, and of honorable members sitting on the opposition side of the chamber, who will vote for moderate protection rather than have a high Tariff. I wish to make my position in regard to the Tariff question as plain as possible. I am in favour of the imposition of moderate and reasonable duties, and I think that the Government should carry into effect the language used in the Governor-General's speech, making revenue the first consideration. If we can, in providing for revenue, give our industries fair and reasonable protection, we should by all means do so ; but when I consider the composition of the Ministry, and remember that all its members, except one, are pronounced protectionists, I begin to have doubts as to whether the expressions contained in the speech are really genuine, and I feel inclined to say, like the patriarch of old -

The voice is Jacob's voice, but the hands are the hands of Esau.

Mr Barton

- Well, Jacob was a very good fellow.

Mr A C GROOM

- I hope that events will prove that I am mistaken, and that the Government will stand by the language used in the speech. If they do, I am sure that they will receive the hearty support of the majority of honorable members in this Chamber. Honorable members who are in favour of high protective duties must surely by this time have seen from the expressions of opinion by various speakers that a policy of high protection for the Commonwealth is utterly impossible, and that nothing but a policy of moderate protection will satisfy a Chamber composed of honorable members of the opinions which are held by the majority here.

Mr Mauger

- What is moderate protection ?

Mr A C GROOM

- I shall define it in a minute or two. It is a most astonishing thing that nearly every honorable member on this side of the House is now a moderate protectionist. If we had judged by the lion-like expressions in favour of high protective duties which were launched forth by a large number of those honorable members on their various electioneering platforms, we should have been led to understand that nothing but a policy of the very highest protection would satisfy them. But I suppose it is because the conviction has been forced upon them that a high protective policy is now impossible, that they are lying on their oars, as the saying is, and recognise that it is not wise to be rash at this juncture, that it is not wise to say too much, and that they had better wait to see how the proverbial cat is going to jump.

Mr Barton

- We say no more and no less than I said the very night we opened the campaign.

Mr A C GROOM

- I am very glad to hear that, and I hope that the Government will stick to their guns. If they do they will have my hearty support. I wish to define my position most particularly and exactly, and to lay it down, as I said on every election platform throughout the length and breadth of my constituency, that I am in favour of moderate duties - duties as low as we can possibly impose, in order to obtain our revenue ; but I desire

these duties, as far as possible, to be protective, and the highest duty to which I would consent on any single article coming into the Commonwealth would be 25 per cent.

Sir W McMillan

- Oh !

Mr A C GROOM

- The Opposition may smile at that statement-

Sir AV McMillan

- Does the honorable member call that a revenue duty 1

Mr A C GROOM

- I shall point out to the Opposition that in some instances we cannot expect very much less.

Sir W McMillan

- Does the honorable member call that revenue-producing or prohibition 1

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Mr Barton

- Free-traders impose duties amounting to 500 per cent, on some things.

Mr A C GROOM

- A large number of honorable members apparently have been led away by the idea that we can have a uniform duty of about 15 per cent. I have studied the question very carefully, and I do not see how we can have it. In the first place, we require a revenue, I understand, of about £8,500,000. How are we going to obtain it ? It is acknowledged on all sides that we cannot touch direct taxation in any form. 'Direct taxation, as we know it, belongs to the States, and to the States only. Any new income tax or any new land taxation would necessarily have to be altogether different from the direct taxation obtaining in the States ; it would have to be extra taxation. Therefore, the Government have necessarily to fall back on the Customs for their revenue. If we are to believe our statisticians, our imports from foreign sources in 1899 were, as nearly as possible, £33,000,000. Of that amount between £2,500,000 and £3,000,000 came under the head of spirits, narcotics, and tobacco.

Mr McCay

- More than that.

Mr A C GROOM

- No ; if the honorable member can take Coghlan, he will find it-

Mr McCay

- £3,118,000.

Mr A GROOM

- C. Groom.- The honorable member is wrong. The revenue we derived from the imports was £3,118,000, but the total amount of the imports was under £3,000,000.

Sir W McMillan

- But that is not counting excise : that is only imports.

Mr A C GROOM

- I am coming to that in a moment. I desire to see the free list, in regard to the balance of the imports, maintained in the same ratio as it is in Victoria, where as nearly as possible about two-thirds of the imports come in free, the rest being dutiable.

Mr Kingston

- Two-thirds the honorable member means.

Mr A C GROOM

- With all due respect to the right honorable gentleman, I desire to say that they do nothing of the kind.

Mr A McLEAN

- The honorable member is including the intercolonial imports.

Mr A C GROOM

- I referred just now to all the imports which come from foreign sources only, and I stated that the imports which came in from those sources amounted to £33,000,000, or thereabouts. I have nothing to do with the imports, and we have nothing to do with the imports which come from the various States and are not dutiable. Therefore we discard that altogether, and we take the actual amount of imports from foreign sources as £33,000,000. The whole amount which comes in under the heads of wines, spirits, tobacco,

cigars, and narcotics is between £2,500,000 and £3,000,000. The amount of duty that was collected on those imports was £3,118,000. AVe know that we have that revenue certain. That leaves us £30,000,000, less the amount of the free list, on which to calculate our duties. When we take off one-third, it leaves us £20,000,000 of imports on which to pay duties . which will give us the revenue we require in addition to the excise. If we have an average duty of 20 per cent., it will give us £4,000,000. Add that to the £3,118 000 on the imports of wines, spirits, and narcotics, and we have £7,000,000, leaving about £1,500,000 to be collected by excise duties in the various States on the manufacture of wines, spirits, tobacco and cigars, and on the manufacture of sugar. It seems to me these duties will have to be raised somewhat in that ratio.

Mr Glynn

- That will be as heavy as the present. The present rate is 23 percent, on 26 per cent, of the imports, less stimulants and narcotics.

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Mr A C GROOM

- That may be ; but still, when we have to raise a certain revenue and we have only a certain amount of imports on which to raise it, it means that if the free list is going to be any larger than a third of the dutiable imports, the average rate will be over 20 per cent., but I am taking the ratio as it now exists in regard to imports from foreign sources. That is, as I make it, as nearly as possible a third, and that will give us an average of about 20 per cent., because from the information I have been able to gather from the various statistics I think we shall be able to raise about £1,500,000 from the excise duties on the various articles manufactured in the States and on the manufacture of sugar. The Minister for Trade and Customs will correct me if I am wrong. What I am in favour of is a discriminating Tariff. First of all, we should have a third of our imports free. All our raw material for articles we can produce or manufacture here should come in free, and this, as I said before, comprises about a third of the imports. But I am not in favour of an all-round duty on everything else, for the simple reason that I think we should have a discriminating Tariff- - a Tariff which commences at possibly as low as 10 per cent, even, perhaps a little lower on a certain class of goods coming into the States, and which gradually rises to 12 per cent., to 12½ per cent., 15 per cent., 20 per cent., and 22½ per cent. ; but in no case, in my opinion, should it be over 25 per cent. That is my definition of moderate protection.

Mr Mauger

- Not a bad definition either.

Mr A C GROOM

- In my opinion, if our industries cannot maintain themselves on the protection I have named, then the sooner they die a natural death the better. I have never been in favour of high protective duties. I have always considered that the high protective duties which have existed in Victoria, especially during the last few years, have been far more to our detriment than to our gain. If we go back thirty or thirty-five years - to the time when Victoria first adopted protection - no doubt some of the honorable members here will remember that the great arguments which were used in favour of protection in those days were as follow :  
- First it was claimed that as our mines were failing, a protective Tariff would cause industries to spring up around us, which would afford a large amount of employment to the miners, to their sons, and to their daughters, at highly remunerative rates, the result being that Victoria would go ahead by leaps and bounds, that her manufacturers would necessarily prosper, and that she would become the great manufacturing centre of Australia, and the most attractive colony of the group. We must admit that, after the inauguration of that policy, a large number of important manufacturing industries did spring up around us in various parts of the State, and that they did afford a very large amount of employment to our sons and daughters, and that the wages which were paid in those days were good. And it really looked as if protection was going to do for Victoria everything that had been promised. In fact, protection in those days became very popular, and I remember the time when we used to point with a finger to our important industries, and say, "Look at what protection has done for Victoria." But a change came about in this way. Under protection, we had our own markets, and also the markets of the adjoining States for which to manufacture. The result was that there was a greater demand than we could supply, at highly remunerative rates. The States comprising the Commonwealth, New South Wales, Tasmania, Queensland, South Australia, and I may add, New Zealand, woke up to the great advantages Victoria

enjoyed in consequence of her protective duties. Consequently they started exactly the same policy themselves. The result was that our valuable export markets in the various States were, to a large extent, closed to us, the demand for our manufactures fell off, and we produced more than we required in our own markets. The consequence was that prices came down. Manufacturers were not satisfied with the prices they were obtaining, and the workers were thereupon paid less wages than they were accustomed to. Then Parliament was appealed to, and asked for still further protection, the reason given being that the manufacturers desired to be still further protected from the cheap commodities that came into the State from Europe and America. Parliament granted them further protection. Things remained in that condition for a few years until commodities were once more overproduced. Then the manufacturers came for the third time to Parliament, and asked for still further protection. They got it again, and, strange to say, with this result : that the higher protection was less beneficial. Our manufacturers seemed to prosper less, and wages were lower than the workmen formerly received. I am sorry to say that matters did not turn out as we had hoped when protection was inaugurated.

Mr Mauger

- In what industry did that take place 1

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Mr A C GROOM

- In every industry, more or less. It was felt that the higher duties were not giving the advantages for which we had hoped. I, myself, in those days, believed that the higher duties would benefit us to a large extent. I believed that our manufactures would prosper to a greater extent than they had done, but, owing to our high protective policy, more manufacturers entered into the various industries than the demand warranted. The result was that there was an over supply in the market, and prices came down. I have learned the lesson that high protective duties, such as we have known in the past, can never make our country great, for the simple reason that we never can develop an export trade with the goods produced in our protected industries. If we impose high protective duties against goods coming in from the various great centres of America, Europe, and England, we cannot export the same commodities to the markets of the world, and compete successfully against the countries from which we claim protection. We never can develop any great export trade in the particular goods which require protective duties. The result is that while moderate protection may be good in itself to keep on their feet those industries which it is necessary to maintain, still it never can make us great manufacturers, and can never make us a great nation. We are on an entirely different footing in regard to protection from America, Germany, and the great European countries, where there are large populations, simply because they have a greater number of people for whom to cater, and there is an unlimited demand for their productions. They can manufacture in greater quantities for export to markets which are close at home, and in regard to which there is no great cost in the way of freight. We are in a different position. The only markets we can hope to capture are those close to us, and there we should have to compete against the very articles for which we require protection. Therefore, I cannot see how protection is going to help us to any great extent beyond securing us our home market, and that must necessarily be limited. What we require is to develop our great natural resources. We wish to see help given in regard to the exportation of the great natural products of the farm, the orchard, and the grazing paddock. Our producers need to be assisted to put those articles in the very best possible condition on the home market. They need the cheapest possible freight to enable them to compete in the markets of the world. Those are the directions in what a paternal Government can help us in the future, and in that way more good will be done than by "endeavouring to foist a highly protective policy upon the country. I intended to speak on other subjects mentioned in the Governor-General's speech, but I do not desire to take up much more time at present. I hope to speak on the defence question on another occasion; but, before I close, I will say a word as to the transcontinental railway. Personally, from the information I have been able to gather, and from that furnished by honorable members of this House, I am strongly in favour of that line. I should like to see it constructed, provided it is warranted. Before the House is able to decide that question, the Government must authorize a complete examination of the country to be traversed.

Sir John Forrest

- It is being examined now.

Mr A C GROOM

- I am glad to hear it. We should have a trial survey made, and a reliable estimate furnished as to the probable cost of the line. With that data, the House should be able to judge whether the railway should be constructed. I do not know the population to be served, or the country and its possibilities, and am not able to give an opinion as to what course should be taken ; but, as far as I have been able to learn, I am at present inclined to favour its construction. I- should like, however, to hear more from honorable members in regard to the question, and to have the information for which I have asked supplied to the House. In regard to a white Australia, I am in favour of that declaration in the policy of the Government, but at the same time I recognise that the question is surrounded by a great number of grave difficulties. Adequate support must be given to the Government when dealing with the question. At any rate, they should be given reasonable time to bring in a Bill dealing with it. We should have legislation with the object of keeping out all aliens in the future ; but the kanaka evil should be removed as quickly as possible. At the same time, I recognise that there are important interests connected with the sugar industry, and I should be sorry to deal with the matter in a harsh way towards those concerned in the enterprise. I would like to hear what the Government have to say on the question before finally giving my opinion ; and the Government should certainly lose no time in bringing in a Bill to deal finally with the question. Before sitting down I desire to thank honorable members for the kindly way in which they have listened to me, and to congratulate you, Sir, on your elevation to the high position you occupy - a position which, I am sure, you will fill with credit to yourself and to the great assembly over which you preside.

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Mr MCDONALD

- Like the honorable member for Brisbane I exceedingly regret that Queensland was not represented at the various Conventions which were practically the means of bringing about our sitting here to-day, but my regret is for totally different reasons from those advanced by that honorable member. The honorable member for Brisbane said the reason he was sorry Queensland was not represented at those Conventions was because the black labour question and that of the sugar industry could have been dealt with by the delegates sent there. While to a degree I recognise that it would have been wise for the question to be thus dealt with, I at the same time would like to have seen Queensland represented, for another reason - namely, that the State at the time would probably have sent to the Convention ten labour delegates, who would have assisted the democratic delegates to make the Federal Constitution more democratic, if possible, than it is. That is my reason for desiring that Queensland had been represented at the various Conventions. I think it well the position of Queensland should be placed before the House, and the reason shown why that State was not represented at the various Conventions. It will be remembered that at the Premiers' Conference it was agreed that the delegates to the Convention should be elected by the votes of the people. The understanding was, I believe, arrived at among the Premiers, with the exception of the Premier of Western Australia, now the member for Swan in this House. However that may be, there was one State in which the compact then made was broken ; because the Premier of Queensland desired that, while any man in Queensland - at that time they numbered somewhere about 80,000 - whose name was on the rolls, could be nominated as a delegate, the electoral college for the delegates should be the Legislative Assembly. We maintained that that was unjust and wrong, and that it was breaking the compact entered into by the various Premiers ; and with the aid of the democratic portion of the Queensland Assembly, we were enabled to prevent the Government from carrying out their plan on that occasion. It was a well-known fact that the Government could not then have carried any seat for the Convention, and that was the reason Queensland was not represented in the body which drafted the Constitution. I merely make this statement so that honorable members, who are probably not acquainted with the politics of Queensland, may know exactly the position that State was placed in so far as the Convention was concerned. I should not have spoken in this debate, had it not been that one or two Queensland members from the tenor of their speeches, seem to have desired to leave the impression - or, at all events, left that impression on my mind - that they were speaking for the whole of that State. There was a time when some of those gentlemen could probably get up and talk on behalf of Queensland, because they usually got their politics from the Government of the day, and naturally thought that they were speaking on behalf of the whole of the people of Queensland. There is another section in Queensland who generally think that Queen-street is Brisbane, and that Brisbane is Queensland ; but this view is totally wrong. Those honorable members - I refer to the honorable member

for Oxley and the honorable member for Brisbane - were elected to this Parliament only after a very hard struggle, and I notice that in their platform speeches throughout the campaign, they were very careful to keep the question of black labour in the background, never bringing it forward prominently.

Mr R EDWARDS

- Not at all.

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Mr MCDONALD

- And further, in spite of what is said by the member for Brisbane to the effect that the black labour cry was merely got up by the Opposition to catch votes, I can say that nothing of the kind was the case. The cry originated with the press which supported the two honorable members who have spoken in favour of black labour, and it was through the press that the labour question became prominent, so that we could not have made it so at the last election. We have had some most extraordinary statements. One honorable member has told us that there are 22,500 white men dependent on the industry. I have repeatedly asked where this information was obtained. I find, on looking through the statistics of Queensland in connexion with agriculture, that there are somewhere about 3,660 white persons employed in the 69 sugar mills throughout the State. I want to know where the honorable member got the 22,500 white workers who are dependent on the few kanakas employed. The member for Wentworth told us there were 20,000 dependent on the industry, and that statement has been made through the press in Queensland, and by a number of those who sought election there, but, whenever challenged as to where they obtained the figures, they could not adduce any proof.

Sir William McMillan

- How many does the honorable member make those he mentions represent?

Mr MCDONALD

- The Queensland Government statistics, on page 415, show that for the year 1899 there were 3,665 white men employed in . 69 sugar mills throughout the country.

Sir William McMillan

- Has the honorable member multiplied that number by five ?

Mr MCDONALD

- That was the number, according to the version of the honorable member for Wentworth ; but the honorable member for Oxley distinctly stated there were 50,000 men, women, and children dependent on the industry, after the statement had been made as to the 22,500. I came to the conclusion, therefore, that the honorable member evidently believed there were 22,500 white people actually dependent on the few kanakas now employed in the sugar industry in. Queensland.

Sir William McMillan

- Why criticise me when the honorable member evidently agrees with me?

Mr MCDONALD

- I merely mention this to show that the honorable member made the statement that there were 22,500 white people dependent on the industry, and that the statement was also made by the member for Darling Downs.

Mr W H GROOM

- And I have good grounds for molong the statement.

Sir William McMillan

- How many persons depending on the industry do the 4,000 workers represent?

Mr McDONALD

- Suppose we put the average at four, which is generally taken in Queensland.

Sir William McMillan

- No, it is not.

Mr mcdonald

-We will put it at 20,000 then.

Mr Barton

- Five - a man, his wife, and three children - is the general average.

Mr MCDONALD

- I do not think it is in Queensland. Honorable members must take into consideration that there is a very

large number of single men working on the gold-fields, as, for example, at Charters Towers. We generally take the family as four, on an average, in Queensland, and if this be carried out it will be found to be fairly correct. However that may be, the honorable member for Oxley insisted there were 50,000 men, women, and children depending on the sugar industry.

Mr R EDWARDS

- I included coal miners and their families, and all depending on the industry.

Mr MCDONALD

- The honorable member might have included all people working in Queensland, and I suppose that if it were necessary to support the argument he would say - "Wipe out the sugar industry and you wipe out Queensland." I merely make this statement to show that the various assertions made from time to time to the effect that there is such a large number dependent on the number of kanakas employed are not in accordance with the facts. Again, the honorable member made a statement which I take as a direct insult to the white workers of Queensland. The honorable member distinctly stated that the reason kanakas were employed was not because kanakas could be obtained more cheaply, but simply because they were more reliable - that if the white man were employed in the various occupations in which kanakas are employed the white man would go on strike and leave his employer in a hole, and would be able to obtain higher wages through taking that mean advantage. I take it as a deliberate insult to the working classes of Queensland. I say it is absolutely untrue, and that there is no foundation whatever for such a statement.

Mr SPEAKER

- The honorable member must not say that any statement made by another honorable member is untrue. The honorable member must withdraw his remark.

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Mr MCDONALD

- I apologize, Mr. Speaker. I quite understand it is not parliamentary to say that any statement made by another honorable member is not true, but still we cannot get over the fact that the workers of Queensland are just as reliable as are the workers in any part of the civilized world. There are many occupations in which the white man is engaged, and he can be relied upon to carry out his contracts just as accurately and honestly as he can in any other community. I must certainly protest against any statement being made that the workers of Queensland are unreliable. But the fact underlying the employment of kanakas is merely one of £ s.d. The kanaka can be obtained a great deal cheaper than can the white labourer, and that is the whole explanation. That fact underlies the whole question of the employment of kanaka labour in Queensland. Again, we are told that the white man cannot work in tropical Queensland, and yet two-thirds of the kanakas employed in that State are employed a long way below the tropical line, so that that argument also falls to the ground. "When we start to get at the actual work which we are told the white man cannot do, what does it narrow itself down to? The advocates of coloured labour admit that the white man can do almost every kind of work, even including the cutting of the cane - and no one will dispute that - because he is working in the open field, and not under such severe conditions as are imposed even on a man working in a cutting on a railway, but they say that the part of the work which the white man cannot do is the trashing of the cane. Now, I have not heard an honorable gentleman or any one in connexion with the sugar industry argue that the trashing of the cane is absolutely necessary. Even the cane growers themselves differ on that question. One man will say - "I do not trash my cane," and another will say - "I trash my cane because I believe there is money in it."

An Honorable Member. - It means that the cane is worth two shillings a ton more.

Mr MCDONALD

- Yes. But then the question arises - "Does the extra amount thus received compensate for the trashing of the cane?" and on this point a large number of farmers who grow cane in Queensland say that it does not. So that even on this most important point, we find that the planters themselves differ. I was very pleased when I saw in one of the Queensland papers that the head of the Government had given instructions to Dr. Maxwell to get him some data upon the management of the sugar plantations. I hope that this important point will be impressed on Dr. Maxwell, and that the Government will try and obtain from that gentleman, who has vast experience and knowledge of the growing of sugar cane, an answer as to whether it is absolutely necessary to have the cane trashed. If it is not necessary, then there is no need for the employment of the kanaka. The whole argument advanced for the employment of the kanaka



would then fall to the ground.

Mr Barton

- Is it not a very general opinion now that the trashing is only necessary when there has been heavy rain, likely to lead to a soakage between the leaf and the stalk ?

Mr mcdonald

- Some say that, but others say - " No, we never trash our cane at all." Some go so far as to burn it.

An Honorable Member. - Some trash it when they are cutting it.

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Mr McDonald

- Just so. On that point it appears to me that there is good ground to consider whether it is necessary to perform this particular work, which the advocates of black labour say the white man cannot do, although I do not for a moment admit that the white man cannot do it. I believe there are occupations in the northern portions of Queensland in which white men are employed where far heavier work is imposed on them, not only in regard to heat, but in regard also to the laborious nature of the work. Take the sinking of a winze in a mine. I have seen men go down into places where they could not remain for more than ten or fifteen minutes at a time. The only air they could possibly get was, of course, that given to them by artificial means. Yet those men do their work effectually and well. We do not hear any talk about their being unable to do it, or any complaint that they are unreliable. I say that white men are just as able to perform any sort of work in the cane-fields as black men or kanakas. Of course, we are told that if an immediate stop be put to the importation of kanakas the sugar industry in Queensland is ruined. A good deal of this feeling has grown up through the planters themselves. They have used every effort to discourage the employment of white men in the sugar-fields of Queensland. They have tried to create the impression that tropical agriculture should be looked upon as degrading, and as fit only for black men. This is why many white men have looked upon it as an occupation in which they should not seek employment, and it is this fact, together with the low rate of wages paid to white men who seek the work that has produced the present state of things. We hear men say sometimes - "It is of no use my going to the plantations because they pay such small wages, and expect me to live under the same conditions as does the kanaka or coloured labourer who is employed there." Having these ideas, white men strongly object to seeking employment amongst the sugar plantations, and the sugar planters themselves are therefore to blame for not having sufficient white labour with which to carry on the industry in different parts of Queensland. As far back as 1883 legislation was enacted to prevent the introduction of the kanaka into Queensland after the year 1892. During that nine years nothing was done by the planters themselves to provide for the employment of labour other than coloured labour, and thus when the time came for the introduction of coloured labour to cease, it was found that the planters had not the necessary labour available to carry on the industry, and that there was nothing but ruin staring them in the face. Already we find that, owing to a large number of the sugar planters in Queensland being in the hands of the financial institutions, some of those institutions have been trying to bring pressure to bear upon the farmers by refusing to advance money, and when the farmers ask the reason they are told the present Federal Government is going to stop the introduction of kanakas, the result being that the industry will be ruined. The financial institutions, together with the planters, have created the impression that in the north, centre, and south of Queensland the stoppage of the importation of kanakas is going to have the result of ruining the industry.

Mr Kennedy

- Does not the State advance money to the sugar planters now?

Mr McDONALD

- That is so. But, in spite of that fact, that the Government knew that when federation took place it was more than probable that the stoppage of kanaka immigration would be brought about, they were prepared to introduce a Bill last session making a farther advance to the extent of £150,000 in connexion with the central mills system. As far as the Government of Queensland was concerned, they apparently were not afraid of the stoppage of the introduction of kanakas. Regarding the kanakas working in the sugar-fields, there is a word or two to be said on their behalf. I think the introduction of kanakas into Australia, and particularly into Queensland, is one of the most disgraceful pages of our history. I think it has been the most inhuman traffic that has ever taken place, or is ever likely to take place, in the history of Australia. I

do not think, as other members think, that it is necessary to introduce kanakas in order that the sugar industry may live, and I say that, rather than continue the inhuman conduct that has taken place in connexion with the traffic in South Sea Islanders, I would sacrifice not only £7,000,000, but £47,000,000 if necessary, and let the industry go to the wall. It is a disgrace to us, and a thing that ought never to have taken place. We are told by some that the kanakas are gradually dying out, and we certainly cannot wonder at it. In a great many cases, they are introduced at the ages of from 15 to 30 years to work in the sugar-cane fields of Queensland. What has been the result? We have found that in the first six months these unfortunate wretches have been afflicted with a death rate as high as 200 per 1,000, while the death rate among the white population has been only about 11 or 12 per 1,000.

Mr Barton

- The average is between 4 and 5 per cent. for kanakas, but it is much less for the whites.

Mr McDONALD

- I am talking about the time when they were first introduced - during the first six months.

Mr Barton

- I beg the honorable member's pardon.

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Mr McDONALD

- The conditions, I admit, within the last year have somewhat improved, but at the present time there are 47 or 48 per 1,000 of the kanakas dying, and that has given rise to the saying that the planters of Queensland are practically manuring their soil with the carcasses of kanakas. If we take into consideration the enormous death rate amongst these people, I think there are grounds for making the statement. When these people are brought to Queensland their lives are anything but what they should be, and in spite of the statement of the honorable member for Brisbane, that they are harmless, docile creatures, I wish to draw attention to some of the outrages that have been committed in Queensland from time to time. There is no need to go over the long list, but we know that outrages have taken place, and that in Bundaberg and Mackay a woman is hardly safe in leaving her home after dark owing to the presence of liberated kanakas. Under those circumstances I do not think they are at all a desirable people to introduce. A very large number of murders have been committed in Queensland, and although it has been generally supposed that the kanakas have had something to do with them, it has been impossible to sheet home the crimes. I do not wish to place the whole of them to the credit of the kanakas, but they are generally attributed to them. I think, apart altogether from the sugar industry, that the traffic in kanakas is an inhuman traffic, and the sooner it is stopped the better in the interests of Australia generally. " It has been said by one speaker that the fact that the Queensland Government have not passed an enactment prohibiting the traffic is a reason why this Parliament should permit the employment of kanakas in the sugar-field, but it is a well-known fact that the Parliament of Queensland to-day is elected on the plural vote, and the first time the people had an opportunity of saying whether the kanaka should remain in Queensland or not, they, by an overwhelming majority, decided that they did not want the kanaka brought into the State. On that occasion the only two seats out of the nine the Government secured, were the seats held by the two honorable members for Oxley and Brisbane. Under such circumstances, I think this House has an emphatic decision from the people of Queensland in regard to the employment of kanakas in the cane-fields. I do not intend to take up a very great deal of the time of the House, because I understand there are quite a large number of honorable members who desire to speak. However, there is one matter I would like to mention in connexion with the black labour question, and it is this. There has been a general impression that there should be a Commission of Inquiry into the industry. I do not think there should be any such commission. I think the decision of the people of Queensland at the last election was the best decision we could possibly have, and I am pleased to learn that the Government themselves are not favorable to the idea of a commission. I think it was the leader of the Government in another place whom I heard say distinctly, that as far as the Government were concerned, they did not intend to have a Royal commission of Inquiry into the black labour question. I was very pleased to hear the statement, because there is an effort being made at the present time through the Chamber of Commerce and other bodies to bring pressure on the Government to appoint a commission. Let me remind the Government that they have already had a very strong opinion expressed by the people of Queensland. I do not think any Government could earn the respect of the people of the State more certainly than by stopping the

traffic in connexion with islanders from the Pacific. As there is a desire to get this debate finished, it is not my intention to say much more. I have been exceedingly pleased to hear the speeches from both sides of the House during the few days that it has proceeded. I certainly think they were good speeches and were worth listening to, more especially the speeches, if I am not going too far in saying it, of the honorable member for Parkes and the honorable member for Bendigo. They were two fine speeches, worthy of the gentlemen who made them, and certainly worth listening to. What struck me most has been that all through the debate the question discussed has been purely one question of free-trade and protection. The whole debate has developed into a controversy between New South Wales and Victoria. South Australia, Western Australia, Tasmania, and Queensland have not been in it ; they have hardly been mentioned. I believe Western Australia was mentioned in connexion with some transcontinental railway, which I understand has already been promised to the people of that State.

An Honorable Member. - No, no.

Mr Barton

- This Government has made no such promise.

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Mr McDONALD

- I hope the Right Honorable the Prime Minister will not think for one moment that I imagined the Government had made such a promise. I certainly thought, however, from the tone of the speech made by the Minister of Defence the other evening, that that right honorable gentleman made a very distinct promise. When the matter comes up, I trust that the fullest possible inquiry will be made ; and that the House will view the question purely on its merits ; if it then appears desirable to construct the line I hope the House will have the courage to sanction it. During the whole of this debate, the question of free-trade and protection has been practically the only one which has been discussed. To my humble mind, however, there are other matters which are just as important to the workers of the Commonwealth. I do not believe that this question of freetrade or protection is going to affect the great mass of the workers of Australia to any great extent. We have been told on both sides of the House that we must gauge our prosperity by the amount of wealth we produce. If I may be permitted to do so, I should like to enter my emphatic protest against such a doctrine. We must judge the prosperity of the people by their happiness and contentment, and not by the question whether they have produced more goods this year than they did last year. That is a more just way of judging the prosperity of a people. A fact which has struck me as most peculiar is that while both sides of the House have been trying to show us what New South Wales is exporting, and what Victoria is exporting - and while we find that we are exporting wool, meat, hides, and other things which are necessities of life - thousands of people in different parts of the Commonwealth are actually in want of these particular commodities. We find many people desirous of obtaining those commodities, but having no means to get them. Yet we are told we must consider ourselves prosperous, because we are enabled to export that which should be used by our own people. I think there are many matters which could be dealt with by the Government with benefit to the workers. We see in proposals of taxation - whether they are from a free-trade source or from a protectionist source - that about 80 per cent. of the taxation falls on the working classes, and that only 20 per cent. is borne by the wealthy classes. I certainly think that a better and more equitable adjustment of taxation than that could take place. We always find, however, that whenever there is any question affecting the wealthy classes, free-traders and protectionists do not divide themselves at all. They are prepared to vote together to fight against what they call their common enemy - the working classes.

Several Honorable Members. - No, no.

Mr McDONALD

- Have we not in Queensland seen the free-traders and protectionists combining and saying distinctly in their manifesto to the electors that they had only one object, and that that was to prevent the labour party from getting into the Federal Parliament. That is a well-known fact in Queensland politics, and I think the same thing has occurred throughout the whole of the Australian States without exception. Where the capitalistic portion of the community is concerned, both parties are always prepared to go hand in hand to fight against what they call their common enemy - the Working classes.

Mr Wilks

- We have a rare exception in New South Wales.

Mr McDONALD

- I know the position in New South Wales better, perhaps, than the honorable member could tell me.

Sir William McMillan

- Who used the expression "their common enemy the working classes"?

Mr McDONALD

- I have known the expression used in Queensland, and I do not think the honorable member would be above taking up that position where anything affecting the working classes was concerned.

Sir William McMillan

- I have never given expression to any such sentiment.

Mr McDONALD

- I do not say that the honorable member has done so. I would ask the honorable member, and most of the representatives who were in the Assembly of New South Wales, what sort of a fight they had upon the question of direct taxation - they showed the strongest opposition possible.

Sir William McMillan

- We fought for it.

Mr McDONALD

- We know all about the honorable gentleman fighting for it. We know the honorable gentleman could not have held his position if he had not done what he did. The honorable gentleman said here distinctly the other night that he disapproved of direct taxation so far as the Commonwealth is concerned.

Several Honorable Members. - Hear, hear.

Sir William McMillan

- So I do.

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Mr McDONALD

- I thought I should have a chorus of "hear, hears" when I said that. The moment a question affects their pockets some honorable members are prepared to fight against their common enemy, the working classes. I would like to recommend to the right honorable gentleman at the head of the government that, if he desires to assist the sugar industry in Queensland, one of the best things he could do would be to take the necessary steps to create a State refinery. By that means he would do more to assist all the planters in

Queensland than he could do by any other means I know of at the present time. I hope he will take that matter seriously into consideration. We know that the Colonial Sugar Refining Company are paying enormous dividends year after year, and while among the sugar planters there is, roughly, between the planter and producer of raw sugar only a margin of profit of 8s., 10s., or 12s., we find that in the manufacture of the refined sugar from the raw sugar there is a margin of profit of somewhere about £1. In the circumstances I certainly think there is room to cut down this particular profit and let the planter have some of it. I merely mention these matters because in these discussions I would like to see those honorable members who at election times are always desirous, or say that they are, of assisting the working classes as far as possible, do something to assist them. - I think that the least they can do, after obtaining their votes, is to say a word or two for those who have helped to send them here. Now, I think there is nothing of the kind. Personally, I do not believe that the adoption of either free-trade or protection will benefit the working classes very largely, but, in dealing with the Tariff, I shall cast my vote so as to lighten the burden of taxation, wherever that can be done. I am a free-trader, but I do not attach any special importance to my fiscal belief. I am prepared to support a protectionist Government if they will give us labour reforms, just as I would in turn support a free-trade Government if I could get similar reforms from them; so that I have a very easy conscience on the question of free-trade and protection. I am going to vote against the amendment. Notice of motion for the introduction of a Bill to prevent the further importation of kanakas has been given, and as soon as the debate on the Address in Reply is finished we shall be able to see that Bill. If we find that it contains all we desire, we shall give it our hearty support, and, if we think its provisions do not go far enough, we shall use every constitutional means to have it altered as we desire. I think that it was injudicious to move the amendment at this time, because we do not know what are the contents of the proposed Bill. Until we see the Bill, we cannot say whether we should or should not vote for it. I hope that the Government will carry out the various measures which are

mentioned in the Governor-General's speech. If they do so, they will earn the thanks and the gratitude of the working classes of the continent.

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Mr WINTER COOKE

- As the only Victorian representative who sits on the opposition side of the chamber, it is perhaps desirable that I should explain my position, although I do not intend to take up more than a few minutes in doing so, because I recognise that it is incumbent upon us to bring this debate to a conclusion as soon as possible. I am sitting on the opposition side of the chamber because I am a free-trader, and I shall try to make clear to honorable members opposite what I mean by " free-trade," because they seem to be somewhat in. the dark as to the meaning of that word. In the first place, however, I will give my reasons for being where I am. Last year the present Attorney-General wrote an article in a magazine called United Australia, in which he stated that the first duty of the Commonwealth Parliament would be to draw up an Australian Tariff, and that the one clear-cut issue would be whether free-trade or protection should be . adopted. That honorable gentleman is a member of the present Government, and we find him associated with the Prime Minister, who is an advocate &gt; of what is called moderate protection, and the leader of the protectionist party of New South Wales, and with the Treasurer and the Minister for Trade and Customs who are both protectionists. But one who believes that free-trade is a good thing for a community should at the very inception of the Commonwealth endeavour to see that our fiscal legislation is founded upon right principles, and is it to be supposed that a Ministry constituted as this Ministry is constituted would, if left to themselves, adopt any other policy than that of protection ? It is true that under existing circumstances, they will not be able to impose a really high Tariff ; but we freetraders may be quite certain that whenever they get the opportunity they will endeavour to introduce the cloven foot of protection. It is therefore incumbent upon us to make it clear that we cannot support this Ministry. The definition which I would give of free-trade is one which is given in most of the text-books that treat of the subject in its controversial and political sense - the levying of customs duties for revenue purposes only, and with no ulterior object of securing protection. The imposition of revenue duties may incidentally give protection, but the object aimed at in imposing them is not to give protection.

Mr Mauger

- Where did the honorable member get that definition ?

Mr Ronald

- The honorable member is describing a revenue Tariff.

Mr WINTER COOKE

- I see no difference between a revenue Tariff and freetrade. If honorable members spoke of a revenue-cum-protection Tariff I could understand their position. A revenue Tariff is the same as a free-trade Tariff. If honorable members insist that free-trade means a policy under which no customs duties are levied, I say that no country has ever had free-trade, though I believe that the Hanseatic towns of North Germany once had it. When we speak of free-trade England, we do not mean that England levies no customs duties at all. A freetrade Tariff is a Tariff for revenue purposes only - it does not matter whether the amount of revenue obtained is small, or so great an amount as £8,500,000. Unfortunately, at the present time there are in existence industries which are said to have been built up under protection, and I believe that some industries have been so built up ; and the question arises - what is to be done with them ? If I were the head of the Government, and had a good majority at my back, I would remove all duties upon imported articles where I found that the local manufacture of those articles was a thriving industry, and that the locally-manufactured goods were being sold in other States of Australia besides that in which they were manufactured. I would in this way gradually remove all protective duties, except so far as revenue duties might incidentally be protective, and bring into existence a purely revenue Tariff. That, I hope, is a clear definition of the policy I favour. Honorable members may ask why it is that I am a free-trader. In reply to that question I am almost afraid to quote authorities, because they have been spoken of with such contempt by some honorable members. The honorable member for Echuca seemed to think that education in political economy is of no value at all, and that no professor of that science could hold a sound opinion upon fiscal matters. It is strange that, while in regard to other sciences the educated man is regarded as somewhat of an expert when he gives an opinion upon a question which he has studied, the student of political economy should be looked upon as one whose views are outside the

range of practical life. "Let us go to the practical man ; do not let us go to the man who wears a black coat," said the honorable member for Echuca. That seems a strange thing to say. On all sides we hear a cry for more education ; but when educated men tell us that protection is wrong, and free-trade right - and I hold that the majority of educated men who write on the subject do tell is that - we are told that their conclusions cannot be accepted.

Mr McCay

- Educated men once preached that the sun goes round the earth.

Mr WINTER COOKE

- If a professor of political economy were sought for, either in the Melbourne or the Sydney University, not a man of any distinction would be found, capable of filling the position, who would be prepared to tell his students that free-trade was wrong and protection right. It is true that there are a few who have written in favour of protection ; but honorable members opposite have not had the courage to give us their names. The other side has not had the courage to name them. It began, I believe, with Hamilton at the end of last century, and was continued by Carey and a few others.

Mr Kennedy

- How does the honorable member account for the progressive nations of the world not following the teachings of those professors ?

Mr WINTER COOKE

- Because people take a long time to learn.

Mr Kennedy

- They do.

Mr WINTER COOKE

- At one time the majority of the people of the world thought it was flat.

Mr A McLEAN

- Can the honorable member name any nation which is in advance of Germany in the matter of learning?

Mr WINTER COOKE

- I was speaking generally, and I mentioned a particular subject. I was going to answer the honorable member for Moira first. At one time the majority of the people of the world thought it was flat. It is no longer thought that it is fiat.

Mr Barton

- Now they think that it is full of fiats.

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Mr WINTER COOKE

- Honorable members will find that it takes a long time for people to learn these things. They will find that the working people will see that it is to their advantage to have free-trade.

Mr Watson

- Plus direct taxation.

Mr WINTER, COOKE

- I am not one who objects to direct taxation. I am one who pays a very severe land tax, and also an income tax.

Sir William McMillan

- The prosperity of Germany is due to free-trade among her States.

Mr WINTER COOKE

- Honorable members opposite cannot answer me with authorities on their side. Then, I come to the great authority in our own country. Mr. Gladstone - I believe the greatest financier that England produced in the last century - and he tells us - what? - that protection is a fraud.,

Mr Watson

- In England.

Mr WINTER COOKE

- Gladstone does not say in England only. He is speaking of protection in general terms, and he says that it is a fraud. Professor Pearson, one of the most radical politicians Ave have ever had in Australia, said that to his mind freetrade amounted to the truism that two and two made four. When I find authority, supposing that my reason does not lead me in that direction, thus teaching me, surely I have a right to

ask for an authority from the other side. They have not got one. I do not want to go into statistics. It has been alleged by a, good many of what I would call croaking Cassandras, that Great Britain is decaying, that her trade is falling away from her. It may be, probably is the case, that in a good many of her industries she has been cut out by other countries. But I think that a country that has paid off a debt of £125,000,000 in 25 years, whose revenue increased in that period from £75,500,000 to £129,000,000, that has built a splendid navy, kept up a most costly army, and locally spent money largely, can hardly be said to be a country that is falling into decay.

Sir William McMillan

- Hear, hear, and nobody believes it either.

Mr WINTER COOKE

- I think honorable members will admit that in private life when we get out of debt we are supposed to be prospering. I am not making any comparison between Great Britain and Germany, or between Great Britain and the United States, but there is the fact of a great country having paid off an enormous debt in that time.

Mr McCay

-We are quite satisfied that Great Britain would prosper under either fiscal policy, but that does not prove anything.

Mr WINTER COOKE

- That might be. At the same time free-traders say that the United States would prosper under freetrade. Undoubtedly, I believe that a race such as the Anglo-Saxon - an energetic race not yet decaying - in almost any climate, under almost any fiscal policy, would thrive, but I submit that under free-trade the United States would thrive more than they do under protection.

Sir William McMillan. - That is the point.

Mr McCay

- That is a horse of another colour.

Mr WINTER COOKE

- The Attorney-General stated here the other night that there are 2,000,000 paupers in London.

Mr Deakin

- I did not use the word "paupers" in a technical sense.

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Mr WINTER COOKE

- I did not quite understand what the honorable and learned gentleman did mean. It is often said that England has so many paupers. But it is a strange fact that England is the only country which has ever looked after her poor. I do not say that she has looked after her poor so well as she ought to have done ; but I submit that she is the only country which has ever looked after her poor. The people who are in want ask for and get relief, and inasmuch as figures are kept it is known how many paupers there are in the country. Only an hour or two ago I turned up the Labour Gazette, and I found that the returns for March show that out of the total number of trades unions that sent in the number of unemployed one-half show an aggregate of 3.6 per cent. In France the same kind of record was kept, and the percentage of unemployed was 12. Germany had a system of registration. For every 100 places to be filled, there were 126 applicants. I am not going to deduce from this that therefore France and Germany are worse off than England. But if honorable members are going to use figures at all in this haphazard kind of way then I contend that here is a fair instance to bring forward to show that the percentage of the unemployed in the old country is only 3 per cent., whereas in France it is 12 per cent., and in Germany 26 per cent.

Mr McCay

- The fact of a man applying for employment does not show that he is out of work.

Mr WINTER COOKE

- I am only answering a statement that was made from the other side. I did not intend to refer to statistics at all, but I found that a certain statement as to figures had been made from the other side. I do not think that in a general discussion of this kind one can, by quoting statistics, arrive at any fair conclusion. That, I hope, will show why I feel it incumbent upon me to sit on this side of the House. There is one other question on which I differ from Ministers, and from some honorable members also on this side of the House, and that is the question of adult suffrage. I do not believe in womanhood suffrage, and when the

time comes to speak I hope to give reasons which, though not satisfying to the House generally, will, at all events, be sufficient justification for the faith that is in me. In all other questions I shall wait for details, but I think I am at one with the Government. With regard to a white Australia, my reading and my converse with men has taught me long ago that it is not good for any community that there should be large bodies of whites and large bodies of blacks. That has been proved to be the case in the United States of America. It has been proved to be the case, I believe, in South Africa. I do not believe it is good for even our white race in India, small though the number of white people may be there.- I believe it is not good for the dark race or the white race. Therefore, I shall give my hearty support to the proposition to eventually get rid of both Asiatics - if that can be done with the consent of the "Imperial Government - and kanaka labour. We must do our best to see that Australia remains as a possession for the white man, and the white man only. On other questions, such as railways and so on, I shall wait for further information. I can assure the Government that I shall give no fractious opposition to their proposals. -I have mentioned the only two questions on which I differ from them - all important ones to my mind. As to what is a proper fiscal policy for the country, I want free-trade started from the commencement. My objection to protection is not so much on economic grounds. It rests on far more important grounds than that. I think that the social and political evils that arise from people having to depend so directly on the action of the Legislature for their means of living is bad both for the people and the Legislature. There is a passage in a very good little book which I will commend to honorable members on the other side of the House. The book is The Commerce of Nations, by Professor Bastable, Professor of Political Economy in the University of 'Dublin. The passage to which I allude is as follows : -

To these economical difficulties in the operation of protection we ought to add the social and political results of placing industry in such direct dependence on legislation. Where the imposition of a duty may make the fortune of a producer or owner of some natural resource, and its withdrawal mean lowered profit or rent, the employer becomes perforce involved in "politics," in the vulgar sense. The English corn laws, the French protective systems, and the various American Tariffs have all been in part the outcome of the exertions of interested parties. Such relations are evil both for industrial and political life, and have a disastrous tendency to demoralize those concerned. It is not well that a measure so vital as the conduct of industry should depend on political contingencies, nor that the work of legislation should be mixed up with questions of commercial loss or gain.

Mr McCay

- Do not such authors base their conclusions on the statistics the honorable member has just condemned ?

Mr WINTER COOKE

- It is on the political and social side of the question that I condemn protection. Mr. Bryce, on his chapter on corruption in America, points out the very great evil which has resulted from the great pressure brought to bear by those interested in those matters upon the Congress of the United States.

Mr Kennedy

- Does not that argument apply to railway construction and land legislation ?

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Mr WINTER COOKE

- Undoubtedly it does, but we should not extend the area more than is necessary. All legislation affects some interest or other to some extent, but the farther away from Parliament we keep business the better. Undoubtedly privately owned railways in the United States have added greatly to the evils of corruption, but I believe it is incumbent on those who are in favour of protection to prove its advantages over free-trade, when we know that by protection we bring about those evils I have referred to. Mr. Bryce, in his American Commonwealth, touches on this question, and says that, though he cannot get at the actual figures, he estimates that 5 per cent, of the members of Congress are more or less influenced directly, and another percentage indirectly, by bribes from those interested in the Tariff. Now I have finished. I have touched on rather a delicate side of the question. Perhaps it is somewhat improper even to hint that, at some future time, any member of this House could be either directly or indirectly interested by bribes ; but, inasmuch as history points to the fact of this having been the effect of protection in countries that have adopted it, I thought it not unwise or improper to touch on this aspect of the question.

Mr Mauger



- Did the honorable member never hear of anything of the kind in England?

Mr WINTER COOKE

- I do not say for a moment that any legislation is free from this evil, but we should keep temptation away as much as possible. Before I sit down, I ask to be allowed to say, if I may do so without presumption, that while regretting that we have lost you, Mr. Speaker, from this side of the House, I congratulate you sincerely on having received such a high honour. I trust you will long retain your seat in the Chair, to the advantage of this House, and consequently to the advantage of Australia.

Mr CHANTER

- I desire, in the first place, to congratulate those with whom I have laboured in the cause of union upon the successful consummation of our efforts. I trust this Parliament will be a model to others that will follow us. I deplore the fact that we have had introduced into this debate the old arguments with which we have been familiar in the States, setting one State against the other. Being a member from New South Wales, some remarks are called for on my part in answer to many things which have been said in this debate. It is not my duty to sit here and hear statements from honorable members opposite, many of whom are colleagues from my own State, which will not bear the interpretation put upon them. I trust that the same good humour which has been evinced throughout this debate will be continued during the present Parliament, and that we shall be able to discuss measures from time to time without any indulgence in personalities or any conduct tending to cause ill-feeling or ill-will. I should like first to address myself to the fact that during the recent campaign and during the last few years of my parliamentary life in New South Wales I have been sitting in opposition to a party who call themselves free-traders. Now there are no free-traders, in the Commonwealth Parliament of Australia.

Sir William McMillan

- Oh, yes there-.

Mr CHANTER

- There are absolutely none. The honorable member who has just resumed his seat is not a free-trader ; he calls himself a revenue tariffist. Many authorities have been quoted from time to time in the course of this debate, and now I am going to quote from one of the greatest free-traders of whom I know. He is the only writer I have read who has clearly pointed out what that class of politicians are who call themselves revenue tariffists, and what justification there can be for a revenue Tariff. I am going to quote a writer whom no one will deny is a genuine free-trader, Henry George. This is what he says : - Those protectionists are right who declare that protection is the only justification for a Tariff, and the advocates of a Tariff for revenue only, have no case. If we do not need a Tariff for protection, we need no Tariff at all.

Mr Wilks

- He had no Braddon clause in his mind when he wrote.

Mr CHANTER

- The Braddon clause does not affect the argument.

Mr Barton

- The authors of the bookkeeping clause and the Braddon clause both sit on the opposition side of the House.

Mr Wilks

- That does not alter the case.

Mr CHANTER

- The Braddon clause has been termed "The Blot." Never by me, however ; I do not consider it is a blot. As one who has always adopted the principles of protection, believing them to be for the good of the many, and who has felt that we can only give that protection which is needed through the Customs houses of the country, I am of opinion that the Braddon clause, so called, does insure for a time at least that the revenue raised through the Commonwealth Parliament shall be obtained by means of the Customs house. That is a guarantee at least that the industries and the welfare of the people will be studied under the clause.

Sir William McMillan

- It does not do anything of the kind.

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Mr CHANTER

- The honorable member will pardon me for taking a different view of this matter from himself. At least this guarantee has been given so far as the Braddon clause is concerned, and although other means for raising revenue may be adopted, the policy of the States will demand that the necessary amount of revenue shall be raised through the Customs houses of the Commonwealth. Therefore there is a guarantee to that effect. I would like to reply to some statements made by the honorable member for Wannon in regard to pauperism in England and other places. We have two bases laid down for us to follow here ; one is the prosperity of England, and the other the prosperity of New South Wales. We have been told times without number that there is more wealth and a greater distribution of wealth, with more home comforts and less trouble and disaster, amongst the workers in England than in any other place. I will take the countries of England, France, Germany, and Russia, and compare them, in order to find how this statement works out ; and my authority is Mulhall, in his latest edition, of 1896. According to this authority the paupers in England number 810,000--

Mr Winter Cooke

- The Attorney-General said there were 2,000,000 in London.

Mr CHANTER

- Let him speak for himself. I am speaking on the authority of Mulhall, who gives the figures as I have stated, showing a percentage of 2 "8. In France there are 290,000 paupers, or a percentage of "S ; in Germany, 320,000 paupers, or a percentage of -7 ; in Russia, 350,000 paupers, or a percentage of -4. It will be seen that England has far and away more paupers under her free-trade policy than have the other nations I have named.

Mr Winter Cooke

- Why do they come to England ?

Mr CHANTER

- I did not catch the interjection.

Mr Winter Cooke

- Why the general immigration to England 1

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Mr CHANTER

- The answer is very easily given. England is a small area, less in territory than the constituency I have the honour of representing in New South Wales, and with a population of teeming millions, it is natural there must be an overflow somewhere. Rut where do the people go from England ? Do not the greater number of them go to the greatest protectionist country in the world - America % I am as loyal to 'that State of New South Wales as is any member sitting on the other side; and I have no desire to decry her interests or to deal with her in any other but a friendly way. Duty demands, however, that I should speak the truth here, and I have no hesitation in saying that in comparison with other States, New South Wales has far more unemployed, and far more of those who might be termed paupers, than has any other State in the Commonwealth. Not that I glory in that fact - no one would glory in it - but any one who 'has studied history, and has had to take part in the making of history as I have in the adjoining State, cannot but come to ' the conclusion that, in consequence of her legislation, there must be a dearth of employment in New South Wales, magnificent as is her territory. So chronic is this condition in that State that there is, what I believe exists in no other State, a permanent labour bureau, with a number of officers permanently situated there to find something for the workers to do. If these men are to be employed, they should be employed on useful; practical work ; but my colleagues in New South Wales know that tunes without number the loan funds of the country have had to be resorted to to find temporary work in order to keep these men from starving. Surely that is not an example we want to hold up to members of the Commonwealth Parliament as one for Australia to follow. We want to provide by legitimate, honest legislation an industrial life in the Commonwealth that will, of itself, provide employment for the worker. We do not want relief works ; we do not want the class of work I have described. I would like to deal - and only here will I do so - with the question of closer settlement and agriculture, in reply to statements made by the honorable member for Lang and others, and lay before honorable members certain matters for their consideration. The honorable member for Lang, in speaking the other night, said that Victoria's closer settlement was brought about by natural conditions ; but I happen to know that Victoria's closer

settlement was not brought about by local conditions, but by legislative conditions, and by the keen interest the people of Victoria have taken at all times in placing people on the soil. By a wise system of land legislation - by not only placing the farmer on the land, but by seeing that the farmer's industry was protected when he was there - did Victoria rise to that prominent position in which she now stands in regard to agriculture as compared with the other States.

Mr HUME COOK

- Very often by giving the farmer his railway.

Mr CHANTER

- There is no doubt about that. But the honorable member for Parkes said that railways were a disadvantage in a large territory such as New South Wales. Railways are never a disadvantage, and never can be, where there is any industrial development, let it be agriculture or of any other class.

Mr Wilks

- The disadvantage spoken of was that of the construction.

Mr CHANTER

- I took the honorable member's words down at the time he uttered them, and he said railways were of no advantage to New South Wales in consequence of the largeness of the territory, and the remoteness of the places to be served. Now, let me deal with the comparisons which have been made between the two States of New South Wales and Victoria, and I wish to follow them as shortly as possible. Let me say that, in my opinion, any such comparisons are very unfair. In the first place, New South Wales is the mother State, and is twice the age of Victoria.

Mr Conroy

- The soil is?

Mr Barton

-What has that to do with it?

Mr CHANTER

- I am speaking of the mother State, and I will give my honorable friend, who will have every opportunity of replying, some figures from his own statistician, Coghlan, and if he can break those figures down I shall be very glad.

Sir William McMillan

- The honorable member for Werriwa is trying to appeal to the honorable member's sense of humour.

Mr CHANTER

- I am afraid my sense of humour is not very greatly developed. In the second place, New South Wales is four times the size of Victoria : and, therefore, comparisons between the two States are not fair. In New South Wales I have never known a free-trade policy - there is not one there now, and there never has been one : but if this policy of free-trade, as predicted, is to do so much for the people, why has New South Wales not gone by leaps and bounds ahead of every other State which has a different policy ? Why has she lagged behind in the race? With her vast territorial possessions, magnificent not only in area, but in fertility, why is it that State has never developed ? In fact, it is only in recent years the industry of agriculture has been started in a systematic way in New South Wales. Permit me to say also in answer to a previous interjection, and to the speech of an honorable member on the other side, that it was not the Reid policy of so-called "free-trade" that developed agriculture in New South Wales, but it was the only protective policy New South Wales ever had, under the leadership of the then Premier, Sir George Dibbs, with Sir William Lyne as one of his colleagues, which encouraged agriculture by the small duty imposed on the importation of wheat. From that moment the figures showing the advance of agriculture rose very rapidly. As my honorable friends who have struggled with me in the State Parliament of New South Wales know, the balance was so keen between one policy and the other, that those who had been put on the land in consequence of that assistance, stayed there in the hope that the Dibbs Government would come back, to enable them to keep the position the Tariff had placed them in.

An Honorable Member. - The Tariff stood six years.

Mr CHANTER

- No, it did not stand six years. It stood only as long as the Dibbs Government were in power, but the Reid Government - the so-called free-trade party - took off the duty on cereals, and the position was very much altered. Then, as before, the New South Wales farmer got less for his produce than did the farmers in the

other States, and at the present moment he is getting less because there is no duty upon wheat in New South Wales, whilst there is a duty upon it in every other State. We were asked the other day - and I think it was the honorable member for Wentworth who asked the question - "What benefit can the farmer receive from a policy of protection?" I ask the honorable gentleman to take up the Arc/us newspaper and he will there get a far better answer than I could give him.

Mr JOSEPH COOK

- We all read the Age here.

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Mr CHANTER

- I will tell honorable members opposite what their own paper says, in order to be quite fair. I will not quote the Age, because it is an acknowledged protectionist paper. May it ever be so, because it has advanced the interests of Victoria to a very large extent. I repeat that there is no duty upon wheat in New South Wales. There is a duty on the importation of wheat into Victoria. The honorable member for Wentworth tells the farmers of the Commonwealth that they have nothing to gain whatever from the imposition of a duty, because now prices are ruled by the markets of the world - by Mark-lane, in London. If that is so, I ask why is it - as the freight is practically the same from the ports of Melbourne and Sydney to London - that the export price of wheat is not as great in the city of Sydney as it is in the city of Melbourne?

Sir William McMillan

- There are no rings or trusts in Sydney.

Mr CHANTER

- We will see if there are no rings or trusts.

Mr Glynn

- Is the price the same in Sydney as in Adelaide 1

Mr CHANTER

- No; my honorable friend will find-

Mr Glynn

- It is a difference in quality - that is the reason.

Mr CHANTER

- I admit, and every one who knows anything about agriculture will admit, that the quality of the wheat grown in South Australia is first class. The quality of the wheat grown in Riverina, New South Wales - where the conditions are very similar - is also first class, as is demonstrated by the fact that it took the prize at the Chicago Exposition against the world.

Mr GLYNN

- I think the honorable member will find that there are different quotations in England for wheat from the different States.

Mr CHANTER

- I am taking the export price which the farmer can get from the ports of Sydney, Melbourne, and Adelaide.

Sir William McMillan

- Does the honorable member say that that has anything to do with the question 1

Mr CHANTER

- Of course it has. Here we have a port to which wheat has to be sent. The freight from Sydney and Melbourne to that market is the same. Therefore it appears to me that the price to the manner should be exactly the same at one seaport as at the other. But is it so? From the Argus of 30th May - not so long ago - I find that the price which the Victorian farmer gets for his wheat in the port of Melbourne is 2s. 10d. a bushel, whilst on the same date, the New South Wales farmer was getting 2s. 7½d. - a difference of 2 ½d., a bushel, or 10d. a bag more in the Victorian farmer's pocket, in consequence of protection, than there is in the New South Wales farmer's pocket, in consequence of free-trade. For the constituent parts of that wheat also the prices are given. Bran is 1d. per bushel in Victoria as against 8½d. in New South Wales, and pollard 11 ½d. in this State as against 8½d. in New South Wales. That applies also to the other protected States. Every one of them without exception gives its farmers a higher price for their wheat at the port of export than does the State of New South Wales. "It is a very good thing" the freetraders say. "Now there is a demonstration of our policy. We want to give to the consumer the articles

of food as cheaply as we possibly can. Free-trade is cheapness." But is it so in this case ? If the Victorian miller is paying 2s. 10d. a bushel for wheat, and the New South Wales miller is only paying 2s. 7 1/2 d. a bushel, should not the New South Wales consumer get his flour cheaper ? Does not that naturally follow ? But the consumer does not get the flour cheaper, for on the same date, exactly the same price per ton was paid by the New South Wales consumer of flour - although the farmer was being robbed there - as the Victorian consumer was paying.

Sir William McMillan

- It is a matter of profit.

Mr CHANTER

- It is a matter of the importers' ring. Where does that 10d. on each bag go ? Into whose pocket does that go?

Sir William McMillan

- I do not know.

Mr CHANTER

- The honorable member does know. Does the honorable member mean to say that these rings do not exist in New South Wales ? I hope I have sense enough to know that rings must exist there.

Sir William McMillan

- Does the honorable member know from his own knowledge that rings in wheat and flour exist in New South Wales ?

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Mr CHANTER

- Tes, from my own knowledge I do know, and I think that the honorable member knows as well as I do. I know that there are rings in New South Wales not only amongst the millers, but amongst the importers, and very strong rings they are. What I desire is, to be one of that little band which is to break down these rings, but if we are to have rings or trusts at all, let us give the benefits to the people - to the many - and not to the importers, who are the few. To deny that there will be rings or trusts would be folly, but there is far greater danger, and the rings are more numerous in a State where there is no protection than in a State where there is protection. It is a very easy matter at all times for two or three importers to agree to form a ring or trust and to fix prices, as they have done in many instances that I could cite. But it is very much more difficult for 40 or 50 manufacturers to form a ring.

Sir William McMillan

- There are no such combinations.

Mr CHANTER

- I am sure when my honorable friend goes to his bedside to-night and recollects all that he has uttered to-day, he will remember that what he has said in this connexion is not correct.

Sir William McMillan

- I would pray for the honorable member if I thought my prayers would have any effect.

Mr CHANTER

- Will the honorable member tell me how it is - if there are no rings in New South Wales - that whilst the reaper and binder can be purchased in America for £20 as a maximum price, and the freight is only a little over £4, that particular article cannot be bought in New South Wales for less than £55? On this point, I happen to know that in my own electorate, in order to break down this ring, seventeen farmers determined to put the profit represented between the cost of the article in America and its cost to them in Australia in their own pockets. Therefore, they said - "We will go outside of the New South Wales ring, we will send to America and get the articles out for ourselves." They sent their order to America, and received a reply that the articles could be got only through various agents in New South Wales. The agents have themselves formed a ring.

Mr Conroy

- What agents?

Mr CHANTER

- I am not here for the purpose of dealing with every man's private business. I mentioned the whole association. If my honorable friend does not know that this happens he has a little more to learn.

Mr Conroy

- His honorable member was talking about a monopoly.

Mr CHANTER

- I say the importer is the greatest monopolist of whom I have had experience. There is no question about that. In internal manufacture or production the raw material is here ; we know what the cost is ; we know what the cost of labour and production is ; and when the article is put on the market, if it is not put on at a fair price, we know somebody is putting a large profit into his pocket. My honorable friend is a member of the association to which I refer, and knows exactly what is paid for the articles. As I look round the palatial dwellings of those engaged in the business in the city of Sydney, I am led to the conclusion that the profit is not a small one.

Mr Conroy

- It is open for all. to go into it if it is so profitable.

Mr CHANTER

- That is where my honorable friend misses the point. If he thinks so he should not stay on that side, but should come over here. Our object is to break down these monopolies, and give assistance and encouragement to our own people.

Sir William McMillan

- How is it I am a poor man on the profits to which the honorable member refers?

Mr CHANTER

- If the honorable member is so then it is the first time I have heard it, and his repute is of quite a different character. The greatest harm I wish the honorable gentleman is that he may never want a pound. Now, a great deal has been said also about the advantages that New South Wales has at the present time over the State of Victoria, and if the legislators of the State of New South Wales goes on year after year in the same direction it has taken in the past, apparently those advantages will remain ; but when they are taken away, and when we go into the matter closely, we will find that the people of New South Wales have now nearly arrived at that position, or, if not, they shortly will, when they will demand at the hands of Ministers a different principle altogether in the legislation of that State. New South Wales, as has been said by some honorable members, has been living on her capital. Victoria has never been in that position.

An Honorable Member. - That is what we want to live on.

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Mr CHANTER

- That is where I disagree with the honorable gentleman. I want to live on the interest of the capital. I do not want to carve off a piece of the Commonwealth of Australia and sell it, and put the money to purposes to which it should not be put. What has been the position of the two States during the last ten years ? ' ' .

Mr Conroy

- I thought the honorable gentleman was referring to the federal capital.

Mr CHANTER

- I think there is no doubt that the honorable member is in no more hurry than is any one else to get to the federal, capital, which, we are told, is to be established in snow country. During the ten years previous to 1899, the territorial revenue of Victoria was £4,000,000 odd, and of New South Wales £19,000,000 ; that is, New South Wales had to expend £15,000,000 which she did not put into a sinking fund or into a fund for the reduction of her loans. Her loan expenditure during the same period was £20,000,000, against £14,000,000 in Victoria.

An Honorable Member. - Victoria, in four years ending 1890, spent £17,300,000.

Mr CHANTER

- I know, perhaps, as well as the honorable member that previous to 1893 Victoria was just as great a sinner in this respect as New South Wales ; but when the boom burst here, and it was demanded at the hands of legislators that severe retrenchment should take place, the pruning knife was put in, and borrowing was practically stopped, and has been stopped ever since. Victoria has ever since been living within her means and on her own resources. She has attained her present position by the activity and industry of her own people.

Mr Mahon

- And lost a tenth of her population.

Mr CHANTER

- How has she lost it?

Mr Mahon

- They have gone - a large number to Western Australia.

Mr CHANTER

- The greater portion of the male population who have left Victoria during that period have gone into New South Wales, and the portion of New South Wales they have gone to is the Riverina district, which belongs commercially to Victoria. That territory has been developed by Victoria, although it is a portion of the State of New South Wales. And why should the Victorian people not go to one of the sister States? Are they not all Englishmen, or the descendants of Englishmen? Is it a crime to go from one State to another? I hope that healthy spirit of rivalry between the States will always prevail, but where ever the people go I hope their emigration will not be reckoned against the State from which they have come. Why did our fathers leave England and come here? If that argument were to prevail at all times many of us would not be here. Our ancestors would be in England, treading on one another's toes, instead of enjoying freedom in a God-given land such as this. When Victoria wanted more room, what more natural than that her sons should go to some other part of the Commonwealth of Australia. But what is her position in that respect? To every square mile of her territory she has thirteen persons, whereas New South Wales has only four. When the State of New South Wales, which is four times the size of Victoria, can get into that position, there may be less justification for challenging its policy.

Mr Conroy

- Over half of New South Wales does not contain 20,000 people.

Mr CHANTER

- Then I say that is a crime and shame to New South Wales, because the territory of that State should carry a much larger population. I have been one who has watched these events very closely, and I claim that no member of the House could have had a better opportunity of doing so. For the past 25 years my residence and business has been on the border of the two States.

Mr Mahon

- How did the honorable member like the stock tax?

Mr CHANTER

- I voted for the union because I thought the protection of Australians against Australians was wrong. Every tax levied by one State against another is a tax against our brothers, our fathers, or our sons. We are now in quite a different position. Our constitutional right will be exercised shortly, and we shall throw down the barriers which exist against ourselves. But are we to throw them down against those who are aliens and who have nothing in common with us?

Mr Poynton

- Is England alien to us?

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Mr CHANTER

- In commerce certainly she is, although not in any other respect. There is no doubt about that. Now, Mr. Speaker, another advantage which the State of New South Wales enjoys over Victoria is in wool production. The value of the wool production in Victoria for the nine years previous to 1899 was £24,140,544, against £82,062,602 for New South Wales. Practically the value of the wool production of New South Wales during that period was about four times greater than that of Victoria. Let us look, at the value of the minerals produced during the same period.

In Victoria their "value was £26,303,222, against £44,237,200 for New South Wales. Now, can any revenue tariffist - free-traders there are none now - say for one moment that the wool production, or mineral production, or forest production, is in any way incidental to a policy of free-trade or protection? They are the result of natural gifts. If you have got a large territory upon which to grow sheep, you can grow very many more sheep, and produce more wool than can your neighbour with a smaller territory, and naturally you have a greater production. It is the same in regard to your minerals and your forests. Let me again make a comparison between the two States in regard to their forests, and the disposition of their timber. The honorable member for Northern Melbourne said the other night, and I agree with him, that the protection is not the whole chain, but is only a link - a means to an end. The value of protection in regard to forests has been evidenced here to the advantage of Victoria, whereas free-trade, in regard to

the forests in New South Wales, has been evidenced to the disadvantage of that State. New South Wales has always laid down, and still lays down, this doctrine - "We do not want to produce anything here but natural productions - wool, wheat, meat, or something of that kind." Victoria has had a different policy. The policy of New South Wales in relation to her forests has been to charge a royalty of 12s. 6d. per 1,000 feet for her timber in the log, because she never expected to get any more out of it. The policy of Victoria has been to charge a royalty of os. per 1,000 feet. The policy of New South Wales, in addition, has been to compel the labourers who go into the forests to fall the logs to pay £3 per month in licence fees. The policy of Victoria has been to charge no licence fees at all. The policy of New South, Wales has been to get as much as possible out of natural production and to care little for labour. The policy of Victoria has been to get as little as possible out of the worker, to give him the raw material as cheaply as possible, to protect him and assist him in converting the logs into articles of commerce required by the people. As an object lesson let honorable members go to the River Murray - I will gladly take them there - and with two exceptions, from Albury down to the Murray mouth, they will find the whole of the saw- 1 mills, the whole of the timber industries, and \ the whole of the workers employed on the Victorian side. Why? Why are the men not employed where the trees grow, where the forests are? The greater portion of the trees are in New South Wales. Why is it that the timber is taken from New South Wales, brought into the State of Victoria, and put into industries there instead of into the industries of New South Wales? For this reason. New South Wales has said - "We will not protect you in the industry that you start here ;. " while Victoria has said - "We will protect you if you start here." Victoria has protected the industry, and has gained the advantage of creating for hundreds of its workers- a means of making a permanent livelihood for themselves and their families. The same rule would apply to minerals. Did free-trade give New South Wales her great coal beds ? Could protection have done it ?

Mr Mauger

- Protection gave them their best customer.

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Mr CHANTER

- Quite so; I was coming to that. Nature made New South Wales that gift, and the only value that New South Wales is getting out of it at the present time is by delving for the coal and in that way giving employment to the people; but her greatest customer has been the State of Victoria, who purchases the coal for the purpose of putting it into her furnaces and finding work for her people in manufactories. The industries of Victoria - - the manufactures - I find are £10,052,000 in value. In New South Wales the manufactures are of the value of £9,207,000. Agricultural produce in Victoria is valued at £6,435,000, as against £5,552,000 in New South Wales. The produce of dairying, poultry-keeping, and bee-farming in Victoria is valued at £3,384,000, as against £2,543,000 in the State of New South Wales. Therefore, the policy has justified itself. We find that in manufactures, in agriculture, and in dairying at the present time, notwithstanding the smallness of her area, and her youth in comparison with New South Wales, Victoria is far ahead of the whole community of Australia in industrial life. The advantage, of course, in natural productions is with New South Wales. The pastoral products of New South Wales are valued at £14,527,000, as against £7,219,000 in Victoria. Will my friends answer me this question ? How is it that, with an area four times the size of Victoria, the State of New South Wales even in her pastoral production, can reach only twice the value that is reached in the younger State 1 This is the reason. Go from one end of Victoria to the other, and you will find that, in their policy of putting the people on the land, the Victorians have put the land in good condition by improving it, that whereas New South Wales is trusting to nature, and is taking the grass - what little of it grows - as nature left it, the Victorian land-holders are able - as the result of the land policy of the State - to make three blades of grass grow where only one grew before. The figures in regard to the stock which the land can carry can be quoted from Coghlan, who says that, in that respect Victoria is far ahead of New South Wales. Yet none of my friends will deny that New South Wales, as far as the fertility of her soil is concerned, is quite equal to Victoria. To any one of experience the cause is easy to determine. First, this State started by limiting the area that any man should hold to 320 acres, and the holder improved every acre of it. The policy of New South Wales has been to keep small holders off the land and to keep large land-holders on it. There is territory in New South Wales which is in no better condition to-day than it was when the State was first founded by Captain Cook. Let me take one or two other tests, and then I shall have finished in regard to the



comparisons of honorable gentlemen. The holding of a territory, large or small, is not the basis upon which we can judge which is the more prosperous State. The basis of comparison is the use to which we put our territory. It is of no use having a paddock or station if you do not use it properly. You want to get as much out of the land as you can, and in that way the whole community will benefit. The value of production to the square mile in Victoria is, according to Coghlan, £217 3s. 8d., while in New South Wales it is only £85 14s. 6d. Take the value of the manufactured products for the two States. The value in New South Wales is £16,625,258 and the value in Victoria £22,390,351. Take the savings banks deposits. I think it will be admitted that the greatest contributors to deposits in savings banks are the working classes. By this means you will find out whether the working classes are more prosperous in one State than in another, or in one nation than in another. The amount per inhabitant of savings banks deposits in Victoria is £7 16s. 8d., and in New South Wales £7 9s. 4d. There, again, Victoria has the advantage.

Mr Conroy

- They cannot trust their banks here.

Mr CHANTER

- Is it wise to make a statement of that kind. We all know when the bank disaster occurred in New South Wales, and we know, sir, that had it not been for the strength of the then Premier of the day, Sir George Dibbs, no bank in New South Wales would have stood up against the wave. We know what the Treasurer did ; that a legislative enactment made the tender of the bank notes legal, and in that way stopped a crisis which overtook not one, but every State. I have given the population statistics. I will take another test. Having dealt with the question of savings bank deposits, let me make a comparison between the life assurance business of the two States. The depositors in the savings banks belong, for the most part, to the poorer classes, while those who insure their lives are, for the most part, members of what might be termed the middle class. In making this comparison I will quote the figures given by one of the soundest life assurance offices in Australia, the Australian Mutual Provident Society, which has its head office in Sydney. In the most recent returns issued by the society, it is stated that in their books for the State of New South Wales they have 39,987 persons insured, while for this miserable State of Victoria they have 42,218 persons insured ; so that the State with the smaller population has the larger number of persons assured, and that notwithstanding the fact that the head office of the society is in New South Wales.

Mr Glynn

- Industrial insurance is the test.

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Mr CHANTER

- I could keep up a very grand position if I had a number of friends who would lend me the necessary money, and would be willing to trust to posterity for its repayment ; and it is a very easy thing for a community to do the same. New South Wales has lived upon that principle so long that, on the 30th of June of last year, her indebtedness was- £65,332,903, and her total debt is now nearly £70,000,000. The public debt of Victoria, however, is only £49,324,885, or £42 4s. 6d. per inhabitant, as against £48 per inhabitant in New South Wales. Victoria is called upon to pay an annual interest charge of only £1 12s. 3d. a head as against £1 18s. 6d. a head in New South Wales, her total interest charge being £1,887,355, as against £1,369,392 which is the total annual interest charge of New South Wales. New South Wales has built up her prosperity by the expenditure of loan moneys until she has now to raise nearly £2,250,000 a year from, her people in order to pay the interest.

Mr Poynton

- Which State has the better assets, from the point of view of return ?

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Mr CHANTER

- The honorable member has made a very unfortunate interjection. If the people of New South Wales had spent on reproductive works the money which they have borrowed as the people of Victoria have done, things would be very different ; but a very large amount of the money which has been borrowed has been spent upon works which will never return a shilling of interest. Even paltry expenditure, such as that required for the furnishing of a building, has been taken out of loan money. The making of roads, bridges, and other works, even when they were of a most temporary character, has been paid for, not out of

revenue, but out of loan money ; and when the honorable member for Bathurst, as Minister for Agriculture, imported some cattle from Scotland and England, some of which were pronounced by experts to be practically useless for the purpose for which, they were imported, they were paid for out of loan money. The Minister for Internal Affairs, and other honorable members, know that for years I did all I could to stop this wasteful expenditure, and to get Parliament to insist that loan money should not be expended upon any but reproductive works ; but this expenditure has been going on all along, though a time must shortly come when it will be stopped. If a comparison had been made of the revenue derived from internal industries with that derived from other sources in the two States, it would have been a fair one ; but a State which has a land revenue of about £2,000,000 per annum, which it is spending as ordinary revenue, while at the same time it is spending millions of pounds of borrowed money in the same way, must naturally appear to be ahead of a State which is not pursuing that suicidal policy. I find that the loan expenditure of Victoria during the five years previous to 1898 was £1,365,400, while that of New South Wales was £7,763,865. The number of persons who are members of friendly societies is another index to the prosperity of a State. Now, I find that Victoria has amongst her smaller population 88,726 persons who are members of friendly societies, while in New South Wales only 70,287 persons belong to such institutions, the funds of the friendly societies of Victoria being £1,173,960, and of the friendly societies of New South Wales £612,104, or £13 4s. 8d. per member in Victoria and £8 14s 2d. in New South Wales. I have taken these figures from the statistics of the New South Wales Government Statistician, in order that they might not be challenged. I hope, however, that after the conclusion of this debate, comparisons such as have been made will never again be employed in this Chamber, because the States have now joined hands for weal or for woe - I believe that it will prove to be for our common weal - and we want to get away from the old InterState jealousies. Our duty is to do all we can for the development of Australia as a whole, not for the development of one part of the Commonwealth at the expense of another part. We have to find out what is the best policy for the whole continent. Are we to content ourselves with the policy of the revenue tariffists, and remain producers of wool and exporters of meat ? Are our sons and our daughters all to be boundary riders, or employed only in connexion with those industries ? Do we not rather want to build up some industrial life in this fair land of Australia which will enable every one to gratify a reasonable ambition by adopting, when he reaches the age of maturity, some vocation for which he is specially suited ? What is the use of our keeping up our technical colleges ? What is the use of our training our sons and daughters for the occupations they will have to follow if we by a fiscal policy give the greatest of our good gifts to those who are alien to us, and have nothing in common with us ? That is really the position which Australia has to face. We have determined, and wisely determined, so far as the white races are concerned, that our barriers shall be thrown down. We have become again the members of one family. We have now to meet people in every way hostile to us. How can we meet them ? Can we meet them by imposing a so-called revenue Tariff ? Can we not better meet them by a Tariff that will protect those for whose protection we are responsible ? I congratulate the Government on the liberality of their policy. I believe it was not possible for any combination of Ministers to have studied the interests of Australia as a whole more than they have done. I believe it was not possible to offer to the people of Australia a wiser, a more liberal programme ; and it is the duty of honorable members to carry it into effect. What can be more noble, apart altogether from the, fiscal question, than the policy of the Government declaring that in this newborn nation of Australia they recognise one duty above all others, and that that is to keep our race as pure as possible. There, surely, we meet on a ground on which we can all agree, although there may be little differences of opinion as to details. What can be grander either than the proposal of the Government to take over the question of old-age pensions. What a satire it is for the laws of our little States to tell a man - "If you have been fifteen years in this State, or twenty years in that State, now that you are old and decrepid, and can no longer maintain yourself, we will help you, but if you had been fourteen years and nine months in the State, we could not help you." The Government recognise the fact that if a man has been in Australia, or in any part of Australia, for a certain number of years, he is deserving of help, and that he can demand at the hands of those who are intrusted with his welfare some provision for his old age. I trust that the House will assist the Government to give the Inter-State Commission the greatest measure of power. I want to see that body invested with power that will stop for all time, the disturbances that have arisen between New South Wales, Victoria, and South Australia. I want to see that great territory of Riverina developed. I want to see

those great gifts of nature - those rivers flowing through that beautiful territory - utilized for the very best purposes. I want to see those rivers locked and their waters conserved for navigable purposes all the year round. I want to see the waste waters, instead of being allowed to go away to sea, conserved in order that they may be distributed, and that beautiful fertile soil made productive. As to the produce, should we for one moment care whether what is produced in Riverina goes to Adelaide or whether it goes to Melbourne or whether it goes to Sydney? Our first duty is to develop the territory, and if our honorable friends on the other side are true to their principles they will let it go to the best and nearest market in the Commonwealth.

Mr Glynn

- There is not a word in the Government policy about the rivers.

Mr CHANTER

- My honorable friend must not forget- one fact which, for the last sixteen years, I have had to endure. For the last sixteen years under a so-called freetrade policy in New South Wales I have been called upon to represent a piece of territory close to the colony of Victoria, and time after time I have been met with a distinct refusal by the Government in power, whether they have called themselves a free-trade Government or not, to extend their railways, to lock the rivers, or to snag the rivers, on the ground that the work would take trade to Victoria. I want to stop that at once.

Mr Crouch

- It was not free-trade - it was Sydney trade.

Mr CHANTER

- That is just what it was. I want to stop that at once, and the only power I know- of which can possibly stop it will be the Inter-State Commission, if invested with sufficient powers. Let us recognise that the wealth of any part of Australia is the 'wealth of all Australia. Let us for ever abandon the dragging of products 700 or 800 miles away to a market no better than a market only 100 miles away.

Mr Ewing

- Hear, hear.

Mr CHANTER

- I am specially glad to hear my honorable friend say that. I am only sorry that his party did not support me' in the past. Unfortunately, his party or some of them - I do not speak of honorable members occupying the benches at the present moment- did not support me. The policy of New South Wales, although declared to be free-trade, has been absolutely protection so far as the city of Sydney is concerned, and it has crushed out the interests of all those who were trying to develop that portion of the territory known as Riverina.

Mr Glynn

- It was not the free-traders alone. Both sides did it in New South Wales. In the House of Assembly in South Australia I carried a motion in favour of locking the river.

Mr CHANTER

- South Australia would willingly have locked the river.

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Mr Glynn

- We were always in favour of it.

Mr CHANTER

- But, constitutionally, she had no power to do it. Victoria would willingly have locked the river, but, constitutionally, she had no power to do it. The only State that had this power would not do it, because it was thought that the work would take trade away from Sydney.

Mr Glynn

- Both Governments, protectionist and free-trade, were against it. The honorable member must not say that it was the free-traders in New South Wales who would not carry out the work.

Mr Wilks

- The honorable member was himself a supporter of the Government.

Mr CHANTER

- In my parliamentary career of sixteen years, the-only member of a Government who ever approached the question with a determination to see justice done to the territory was the honorable gentleman sitting

at the table - the Minister for Internal Affairs, who was always a Minister in a protectionist Government. When the chair he vacated was filled, can I forget what his successor did ? There are honorable members here who cannot forget that when tenders were called in the press of Melbourne, as well as other places, for the construction of a bridge at Gundagai, and a gentleman named McKenzie sent in the lowest tender, after complying with all the conditions, it was refused.

Mr Higgins

- Why?

Mr CHANTER

- The answer was given to Mr. McKenzie in my presence, by the right honorable gentleman who leads the Opposition in this House ; his tender was refused because he was a Victorian. That was not free-trade. Although New South Wales has always posed as the great freetrade community of the continent, she never has really had a free-trade policy.

Mr Chapman

- She never dared to try it.

Mr CHANTER

- On no occasion. The honorable member for Wentworth was Treasurer of a Government that had 23 protective duties in its Tariff. On no occasion has New South Wales attempted a freetrade policy. The only occasion on which she approached to free-trade was when the light honorable gentleman at the head of the Opposition imposed his Tariff, but it was not very long before he wanted some revenue. He did not get it from a free-trade Tariff ; he went back to duties upon biscuits, tea, jams, and that kind of thing, and he calls himself a free-trader. It is time that we dropped these pretensions. It is time that we saw each other as we are, and did not try to humbug each other by calling ourselves revenue tariffists \_ or freetraders. It is time we came to the bull ring, and that we knew each other. Are we going to ' advocate Australian trade, or are we going to advocate foreign trade ? Are we going to give our brethren in Australia what they have a right to demand from us - every opportunity to develop the industries of this great Commonwealth - or are we, by another system of legislation, prepared to give those opportunities to others? I fear that I have trespassed a little longer than I intended on the patience of honorable members. I shall have many opportunities, I hope, of debating this question. I have no desire to prolong my remarks; and, while thanking honorable members for the courtesy they have extended to me, and the quiet hearing they have given to me, I sincerely hope that we shall approach this question in a national spirit. I hope we shall approach it without any attempt to gain an advantage for one State over another, and with no desire to displace from the Treasury bench men who have put forward a programme of which the country has reason to be proud; and who have entered upon their duties with a full determination to establish the Commonwealth on a firm foundation. If, in the course of time, the people want a change, - as I do not believe they will - and if they desire free-trade, let us then have this matter fought out to the finish. I am pleased to see that there is no free-trader here. Honorable members opposite are all revenue tariffists. From the speeches they have made I have come to the conclusion that there is very little difference between a protectionist and a revenue tariffist ; and as we want to have everything in moderation, I claim at their hands that they shall give to the Government an opportunity of carrying out a policy which I believe will commend itself to the nation and do a vast amount of good.

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Mr BROWN

- I am very pleased to have an opportunity of expressing my views upon the questions set out in the speech presented to Parliament by the Governor-General. At the very outset, I wish to emphasize a matter that appeals to me very strongly as a man coming from the class who are the bone and sinew of the land. We are at the beginning of things so far as legislation is concerned. Hitherto the people have had the greatest difficulty in understanding the laws they were supposed to obey. I trust that the Government will see to it that the laws they introduce to this House, and that are to be imposed upon the Commonwealth, will be set out in such language that the ordinary people may understand them.

Mr Kennedy

- Then the occupation of the lawyers will be gone.

Mr BROWN

- Hitherto, in drafting legislation, the language used has been of such a technical character that even legal

men have been unable to understand it. How is it possible, when men educated in the technicalities of legal language are unable to understand it, for the common people who are supposed to obey the laws to understand them? I trust the Government will see that the new laws they propose will be framed in language that will be sufficiently clear and explicit, so that he who runs may read, and not be couched in terms of such a highly technical character that the Judges of the Federal Supreme Court will not be able to understand them. It has been said - I do not know to what extent it may be true - that parliamentary draftsmen are something like poets, " born, not made." If that be true, I hope that the head of the Government will discover a born parliamentary draftsman to frame the legislation of federated Australia. Whether he be born or made, I hope he will so perform his work that the people of Australia may be able to comprehend the laws which Parliament makes.

Mr Barton

- I suppose the people of Australia understand their own language, and the Bills will be written in that language.

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Mr BROWN

- Well, I am not so sure of that. I am afraid my right honorable friend would have found his occupation gone to a large degree if the people had understood the language in which he has drafted legislation hitherto. I believe that in giving expression to this idea, I am echoing an opinion that is largely entertained throughout Australia. Why it is that legislation should be drafted in such highly technical language, that even legal gentlemen themselves cannot agree upon the interpretation of it, is a mystery to a large number. That difficulty would be largely remedied if sufficient care were taken in the drafting of Bills in plain, straightforward, Anglo - Saxon language. There is another matter of equal importance with the framing of legislation, and that is the administration of the law. The Government are at the beginning of things also with regard to machinery for the administration of the law. I trust that they will exercise a wise care in selecting those officers of the different departments who will be charged with the administration of federal legislation, and with the working of the federal governmental machine. One matter that has been incidentally touched upon in the course of this debate, but of which not much has been said, is the proposed appointment to the civil service of a gentleman well known in the politics of New South Wales. We were informed that one of the Ministers in the late Government of New South Wales was to receive an appointment under the late Premier of New South Wales. I allude to Mr. Fegan. Then we were suddenly informed that Mr. Fegan, after having made preparations to enter upon his duties as Under-Secretary for Internal Affairs, had retired from that position. Whilst we do not know what led up to the retirement of Mr. Fegan from this position, those of us who are well acquainted with him are aware that there were very good and substantial reasons. He has indicated that he retired, with the desire to save his friends in the Government. Save them from what ? That is a fair question which I may reasonably ask. It has been said that it is undesirable to appoint a gentleman holding a place in the politics of any State to the civil service of the Federation, and that appointments to that civil service should be from the civil services of the States. If a good appointment can be made from outside the civil service, and the duties can be discharged with efficiency and capacity by the person appointed, I am not prepared to confine the appointments to the civil service. I am prepared to give the civil service of all the States a fair show and nothing more in these matters. There are those in New South Wales, particularly amongst the workers, who consider that Mr. Fegan's appointment was objected to not because of his incapacity to fill an important position of this character, but on other grounds. Any one who knows the honorable gentleman at the head of the Department of Internal Affairs knows that he has a large amount of experience and a considerable fund of common sense.

He would not be likely to appoint a gentleman lacking in capacity and ability to perform the functions of this office, nor would he recommend a gentleman of that particular description. But we are now given to understand - though how far it is true I am not prepared to say - that Mr. Fegan's appointment was objected to because his hands had been soiled in times past by honest labour.-

Honorable Members. - Oh, oh ! Surely not.

Mr BROWN

- If this is a legitimate objection - and I am only voicing an objection that finds expression amongst numbers of my fellow-workers in the State of New South Wales - it is an objection that is no credit to the

Government or to the first Federal Parliament. As to the civil service of the Federation being drawn only from the civil servants of the States, and to the statement that Mr. Fegan's withdrawal was due to that objection, we are now led to suppose that important appointments are to be made from outside the civil service, but, in these cases, from the legal profession. Any objection, if it is to have any weight or is a legitimate objection to" the appointment of a son of the soil in favour of a trained man in the civil service, should apply equally to appointments from members of professions. If the appointment is to be confined to the civil service so far as Mr. Fegan is concerned, then other appointments ought to be confined to the civil service so far as those other gentlemen are concerned. From my stand-point as a layman, I am of opinion that we have, unfortunately, started federation with too many legal men concerned in it - that there are too many legal men at the head of affairs - but that cannot be avoided, and we will judge them by their work. If, however, they are going to fill the civil service with legal men, I, for one, will raise my voice against appointments of this particular description, because I believe such appointments will not be in the best interests of the people of the Commonwealth and the people of the States. There is one matter I am glad to see the Government proposes to deal with. I do not know whether the relative importance of measures is to be gathered from their position in the Governor-General's speech, but the measure I refer to is of such importance that I trust the Government will give it one of the first places in their consideration.

The measure is that by which it is proposed to give to the Federal Parliament its own franchise, and its own methods of conducting elections for this important Chamber, and also for the other House. Under the terms of federation hitherto, we were not in a position to deal with this question, and it had to be left to the several States to deal with it in the way best suggested by their wisdom ; and the result is that the first Federal Parliament is constituted on a franchise as varied as it possibly could be, each of the States having its own different legislation and methods. So far as the franchise of the first Federal Parliament is concerned, it is one of the biggest conglomerations a Parliament has ever been elected on. In New South Wales we recognise the principle of one man one vote, and endeavoured to secure in our Federal Legislature the principle of every vote having an equal value. But, in practice, for some reason or other, that principle was not carried out to the extent it should have been. For instance, in some of the electorates, there were 16,000 voters, and in other electorates close by only 9,000 voters, and our legislation was deficient and defective to the extent that whilst in theory we had one man one vote, thousands of voters were debarred from taking any part in the constitution of the first Federal Parliament.

Mr Kingston

- How is that?

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Mr BROWN

- In the electorate which I have the honour to represent, through the bungling, or worse, of one of the Government officers, no less than 200 voters were disfranchised. In another electorate, through the fault of an officer in not returning the proper papers to the revision court, some 60 names were left off the roll. Then, again, in an electorate some 60 men applied to be enrolled, and their names should have been submitted to the revision court. These men did everything they were required to do under the legislation, but when the rolls came to be made up it was found that while some who applied subsequently were enrolled, the names of those 60 men had been omitted. In other places it was discovered that electors who were on the State rolls found no place on the federal rolls. These are matters of administration rather than of legislation, but they show a deficiency the Federal Government would do well to look into and remedy as speedily as possible. In other States there is the same difficulty and the same trouble; and I suppose that in no State of the Commonwealth at the present time can it be truthfully said the whole of the electors, or the whole of the men entitled to take part in the constitution of the first Federal Parliament, had an opportunity of voting. Such an important occasion would naturally call up the patriotism of every man, and yet in each State large numbers of electors were disfranchised or disqualified through the faultiness of legislation or of administration in some respect or other. Then, in some of the States, the women's vote is allowed, whilst in others there is only one man one vote, and in very many there is not even one man one vote. The federal franchise should be based on the recognition of the principle of not merely one man one vote, but one adult one vote. I am not like the gentleman who spoke a little prior to myself this evening, and who intimated that he was opposed to giving the franchise to women. I am

prepared 'to extend the franchise to women, and I say we cannot get uniformity in our federal elections until we are prepared to grant the extension. Some of the States have secured recognition of the female franchise, and their experience of it is, or, .at least, it has been shown in practice, that they are not going to abrogate the principle for the sake of uniformity ;'so that uniformity can only be obtained by bringing all the States up to the level of- recognising the principle of one adult one vote in the federal franchise. We should strive, as far. as the Constitution will permit, to. aim at making every vote in the Commonwealth of equal value, so that every Australian may have equal weight in making the laws of the Commonwealth. I know there are constitutional difficulties in the way of this consummation so far as the whole of the Federation is concerned, but we .must- aim, within' the Constitution, at making every ' vote of equal value in- -a particular State. There is at present ari absence of uniformity in this -respect. Some of the State Parliaments split up their respective States into electorates for the return of members to the House of Representatives, but in other cases the whole of -.the State constituted one electorate for that purpose. These are only a few of the instances that can be quoted in support of my contention that our first Federal Parliament has been constituted under a form such as no other Parliament has been constituted under. There have been so many differences and varieties of procedure and so forth. It seems to me that we should aim - now that we have the matter in our own hands - at getting a federal franchise that will enable the people of Australia to constitute the National Parliament upon uniform lines. I have indicated what I consider those lines should be, and I certainly think they must embody the principle of one adult one vote.

Mr Chapman

- It is votes we want,, not voters.

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Mr BROWN

- The honorable ' member cannot get votes without voters. There is another matter upon which I wish to touch briefly, because I know it is the desire of honorable members to bring the debate to a close, and a good many subjects have been so thoroughly thrashed that it is impossible to say anything new upon them. But I desire to add my opinion to the opinion already expressed on the desirability of this Parliament legislating as to a white Australia. I know objections have been urged to the effect that we should handle this question with great consideration, and do nothing in any way approaching a spirit of haste. Delay is urged. We are asked to appoint a Royal commission to investigate this matter, and in that way to delay it. But I believe that this is one of the questions where delay would- be dangerous. The quicker we deal with it, the better for us, and for the attainment of a white Australia. The longer we delay this matter, the more difficult-will it be to deal with it. Of course, I do not speak as an expert on the kanaka labour question. Unlike other honorable members who have spoken, I am not thoroughly familiar with the many phases of this subject, but I take my stand on the ground that I am prepared- to place the purity of my race above every other consideration. When it is a question of pounds, shillings, and pence, or when it is a question of the development of any particular part of Australia, to the sacrifice of the Anglo-Saxon race from which I spring, I stand for the purity of the race, and against the development of any of our resources by coloured labour of any description. There is another-matter to which the Federal Parliament will have to give some consideration; and I think that the Government will be very well advised if they refuse to act on the suggestion of some honorable members that they should place this question low down upon their programme. I hope they will decide as speedily as possible where the future home of this Parliament is to be - where the federal capital is to be located. Of course, the Constitution provides that the federal capital shall be within New South Wales territory. That provision was inserted as a result of the Premiers' Conference held in Melbourne, at which certain amendments were made in the Constitution Bill to meet objections urged against it at the referendum, and which amendments made it acceptable to the people of Australia. We do not know the particular reasons that were placed before that meeting of Premiers which led to this matter being dealt with in the way it has been, and which resulted in the Constitution embodying the principle that the federal capital should be located within New South Wales territory, with certain limitations. But we have been led to suppose that this concession was made by the representatives of the other States as compensation, as it were, for the disadvantages which it was conceded on all sides New South Wales would labour under in the initial stages of the Federation. If that be true, it follows that this Parliament, whilst considering the question of suitability of climate and other matters that may reasonably be expected to be important factors in the selection of a proper site, should

also attach weight to fixing the capital in that part of New South Wales where it will confer the greatest benefit upon the people of that State. If this consideration is disregarded, then the concession of the capital to New South Wales may go for nothing, and its location may be such that practically it will confer very little benefit on the people of that State as a whole. I am simply stating that as a supposition. That was one of the reasons why the Constitution was altered, and this provision was placed in it. I think that the sooner this Parliament arrives at a decision - a decision which, in its wisdom, it considers is in the best interests of the whole of the federating States and of New South Wales, which is primarily concerned - the better for all concerned. There is no need to unduly delay this matter. The State Parliament of New South Wales has compiled a lot of information, and has had a commission to inquire into the sites that may fairly be considered eligible for such a capital. The number that have been considered have been reduced to some three or four ; and the information is available to the Government, and to the members of this House. It may be desirable, if it be conceded that New South Wales should have some special, say in the matter, that steps should be taken to obtain some expression of opinion from the people of New South Wales, through their Government, concerning some particular site among those suggested. But I think that the suggestion which has been made by the Minister for Internal Affairs is a very good one. Reports are all very well in their way, but reports cannot convey to the members of this House that information which they can get from their own observation and personal inquiries. I understand that the Government propose at an early date to invite honorable members of this House to inspect for themselves the different sites that have been suggested, so that, in addition to the reports made, they will have the benefit of their own common sense and observation to lead them to a right decision. Whatever that decision may be, I think the Government will be wise in arriving at a determination at an early date, so that this question of where the capital shall be may be settled, and the necessary steps taken to get the different buildings under weigh. Whilst there is much else in connexion with this matter that might be dealt with now,- I think it better to deal with it when we come to deal with the main question of the federal capital. Now, the question of taxation has engaged a large amount of attention and consideration. We have had the free-traders giving expression to their views upon it in some very able and eloquent addresses, and we have heard the protectionists replying on behalf of their particular theory. The protectionists tell the freetraders that under the Constitution they cannot have free-trade, and with. equal truth the free-traders tell the protectionists that under the Constitution they cannot have protection. We have to take the Constitution just as we find it, and it confers upon us the absolute right of providing for the cost of federation through taxation by means of Customs and Excise. Whilst we have the right of direct taxation in common with the States, we have that as the special privilege of federation. But to that condition is attached this other condition, that for every 5s. we require for federal purposes we shall tax to the extent of 20s., and return that to the State Treasurers. That clause is one of those in the Constitution Act that did not commend itself to me. The clause requiring this burdensome taxation for State and federal purposes was one that induced me to oppose the acceptance of the Constitution at the first and second referendums. I believe it will be found to be fraught with great financial difficulty, and that the Government will need to exercise great care, and the very closest economy, in order to keep taxation within reasonable limits. Now, I notice that apparently the Government propose to provide not only for the requirements of the Federation, whatever they may be under this provision, but also for the requirements of the States . up to that point where federation started. To that extent I disagree with the policy of the Government in this particular. I say that what they ought to do is to charge themselves with the duty of financing the Federation by taxation through Customs and Excise, but I say it is not part of the duty of the Government, or of this Parliament, to finance the States as well. That is introducing into the Federal Government a principle which is unsound, and which because of its unsoundness is fraught with danger and likely to lead to complication and trouble in the near future. I lay it down as my guiding principle that having established the primary forms of government, the Federal and the State, it is the duty of the Federal Treasurer to raise the taxation necessary for federal purposes, and that he should not be placed in the position of being also the tax-gatherer for the States.

Mr Crouch

- Would the honorable member amend the Constitution 1

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Mr BROWN



- The State should not be put in the position of being a beggar or dependant on the Federal Treasurer. I admit it cannot now be helped, but I think that the States in the interests of good, sound, financial government will "have to come to our assistance in this matter. However, I am prepared to take the Constitution as I find it, and endeavour to make it as workable as I think possible ; but in order to attain that ideal I do not hold that it should be asked to make it a primary condition of taxation that I should provide for State as well as for Federal expenditure. I want to see the Federal expenditure made the primary consideration, and cut down as low as possible in accordance with sound and healthy government.

Whatever deficiency may come to the States they should rely upon themselves to make it up. The sooner they are taught to be self-reliant and to depend upon themselves to make up any deficiency that may arise through the Federal Government taking over Customs and Excise, the better for themselves and the better for federation. I am not going to assist this Government to lead the States to suppose that the Federation for all time is going to be their taxing medium. If the withdrawal of these sources of revenue is too severe upon the States, the way for them to meet the difficulty is to hand over some necessary function of government to the Federation that does not return revenue, and in that way equalize their expenditure. For instance, public education throughout Australia is recognised as a State function. It is now reaching the point of absolute freedom, and it costs a considerable amount of money to the different States. The States might hand that matter over to the Federation, allowing it to finance the department, and in that way relieve themselves of expenditure. The same might apply to old-age pensions and the relief of the aged poor. I prefer to work in that direction rather than in 'the direction which the Premier's address indicates - that is, to make it a primary part of his taxation proposals to finance the States and the Federation up to their present requirements. That is the crux of the difficulty, and it involves the imposition - if it is to be carried out on the lines we are given to understand - on the people of Australia of a heavy revenue Tariff such as is not necessary, and ought to be obviated if sound, healthy principles of government are worked upon. This Parliament should attempt, as far as the Constitution will permit it, to act on sound and healthy lines of government. Now, with respect to the question of freetrade and protection, the status of the different States has been brought forward, and we have had some very excellent speeches from the opposite side, particularly from our Victorian friends. Victoria seems to have been so steeped in the principles of protection, that not only has it become a synonym for liberty and labour, but also for religion. It must be a revelation to find that, on the continent of Australia, there are those who consider that the principles of protection are neither synonymous with liberty, nor freedom, nor progress, nor anything else. I claim to have graduated from the workers of this country, and I know that while there are in the State of New South Wales numbers of those who believe in the protectionist theory, I have never been able to bring myself to believe in it, and I have no hesitation in saying, that until I do believe in a theory I will not espouse it for any man or any cause. I believe that freedom is not limited to matters of commerce. I believe that freedom is a good thing, so far as commerce, production, and so forth are concerned ; and while it has its disadvantages for the labouring classes it has not the disadvantages that protection has. I heard one honorable member speak about the great difference in the price of wheat. Reference was made to this subject by the honorable member for Riverina, whom I esteem very much, but with whose political principles I do not agree. He talked about the price of wheat. I happen to be a wheatgrower of many years' standing in New South Wales. We were told by the protectionists there that if we only got protection we should blossom into independence almost at once. They said that what was keeping us in poverty and distress there - it was a highly ornamental picture which they drew - was that the wheat-growers in Victoria had protection, and would not allow us to trade with her, whilst she had free access to our markets, and was sending over her surplus produce to compete with us. I remember that one fine morning we farmers in New South Wales woke up and found that our Government had sneaked in protection. Some of us thought that it was the best thing that had ever happened for New South Wales. I was then a man in that State, as I am now, and I know what protection gave to my particular district. Instead of getting a top price for our wheat, we got a price lower than any before or since.

Mr Barton

- Then it cannot be true that protection makes things dearer ?

Mr BROWN

- I am not so foolish as to say that protection was responsible for it. It was due to the fact that the millers having secured a market from exporters, also formed their rings, got us within their clutches, and kept us there. What is more is that whilst we had to sell our wheat for 1s. per bushel that year, and were glad to get that for it, yet when we came to buy seed wheat we had to pay 7s. a bushel for it. We have learned that protection does not assist the farmers. We assist ourselves by forming co-operative companies to burst up rings. It is that, and not protection, which assists us. It seems to me that protection, instead of bursting up the rings my friend talked so much about, is just the one tiling that the rings fight for. Our honorable friend opposite was talking about machinery for farmers. He led us to understand that because of free-trade what we could buy in America for £20 or £25, we had to pay £50 for in Sydney. The honorable member led us to understand that was because of the ring formed in Sydney, and inferentially because of free-trade. Let me say this, that the ring is not a Sydney ring,' but an American ring, a ring formed in protected America, and the agency in Sydney which dares to sell a machine under the £50 fixed by the ring is cut off the list, and is supplied with no further machinery. We did not create this ring in free-trade New South Wales. It is the growth of America, and one of the natural growths of protection. I have had catalogues sent to me, in which I have been shown that certain articles that are-sold in America at a certain rate could be landed to order in New South Wales at half that price. In other words, I have been offered the right to purchase the article at half the rate which is being asked of American farmers, according to the catalogues of the company. Protection, it is claimed, makes a country wealthy, and brings about progress and prosperity. I have been looking for a country that has had progress and prosperity as the result of protection, but I have not yet found it. If any honorable member can show me where such a place can be found, I am prepared to take a pilgrimage to it for the purpose of getting enlightenment. I was told in New South Wales to look at Victoria, where I would find factories with smoking chimneys, and that it was because we had not got protection in Sydney that we do not possess the same tiling. I have come to Victoria, but am not at all convinced. If anything, Victoria is behind New South Wales. I have been looking at statistics, because I thought it was just worth while to have a look at them, and see where some of my honorable friends have been getting their information from, and whether their statements are borne out by facts.

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Mr Higgins

- Does the honorable member say Victoria is behind New South Wales in smoking chimneys ?

Mr BROWN

- Victoria has had a long trial of protection.

Mr Deakin

- Not so long a trial of protection as New South Wales has had of free- trade ?.

Mr Thomson

- New South Wales has prospered under free-trade.

Mr BROWN

- If protection had fulfilled all the promises which we New South Welshmen hear on its behalf, Victoria would long ago have become the working man's paradise. In 1885 Victoria had 41,542 men and boys employed in her factories, and in 1889, 44,041 ; so that an outlet for the employment of only 2,499 persons was provided within that period of fifteen years. In the old days it used to be said - " Give us protection ; because, what can we do for our boys without protection? It is only by establishing factories, and by imposing protective duties, that we shall be able to find work for our boys." Yet, with protection, Victoria in fifteen years found work for only 2,499 extra hands ; so that protection seems to offer only a very slow solution of the problem. But what happened in the same period in New South Wales - the benighted country where the calico Jimmy lives, and where men are produced who are not patriotic, and who want to sacrifice the natural opportunities of their State for the benefit of the foreigner? In 1885 New South Wales employed 36,390 men and boys in her factories, and in 1889, 47,063; an increase of 10,673. Between the years 1885 and 1889 both States suffered from severe commercial depression. Now, if there is anything that will test the stability of the industries of a country it is a period of financial trouble, and these figures show that New South Wales industries stood the test much better than Victorian industries did. The number of hands dismissed from New South Wales factories between 1889 and 1893, the years when the depression was at its worst, was 6,546, while 17,954 men were dismissed

from similar industries in Victoria during the same period. I find that during the fifteen years to which I have referred, 120,000 persons emerged from boyhood into manhood in Victoria ; but her smoking factories, and the avenues of employment which were to be created by protection to solve the problem, did not offer work for more than 2,499 of them. I would commend those figures to the consideration of honorable gentlemen opposite. I want to know why, if protection has not been able to solve in Victoria the difficulty of finding employment for the people, it will solve the difficulty when applied to the whole of Australia. Protection has had a fair trial, in a fair field, and its apostles and believers in Victoria have been very earnest, so that if there were a possibility of extracting out of it any solution of the labour trouble by finding larger avenues of employment, that solution should have been obtained in Victoria. If we compare the rate of increase of population in the two great cities of the south, Sydney and Melbourne, between 1891 and the present time, we find that while Sydney has increased her population by over 102,109, the population of Melbourne has increased by only a miserable 3,069, and that of Adelaide has increased by 28,842.

Sir JOHN FORREST

- South Australia is a protected State.

Mr BROWN

- If protection is to do anything for a country, it must find increased opportunities of employment for the population of its big cities, and I understand it to be the contention of the advocates of the policy that it has that effect. But the fact remains that while the population of the capital of New South Wales, where natural conditions have been allowed to undergo their natural development, increased by over 100,000 in ten years, the population of the capital of Victoria, notwithstanding the artificial assistance given to the development of its resources, increased by only 3,000, and the population of the capital of South Australia increased by 28,000.

Mr Barton

- Has South Australia a free-trade policy?

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Mr BROWN

- She has not the protectionist policy of Victoria. As the amount of protection increases, the population diminishes. This is how the position is summed up by a writer in a magazine which is published in Melbourne, and which is generally considered a well informed and reliable newspaper - the Review of Reviews : -

Sydney and Melbourne are the representatives of these rival policies (protection and freetrade), and it is idle to deny that the census figures are a damaging blow to protection.

That is an expression of opinion which I think strikes the position fairly and squarely.

Mr Chapman

- We have never had freetrade in Sydney.

Mr BROWN

- Well, according to the statistics, what we have had of it has not done us any harm.

Mr Chapman

- When the leader of the Opposition got close to free-trade, he said that the abolition of protective duties was a matter affecting flesh and blood, and that he could not go any further; and so he went back.

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Mr BROWN

- Comparisons have been made between the conditions of England and America, and there is a very interesting article on the subject in the North American Review for April last. It deals with British expansion during the Victorian era, and the writer points out that, despite the fact that there was a large decrease in the population of Ireland, the population of the United Kingdom doubled itself during the reign of Queen Victoria. During the same period the public revenue increased by 132 per cent., although the number of articles upon which duties are imposed has been reduced from over 1,000 in 1843 to about 20 at the present day, and the public expenditure increased by 156 per cent., while the imports and exports of the kingdom increased by about 539 per cent., and the tonnage of shipping to the same extent. The writer, Mr. Alleyne Ireland, sums up the position in this way : -

We hear a great deal about the decadence of the United Kingdom as a commercial power.

We have heard a great deal on that subject here, to prove that protection is a better policy for building up commerce and increasing population and national greatness than is free-trade.

But .Englishmen may take some comfort from the above comparisons, which serve to show the enormous bulk of trade which still falls to the inhabitants of the United Kingdom. It will be seen that the United Kingdom imports per head of her population more than the United States, France, and Germany together, and that she exports of her own produce and manufactures nearly as much per head as the people of France and Germany taken together, or as the people of the United States and Germany taken together. It may also be noted that, whereas England depends on the United States for 32 per cent, of her trade, the United States does 57 per cent of her total trade with the United Kingdom.

Yet, England, we are invited to believe, is decaying under the policy of free-trade, and we are asked to look to America, Germany, France, and other countries for evidences of national growth and prosperity under protection. I, for one, am satisfied that the comparison which has been made is wholly to the advantage of the mother country so far as volume of trade and national wealth is concerned, though I agree with the statement that national greatness does not depend upon the volume of trade and national wealth of a country so much as upon the distribution of wealth among the people of the country. And I find that amongst the people of .the country in free-trade countries it is more evenly distributed, and that there are those conditions which go in the direction of true national greatness and true national prosperity. That is my reason for the faith I have within me, and whilst I hold to that opinion I am not going to lend myself to any attempt, be it covert or otherwise, to inflict on this Australia of ours a protectionist Tariff. I believe that protection does make people wealthy ; but it makes the few wealthy at the expense of the many. I belong to the many, and I am going to raise my voice, and to assist in devising legislation in the interests of the many, and not in the interests of a particular class or section, or the few. I believe that true national greatness, true national life, is not to be built up by putting the millions in the hands of the Vanderbilts or in the hands of the few, but by distributing them as far as possible amongst the millions who make the millions - the toilers and workers. We have heard discussed, in years gone by, in New South Wales, these theories of free-trade and protection, and I have heard the honorable member for Riverina say the very identical things about New South Wales which he has urged here concerning Australia. He wants freedom in Australia and protection against the outside world. In New South Wales, not so very long ago, he wanted protection in New South Wales against Victoria, New Zealand, Queensland, and the other colonies, and one of the greatest benefits which federation will confer on Australia is to break down the fiscal barriers that separate one Australian community from the other. The sooner those fiscal barriers are broken down and the people are allowed to trade in those directions in which they find it suits them best to trade in without let or restriction the better, and the more solid will the community become. It will be found that it is on these lines we shall build up an enduring nation. And the same principle holds good with respect to those of our own race who are outside Australia. If it be a good thing for the people of Australia to trade with each other, why is it not equally good for the people of Australia and New Zealand to do so? And if it is a good thing for the people of Australia and

New Zealand to trade with each other, why is it not equally good for the people . of the mother country and the people of the race from which we have sprung? I know there are those who say - "We agree in sentiment with that, but what we want to provide against is the competition with pauper labour and foreign labour." Let honorable members look up their statistics and they will find that the trade which the people of Australia do with foreign powers is infinitesimal. The bulk of our trade is done with the people of our own race, and I believe in making that trade free, and in opening up the natural opportunities of our country ; and we cannot open up those opportunities and make them available unless we have free intercourse and freedom of commerce and trade. It is in that way that we shall build up a nation here which we can very well be proud of, and which the race from which we have sprung may well be proud of. I am very pleased to have had this opportunity of addressing these sentiments to the House, and whilst there is much more that can be said on the matters set forth in the opening speech, I am not so hide-bound to any party as not to recognise good measures when I see them. If the Government bring down good measures I shall judge those measures on their merits, and assist them to put their Bills on the statute-book as loyally as I would assist any other men in the House to do so. But, when I see measures or matters of administration which do not commend themselves to me as being in the best interests of the people of Australia, they shall receive my opposition, I care not from which side of the

House they may come. Whilst there are many matters in an address like this which invite attention, still some consideration must be had for my brother members. I will not, therefore, inflict myself further upon . their time and attention, but will simply express my thanks to them for the very patient way in which I have been listened to.

Mr FULLER

- I do not propose at this stage of the debate to take up very much time, nor indeed would the condition of my health allow me, even if I wished to do so. Some remarks . fell from the honorable member for Deniliquin in connexion with revenue tariffists and protectionists. I stood before the electors of Illawarra as a revenue tariffist, and I held that a revenue Tariff meant this - that we thought that all the money coming from the Customs of the country should go into the public Treasury, be treated as public money, and be spent for the benefit of the people, whereas those who advocated the system of protection advocated that the whole of that money should go not into the Treasury, but should filter into the pockets of private individuals. I and the party to which I belong strongly objected to any part of the money coming from the Customs of the country going into the pockets of private individuals to enable them to become rich at the expense of the great masses of the community.

Mr McCay

- That is an assertion only as far as true protective duties are concerned.

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Mr FULLER

- I think it has always been recognised as the result of protective duties that the bulk of the money, at any rate, goes into the pockets of private individuals. There is one matter to which I wish to refer, and which recent events have brought prominently before the people of Australia, and that is the question of the quarantine regulations. During the last few days we have had a state of affairs happening in Sydney Melbourne, and other ports of Australia which has brought this matter very prominently before us. Luckily for the people of Australia, we have a strong and determined man in the position of Minister for Internal Affairs. I trust, that the Government will, as Soon as practicable, take over the quarantine departments in the whole of the States, so that we can have one uniform system in the Federation. It has been pointed out by those in charge of the quarantine station in Sydney that if certain ships - had been properly inspected at the various ports they visited, this serious outbreak in Sydney and Melbourne would not have occurred. Nor, indeed, is this the only occasion on which a similar

I thing has occurred. Some time ago the Chingtu was passing Thursday Island, and if a proper inspection had been made, we should not have had the serious outbreak which did take place. I sincerely trust that ! the Minister for Internal Affairs and the

Government will take this matter in hand, and have it dealt with as soon as possible. In the opening speech there is one paragraph to which I wish to refer. It is as follows : -

Existing Tariffs have, in all the States, given rise to industries, many of which are so substantial that my advisers consider that any policy tending to -destroy them is inadmissible.

It appears to me from what has transpired in tins debate that- all those industries, which may possibly be destroyed, have had a system of protection for 30 years. So far as I can gather from all the speeches here, the industries which want propping up are the industries of this State of Victoria, which have had a system of protection for the last 30 years.

Mr MCCAY

- Do not forget the sugar industry in New South Wales.

Mr FULLER

- It appears to me to be the greatest satire on protection that after 30 years' operation - -now that we have federation, and are throwing open the whole of the markets of Australia to the manufacturers of Victoria - they are not able to live and grow on their own account. I know that protectionists very often claim as the result of their system tilings to which they are not entitled. I know that time- after time in New South Wales our protectionist friends, in its Parliament, have claimed, as the result of their system, things to which they had no right. I know that there are some honorable members here who will remember the debate in the Legislative Assembly of that State in 1889, in connexion with the duties on butter, bacon, and cheese. In another place during this debate it has been stated that the expansion of the butter industry a few years ago really saved the State of Victoria. Naturally that would be put down to the system of protection which

has been in existence here for a great number of years. But I would point out to honorable members that the protective duties were in existence here for a great number of years, and that there was no expansion of the industry under their operation. In New South Wales we had exactly the same state of affairs. Under protective duties this great industry, which has become a national one, went down to a very low ebb indeed, and we men in the south coast districts of that State were compelled to make an inquiry into the matter with a view of bringing about a better condition amongst the farming population there. The result of our action was that one of our number went home to the old country and found out the most recent improvements in connexion with the industry, and brought the De Laval separator out to New South Wales. It is absolutely wrong to say that this industry is only of recent growth in New South Wales. It was in that State that the industry was started, and thence it has extended to all the States of Australia. It was not in consequence of the protective system of Victoria that the industry was established there. It was started in consequence of the necessitous condition to which Victoria was reduced some nine or ten years ago.

Mr Kennedy

- And the higher intelligence applied to the industry in a protectionist State.

Mr FULLER

- It was first of all established in New South Wales amongst people of my own class. Men in the southeastern district established the factory system, which afterwards extended to Victoria.

Mr Kennedy

- Victoria has walked clean away from New South Wales.

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Mr FULLER

- I repeat that it was the necessitous condition of Victoria at that time which brought about the establishment of the dairying industry here, and I am glad to admit that it has increased by leaps and bounds, and has far outstripped the dairying industry of New South Wales. But how can protection help the dairy farmers of New South Wales? We exported last year over 7,000,000 lbs. of butter to London and other markets of the world. From Victoria there went over 26,000,000 lbs. of this article, and the export of butter from Australia altogether amounted to about 53,000,000 lbs. There was no butter imported into Australia, so that the dairy farmers had to contend with no competition in this article. How can there be any system of protection which will raise the price of butter to the dairy farmers? We are dependent upon the price it brings in London and the other markets of the world. We have to send our produce over 16,000 miles of ocean, and when we get it to London have to compete with Denmark and other countries which are only a few days' sail from that great market. If you are to have a system of protection by which you prevent importations to this country, then those great ocean liners which carry our produce in their refrigerating chambers, instead of coming out to Australia with full bottoms as they do now, will come half or wholly empty. The result will be that, instead of our having freights as they are, the rates will immediately go up. We are handicapped now, and under a protective system we should be still further handicapped. Is it a fair thing to ask that the dairy farmers as well as the great producing bodies of this country shall put their hands in their pockets to establish a system of protection from which they can derive no benefit? What I say as to the butter industry applies equally to all the great primary industries of Australia. Take our wheatgrowing industry. In consequence of the increase of production in New South Wales during the last few years we exported last year from the Commonwealth over 11,000,000 bushels, whilst the importation of wheat into the Commonwealth was nil. I think it must be clear to any honorable member that no system of protection that can be devised will help the producer of wheat.

Mr Chanter

- I beg the honorable member's pardon. There was an importation of wheat from California last year.

Mr FULLER

- I take my information from a return presented to the New South Wales Legislative Assembly.

Mr Chanter

- I saw the wheat landed myself.

Mr FULLER

- This is a return prepared by order of the Legislative Assembly of New South Wales.

Mr Higgins

- On what date?

Mr FULLER

- It gives particulars concerning the "production of wheat and the net export or import of breadstuffs in the States forming the Australian Commonwealth during the last twenty years."

It starts from 1880 and ends with 1899, and it shows that last year the net export was 11,581,189 bushels of wheat, and the imports nil.

Mr Chanter

- That is wrong.

Mr FULLER

- I would sooner take a return presented to Parliament than the statement of any honorable member ; and I wonder that the honorable member should dispute it.

Mr Chanter

- I am sure the honorable member will accept my assurance that I saw the wheat landed.

Mr Watson

- The honorable member for Riverina says he saw it landed last year, but the figures quoted are not for last year.

Mr FULLER

- These figures, as I. have already said, are for 1899. New South Wales is in the condition of being a large exporter of wheat. Our growers are dependent for the price of their wheat on the prices realized in Mark-lane, which rule the wheat markets of the world. No system of protection can, therefore, raise the price of wheat to the advantage of the men engaged in producing this article.

Mr Chanter

- Why is wheat 21/2d. per bushel more in Melbourne than in Sydney ?

Mr FULLER

- I am taking the whole Commonwealth. The honorable member himself said that to make comparisons between New South Wales and "Victoria is a mistake. We should deal with these subjects from a national stand-point, and I am endeavouring to discuss the position from that aspect, being as anxious as any honorable member can be that those petty local jealousies which have existed in the past shall no longer have any force. What I have said as to the wheat industry applies to all the great primary industries of Australia. In my constituency large quantities of coal are produced. There are 8,000 or 9,000 men in the northern end of Illawarra who are dependent upon the coal industry. I ask honorable members how, by protection, we can possibly benefit the men engaged in the coal-mining industry ?

Mr Mauger

- We can by providing a home market, which is better than a foreign market.

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Mr FULLER

- It is all very well to raise that argument with regard to the production of boots, hats, and such things, but we are largely dependent on the export market in regard to our coal. We have been sending coal to San Francisco, Victoria, and other great markets of the world. If we had kept our coal for the home market, instead of its being worth 16s. to £1 a ton, it would hardly be worth a shilling a ton. We should not be producing anything like the quantity of coal that is now produced in New South Wales if it had been used only in factories. It is far better for us to have the great ocean liners, any one of which consumes more coal than is consumed by all the factories in Victoria in a year, coming to take their cargoes away.

Mr Mauger

- The honorable member is mistaken.

Mr FULLER

- I may be, but I make this statement on the authority of men who are experts in the coal industry.

Mr Mauger

- They base their calculations upon horse-power for propelling purposes. They do not take into consideration the coal used for steaming and other purposes, which is infinitely greater.

Mr FULLER

- No system of protection can possibly benefit the coal industry. There was one other expression made use of by the honorable member for Echuca in regard to his doubt as to the sincerity of the sympathy of

free-traders with the workers. I have always, on my part, doubted the sincerity of the protectionists in this respect, and it is remarkable that, before the existence of protection in the world, there was no such thing as sweating known in connexion with the industries. Sweating became rife in England during the time of protection, towards the end of the last century, and since the establishment of freetrade there the system has practically died out, except in those centres where foreign refugees are naturally the victims.

Mr HUME COOK

- An Anti-Sweating Bill has just been introduced by certain members of the British Parliament on the lines of the Victorian Act.

Mr FULLER

- I am about to refer to the Victorian Act, if the honorable member will have a little patience. It is a remarkable fact that in countries where protection is rife - the United States, Germany, and Victoria - sweating is carried on to a greater extent than elsewhere.

Mr Deakin

- Nonsense.

Mr FULLER

- It was not until after the establishment of the protective system in Victoria that any mention was made of sweating, or that the system was brought prominently before the public. But in 1878 and 1879, a few years after the protection system was established here, the matter was brought before the people of Victoria

Mr Deakin

- What does Booth say about London labour and the London poor ?

Mr FULLER

- I was about to refer to the Age newspaper as my authority, and also to the prominent part which the Attorney-General played in connexion with the matter. The Age newspaper in 1893 said : - The first time when sweating (in Victoria) came under public notice, to use the words of the Melbourne Age, was a year or two after the protective policy had been fully and persistently carried out. In 1878 and ] 879 the fiscal net was extended so as to include almost every article which previously had escaped its meshes, and at the same time the rate of the duties was considerably increased. The consequences are depicted as follow in the Age of May,1 893, surely an unexceptional witness in a case like this : -

The first time that sweating came under public notice in Victoria was when the Factories and Shops Commission of 1880 was prosecuting inquiries amongst the industrial classes. Although the evil was not so acute as it is now, the indignation which was excited vented itself in certain clauses of the Bill which was submitted to Parliament in 1884. Public opinion was not strong enough on the sweating question, and the Bill was emasculated. Meanwhile the acknowledged evil was spreading like a cancerous growth. At that very time we were at the height of our boom prosperity, and yet the subject of sweating forced itself under notice. Letters and verbal communications came to the Age, and we instituted an inquiry, which resulted in an article published on the 28th May, 1890, stating : - It is abundantly certain that sweating - mean, frowsy, depraved, and pitiful - is carried on in Melbourne to a degree hardly less horrible than the incidents of its prevalence in London. The article gave particulars about sweaters' work-rooms visited in Carlton and other suburbs. It was a tale of overwork, underpay, and wretchedness. Girls were found working in dens for 72 hours a week, and their remuneration was only from 2s. to 12s. a week. The outcome was a mass meeting of. citizens, held at the Melbourne Town Hall on 9th June, 1890. The then mayor (Councillor Lang) presided, and the hall was crowded to excess. . . . It was resolved, on the motion of the Rev. Dr. Strong, seconded by Mr. Bromley, and supported by Mr. Deakin and Mr. Balfour - "That in the opinion of this meeting the sweating system at present existing in our midst is a menace to the public health and morality of the colony ; the long hours of forced labour at starvation wages in unhealthy, unventilated hovels, where men, women, and children are huddled together indiscriminately, being a crying evil, productive of hardship, disease, and vice." A deputation from the meeting waited on Mr. Deakin, as Chief Secretary, on the 18th of the same month. Mr. Deakin, in replying, said - " The facts showed that in this city prices were paid for the manufacture of clothing, and perhaps of some other articles, wholly insufficient to support a decent workman working decent hours ; and this community protested against human beings being compelled by their necessities to accept remuneration that could



not possibly allow them to live as human beings should live."

There is the result of the establishment of protection in Victoria, in which the Attorney-General took a prominent part.

Mr Deakin

- What about London?

Mr FULLER

- I am speaking about Victoria

Mr Deakin

- What about London ?

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Mr FULLER

- In connexion with London, the state of affairs is this : Since the establishment of free-trade the sweating business has decreased to a considerable extent, and the only sweating there at the present time is in connexion with foreign refugees, who are the victims of those men who indulge in the system.

Mr McCay

- Victoria, a protectionist country, is the only country which has dealt with sweating.

Mr FULLER

- In Victoria a board was appointed by Parliament in 1893. It was officially called the Factories Act Inquiry Board, but it became known as the "Sweating Board." Its duty was to inquire into the working of the Factories Act since 1890. In opposition to that, there was an organization known as the Victorian Anti-Sweating League, and on the council of the organization were parsons, judges, merchants, journalists, legislators, and working men. Two big mass meetings were held in the Town Hall, the first of which fell through in consequence of the unpopularity of the then mayor, but the second held in 1895, and presided over by the Rev. Dr. Charles Strong, was a very large meeting. The first resolution carried was :

-

That this meeting deeply regrets the extension of the sweating evil in our midst, and deplores the fact that public opinion has not long since been sufficiently aroused to insist upon its suppression.

At that meeting remarks were made by a gentleman well known in Victoria, to which I would like to call the attention of the labour representatives here, and through them the attention of labour men in the Commonwealth. In submitting the motion, he said : -

Ardent protectionist as he was, he was sorry to admit that protection had failed - (cheers) -so far as the workers were concerned. Workmen united to support protectionist candidates for Parliament, and were told when that system was established their wages would be secure. But the result had been that the employer was protected, whilst the workmen were starving. (Cheers).

That is exactly what we on this side of the House say of the protectionist system - namely, that the effect is to give the employer the opportunity of taking money out of the pockets of the people, and putting it into their own, while paying starvation wages to their own men. The speaker goes on to say : -

There were three trades that had suffered more than others by sweating - the boot trade, the furniture trade, and the clothing trade. (A voice : " All heavily protected.") He was bound to admit that protection had failed in that respect. It was granted on the understanding that employers should maintain the standard rate of wages. Had they done so ? ("No, no.") No ; they had not done so, and the workmen were ground down. They must insist on protection to the worker as well as to the employer. (Cheers. )

Otherwise they must call upon the Legislature to withdraw that principle. (Cheers. )

And these were all heavily protected trades. That is the opinion of Mr. Bishop, then president of the Trades Hall Council ; and the Trades Hall at the present time is, I understand, a very large supporter of protectionist principles in Victoria. These are words which call for the most serious attention at the hands of everybody who wishes well for the working population of the whole of Australia. I do not wish to labour this matter further than to quote the opinions of a few of the labour leaders of England. We have been told by some honorable members on the opposite side of the House that, so far from free-trade having benefited the working man, the very opposite has been the result. Now, I have in my hand the opinions of five or six well-known labour leaders in England, and these, instead of supporting the proposition put forward by those honorable members, have the very opposite effect. I will just make a few quotations from some of these men, in order not to weary the House too much.

Mr Crouch

- Is this the Argus of two months ago?

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Mr FULLER

- No. These are letters sent from representative English labour leaders to Mr. A. Salaman, of Melbourne. The first is from Mr. W. J. Davis, of the National Society of Amalgamated Brass Workers, secretary's office, 70 Lionel street, Birmingham, on the 1st December, 1900, so that it is of very recent date. He said - The condition of the English workman is altogether superior to that prevailing in Germany, but not so good as that in America. The liberals here are, with few exceptions, thorough free-traders. In reply to your inquiry as to whether I think new industries spring up from the adoption of freetrade, I beg to say that the great commerce of England has developed by leaps and bounds since the adoption of free-trade principles. With respect to wages of brass workers, they have increased since 1872 to the extent of between 30 and 40 per cent. , and their hours reduced from 60 to 54.

The second letter I will quote is from Mr. George Howell. He writes from Hamden House, Ellingham road, Shepherd's Bush, W., on 30th November of the same year - Let me say that for more than 50 years I have taken part in public movements. I was appointed the first secretary of the London Trades Council in 1859 ; was its secretary in 1860 ; and in 1860 I remember walking a distance of 10 or 12 miles - from Wrington, in Somersetshire, to Bristol - to be present at the celebration of the carrying of the Free-trade Bill in 1846 ; so that my memory goes back to the old days of protection.

The condition of the working people in the forties was sad and miserable in the extreme. Provisions of all kinds were dear, and the wages of the workers were low. The hours of labour were long, and work was often scarce. Suffering and distress were everywhere ; riots and bloodshed were frequent. Little children of tender age were obliged to work to help to find bread for the family. Their homes were hovels. From about 1850 the conditions of labour began to improve. The improvement has been continuous, and it still goes on with accelerated speed.

The next letter I will quote is from Mr. Sidney Webb, also a well-known labour leader in England. He says : -

Your inquiry as to my opinion upon the results of free-trade in England, comes at an appropriate moment. We are just completing ten years of the greatest material prosperity that this country has ever known in all its history. We have been pursuing a free-trade policy, that is a Tariff for revenue only, without protection to native industry, for half a century. During that time (as I have described in detail in my little book, " Labour in the Longest Reign ") the condition of the wage earners has greatly and persistently improved. Wages have risen, food and clothing have become cheaper, the working day has become shorter, the employment has become more regular. There is not the ghost of a chance of the English trade unions asking for a protective Tariff.

There is just one other letter that I should like to refer to, which gives the opinion of Mr. Thomas Burt, also a well-known labour leader in England. He writes as secretary of the Northumberland Miners' Mutual Association as follows : -

I may add that I know something of the condition of the workers of France, Germany, Belgium, and other countries of Europe where the policy of protection is in operation. I can testify that the general condition of the worker as regards wages, hours of labour, the standard of living, and everything that conduces to give a healthy and comfortable home-life, is incomparably better in free-trade England than in any of those protectionist countries.

I have always maintained, as far as my knowledge and abilities would allow me, that the adoption of free-trade principles would be best not only as far as New South Wales, but also the whole of Australia was concerned. Indeed, in years gone by, I used to cheer the sentiments uttered by the right honorable and learned gentleman who now leads the Government in this House. Not so many years ago - only as far back as 1885 - the right honorable gentleman was one of the free-trade bunch for East Sydney. He used then to declare that in regard to the policy of New South Wales our commerce should be as free as air. He used to say that we should have no Chinese wall of restriction thrust round New South Wales so far as her commerce was concerned. I contend that if it was good for New South Wales to throw her ports open to the world when the whole of the States had a restrictive Tariff against her, surely it is now a good thing for the whole of Australia - when we are to have intercolonial free-trade - to throw our ports open to

the world, and to keep our commerce as free as possible.. There is another matter I should like to refer to, and that is in connexion with the position of the Government in regard to the black labour question. I unhesitatingly affirm that I am going to do my utmost to bring about a white Australia with as little delay as possible. I do not care whether that means a continuation of the sugar industry or not. I understand from the honorable members representing that particular part of Australia that there is about £7,000,000 invested in that great industry. We are told on behalf of the Government that this matter will be dealt with when an opportune time arrives. I understand that there is going to be the same delay in dealing with this matter in this House as there was in the Legislature of Queensland.

Mr Barton

- There has not been one expression used which warrants the honorable and learned member in saying that.

Mr.FULLER. - I understand that nothing definite is going to be done in connexion with the abolition of the introduction of kanaka labour into Queensland.

Mr Barton

- The honorable and learned member understands wrongly, that is all.

Mr.FULLER.- I will do my best, at the earliest possible moment, to stop the introduction of any further kanakas into that country.

Mr Chapman

- Will the honorable and learned member vote for the amendment?

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Mr FULLER

- Yes, if it goes to a division. More than that, I look to our own people in New South Wales ; and I cannot understand men who represent the northern districts of that State taking up the position that one honorable member has taken up on this matter. We know very well that the moment we get a uniform Tariff established we get inter-State freetrade for the whole of the States, with the exception of a sliding scale, so far as Western Australia is concerned. When we get Inter-State free-trade, if this black labour business is to be continued in Queensland, we shall immediately have the white men who are employed in the northern districts of New South Wales in the sugar industry placed in competition with the coloured labour of Queensland. I think it ought to be the duty of every honorable member, therefore, to see that we do away with this black labour, so that we may 'have the whole of the industries of Australia carried on with white labour from one end of the continent to the other. I should like to say a word or two in reference to the federal capital. As far as I am concerned, I always objected to Sydney and the hundred miles of country around it being absolutely excluded from any possibility of becoming the site of the federal capital. I have always thought, seeing that Sydney is the oldest city of the continent, and that there are such beautiful sites for a capital about her neighbourhood, that that part of Australia should have the same right to be submitted for the consideration of this Parliament as any other part. However, we have agreed to the Constitution, in which the provision I have referred to is made. I look upon it as a most important thing, and I do not wish to go into the arguments that have been used in connexion with this matter ; but I do think that the Government ought, with the least possible delay, to have the site of the federal capital fixed, so that we may know where our federal Houses are to meet. As far as the whole of the land in connexion with the capital is concerned, I think that not one acre of it should be sold. It should be kept in perpetuity for the people of Australia. We expect the federal capital to be a large place, and it must be borne in mind that we are not legislating for the few millions who are in Australia at the present time. Many more millions will yet occupy this great country. When that time comes, this land on a proper system of lease, and with a periodical appraisal, will yield a large amount of revenue which will help to lift the burden of taxation from the masses of the community. Another matter of importance is that of an Industrial Conciliation and Arbitration

Bill. We remember in New South Wales particularly - and Victoria had also some experience of it - the disastrous effect of the great maritime strike of 1890. As far as this Parliament is concerned, we have only power to form an industrial conciliation board for disputes extending beyond the limits of one particular State. I think the time has arrived when we should get away from the barbaric system of strikes, and have all these disputes between employers and employes settled by arbitration. I consider that this Conciliation and Arbitration Bill should be made compulsory and binding so far as both parties to a dispute are

concerned. I do not wish to take up further time at this stage of the debate, although there are many other matters I would have liked to have touched upon. I have come here as one of the representatives of New South Wales to do my best not only for New South Wales, but for the whole of the States. I regret exceedingly that, as far as the great colony of New Zealand is concerned, she is not with us in this Federation. We know that in 1891, when she was represented in the Convention by some very eminent men, including the late Sir George Grey, Captain Russell, and others, that Captain Russell said that, as far as New Zealand was concerned, she was prepared to accept the embraces of Australian Federation. But for some reason or other which is best known, I think, to her politicians, because I feel sure that the majority of the people of New Zealand do not agree with them in this matter, that colony has chosen to stand out of this federal movement. Not only has she stood out of it, but through her Agent-General, Mr. Pember Reeve, she sought, when our delegation was in London, to throw every possible obstacle in the way of the passage of the Bill ; since then she has tried to establish a sort of secondary federation by the attempted annexation of Fiji, which Mr. Chamberlain promptly put his foot upon.

Mr Barton

- I do not think we can accuse Mr. Pember Reeve of throwing obstacles in the way ; he made certain suggestions which were considered by a conference. There was no further trouble.

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Mr FULLER

- I am very glad to hear that, because I gathered from the press that a good deal of that sort of thing had been done. Well, I am proud of the fact that I I. can stand here before the world with the knowledge that I am an Australian citizen ; and while I rejoice in the fact that these colonies have joined in a great federation, I look forward to the time when not only New Zealand but all the islands of the South Pacific will be joined together in one vast federation, which will make Australia what she ought to be - the mistress of the Southern Seas.

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Mr HARPER

- I regret that, owing to illness, I have been unable to attend the chamber during the course of this debate, but although I have not been here I have been giving attention to the speeches which have been delivered. This debate is one of a somewhat unusual character, because we are here met for the first time a new Legislature, unacquainted with each other, and, apparently, we each feel that it is desirable we" ought at this stage to let the Government know exactly our position. To that fact I attribute the length of this debate. Now, I would not have spoken on this occasion at all had it not been for the remarks made by Mr. Reid, who is not here to-night, and I am sure we are all sorry for the reason why he is not present with us. The right honorable gentleman, in opening this debate, adopted the unusual course in apparently seeking to fix honorable members on both sides of the house to a classification of their view on the fiscal question, which it suited him to form for his own guidance, I suppose, in order that he might see how far he was likely to receive support. In addition to that he laid clown, as he usually does, with great force and great ability, the views he holds with regard to the fiscal question ; and I regret to say that he and some others who followed him adopted the old plan, to which we have become so accustomed in these colonies when this subject is being discussed, of apparently looking upon those who may differ from them on that question as belonging to one of two classes - either the ignorant or the not quite honest. In other words, they are either to be classified as ignorant men who are fools or interested men who are knaves. Now I was in hopes that when we met together in this great Legislature which is now to administer the affairs of an enormous country, or what will in time become an enormous country, that we should have had this question discussed in a somewhat different spirit ; that, at any rate, we should have been prepared to admit honesty of motives on both sides. I am addressing myself now to the special views put forward by the leader of the Opposition, but I am not prepared to say for a moment that both sides have not indulged in the same sort of thing. Surely it is for us, as men who have a great responsibility, as men who are making history very rapidly, to deal with this question in a way somewhat different from that in which we have dealt with it in our separate and somewhat antagonistic positions as members of different States having different policies. In speaking here to-night, I confess that my desire is, if possible, to prepare our minds to some extent for a certain amount of tolerance of each other's views, so that when we come to deal with the very important matter of the Tariff we shall, at any .rate, be able to give each

other credit for fair and reasonable conduct, and a desire to do that which is best for the country. Now, to show that my view in this connexion is not an unreasonable one, I will just quote a few sentences from an authority whom I am sure our free-trade friends will accept - a leading free-trader of the United States of America, Dr. Atkinson, who was one of the great supporters of Mr. Cleveland. He does not, in supporting his view of the case, underrate or misrepresent the views of his opponents, but seeks to do them justice, and rests his case upon its merits. Dr. Atkinson, in his work "Industrial Progress of the Nation," at page 253, says -

To incite an intelligent discussion of the Tariff and other economic questions in place of the common vituperative method which is so customary among those who may have no intelligent basis for what they call their opinions, and who are, therefore, accustomed to cover their real want of any knowledge of the subject by imputing ignorance or bad motives to their opponents on either side of the question.

Having set out the points of the protective theory, Mr. Atkinson continues : -

One may not hastily and dogmatically pronounce all these propositions to be without any foundation ; and it is both useless and mischievous to denounce those who present such views as being mere spoliators, or to say that they are striving as a body to support themselves and those whom they employ at the cost of their neighbours without rendering any true service in return. These views have been and are now held in perfect sincerity and integrity by many of the most upright citizens in this country ; they are still believed to be sound by a very large number of intelligent men, who sustain them without any other purpose than because they fully believe that the welfare of the nation depends upon their being sustained.

Sir William McMillan

- Does the honorable member mean to say that that is the tone of our side ?

Mr HARPER

- I leave honorable members to form their own opinions. Those whom the cap fits can wear it. Those who feel they are free from any charge of that kind do not come under my condemnation.

Sir William McMillan

- I absolutely deny it,

Mr HARPER

- I leave it to honorable members themselves, but I say it is desirable, on a great question of this sort, that we should deal with it in a fair, reasonable, and equitable manner, and that we ought to have open minds to hear the views of both sides, because we have a very serious responsibility attaching to us.

Mr Glynn

- We do not want political Pharisaism.

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Mr HARPER

- Honisoil qui mali ypense. I prefer to be allowed to go on. If honorable members will interject I dare say I shall be inclined to follow them sometimes, but at this late hour it is desirable that I should be permitted to use my arguments in my own way. Those who feel that what I have said affects them can apply it ; while those who feel that they are not touched by it need not be affected in the least degree. My position is to some extent a unique one. I am as much interested in Sydney as I am in Melbourne, although I live in Melbourne. I am interested in large concerns in all the States, except Tasmania. I know the working of the fiscal systems that are in force in each of those States, and I think to a certain extent I may fairly claim to have some degree of what I may call cosmo-political feeling with regard to all the individual States. I say this unhesitatingly, that I have often felt indignant beyond measure at the way in which those who advocate free-trade do so on grounds, which, to my mind, and for reasons which I will give presently, seem to be absolutely irrelevant. These grounds take the form of depreciating, in every possible way, the great State of Victoria. I read the other night the speech of an honorable member, whom I had not the honour of knowing - Mr. Lee - who said that he deprecated the manner in which the provincial feeling existing between Victoria and New South Wales had been brought forward. Of course, both States were blamed. That is a very favorite way of getting out of a difficulty. He particularly objected to the manner in which certain financial peculiarities of New South Wales had been alluded to. He deprecated any such reference as being, I suppose, unfederal. It is a good thing to know that some honorable members have that feeling. I wish that all were of the same way of thinking ; but I would remind honorable members of

this, that when they adopt a line of argument which is irrelevant to the subject, and reflects upon others, they must expect reprisals. I say advisedly that a wise man avoids throwing stones when he lives in a glass house. There are two main points upon which Victoria, as it seems to me, is sought to be proved willy or nilly a shocking example as the result of pursuing a policy of protection. The free-trader looking at one side of the question, by some extraordinary constitution of mind, seems to me to take up this position, that if his policy is not carried out in any given circumstances or by any given State, that State must be going to ruin rapidly whether it knows it or not. But of course if it is proved, as most men would consider it perfectly proved, that it is not going to the dogs at all, then of course it is so much the worse for the argument. There are two points which are looked to for proof that Victoria has suffered, is suffering, and will suffer under the policy she has pursued for 30 years past. The main point is that she has lost population ; that she has not increased in population as a neighbouring State has done ; that she has been in point of fact rapidly going back. I do think that those who make that statement should certainly take the trouble of studying the statistics on which they base the opinion which they put forward with so much confidence ; that they should take care that they fairly read those statistics, and that they do not merely lay hold of what suits the particular purpose of their argument. They should deal with the matter fairly and reasonably. Unquestionably, the State of Victoria has not kept pace of late with New South Wales in population. No one denies it. But was it any reproach to New South Wales that in the fifties and the sixties little Victoria added about 500,000 to her population when New "South Wales added only about 150,000? Of course not. We know what the reason was. The reason was the attraction of the gold-fields. During a very few years - I have got the figures here, but will not trouble to read them, although I brought them with me in case I should be questioned- during the few years between 1851 and 1870 Victoria ran her population up from 70,000 to about 750,000. In the meantime the parent colony had gone on plodding along quietly, acquiring new population, more or less. Of course, Victoria outstripped her at that particular time, find what I claim is - and what my honorable friend the honorable member for Wentworth knows perfectly well, because he is a Melbourne man, although he has become a Sydney man lately - that when we were attracting all these numbers-

Mr Wilks

- Victoria had no protection.

Sir William McMillan

- I never used the population argument in my speech.

Mr HARPER

- I am aware of that. I am simply referring to the honorable member as a gentleman who knows what happened at a particular period. I do not wish to attribute to the honorable member any remark which he did not make. I say this, that the fame of this country's gold-fields attracted within a few years, in my own time, as many as 1,000 people a day into Victoria. These men were not all miners, not even a very small proportion of them, and they found after a short while that mining was not exactly the thing that suited them. They found also that the land they had come to, with the intention of making a fortune by goldmining, and then returning to the old country, was a desirable land to live in, and they naturally set about to see how they could make a living by the trades to which they had been accustomed in the old land. We put on protective duties here because, I believe, of an instinctive feeling, though perhaps it was not very logically or scientifically defined. We know that people do instinctively what is best for them under given circumstances, and these people set to work to try to settle in this country and make it a great land. I say they have done it. During all this time has it not been the fact that Victorian men have gone from end to end of Australia? You will find them everywhere, as I can say from personal knowledge. In the early sixties or seventies they rushed off to Port Curtis in thousands and tens of thousands. We had no protection then.

Mr Conroy

- That was in 1857.

Mr HARPER

- I forget the exact date, but I was a young man at the time, and I remember well these men going off in their thousands, not because they disliked Victoria, but from the spirit of enterprise and adventure which animated them and which brought them here at first. We had to send for them, and bring them back again, because they did not get any gold. Then who were they who, after the Scotch, settled the Southern

Island of New Zealand? In my time, 20,000 men went from Victoria to New Zealand, not because they disliked this country, or were dissatisfied with their prospects here; but moved by the spirit of adventure. These men helped to make New Zealand. Who were they who, later on, made Broken Hill ?

Mr Kingston

- The South Australians.

Mr HARPER

- Three out of four of the miners of Broken Hill are, I understand, Victorians. Who were they who increased the population of little Tasmania ? Victorians. Who were they who, in the early seventies, took up Riverina, and who by so doing increased the population of New South Wales ? Victorians. Who were they who established the sugar industry in Queensland, and lost £5,000,000 of capital the last time there was a crisis in the sugar trade ? Victorians.

Sir John Forrest

- And what about Western Australia ?

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Mr HARPER

- My honorable friend reminds me of what I had almost forgotten ; a fact which, though last to be mentioned, is not least in importance. I ask, who ran up the population of Western Australia from 40,000 to 160,000? Mainly Victorians. Victorians have from the first been Australians. It has often been said that Victoria was more strongly in favour of federation than was any other State. Why was that ? It was because Victorians had set themselves to possess Australia before the question of federation came up for consideration at all. It is only since the crisis of 1893 that there has been any falling-off in the population of Victoria, and, in my humble opinion, it is unfederal, and, I think, unkind to refer to it. Up to 1893 Victoria and New South Wales kept neck and neck, although the territory of New South Wales is three and a half times as large as that of Victoria, and her resources,, therefore, much greater ; but when that terrible calamity which all of us have good reason to remember fell upon Victoria, our people received a stunning blow, from which it took us years to recover, but from which we have recovered. Many of our people went away - not because of any question of protection or free-trade. They went like men to earn a living elsewhere, because the State in which many of them had wives and families was for the time being unable to afford them the sustenance they required. I trust that we shall have no more of these comparisons. I have given honorable members my defence of Victoria. I have told the House why our people left this State for a time. Are honorable members aware that between 1892 and 1894, between 50,000 and 60,000 people left the city of Melbourne, and that we have since gained back that number, and 3,000 persons in addition? Why was it that the financial crisis was so severely felt in Victoria ? My right honorable friend the Treasurer had to bear the brunt of it, and I think that it took a good deal out of him. He received instructions from the electors - and I do not think they were quite wise instructions - that he was not to spend any more money than he could help. From spending £3,000,000 to £4,000,000 of loan money a year, as the Government had been doing for years past, they came to spend almost nothing, and that cessation of Government expenditure came on top of the dearth of private employment which was the consequence of the financial crisis. My opinion all along was that at that time the Government ought to have borrowed and spent money reasonably on necessary works in order to give our population employment, and thus help us over the stile.

Sir William McMillan

- The honorable member must not forget that we in New South Wales went through very nearly the same difficulties.

Mr Deakin

- The crisis was not nearly so severe in New South Wales as it was in Victoria.

Mr Barton

- But we had a pretty warm time.

Sir William McMillan

- All I ask for is a fair comparison.

Mr HARPER

- I read this evening in the Sydney Daily Telegraph - which I might call the oracle of honorable gentlemen opposite - an article in which, after telling the old story about the loss of population in Victoria, the writer

says, what we all know to be true - and the honorable member for Wentworth will admit that it is true - that in New South Wales the effects of the crisis were not comparable in the least degree with its effects in Melbourne.

Mr Conroy

- The free-trade State did not suffer so much as the protectionist State.

Mr HARPER

- I ask honorable members what frantic speculation in mining shares, in land, and in tramway shares had to do with either free-trade or protection.; I may give the Sydney people credit for a little more prudence than our people had at the time.

Mr Wilks

- Perhaps they are more Scotch.

Mr HARPER

- Possibly they are more Scotch. I want to remind the House of a few facts which account for the mildness of the crisis in New South Wales compared with its severity in Victoria. Are honorable members aware that, during the ten years which have elapsed since the time to which I am referring, New South Wales has steadily spent over £2,000,000 of loan money per annum, while the average annual loan expenditure of Victoria has been only £500,000 ? The net amount of loan money spent in New South Wales from the years 1892-93 to the year 1900 has been £12,564,000, while the amount spent by Victoria has been only £4,000,000. Then, during the last eighteen years, there has been an expenditure of capital amounting on the average to £1,200,000 per annum. The expenditure is going on now.

Mr Higgins

- The honorable gentleman refers to the expenditure of land revenue!

Mr HARPER

- Yes ; to the expenditure of the proceeds derived from the selling of Crown lands. It is only fair to admit that we are doing the same thing in Victoria ; but we are doing it on a much more limited scale. We are no better than the people of New South Wales so far as principle is concerned, but we have not had so much land to sell. I think we get - is it £400,000 from that source?

Sir George Turner

- About £300,000.

Mr HARPER

- There is a clear million there which New South Wales has to the good - £2,000,000 of loan money and £1,000,000 of land money.

Mr A McLEAN

- New South Wales, including rents, gets £2,000,000.

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Mr HARPER

- The honorable member does not quite follow me. I am referring to the proceeds of land sales. I believe it is overstated. I do not think it is £300,000 that we get. New South Wales gets between £700,000 and £800,000 from rents, which it quite legitimately spends as revenue. I do not know what we receive from rents, but the amounts I am dealing with are the proceeds of the sales of land, which is practically the capital of the country. An extraordinary thing happened when the leader of the Opposition - and I am sorry that he is not here, because he is interested in the question - took control of the finances of New South Wales. He found them in a great state of confusion, and I think the honorable member for Wentworth, on that occasion, made a very strong speech with regard to the position of affairs.

Mr Chapman

- He has forgotten that now.

Mr HARPER

- The right honorable member for East Sydney very properly - and I must say, as a student of New South Wales finance for a good many years past, I have often come to the conclusion that-it was a fearful and wonderful thing - set himself to put it right, and I believe he did. He introduced what is called the cash system, but a curious thing happened. I do not know exactly how it happened, but I have the report of the committee here. I have not had time to read fill the evidence, but I find that if the right honorable member had come up, as my right honorable friend Sir George Turner had to come up, with no money behind him,



he would have had a deficiency totalling £1,000,000 on the four years' operations while he was in office.

Mr Conroy

- In the first six months.

Mr HARPER

- My honorable friend must not interrupt, else I shall have to quote, and I do not want to quote, because it takes up too much time.

Mr Barton

- What does the honorable member for Wentworth say the deficiency actually was in those four years 1

Sir William McMillan

- I say, let sleeping dogs lie.

Mr HARPER

- Some honorable member on that side was good enough to tell us that it was a good thing - I think it was the right honorable member for East Sydney - that they were meeting in Melbourne, because Victorians would have a good opportunity of seeing what they really were.

Mr Crouch

- Of hearing the truth about themselves.

Mr HARPER

- Yes. It does us all a power of good to hear what people think about us.

Mr Conroy

- It might be very rude.

Mr HARPER

- It would do the members for New South Wales a little good if they heard what we on this side think about them.

Sir William McMillan

- I am beginning to be sorry that the honorable member did not emigrate.

Mr HARPER

- I think it was a great misfortune for New South Wales that I did not. I refer to the honorable member who wanted me to quote the report. I suppose he knows the report?

Mr JOSEPH COOK

- Yes; and it is not worth the paper it is written on.

Mr HARPER

- It is too bad for a New South Wales man to run down a New South Wales report. If it had been a Victorian report it would have been very different.

Mr Wilks

- We had two reports.

Mr HARPER

- We have a report by two of the leading bankers in Australia - two Sydney bankers - and a third gentleman whom I do not know. I do not know why it should not be worth the paper it is written on. I understood, at one time, that the honorable member for Wentworth was very much of the same opinion with regard to New South Wales finance.

Mr Conroy

- Is Mr. Yarnold's name attached to that report ?

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Mr HARPER

- This is the statement in the report : -

This divided over four years gives £250,000 per annum, which, added to £2,000,000 loan money, and £1,000,000 proceeds of land sales, makes £3,250,000 expended during those four years. I want to know what the colony of Victoria could have done with" £3,250,000. I think we could have retained a good many people in this country if we had had the same freedom of action, but we had not. We had not the money, and consequently a number of our people went away and have since been pushing other colonies ahead. Any man who looks into the statistics of population, who takes into consideration the circumstances . of the case, the unparalleled misfortune which fell on this State, and who looks at the adroit and pleasant manner in which any difficulty was got over in New South Wales, will be disposed to

say "well done Victoria."

Sir William McMillan

- Was there no accumulated deficiency in Victoria during" that period ?

Mr HARPER

- We had accumulated a deficiency, which was put in the form of Treasury Bills, and my right honorable friend Sir George Turner, during the very worst years, when I thought he was very foolish to do so, regularly paid off £250,000 of this debt which had been incurred by his predecessor. He put £250,000 of these Treasury Bills into his annual accounts, and met them.

Sir William McMillan

- Why does not the honorable member state the deficiency of Victoria when he states the deficiency of New South Wales ? It would be fair to do so.

Mr HARPER

- I see that my points are telling.

Sir William McMillan

- The honorable member, in fairness, should state the deficiency of Victoria.

Mr HARPER

- If the right honorable member for East Sydney had not been in the fortunate position of having a rearrangement of the accounts at that time, and if he' had had to bring up a statement of his actual receipts and expenditure during these years, he would have had a deficiency of £1,000,000; but he always was able to show a credit balance. I was in London when this happened, and I was astonished. People said to me - " It is an extraordinary thing how New South Wales always has a surplus." I did not know the explanation of it then. I mention this because of its bearing upon the free-trade versus protection controversy. I do not enter into disputed questions of New South Wales finance.

Sir William McMillan

- But the honorable member will not answer my question.

Mr HARPER

- If the right honorable member for East Sydney had had to come up at the end of his first complete year and acknowledge that he was £500,000 or £600,000 short, he would not have had it in his power to say as many did say - " New South Wales can afford to do without any duties, but Victoria is a poor country and cannot afford to do without duties." If we had done the same thing we could have afforded to do without duties. If we had lived on our capital - and unfortunately, or fortunately, perhaps, we had not the capital to live on - our position would have been different. I say "fortunately perhaps," because in New South Wales the ease with which money has been obtainable has begotten a spendthrift habit which it is very difficult to control. If we had had the same means and the same ways of keeping up expenses we could have done exactly the same thing. The claim has been made - and it was made ad nauseam during the Convention - that New South Wales was likely to be robbed by having duties forced on her, duties she did not require. My answer to that was - " Pay your debts with the money ; you will need it as much as any one else if you do not use your funds improperly " ; and I say so now. One other point and I have done with this matter. I think I am in an unique position, and can give some information to the House which probably honorable members could not get anywhere else as to the soundness of Victoria. I have before me a return made up by a firm having a large business all over Australia. In this return a comparison is made as to the position of all the States of Australia, and I will read the result. It is for four years, up to 30th September, 1900. The return is as to bad debts in the various States mentioned - as good a barometer as you could have. From this information honorable members can form an opinion as to whether the arguments adduced to show that Victoria is practically "done up" because she has adopted protection have anything to bear them out.

Sir George Turner

- " Gone bung," is the term they used.

Mr HARPER

- Yes, I think it was. Taking 100 as the unit of comparison, I find that the proportion of bad debts in Western Australia amounts to 100. This is unusually high, because things are very unsettled in that State and will be for some years to come.

Sir John Forrest

- Unsettled 1 The honorable member means prosperous.

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Mr HARPER

- There are a good many bad debts there.

Sir John Forrest

- It must be on the gold-fields.

Mr HARPER

- The figures for the other States are : Queensland, 50 ; New South Wales, 48 ; Victoria, 30. It will be seen that the return for Victoria is far better than for New South Wales in regard to bad debts ; and that is a very good gauge as to whether a country is anything like " dead broke " or not. That is the point I wish to enlarge upon, because the argument with regard to Victoria is that protection has nearly ruined her. AVE are told that Victoria is ill and we do not feel it. We do not see any symptoms of illness ; and we, therefore, tell honorable members opposite that if they want to prove their freetrade arguments they will have to go upon a different tack altogether, and find some other grounds for their contention. One other point was made by the leader of the Opposition, and has been utilized by the press. We are told that Victoria, owing to her protectionist policy, is bringing the women and children into the factories and making the men walk the streets in enforced idleness: That is a very strong point with the leader of the Opposition. I am sorry I did not bring his exact remarks, but I think I have correctly stated his point. Well, the other day Miss Cuthbertson, a very competent woman, who is the chief female, inspector of factories for Victoria, made a statement in which she alludes to this point. She says, very fairly, that the charge that our system excludes men from employment, while women and children are being employed in the factories, would, if it were the case, " be an absolute blot not only on our factory legislation but on our civilization." But it is not true. That is the misfortune of these statements - they are telling as arguments for free-trade, but they are not true. I will tell the House why. I do not desire to read all that Miss Cuthbertson says, but I will give the gist of it. She points out that, from 1856 to 1891, there was a steady increase of males and females employed in our factories. In 1891 the crisis came. From 1891 to 1894 there was a diminution in the numbers of both males and females employed. In 1894 an Act was passed which brought under the factory law places in which four or more persons were employed. Miss Cuthbertson very fairly starts her comparison from 1894, a time when she had a satisfactory ground upon which to make it. In 1894 there were employed in the factories of Victoria 23,164 males and 11,104 females. In 1899 there were employed 31,649 males and 17,897 females. These figures show an increase of males in the period of 8,485, and an increase of females of 6,793. Miss Cuthbertson points out - and this is the answer to those precious statistics which are used in such an indiscriminate fashion - that 4,000 out of these 6,793 females were employed in the dress-making mantlemaking, clothing, and shirt trades, which, are pre-eminently women's employments, and at which men could hardly work. As to the remaining 2,700, it would take too long to read the list of trades, but I will show the return to any honorable member who wishes to see it. Miss Cuthbertson gives the increase in every trade, and the result is that the 2,700 are fully accounted for. She says in her closing remarks -

We find that the general increase outside of four trades, which may be deemed trades which are given over almost entirely to women, is only 2,000 in 5 years, and this increase would be spread, over 50 trades.

Now I have dealt with the statement that we are putting women into our factories and turning men out of employment, and I will not say anything more about it. I trust that we have heard the last of that sort of argument.

Mr Mahon

- Tell us something about the Commercial Bank.

Mr HARPER

- I think that is a very improper remark as applied to me, but I am prepared to answer it. I had no more to do with the Commercial Bank than the honorable member who interjects, and I am glad that I had nothing to do with it. But, in common with the late Mr. James Service-

Mr SPEAKER

- I do not know whether the honorable member can connect the Commercial Bank with the argument. If not, he is out of order.

Mr HARPER

- With all due deference to you, sir, I think that, instead of my being reproved by you, the honorable member for Coolgardie should have been checked. He made a most improper observation, and, if I am not to be allowed to reply, he should be made to withdraw it.

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Mr SPEAKER

- The honorable member is entitled to make any statement on the subject under discussion, but he is not entitled to go into other matters which are not connected with the main question. If the honorable member is prepared to connect the Commercial Bank with the main question, he can proceed.

Mr HARPER

- Yes, sir, I will connect it at once.

Mr SPEAKER

- Then the honorable member may proceed.

Mr HARPER

- I have referred to the causes of the loss of population in this State, and to the crisis, and an important element in that crisis was the stoppage of the Commercial Bank. Now, I have connected the Commercial Bank question with the question before the House ; and I wish to tell honorable members that I had no more to do with that institution than the honorable member had who interjected. The late Honorable James Service sent a telegram to me at Adelaide, where I was when the bank stopped, and asked me in common with two other gentlemen - public men - to come in and do what we could to stem the tide of distrust and save the institution if it were possible. I had neither share nor interest, in the Commercial Bank, and it ill becomes the honorable member or any other person to throw this at me, for reasons which are well known in the House, and to which I need not refer. I will now, sir, come back to the argument which I was placing before the House when interrupted. I have dealt with the question of those charges against Victoria, which are made in order to prove that free-trade is right and protection is wrong. I have every respect for those who take the free-trade view, and, respecting their opinions, I agree with them when I can. But those honorable members are constantly telling us that, because Great Britain is great and prosperous and has free-trade, therefore, free-trade is the right thing for the Australian Commonwealth, and, in fact, for all the world. That is a very poor argument, and I will quote another authority whom honorable members will respect, whether or not they agree with the opinions expressed. I refer to Professor Fawcett, who, in his book, Free-trade and Protection, says, at pages 11 and 12 :- I think it cannot be denied that the progress of free-trade has been materially retarded by its advocates assuming a too contemptuous tone towards the supporters of protection in other countries. We in England are much too prone to overstate the results of free-trade. Scarcely a week elapses without its being said, as if it were a triumphant rejoinder to all that is urged by the American, the continental, or the colonial protectionist, "English exports and imports have more than quadrupled since protection was abolished : the income of the country, as shown by the yield of the income tax, has more than doubled, wages have advanced, and population has increased."

Professor Fawcett goes on to say : -

But a moment's consideration will show that other causes have been in operation besides free-trade to promote this wonderful growth of prosperity.

Sir William McMillan

- We all admit that.

Mr HARPER

- But the honorable member, and those who think with him, do not admit that practically in their arguments. What I complain of is that those honorable members are always admitting things, but when it comes to argument they will not admit any thing.

Sir William McMillan

- We do not bring them into prominence.

Mr HARPER

- That is exactly the position. There is a judicious suppression, allowing awkward facts to drift into the background, while other facts are brought into undue prominence ; and we know that a false perspective is most difficult and dangerous to deal with. Professor Fawcett adds : -

Nothing seems to me more certain than that in discussing the position of protection at the present time something more will be required than perpetual appeals to the rapidity with which commerce has grown and wealth has been accumulated in England.

I say, so, too and I think that is what we want in Australia as well as in England. If any one desires to prove a case, it seems to me always a sign of weakness to go into side issues which are not relevant and can be met by others equally strong ; and that is what Professor Fawcett says. If you boil down all the arguments put forward in Sydney or Melbourne, in the press or on the platform, in favour of free-trade, it will be found that about 99½ per cent, are just arguments of that sort, and that there is a little residuum, about ½ per cent.-

Mr Poynton

- Does that apply to protection, too?

Mr HARPER

- I am dealing with free trade just now.

Mr Wilks

- The honorable member plays the game all right himself.

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Mr HARPER

-. - I am not playing any game, and I challenge any honorable member to show that I am.

An Honorable Member. - The honorable member is suppressing something.

Mr HARPER

- I am not desirous of suppressing anything. If the honorable member can show that I am suppressing anything let him trot it out. I have learnt too much from discussing matters with free-traders to fall into that mistake and I always look round my argument to see if there be any vulnerable point before I put it forward. It will not do to tell us, as we are told every day, that Great Britain is prosperous. We know she is prosperous ; but there are a great many things, as Professor Fawcett points out, which have built up that prosperity, and these things are well known. I am going to bring forward an argument tonight, and I want to guard myself against doing that to which objection has just been taken. I am going to make a statement with regard to the progress of Great Britain, and also other countries, notably the United States. It is not my purpose to show that the protectionist policy is the right one because America, Germany, or any other country has got ahead of England at a certain time. I simply want to call attention to the position of those countries, and to ask my free-trade friends the question : if free-trade is a heaven-sent inspiration, John Bright admitted it was not given from Mount Sinai, although he said it was equally strong in favour of freedom and for the benefit of the people, or something of that sort-

Mr Barton

- It was the same inspiration that made John Bright support the slave-owning states in the American civil war.

Mr HARPER

- My argument is not, as I say, submitted to show that either system is right or wrong, but to get the facts brought before the minds of honorable members, and to ask those who believe in free-trade how it is, if, as they contend, protection be abomination - even in the mild form the Premier has spoken of - if protection be desolation, how it is that America, Germany, Belgium, Russia, and other countries

An Honorable Member. - France

Mr HARPER

- And France : but without adding to the list, I would ask how it is those countries have not been ruined long ago. Now, I may tell honorable members, although, perhaps, it is not very interesting, that the Corn Laws were abolished just about the time that I came into this world, and I was brought up under the full inspiration of the wave of feeling that occurred then. But when I began to grow up, and to take an interest in this question, I can assure the House that the first thing which shook my confidence in the Cobden doctrine was the fact that whilst the free-traders had always been predicting that the United States would come to grief, it never came off.

Mr Conroy

- Never : never anything of the sort.

Mr HARPER

- I put that statement down to the honorable member's ignorance of history. I am dealing with the question from the historic stand-point.

Mr Conroy

- Mention one historian.

Mr HARPER

- I would like the honorable member to name any one who has said anything else.

Mr Conroy

- Mention one? That is a fair question.

Mr HARPER

- I always understood that any well-informed man, whether freetrader or protectionist, who knew anything about history, knew that. I confess that I am not here to-night to prove a thing which I thought would meet with universal acceptance ; but, if the honorable member for Werriwa will give me an opportunity, I will produce authority for my statement later on. What I want to say is this : that we have had prominently brought before our attention two countries in which we can trace clearly and unmistakably two lines of fiscal policy. Those countries are Great Britain and the United States. Now, Great Britain, as we know, is a very much older country than the United States. Perhaps the honorable member will contradict me on that point ?

Mr Conroy

- Geologically speaking, America is older, certainly.

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Mr HARPER

- I am glad to hear of the limitation. Great Britain in 1801 - the earliest year that I could get comparative figures for - had a population of 15,717,000, and the United States in 1790 - ten years before - had just about the population that this Federation starts with, or 3,930,000. In 1889, Great Britain had 37,809,000 and the United States 62,481,000, and those figures have been increased, I believe, by the last census to 42,000,000 and 82,000,000, respectively. Of course, I mark the impatience of some honorable members. They know all about this, and I am aware that they know it, but I want to bring it to their minds in order to impress it upon them, because it seems to me that many of those honorable members allow facts to glide over them like water over a duck's back. I intend giving a very few figures, and I would like the attention of those honorable members to whom I refer, for about two minutes. The wealth of Great Britain in 1800 was £1,740,000,000, whilst in 1790 that of the United States was £129,000,000. In 1888, the wealth of Great Britain was £9,400,000,000, whilst that of the United States was represented by £12,824,000,000. The earnings of Great Britain were represented by £34 per head in 1889, and in the United States by £39 per head in 1886-89. In the savings bank in 1889 Great Britain had deposits amounting to £107,000,000, and the United States had deposits totalling £283,000,000. I mention these facts to show that a country which started its career with 12,000,000 of people less than Great Britain, and which has reclaimed a great territory, is certainly a country that has not been ruined by her fiscal policy.

Mr Higgins

- The exports from the United States last year were more than those of Great Britain.

Mr HARPER

- I am coming to that. I want to impress that aspect of the question on my honorable friends. I say if it be so- -

Sir William' McMillan

- Nobody ever said it was so ; that is the only thing.

Mr HARPER

- Said what ?

Sir William McMillan

- Nobody from this side of the House said that the United States was ever ruined.

Mr HARPER

- I do not think the honorable member quite understands my argument. I do not say that the honorable member said so. I am simply pointing out that the free-traders say that England is prosperous. England is free-trade, ergo, she is prosperous because she is freetrade. I am pointing out that America is also rich and prosperous. She is a protectionist country, but I am not going to follow the example of my free-trade

friends and say ergo she is prosperous because of protection. I think that is a perfectly legitimate line of argument. I think that the great weakness of the other side is that they are always stating things which are indubitable. Nobody denies that England has been prosperous any more than that America has been prosperous. We arrive at two different conclusions from two different methods. And I would ask - Is it not becoming, is it not right, that we who have been placed in the honorable and highly responsible position of initiating this new Commonwealth, and of starting it on its career, should come to the consideration of this question, not with our minds hide-bound, .but with our minds open to see how far we can get historical guidance, which after all is the best guidance, because " what has been, shall be, and there is nothing new under the sun." I take it, that we have to consider - if we have a sense of our responsibility - the circumstances of each country ; to discover, if possible, that country which most nearly resembles our own in circumstances and in prospects, and to the best of our ability and without bias to say what we think is the right policy to pursue. Instead of that, what do honorable members on the free-trade side say? They come here hide-bound, fighting the question of abstract free-trade;, and prepared to fight it at a time when the difficulties confronting us, without the added difficulty of .this abstract question, are enormous. We are confronted with the task of uniting these States, of welding them together, of making them a Commonwealth in fact as well as in name ; and I say that when we realize, as I have tried to realize, our responsibilities and difficulties, we must come to the conclusion that it is a misfortune to add to those difficulties at this stage by bringing up a question which is, after all, one of abstract politics. It can be shown on the one side that Great Britain has been prosperous, and on the other side that America has been prosperous. We here in Australia can point to five States out of six, which have adopted a certain policy. Perhaps, if I have time before I finish my speech, I may say a word or two as to what I consider are the serious obligations that confront us.

Sir William McMillan

- What about the hide-bound country which returned only one member with different opinions to all the rest ?

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Mr HARPER

- Honorable members may laugh, but I have been there before. Now I have read those figures briefly about America, and in the North American Review there is a very remarkable article dealing with this question. It is not a free-trade or protectionist article ; it deals simply with a question of trade, and it points out that America for the first time has equalled Great Britain in her exports. In 1898 her exports equalled those of Great

Britain and during the ten months of last year they were in the position of importing £14,000,000 worth of wholly or partially manufactured articles, and £22,000,000 worth of manufactured articles, or a total of £36,000,000. They exported double the quantity of manufactured articles. They are now in the position of exporting £2 worth of manufactured goods for every £1 worth of manufactured goods which they import. Now, I say, we are not entitled to put aside these facts. They ought to be considered, and if possible accounted for. There is only one way of accounting for them. We know the great outcry there has been and the prophecies of ruin that have been uttered about Germany, and now when there is a little bit of an industrial crisis in Germany it is said, as a matter of fact, that they are ruined. I think it can be easily proved that they are not, although people will tell you that such is the case on account of the beet sugar industry. The only possible explanation to my mind of the facts which I have mentioned, is the old one, and one for which the high priest and prophet of free-trade, Adam Smith, is my authority. I trust honorable gentlemen opposite will, at all events, respect that honoured name. Mr. Deakin. - They respect him too much to read him.

Mr HARPER

- Well, I will tell honorable gentlemen the explanation which commends itself to me, and which commended itself to Adam Smith.

Sir William McMillan

- That is not the whole of Adam Smith the honorable member has in his hand, is it?

Mr HARPER

- I think my honorable friend ought to know me well enough to be sure that he will not put me off any argument by that sort of thing.

Sir William McMillan

- I did not mean to put the honorable member off.

Mr HARPER

- Well, the honorable member should not try, because he will only waste his time. I mean to say all I intend to say. It is a way I have got, and on another occasion I will listen with the greatest attention and respect to the honorable member. This is a very nice little book which I hold in my hand, and which I commend to the honorable member. It is entitled " Sophisms of Free-trade," and it is by Mr. Justice Byles.

Mr Barton

- The honorable member should not quote that book, it is by a lawyer.

Mr HARPER

- I thought that was what he was objecting to.

Mr Barton

- The honorable member will offend Mr. McDonald.

Mr HARPER

- It is Mr. Justice Byles who makes the extract from Adam Smith, which he has taken from his " Wealth of Nations." Has the honorable gentleman read that book?

Sir William McMillan

- Yes.

Mr HARPER

- From beginning to end ?

Sir William McMillan

- Yes.

Mr HARPER

- This extract is taken from Book ii., chapter 5, of the " Wealth of Nations." I will read the passage from Adam Smith, and I will then read Mr. Justice Byles' comment on it, because it is a far better comment than I could make. Adam Smith says -

The capital which is employed in purchasing in one part of the country in order to sell in another the produce of the industry of that country, generally replaces by such operation two distinct capitals that had both been employed in the agriculture or manufacture of that country, and therefore enables them to continue that employment. When both are the produce of domestic industry, it necessarily replaces by every such operation two distinct capitals, which had both been employed in supporting productive labour, and thereby enables them to continue that support. The capital which sends Scotch manufactures to London, and brings back English manufactures and corn to Edinburgh, necessarily replaces, by every such operation, two British capitals, which have both been employed in the agriculture or manufactures of Great Britain.

Mr Conroy

- That fallacy was fully exposed by John Stuart Mill.

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Mr HARPER

- The honorable member is quite capable of showing it up. Mr. Justice Byles further says -

The capital employed in purchasing foreign goods for home consumption when this purchase is made with the produce of domestic industry, replaces too by every such operation two distinct capitals, but one of them only is employed in supporting domestic industry. The capital which sends British goods to Portugal, and brings back Portuguese goods to Great Britain, replaces by such operation only one British capital. The other is a Portuguese one. Though the returns therefore of the foreign trade of consumption should be as quick as those of home trade, the capital employed in it will give but one-half the encouragement to the industry or productive labour of the country. A capital, therefore, employed in the home trade will sometimes make twelve operations - or be sent out and returned twelve times - before a capital employed in the foreign trade of consumption has made one. If the capitals are equal therefore, the one will give four-and -twenty times more encouragement and support to the industry of the country than the other.

I do not think the honorable member can deny one part of that proposition.

Mr CONROY



- It was fully exposed by John Stuart Mill.

Mr HARPER

- John Stuart Mill did not expose it at all, in my opinion. The honorable member may think he did, but I disagree with him.

Sir William McMillan

- That settles it.

Mr Barton

- John Stuart Mill never withdrew his own admission on the subject.

Mr HARPER

- No, he never did, and it went quite as far as this. Mr. Justice Byles goes on to say : -

It is not a small difference in price that can compensate the nation for the loss. For example, Suppose England can produce an article for £100, and can import it for £99. By importing it instead of producing it she gains £1, and, though she pays for it with her own manufactures, loses £100 of wealth which she might have created : that is to say, on the balance, she loses £99 which she might have had in addition by producing commodities at home.

I may be stupid, but I will ask honorable members if they can give me a better explanation of the extraordinary fact that America, Germany, and every country that has adopted protection, has increased its wealth, increased its trade, increased its power in the world. If any honorable member can give me a better explanation than that I will give in.

An Honorable Member. - Oh, that is all exploded.

Mr HARPER

- The honorable member says it is exploded. I have always noticed that English economists give a very gentle go-by to all the arguments coming from America or continental countries. They pass them by because they do not wish to raise a discussion. But I ask honorable members to explain to me how it is that in every case in those countries revenue has increased, industries have increased, and wealth has increased since the adoption of that policy. If there is a better reason than the one I have given to account for it, I am open to hear it, and I am open to be convinced. But the fault of the free-trade idea is this : It is a grand conception, but it does not apply to the circumstances of this world. It was not until 75 years after Adam Smith wrote his book that his opinions were taken up at all, and then gentlemen of the Manchester school took up only that part which suited them. It was a grand conception. They said - All men are brothers - Chinese, Japanese, and every one else; we will have free-trade. But they knew very well that that was after having had 200 years' protection after they had had the advantage of the inventions of Watt and Arkwright and others, and after they had had during the long war practically the whole trade of the world outside of the continent, and a good deal of that through smuggling. It was very well for them to say to every one - " Let things remain as they are, and we will supply your wants ; we will import your raw material, and we will work it up, make a profit in the shipping, in the making-up of the goods, and in sending them back to you." It was a grand conception, if all were on the same plane. Cobden, as set forth in a book which I have here, said in one of his speeches that he hoped the day would come when we would be all one and when we would be governed by a sort of glorified municipal government. We were to have no nations and no patriotism ; but human nature does not go that way, and that is the mistake of the whole idea. It is seeking to apply a system to human nature which human nature will not have, and to which human nature will not adapt itself. When honorable members speak to me about Great Britain, I say that I feel the greatest doubt as to the position there. And in that I am not singular, because many of the best men in Great Britain have serious doubts on the subject. We know that the leading men there are finding that Gladstone made a great mistake in so largely reducing the number of taxable articles. That comes up every time there is a difficulty about revenue. They regret that they introduced free-trade to the extent they did. While we are dealing with the question of the position of things in England, I will read a word or two from a book, the author of which does not give his name.

Several Honorable Members. - "Drifting "; we know it.

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Mr HARPER

- Yes ; it is " Drifting." It is anonymous, and probably some honorable members will not believe it on that account. But I will just give you what is pointed out in this book, and if any honorable member can show

me it is wrong, then I am open to be contradicted. The writer points out that the exports of British manufactured goods fell, between 1854 and 1898, from £94,000,000 to £65,000,000.

Mr Kingston

- In certain lines.

Mr HARPER

- Yes, in special British lines, and imports of the same special lines into England have increased from £32,000,000 to £55,000,000.

Mr Glynn

- The fallacy of his argument was immediately exposed in The Times. I do not know if the honorable member has read that in his omniscience, but it has been exposed there.

Mr HARPER

- I do not pretend to be omniscient.

Mr Glynn

- It seems very much like it.

Mr HARPER

- I am to the extent that I am giving the honorable member a good many uncomfortable facts.

Mr Winter Cooke

- The writer of " Drifting " does not take values into consideration.

Mr HARPER

- That affects both sides of the statement.

Mr Winter Cooke

- Cotton drops from 6d. per pound.

Mr HARPER

- And it comes down equally on the other side.

Mr Winter Cooke

- Not necessarily.

Mr HARPER

- The writer of this book shows that the imports into the Australian colonies alone from Great Britain, between 1884 and 1894, fell by £7,500,000 per annum. That has been questioned by The Times, but The Times is sometimes wrong. It seems to me that if you import and export the same class of goods, and there is a fall or rise in value, that fall or rise applies equally to imports and exports.

Mr Glynn

- That was examined by Mr. Giffen, of the Board of Trade.

Mr HARPER

- Now I come to the statements of a writer who is not anonymous ; the statements of one- who is not an alarmist. I will quote from Mr. William Gastrell, commercial attache to Her Majesty's embassy at Berlin and to Her Majesty's legations at Copenhagen and Stockholm. He is a Government official in the department of the foreign office, and in consequence of circulars sent out, he was required to make reports as to the position of British trade in various countries. He deals with Germany, and he points out that between 1889 and 1895 the English exports of domestic produce showed a diminution of £23,045,000, while in those of Germany there was an increase of £7,615,000. Then he proceeds : - I cannot therefore agree with many eminent men who maintain that we have no cause to fear any reduction in our commercial supremacy, now or in the near future, nor can I admit that, there is no reason to dread foreign competition. . . Whatever the causes may be that favour foreign competition, such a state of things is alarming to the last degree, resulting, as it does, in serious injury to our trade.

He goes on to say in regard to the foreign trade of Great Britain :-

We see in the first place the startling fact that in 1895 our foreign commerce under all heads shows a large decrease in every item since 1890. Our total trade fell off by £40,422,000, which consisted of a reduction of £42,420,000 in exports and of £4,002,000 in imports. These losses consisted of £19,081,000 with British possessions and the balance of £27,341,000 with the rest of the countries of the world. The falling-off in exports to foreign nations was £24,214,000 and that to British possessions of £18,543,000.

The last passage I shall read from his book is as follows : -

The largest export trade of Germany is to Great Britain, and amounted for articles of domestic produce

alone to £22,039,000 in 1885, or nearly 15 per cent, of the whole ; in 1890, to £34,476,000, or 20." per cent., and in 1895 to £33,776,000, or 20 per cent, of the total exportation.

Listen also to this : -

It is distressing- to-observe the steadily increasing exports to us of articles similar to our own which has gone on in spite of the general commercial depression in late years. Though German commerce may have fallen off in some parts of .the world, it has substantially increased in others, and is larger now than it has ever been as regards importation. In 1885 her exports of home produce stood at £143,015,000 and 18,814,000 metric tons ; in 1895 they had reached £106,950,000 and 28,329,000' tons, representing increases of £22,935,000 in value and of £9,5 15,000 tons in quantity. Her imports for home consumption had increased from £147,220,000 and 17,867,000 tons in 1885 to £198,165,000.

This is from Mr. Gastrell, who is not an alarmist, but whose duty it was to find out the truth, and he is not open, I apprehend, to the statements that have been made. Of course, he would be aware of a change in the values of goods, if there was any such change, and he would naturally have called attention to it.

Mr Glynn

- Still, the aggregate during the last year was £815,000,000 - practically the maximum.

Mr HARPER

- Chiefly coal.

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Mr G B EDWARDS

-lynn. - Has the honorable member read Mr. Giffen's analysis ?

Mr HARPER

- Chiefly coal, and that went up to double its value. Of course, I am merely arguing in this way so as to get honorable members to realize that, in starting the affairs of this new nation, we ought to give due consideration to all these facts. We ought to ascertain from them, so far as they can guide us, what is the right course to pursue. Honorable members may laugh, and those who know the conditions of business in the old country may be held up to opprobrium ; but I have read a letter written to the newspapers by Lord Masham, who, before he was made a peer, was the head of the largest silk concern in Great Britain, in which he points out that the silk trade of England has been absolutely ruined, and he attributes its ruin to the want of protection. He points out that the people of England have apparently made up their minds to do without a silk trade, and that, if so, they have only to let things remain as they are in order to bring it to an end. He shows most plainly that free-trade is a craze which seized the British people, but from which they are now recovering. I saw very marked signs of that recovery when I was home in the years 1895 and 1896. I heard an honorable gentleman speak to-night about what the leaders of the unions have to say on this subject; but, in my opinion, the leaders of the unions will change their views on this subject, as they have changed their views on other subjects, whenever they find the shoe pinching them; and they are beginning to find it pinching them now. In my boyhood, if you went into a shop or commercial establishment in Great Britain, you would not see a foreign article in the place ; but now nine out of ten of the articles on the shelves have come from America, Germany, Belgium, and other countries. No country can go on importing foreign manufactures at that rate, and for Australia at this stage of its development to think of subjecting itself to the competition of the world, as some honorable members would have us do, is mere madness. What I plead for is that honorable members will try to realize the position in which we are placed, and open their minds and increase their knowledge - I, on my part, am ready to hear anything that may be said on the other side - so that when we come to legislate on this question we may deal with it in a way that will be satisfactory to the people, and, what is of more importance, in a manner which we may feel assured will bring about results which will be conducive to the future welfare of this country.

Mr Glynn

- The foreign trade of England increased in 30 years from £11 to £21 per head.

Mr HARPER

- I could easily cap the honorable member's interjection ; but I am not going to be led aside, because I want to conclude my remarks. I need only say that we have heard statements like that before. I have already alluded to the very serious position in which the Constitution Act has placed us in regard to the imposition of a uniform Tariff. There is a phrase in the provision of the Constitution which deals with the Tariff, which seems to me to need a good deal of explanation ; it is the phrase - " after the imposition of

uniform custom duties." In my opinion, the financial sections of the Constitution - and I have never held two opinions on the subject - are about the most unsatisfactory part of the work of the Convention. I have tried to project my mind into a consideration of the condition of things which may occur when we begin to work this financial machinery. The honorable member for Bendigo has expressed the opinion that, in order to get over the preliminary difficulty in regard to the collection of uniform duties immediately their intended imposition is announced, an Act might be passed to validate such a proceeding; but the honorable member for Indi has given it as his opinion that that would not meet the case, and I, as a layman, agree with him. The point is one to which I should like the Minister for Trade and Customs to give his attention. According to the provision in the Constitution, certain things are to happen upon the imposition of a uniform Tariff. One thing which is to happen is that intercolonial free-trade must at once ensue. Another thing is that from the time of the imposition of the uniform Tariff all goods imported into any State prior to such imposition and exported within two years to another State, must pay duty equal to the federal duty.

Mr Barton

- They must pay the difference between the State duty and the federal duty.

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Mr HARPER

- Yes ; they must pay the difference. Now, the difficulty which I foresee is this : No doubt the provision in the Constitution was formed upon the assumption that the practice which the Governments of the various States have been in the habit of following would be adopted by the Government of the Commonwealth. But the Governments of the various States have only the affairs of their own States to deal with, and any increase of duties or alteration of Tariff affects only their own people ; whereas in this case a complication arises. The Minister for Trade and Customs will come down some night, and lay upon the table of the House a schedule of proposed duties, and he will ask honorable members to pass a resolution authorizing him to collect those duties next morning. But if honorable members who sit on the opposition side of the Chamber are to be believed, they intend to make a high holiday of the occasion, and to occupy a long period of time in discussing the proposed Tariff. I do not know whether they will or will not do so, but if that should occur, and the honorable member collects the duties before he is empowered by an Act of Parliament to do so, he will be collecting them illegally, unless, of course, the suggestion of the honorable member for Bendigo is adopted. That suggestion may enable the Minister to get over the difficulty - I do not know whether it will or will not ; but here another point arises : Suppose the discussion of the proposed Tariff lasts for two months. During all that time goods will be coming into the various States, and it cannot be said that there has been the "imposition of a uniform Tariff," when the proposed Tariff is brought down to the House, and a resolution is passed authorizing the collection of the proposed duties ; so that I apprehend that in many cases the Government will have to collect the State duties as well as the proposed federal duties, until it can be known whether the federal duties are to supersede the State duties, or what the alterations are which will be made. What happens then 1 Goods are taken from one State to another. If the bringing forward of a Tariff by the Minister is not the " imposition of a uniform Tariff," and if " the imposition of a uniform Tariff" is to be taken to be the passing of an Act ratifying the proposals of the Minister, which I believe is the opinion of the honorable member for Bendigo-

Sir John Quick

- I would, suggest the passing of the Tariff right off.

Mr HARPER

- Yes, that is what I should like ; but the Government do not mean to do that. Of course there would be the "imposition of a uniform Tariff" if that course were followed. But I am assuming that the course which has- ordinarily been adopted by the State Treasurers will be followed. If that course is followed, then, unless you have imposed a Tariff on the day you make the change, and if instead of doing that you allow a two months interregnum, you must, in many cases, collect two Tariffs, and, in addition, where goods are taken from one State to another, it may happen that you cannot charge additional duties upon them, because no "imposition of a uniform Tariff" has taken place.

Mr Kingston

- The Constitution Act refers to goods imported within two years.

Mr HARPER

- No ; it says that goods imported at any time before the imposition of the uniform Tariff and exported within two years.

Mr Barton

- The Act says : -

Goods imported before the imposition of uniform duties of Customs into any State, or into any colony which, whilst the goods remain therein, becomes a State, shall, on thence passing into another State within two years after the imposition of Such duties, be liable to any duty chargeable on the importation of such goods into the Commonwealth, less any duty paid in respect of the goods on their importation.

Mr HARPER

- That is my contention. I want honorable members to try to understand the complication of affairs which I am afraid will come about. It is a thicket, and I do not see my way through it. Ministers may see their way, but it seems to me that, in order to get over all difficulties - I did not know then that the honorable member for Bendigo had made the suggestion - that one of two courses should be adopted, which I am much afraid will not be done. One course would be for the Ministry to take the responsibility of making a fair Tariff on the principles they laid before the country, as I believe they will do, and for both Houses to agree to pass it in one night, and afterwards it could be altered if necessary.

Mr Higgins

- A provisional Tariff.

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Mr HARPER

- Practically a provisional Tariff. The other course is to pass a Bill to enable the Ministry to enact a Tariff by proclamation within so many mouths, so that they could choose the time when they were read)7, and it could be done at once without any trouble. But I fear from the views which have been enunciated here that this question of free-trade or protection will come in, and honorable members will not trust the Government to act equitably and fairly. Either of these two courses, it seems to me, would be pre-eminently the best for the interests of the country and to save confusion, and, if it were possible, we could continue the Tariff, if it was a fair one, for five years, until the expiry of the bookkeeping system, which is another frightful complication. In the meantime, we could have the question of whether we are going to be freetraders or protectionists, or betwixt and between, discussed and settled. "What we have to do is to raise £8,500,000, and to do it in such a way that we shall not disturb the interests of the country, that we shall not interfere with the financial position of the people of the country. I know that already in the Commonwealth, especially in New South Wales, a furious speculation is going on in regard to the effects of this Tariff, and if great caution is not taken I believe that its results will be exceedingly disastrous. I would press the Government, especially the Minister who is in charge of this matter, to consider well the possible result. I confess that I do not see how we can get out of it except by one of the means I have suggested, and neither of which I fear will be adopted by the House, because we shall have King Charles' head dragged in, and that is that free-trade must be the policy of the Commonwealth, and, therefore, we shall fight any proposals that in any way depart from that principle, even although we know that we shall have an opportunity of dealing with the question later on. I hope that a more reasonable spirit will prevail, but it seems to me that in any case, the greatest circumspection and care will be required to avert a very great loss to the revenue as well as to the people of this country.

Mr CONROY

- It was with very considerable regret that I read the address prepared by the Ministry and presented to members of the first Federal Parliament. I was one of those who had hoped that there would have been a departure from the very bad practice which had been followed in the State Parliaments of putting forward a number of measures and submitting them to the House as if there was any chance of their being passed. I am one of those who have always objected to the address to the members of the House being made as if it were a manifesto in which Ministers were addressing their constituents. That policy has been so fully followed by Ministers and so many measures have been put forward that the Prime Minister has had to acknowledge that some of them cannot be introduced for the next five years. Why, Sir, was this attempt at deception introduced in the first Federal Parliament ?

Mr Barton

- Is the honorable member in order, sir, in accusing the Government of an attempt at deception ?

Mr SPEAKER

- If the Prime Minister regards the expression as a reflection on him, I will ask the honorable member to withdraw it.

Mr CONROY

- If the Prime Minister regards it as a reflection on himself I shall withdraw it.

Mr Barton

- It is a reflection on more than me, because it is a reflection on the Governor-General, who delivered the speech.

Mr CONROY

- Which was put into his mouth by the members of the Ministry.

Mr Barton

- No doubt.

Mr CONROY

- And which he had to read.

Mr Barton

- The remark is none the less unconstitutional and disorderly.

Mr SPEAKER

- Perhaps the honorable member will withdraw the expression.

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Mr CONROY

- I will withdraw the word deception, and ask. - Why were these honorable gentlemen so unversed in political matters that they did not know that their measures could not be carried in a single session ? If they did not know that the measures could not be carried through in a single session - and the admission of the Prime Minister shows that they did - why were they put forth ? They were put forth in addressing a larger audience than the members of this, House. Why should they- try to bring forward all these Bills at this time, when we know there is no hope of passing them?. To enable so many measures to be passed in a single session we should have to introduce . Bills prepared by draftsmen, and then pass them at a single sitting. I hope we are not going to have any Bills rushed hastily through the House in the course of a single night. This body, I trust, is going to be a legislative body and a deliberative body as well, and unless there is an interest taken in each Bill, and everybody in the House contributes to the discussion as far as possible. from his own knowledge of the subject, how I can we ever expect to place laws on the statute-book that will be worthy of us. I think the Ministry ought always to bear in mind three great points in submitting any measures to the House, and indeed before venturing to put them before the country.' The first is that laws should be as few as possible, so that everybody may know what they are. The second is that laws should be as simple as possible, so that everybody may be able to understand them. And the third point is that laws should be so drawn that they will effectually accomplish the purpose intended. I hope that that will be the spirit in which honorable members will treat all the measures that may come before them. I am aware that the Ministry do not propose that there shall be full discussion upon all their measures. They have shown that in a way which I think is unmistakable. Why, sir, they brought forward a proposal that no less than twelve members should rise in their place to entitle a motion for the adjournment of the House to be moved, clearly excluding the members for smaller States from rising and bringing forward any serious matter, it might be a State matter. Tasmania has only five representatives, and if it is insisted that twelve members shall rise to support a motion for adjournment, how can those honorable members draw attention, as they may have to do, to some pressing matter 1 And it is the same in regard to South Australia, Queensland, and Western Australia.

Sir John Forrest

- New South Wales will help them.

Mr CONROY

- That is not the spirit in which a Ministry ought to introduce measures in this House. We have done with the days of aristocracy or autocracy for ever I think in that respect, and the only aristocracy that is going to rule is the aristocracy of intellect. How clearly Ministers are addressing themselves to the electors and not to the members of this House is shown in another measure they have spoken of, and that is a Conciliation and Arbitration Bill. They propose that that measure shall be compulsory. I should like to ask

the Government how they can possibly make any measure of arbitration compulsory 1 They may compel the parties to submit their case to arbitration, but they cannot make them abide by the decision of the arbitrators. Take the case of men going out on strike for higher wages. Do the Government propose, in order to carry out the award of the court, to make those men go back to work at the rate of wages upon which they struck,, when perhaps in other directions they could earn a higher rate t If they did not compel the men to go back how could the law be called a compulsory arbitration law ?

Mr CHANTER

- They have got such a law in New Zealand.

Mr CONROY

- No case has arisen under it. There have been cases where by means of a little mutual conciliation, and through a court before which the parties present themselves and have the matter of difference thrashed out, the decision has by force of public opinion been carried into effect. But that is not compulsion

Sir John FORREST

- We have it in Western Australia also.

Mr CONROY

- I have already dealt with the case where the verdict goes against the men, and shown how impossible it would be to make them go back to work at wages with which they were discontented. Take the case of employers. I am supposing an instance where the difference between the men and their employers is not one that has arisen through some hasty circumstance which has not been thoroughly considered, but a strike about matters upon which it has not been possible to come to an agreement. If a higher wage is fixed, do the Government propose to compel the employers to pay it ? If so, another court may step in, and that is the Court of Insolvency, which may compel the masters to pay only such wages as are consistent with profits. I object to measures being brought into this House and given names that do not properly describe them. We are not here to court popularity, but to legislate for the benefit of Australia as a whole. We are not here to give popular names to measures that are not workable, but to advance the interests of the general community.

Sir John Forrest

- That is what we all want to do.

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Mr CONROY

- I trust so. In many honorable members opposite there is as true an interest in the affairs of Australia as there is even in myself. But, having said that much, I will add that they will only act according to the knowledge they have in them. Another matter that has been brought forward by the Prime Minister is in regard to the amount of money that must be raised by means of the Tariff. He has said that it is necessary to raise no less than £8,500,000, by Customs and Excise, and that some measure of taxation, designed to bring in that revenue, will be submitted to this House. The amount of revenue collected from Customs and Excise last year in Australia was £7,400,000. It will be a very bad thing indeed for the Federal Government to go beyond that amount. The answer given by the Prime Minister to one interjector was, that we must consider the interests of the smaller States and the revenue they require. To that I reply, that we are considering the interests of the smaller States when we refuse to impose any greater taxation upon Australia than is absolutely necessary for the purposes of government. In lessening the load of taxation upon the smaller States, as we shall do if we do not propose the raising of not more than £7,400,000 through the customs, we shall be allowing a full opportunity for the development of the revenue in a hundred other directions. The whole experience of government in the past shows that the more you lighten taxation through Customs and Excise the freer play you give for the revenue to advance in other ways. In England at the time of the corn laws there was a class objection to the duties being removed. She was then suffering from annual deficits of nearly a million. The teaching of political economists was that, if the Government swept away three-fourths of the duties then imposed, they' would receive more revenue in other directions. They did so, and got what they required. We must not lose sight of the fact that the greatest of the States, and the one which contains one-third of the whole population of the Commonwealth, is perfectly convinced that a Tariff producing £6,000,000 would give her back all the revenue she requires. Such a Tariff would give New South Wales every penny she needs, and it would also, I take it, produce the £1,500,000 which will be sufficient for all the requirements of the Federal

Government, unless there is to be some extraordinary increase in the military vote. As to that, if the experience of the -last Boer war has shown anything it is that we can considerably lessen our military expenditure. So far from increasing the military vote, our object should be to decrease it very considerably indeed, by lessening the military establishments of the various States. That can be done without injury to any one. Our defences would then devolve upon our citizen soldiery.

Mr McCay

- Have we anything but citizen soldiery now, barring the permanent artillery 1

Mr CONROY

- Yes, our military establishments are costing .something like £500,000 a year, and there is too great an expenditure upon what I call the trappings of militarism. It is our duty to get away from that bad system altogether. I believe that New South Wales is content for the purpose of preserving the Union to allow the Tariff to go up to £7,000,000, which would be ample to give the Federal Government all it requires for some time to come. If we start with a low Tariff, we shall still leave a taxable reserve for the Federal Government to draw upon as soon as the 87th section is amended, as amended I believe it must be. Even then the Federal Government will be able to extend its powers in many other directions. We have been told that there is only one way in which the revenue can be collected, and that we can have no direct taxation so far as the Federation is concerned. We have been assured that we must raise an extra amount to pay back to the smaller States what they require.

Mr Barton

- That is, what the honorable member's leader told us.

Mr CONROY

- We have been told we must have a Tariff of as high as £8,000,000, and the Prime Minister said that wealth could not bear any more taxation.

Mr Barton

- I never said a word like that ; it is entirely incorrect.

Mr CONROY

- I think not.

Mr Barton

- It is absolutely incorrect.

Mr CONROY

-If the Prime Minister gives a denial I am glad to hear it. What the Prime Minister does assert, and I heard him say it, I am sure, the other evening in the House, is that it was not proposed on the part of the Federal Government to put on any direct taxation.

Mr Barton

- That was said by the honorable member's leader, and I told him it was perfectly correct in making my answer to his- speech.

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Mr CONROY

- It must not be thought for one moment that I believe in taxation ; but if the wealth of the country cannot bear any more taxation, how can the poor people of the community bear it 1 The Ministry propose that the Tariff shall go on, and the. cheerful-, ready way in which. they talk of duties of 20 per cent, and 25 per cent., meaning 4s. or 5s. in the £1, portrays a want of consideration for the great bulk of the people of the States. If it be right to put a tax of 4s. or 5s. on the poor classes of the people, it is right and just that an income tax of 4s. or 5s. should be put - =-

Mr Barton

- Will the honorable member quote the Minister who said that ?

Mr CONROY

- It is the Ministry's whole argument.

Mr Barton

- There was never a word of the kind said.-

Mr CONROY

- The whole argument of the Ministry has- been that a certain amount of the high duties must be kept ap. As a strong free-trader, I object to taxation of any sort whatever, and any taxation beyond that necessary



for the sound and honest administration of the country represents to my mind, a sum taken directly from industry itself. It lessens the amount of capital in the community, and consequently increases the burden on the poor. We have been told that- we- ought to ask ourselves what protection- means ; but the sentence is never finished by protectionists. Protection means protection' to the manufacturing class. As we are now exporting our agricultural products, there clearly can be no protection so far as 'the agriculturist is concerned ; as it is and always has been in the past, there clearly can be no protection so far as a miner is concerned, and there clearly can be no protection so far as the pastoralist is concerned. Therefore, we at once fall : back on the one class which, by any' stretch of the imagination, duties can be said to benefit, namely, the manufacturing ; class. . And the manufacturing class do riot-always receive the full amount of -the tax, because sometimes it costs far more to produce the article than the price they can at first get for it, and certainly far more than, the price at which the people of the country could get it elsewhere. Why should we seek to limit trade in any way whatever? Trade is the natural exchange that goes on ; and I, for one, have never asserted - nor have I. heard it asserted - that free trade is, a panacea for all ills. We only assert that free-trade means allowing the natural exchange which goes on between-individuals, to go on just as freely between nations. No amount of argument can alter that great natural law. Why in ' protectionist America do people congregate at ports like New York, or places like Chicago, if not because these places offer the best advantages for trade ? Why do people congregate in a place like Melbourne ? Because Melbourne offers the best facilities for trade. If the protectionist argument be right, and the desire be to keep employment and money in the country, all that it would be necessary to do in order to start thousands of carriers, employ farmers to breed horses for those carriers, waggoners to drive the horses and blacksmiths to shoe them, carriage builders to make the waggons, and harness-makers to make all the harness, would be to pass a law removing Melbourne 50 miles inland. If one class is worthy of consideration, the classes engaged in all these industries - and look at the amount of indirect employment that would be afforded in other directions - are just as deserving of consideration. But protectionists never do carry out their argument in this respect. In spite of them trade always congregates at places where the best facilities are offered. The honorable member for Moreton said that so. far as he was concerned, he could see no difference between allowing cheap goods to come in and allowing cheap 'labour to come in. I trust I may be allowed to explain the very great difference there is. I will take as an illustration the matter of tea, which is produced by Chinese cheap labour. It is perfectly clear that wages are determined absolutely by supply and demand, and, of course, by the amount of capital there is to divide amongst the workmen here.

An Honorable Member. - Is that the " wage fund " again ?

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Mr CONROY

- Wages are determined exactly by the amount of capital there is in a country, and the number of workmen offering for employment. If there are two workmen, and only capital to afford sufficient employment for one, wages clearly go down. If there is one workman, and capital for two, wages just as clearly go up, and the amount of wages is limited solely by the amount of capital there is offering for workers. That being so, with wages at 1s. an hour here, it would be to the advantage of the local workmen if, instead of his tea being 1s. per lb., the price from some cause or other were to fall to 3d., because he would then have to work only a quarter of an hour to obtain exactly the same quantity of tea he had previously to work a full hour for.

Mr Wilkinson

- Where does the capital come from in the first instance 1

Mr CONROY

- Capital is the accumulated product of the labour of a community, and it cannot be obtained by making things at a loss. That is the point I should like honorable members to bear in mind. It is only when a thing produced is worth more than it cost to produce that there can be any capital at all created ; and honorable members can realize that in a dozen cases. If a man be put on to work in a mine at £2 10s. a week, and the mine only produces 30s. worth of gold, so far as the community is concerned there is a loss of £1. If a man be put to work at a trade at £2 10s. a week, and he produces an article only worth 30s., it is clear the community have lost £1 ; and not only that, but the workman has not gained by being employed in an unproductive work, because he would have been producing something else in some other line. A very

different result, indeed, is obtained if, instead of allowing a free exchange of goods we allow workmen who have been accustomed to work at 1d. per hour to come to our employers and say they will work for that rate of wage. It is perfectly true that wages, following the same law of supply and demand, would then show a tendency to fall to the rate of 1d., and would undoubtedly do so. As showing how entirely the rate of wages is dependent on supply and demand in a particular locality, and on the amount of capital there, we have only to go to Coolgardie or Kalgoorlie, where, with a large influx of capital ready to be put into the mines, men got £4 and £5 a week, because there were not sufficient men offering themselves for employment. But the moment that the men crowded in, and the amount of capital to be divided amongst them became less, the wages began to fall. If the protectionist arguments are perfectly right, then, instead of the men being crowded at the ports, we would see them up in the furthest parts of Central Australia, because those parts offer a natural protection. I suppose that in the centre of South Australia, or in portions even of the Northern Territory - if that is taken over by the Federal Government - there are fine localities for the establishment of all these manufactures, because there they would have a natural protection of not less than 300 or 400 per cent.

Mr Kennedy

- Does there happen to be any demand for their wares up there ?

Mr CONROY

- If, the protectionist arguments are right; instead of having a railway to the border, we ought to - tear it up, because of all the men we would give employment to in the carrying trade. The very men we would thus employ would need double the number of boots they now require, because they would wear them out so much quicker. I admit that this sort of argument brings the matter down to an absurdity, but that is what the protectionist doctrine really is. If the Government came forward and said - "We are going to impose a revenue Tariff because it is an easy way of collecting revenue " there would be more difficulty in answering them. But we would still have to say - " You must bring down a Tariff which will exact from each man only in proportion to his means," because the proper principle of taxation is that there shall be 'as far as possible an equality of sacrifice, and that cannot be obtained under a protectionist Tariff. Even a revenue Tariff, which does not put anything either into the pockets of the manufacturer or into the coffers of the State, causes considerable burdens to fall upon the people. Honorable members will find that the people of the country will have a great deal to say about this matter when next they have an opportunity of exercising their votes - upon it. They are beginning to see that protection is only taken up in the interests of a class, the manufacturing class, that is often blind to its best interests, as many politicians in Victoria were blind to the interests of that State when they put on a stock tax, and thus raised the price of meat to the consumers to the extent of 2d. or 3d. per lb. They caused that additional burden to fall upon the people, a burden that is so heavy that the people of Victoria consume 76 lbs. of meat per head less than the people of the neighbouring State. This is not because their desire for meat is not so keen as that of the people of the neighbouring State, but simply because they are unable to pay the extra amount demanded of them.

Mr O'malley

- No. They are becoming more civilized.

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Mr CONROY

- It is true that they eat nearly 80 lbs. per head more of potatoes, and I do not think the honorable member, for Tasmania, Mr. O'Malley, will carry his love for potatoes so far as to say that, that is a good thing. Why, the very railways of Victoria must have suffered to the extent of something like £50,000 a year. The stock tax has prevented stock from coming to Melbourne, so that, instead of a great frozen meat export trade being established here, we find it almost wiped out.

Mr A McLEAN

- Stock intended for export does not pay duty.

Mr CONROY

- They come through, it is true, in bond, and the authorities try to get over some of the difficulties in that way. But the first difficulties were of their own creation. Melbourne is clearly and geographically the centre to which the Riverina trade must come if allowed to flow in its natural channel. What prevents it coming to Victoria to-day is the duty which is imposed here. Not only did this duty work injury by ruining the meat

preserving trade the frozen "meat export trade, and by lessening the revenue on the railways, but it has actually prevented the tanner from obtaining the raw material for the manufacture of leather.

Consequently in Victoria there is far more leather imported than in New South Wales, where they make up hides. Is that a way in which to help industries? Does it not show clearly that this system of imposing duties has driven away trade? I mention these facts so as to bring the matter home to the Victorian representatives here. It is a very good thing when there are imports, because for every £1,000,000 worth of goods which are imported there must be production amongst our own people sufficient to send out £1,000,000 worth, and if £30,000,000 worth came in, £30,000,000 worth would have to go out.

Mr Kennedy

- Not while the State's credit is good enough to enable it to borrow.

Mr CONROY

- The imports may be increased by borrowing, but I say that the greater the imports into a country the greater the production, to supply the goods required in return for export. It is only on that basis that trade can be carried on. One honorable member said that the foreigner paid the tax. I was surprised to hear such a statement coming from an intelligent man.

Mr A McLEAN

- Victoria imported in ten years £62,000,000 worth more than she exported.

Mr CONROY

- And her years of prosperity were the years that she was importing.

Mr A McLEAN

- The closing of the banks and of all the other financial institutions was the end of it.

Mr O'Malley

- The honorable member's apostle, Adam Smith, says there are two profits-

Mr CONROY

- I remember the honorable member for Tasmania, Mr. O'Malley, referring to Carey, and I heard Carey's name quoted in this House as one we should follow, because he believed in protectionist ideas. I was very sorry to hear that, because Carey was one of those men whose arguments would lead entirely to the destruction of agriculture. His chief argument in favour of protection in the United States was that it would prevent the exportation of the whole of the agricultural products, and inasmuch as the honorable member for Tasmania, Mr. O'Malley, is not prepared to go to that length, he cannot, at all events, quote Mr. Carey.

Mr Kennedy

- What has free-trade done for agriculture in Great Britain? Has it not killed it?

Mr CONROY

- It has not killed it. The people there gain far more by exchange than as they now do, than ever they did before. Carey's argument was that he objected to agricultural products being exported at all, and, therefore, if his arguments are to be followed, we must entirely put an end to all the farmers and pastoralists of Australia. I don't think the honorable member for Tasmania, Mr. O'Malley, desires that.

Mr O'malley

- No.

Mr CONROY

- I am glad to hear the honorable member say so. We are told that the foreigner pays the tax.

Mr Mauger

- That was said on the honorable member's own side.

Mr CONROY

- It was said that the foreigner paid the tax. Well, I will merely point out that, as far as we are concerned, we are foreigners to other countries, and certainly to France and Germany. If they could devise any taxation, and could compel us to pay it, they undoubtedly would do so. They have not shown any love for us, and if they could, they would tax us out of existence.

Mr Mauger

- They do it.

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Mr CONROY

- Well, I ask the honorable gentleman what he would think if he was trading with a man in America, and

he received £100 worth of goods, and sent back £100 worth, and then got a letter saying, " You are a foreigner to me ) the protectionists tell me that the foreigner pays the tax. I sent you £100 worth of goods, and you have only sent me back £100 worth, while there is a duty of 50 per cent, on them ; please send me £150 worth."

Mr Mauger

- That is exactly what is done.

Mr CONROY

- I think the honorable member for Melbourne Ports would tear up that letter and throw it in the waste-paper basket, and I can quite conceive that if he received such a letter from a foreigner he would laugh and show it all round the House. Therefore what becomes of the argument that it is the foreigner who pays the tax. How can it be ? Trade is merely an exchange of goods for goods, commodities for commodities, and any interference with it must be wrong. People only trade because it is to their advantage to trade, there is no law to compel them to do it, and they must be making some gain. The moment, therefore, there is any interference on the part of the Government or any one else, some injury must result.

Mr Mauger

- Would the honorable member sooner trade with free-trade England or protectionist America ?

Mr CONROY

- I shall carry on trade wherever it is to my advantage, and if I can get £120 worth of goods, for £100 worth, I shall be only too glad to do it, and so would the honorable member. I could not help feeling a certain amount of regret when I heard the Minister for Customs make the statement that as far as England was concerned, \ per cent, of the people held 99 per cent, of the wealth.

Mr Kingston

- I said \ per cent, of the adult population held 80 per cent, of the wealth.

Mr CONROY

- Well, I will accept that. I took notice of the statement, and I regret to say that there have been several others made which cannot be supported by any book of statistics that I am acquainted with. I find that it is perfectly true that 2 per cent, of the people hold 65 per cent, of the wealth of England, but that is all, and that, I admit, is a very great amount, too. But when I come to look at the statistics of America, I find that one-fifth of 1 per cent, hold over half the wealth, - or 54 per cent, of it. What we are aiming at, I take it, is to increase the wealth of the community, and by compelling a certain portion of the population to go in for industries which are not natural, we are clearly trading on those people who are engaged in the great natural industries. When a man manufactures an article and it is worth less than it cost to produce, how can it be said that there is any addition to our wealth - on the contrary, there is a diminution of our wealth to that extent. No trouble arises when a manufacturer comes to us and asks £1 for an article that is worth £1. The trouble arises when he comes to us and says - "Here is an article which is worth 15s., and I want £1 for it." When we object to pay the extra sum, and say we will not give it, what does he do ? He at once goes away to Parliament, and by some means or other gets people to join in with him in agitating for a duty of, say, 25 per cent., such as is placed on many articles in Victoria. When he gets the duty he comes back to us and says - " You would not give me £1 for this article, now you will have to give it because you cannot buy it anywhere else V What an injury that is to us.

Mr Mauger

- Is this a parable or fact ?

Mr CONROY

- It is a fact. If you do not get a higher price for the article, where is the advantage of the duties ?

Mr Mauger

- What articles does the honorable member refer to ?

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Mr CONROY

- I am referring to any articles which demand a Tariff before they can be produced. It is quite clear that the community has to bear this burden, and I ask why should it be necessary to impose it. We are, of course, told sometimes that the importer pays the tax. Well, if it is the importer who pays it, and if he does not pass it on ; if we have a body of charitable men meeting together, and agreeing to pay £8,000,000 of

money which they will not pass on to others, perhaps honorable members on the other side would not mind mentioning them to us, and we should be only too glad to know them. What is the meaning of the words "indirect taxation," unless it is taxation collected from a person with the expectation and intention that he will indemnify himself at the expense of others? Clearly, therefore, if they have to pay these duties, it is equally clear that we have to pay not only the same amount, but interest also to compensate them for putting the capital down in the first place. Even the protectionists themselves recognise this clearly, in the way in which they allow the establishment of bonded stores. They admit that it is not well to collect the duty too soon, and therefore they allow the goods to be put into bond without paying any taxation. "What is that but an admission on the part of the protectionists, and on the part of the Government, that this taxation must eventually fall on the people?" As far as possible, the principle of equality of sacrifice ought to be followed in any taxation measures that the Government propose. No one should be allowed to escape entirely scot free, because all of us are equally interested in the preservation of law and order, and, therefore, to that extent, taxation through the Customs is perfectly allowable. But the further amount that is needed to look after the interests of property and for the thousand and one works which are required ought to come from wealth alone. We have been told by honorable members that they see no difference between revenue and protective duties. I think the clearest answer that can be given to that is an illustration of what will take place if only an import duty is placed upon sugar and no excise. The production of sugar throughout Australia, last year, was about 140,000 tons. The consumption is something like 150,000 tons at the very least, so that with a customs duty on sugar at £5 a ton, something like £50,000 only will be paid to the Treasurer, while the great sugar companies of New South Wales and Queensland would take something like £720,000 extra on sugar, which would have to be paid by the people. Well, sir, this is an instance of a protectionist Tariff, and if we do adopt that principle here, then, as far as a customs duty on sugar is concerned, £50,000 only will go into the Treasury, while the enormous sum of £720,000 will go to enrich the company. That is what the Prime Minister, in order to enrich that sugar company and get the support of its shareholders, would carry out. I trust, however, that it is not the policy this Parliament is going to follow. If that money is going to be collected from the people of Australia we will take great care that the excise duty, less a certain amount for its collection, equals it, and see that if the people pay a tax on that one item to the extent of £770,000 by a customs' duty of £5 per ton, that the whole of it, as far as practicable, shall go into the Treasury. We could go on multiplying instances of this kind one after another.

Mr Harper

- It is quite easy to multiply instances like that. It is the creature of the honorable member's own imagination.

Mr CONROY

- That, sir, is absolutely the policy which the Prime Minister, when he went up to Queensland, said he would propose. He said he proposed to put a customs duty on sugar, and that he objected to an excise duty on it because he was a protectionist. Therefore, one cannot be wrong in saying that this is what the right honorable gentleman intends to do. The Government have declared themselves to a certain extent protectionist, and I have given clear instances of the wrong that will happen to the people of the Commonwealth. - how they will be taxed, and how those taxes will fall upon the bulk of the consumers if that policy is carried into effect. No wonder that when the Prime Minister went to Queensland the shareholders of the sugar company welcomed him as a brother, and said he was the greatest and finest man that ever lived. No wonder they did so, because they saw the prospect of something like £3,000,000 coming into their pockets.

Mr Mauger

- Would the honorable member abolish kanaka labour, and give no compensation in the way of a duty?

Mr CONROY

- I have not come to that. I have said that the bringing of men here at once reduces the rate of wages unless the amount of capital can be increased. Unless a man brings into the country a sufficient amount of capital to carry on, or unless the country itself has sufficient capital to employ him, then every extra man who comes in is really tending to lower the rate of wages here.

Mr Mauger

- And would he not if he were growing sugar-cane?

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Mr CONROY

- No. Because in that case there would be an exchange of products. In Victoria at the present time there is a duty of £6 per ton. That means that every time the wife of a working man buys her weekly supply of 10 lbs. of sugar she pays something like 7<sup>s</sup>.d. more than if the duty were off, and do you mean to assert that because the working man has to pay the additional 7<sup>s</sup>.d. for his 10 lbs. of sugar, he is better off; .do you mean to assert that because the money is in the country that therefore the country is wealthier in that respect?" If that were so, then I should be glad to give an order for £1,000 of goods, and simply send the vendor a note saying : - " Dear Sir, - I have received your goods. The money is still in the country, and the goods are in the country, and therefore you are as well off as formerly, while I, as a free-trader, have benefited very much, because the money is in my pocket."

Mr Harper

- But the honorable member would not have employed two capitals.

Mr CONROY

- If the honorable member for Mernda has any doubt I will give him an order at once. I will give him an order, not for £1,000 worth but for £10,000 worth of goods.

Mr Wilks

- Make it starch instead of sugar.

Mr CONROY

- I hope we shall never hear any more of the argument about the money being still in the country. I am glad I am reminded of the utterances of the honorable member for Mernda because in the Victorian Parliamentary Debates for 1892, volume 70, page 2060, I find some very fine expressions on this very subject from the honorable member. Such expressions, I am sure, do him credit, and I would say that, to a large extent, I cordially agree with them. He is reported as saying -

We cannot overlook the fact that the great bulk of popular opinion in the United States at present is against the high Tariff men, and that is the position I take it we are getting into in this colony. The figures in America tend in precisely the same direction as the figures given by the honorable member for Portland. In 1850 in the United States when there was a low Tariff the value of farms was something like £650,000,000. In 1860 still under a low Tariff - though not what we would call a free-trade Tariff - the value of farms had increased to £1,300,000,000, but in the following ten years after the Tariff had been very largely increased the rate of progress was much lower, and the value of farms only rose to £1,850,000,000.

Mr Harper

- I say that now.

Mr CONROY

- The honorable member continued -

In the following decade, under a still higher Tariff, there was almost a total arrest of progress, the value rising only from £1,850,000,000 to £2,000,000,000. So that during the first ten years, under a comparatively low Tariff, the increase was at the rate of 100 per cent., whereas during the last ten years, with a largely increased immigration, including a large body of farmers coming from all parts of Europe, the increase was less than 10 per cent., although the population increased during the same period by something like 30 per cent.

The honorable member for Mernda drew our attention to the United States of America, but he forgot to look up his past speeches.

Mr Harper

- No, I did not.

Mr CONROY

- I should remind him of some further opinions which he expressed then. He went on to say - I could give further figures in the same direction, showing that the production of the community has been arrested by these enormous Tariff imposts, but I do not wish to weary honorable members. I hold in my hand an extract from a book recently published in connexion with the American Tariff, which shows most forcibly that the same force of things applies to the great accumulations of property. During the last ten years, from 1850 to 1860, when a low Tariff was in force, there was an enormous increase of real and

personal property - 103 per cent. From 1800 to 1870, when there was a jump in the Tariff of 100 per cent., the rate of increase was pulled up, being only 39 per cent. . And from 1870 to 1880 with a higher Tariff, it was still further arrested, being at the rate of only 10 per cent.

How are we to obtain these things from abroad unless we have an exportable surplus to send back in exchange for the-comforts and luxuries which' really make life worth living, so far as its material aspect is concerned. We must obtain those things from countries that produce them in superabundance, and in exchange we must send them the things which we produce in superabundance.

Those are the words of the honorable member for Mernda. It is rather a peculiar thing that to-night, in his speech on the progress of the United States-

Mr Harper

- The United States have progressed a good deal since 1892.

Mr CONROY

- We must all admit that the United States have progressed. I have never heard it asserted by men who understand the question that free-trade is a remedy for all ills. Honorable members on this side of the chamber do not say that it is a universal panacea. We say only that it is the natural state of affairs, and ought to prevail, and that people adopt it because they think they profit by adopting it.

Mr Harper

- The policy of free-trade has been followed by only one country in the world.

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Mr CONROY

-The honorable member went on to speak about freeing the producers from the shackles protection imposed on them. I quite agree with him. If we look at the earliest dawn of trade, we find that those countries which offered the best facilities for trading were the places which prospered. I can refer honorable members to the great trading cities of Tyre and Sidon. Those cities clearly flourished under free-trade. It was not understood in those times why they flourished, because people then did not understand the meaning of free-trade. I heard the honorable member for Newcastle say that the people of his electorate did not want goods to enter the Newcastle harbor. I wish he could have lived in the early days of Rome. I wonder what the people of Rome would have said if he had made a similar statement to them when £20,000,000 worth of goods were coming to Rome every year. The Roman people were glad to receive those goods, because they were the tribute of other nations, and they got them at the lowest possible price ; in fact, they obtained them for nothing at all. But when the reign of the emperors began, they imposed a tax upon the importation of goods, which, although at first it amounted to only 5 per cent., afterwards rose to 20 per cent., and ultimately to 50 per cent. But the emperors did not go about among the people to try to persuade them that this taxation was to their advantage. They never said to them - "This is for your benefit." They levied these duties merely as a tax, and the people recognised that they ' were a tax.

Mr O'Malley

- When Rome became free-trade it burst up.

Mr CONROY

- It was not until the emperors put this tax upon the importation of goods that Rome began to decline. Of course, if the honorable member, has studied his history, he will find other causes for the decay of the Roman Empire ; but, since he has made that interjection, I must point out that it was after the imposition of these duties by the emperors that Rome began to decline. Duties can do no more than create a hindrance to trade ; they cannot stamp out the intelligence or manhood of a community. It would be a terrible thing if they could, and I do not for a moment make such an assertion. I only assert that every disability you place upon people does injury to them, and every penny you take from a community by way of taxation lessens the amount of capital available for purposes of production, and therefore injures the community.

Sir John Forrest

- How does this loss of capital occur 1 Where does it go to ? Into the sea?

Mr CONROY

- A destruction of capital follows, just as a destruction of capital occurs if the crops of a farm are burned or destroyed by drought. One may say that they are still in the country ; but it would be of very little use to

tell that to the farmer who had lost his all by their disappearance. The imposition of customs duties undoubtedly tends to discourage trade, and, by imposing taxation upon a community, you lessen the amount of its capital. It is only from the accumulated produce of labour, which is capital, that wages can be paid. I hope that Ministers, in drawing up their scheme of taxation, will try to make it as light as possible, and that we have heard the last of the contention that by taxing the people you can give employment to them, and make the country rich.

Motion (by Sir Langdon Bonython for Mr. Kennedy) proposed -

That the debate be now adjourned.

Minister for External Affairs

Mr BARTON

. - I trust that we shall come to a conclusion of the debate at a sufficiently early hour to-morrow to be able to go on then with other business. Honorable members will recognise that I have not endeavoured to put any undue pressure upon them to bring the debate to a conclusion, and that I have not tried to curtail their right of speech in any way. But, if I mistake not, this is the eighth night of the debate, and I think that we might reasonably come to a conclusion very shortly. The matters embraced in the speech are numerous, and Bills covering those matters will be introduced during the session, so that there will be opportunity for all of us to discuss them later on. I appeal to the generosity of honorable members to enable the business of the country to be proceeded with by bringing the debate to a close tomorrow evening before half -past six. I understand that that proposition has the concurrence of my honorable friend opposite.

Sir William McMillan

- So far as honorable members on this side of the House are concerned there will be no opposition.

Motion agreed to ; debate adjourned.

ADJOURNMENT

Resolved (on motion by Mr. Barton) -

That the House at its rising adjourn until tomorrow at 2.30 p.m.

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22:37:00

House adjourned at 10.37 p.m.