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1901-11-21

House of Representatives

Mr. Speaker

took the chair at 2.30 p.m., and read prayers.

QUESTIONS

TRANSCONTINENTAL RAILWAY SURVEYS

Sir LANGDON BONYTHON

- I desire to ask the Prime Minister whether he has received any reports with reference to preliminary railway surveys which have been made between Port Augusta (in South Australia) and the border of Western Australia, and between that border and Kalgoorlie ; and, if so, whether he will lay the documents on the table of the House?

Minister for External Affairs

Mr BARTON

- I understand that there are some communications in the Home Secretary's department, and if the honorable member will give notice of his question, I will give him definite information on the subject.

CUSTOMS REFUNDS AND ALLOWANCES

Mr THOMSON

- I desire to ask the Minister for Trade and Customs with reference to the allowances to be made on under-proof spirits. The Minister will remember that a promise was made that spirits down to 16-5 degrees under proof now in bond, or shipped before the introduction of the Tariff, would be admitted subject to the allowance for spirits under proof strength made under certain State Tariffs, and that a similar concession would be made with reference to wine containing over 35 per cent. of proof spirit. It is stated from Sydney that these concessions are not yet being made, and I should like to ask the Minister when the promise will be carried out, and also as to how he will act in connexion with the duties that have already been paid upon such goods.

Minister for Trade and Customs

Mr KINGSTON

- I cannot answer the honorable member's question with reference to refunds beyond repeating what I have already said on that subject, but the policy of the Government is against refunds. As to the other matters, instructions were given, and I think the honorable member must be in error in imagining that the new practice is not in vogue in Sydney ; but, however that may be, no time will be lost in bringing it into operation.

Mr MANIFOLD

- I desire to ask the Minister for Trade and Customs whether he will give instructions that the duty paid on butter-box timber imported since the Federal Tariff was introduced shall be refunded, as I understand that such timber was made subject to a duty in error.

Mr KINGSTON

- With reference to refunds, I cannot give any answer beyond that which I have already given - namely, that the matter is one to be determined by this House.

Mr SYDNEY SMITH

- On Friday last the Government agreed to reduce the duty on spirituous compounds and on medicines, which in some cases amount to 350 per cent. over and above the rates that were formerly charged in New South Wales. I now desire to know whether the Government have decided to refund the overcharged duty.

Mr KINGSTON

- This is about the fifth question that has been asked on the question of refunds, and I cannot say more than I have already stated.

Mr SYDNEY SMITH

- I should like to know what the Minister's answer was.

Mr KINGSTON

- My answer was that the question of refunds would be dealt with in the Tariff Bill, and that the Government were not disposed to propose refunds of duty collected before the reduction or excision of

the duties in question.

#### WESTERN AUSTRALIAN CUSTOMS REVENUE

Mr MAHON

- I desire to ask the Treasurer whether he has seen fit, owing to any recent developments, to alter his estimate with reference to the amount of revenue likely to be derived from customs and excise duties in Western Australia? The Treasurer's estimate was that £708,000 would be received from these sources, but the actual receipts for October were £102,354, or at the rate of about £1,224,000 per annum.

Treasurer

Sir GEORGE TURNER

- The returns for October are wholly unreliable as a basis of calculation. As honorable members are aware, during the first eight days of the month, merchants were taking goods out of bond as far as they possibly could in all cases where they thought there was any chance of an increase of duty.

Mr MAHON

- On the other 22 days they did not take much out.

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Sir GEORGE TURNER

- When we receive the returns for November we shall have a better opportunity of considering the matter.

Mr Watson

- Even the returns for November will not be a reliable guide, for a number of people are hesitating to take goods out of bond in expectation of an alteration of the Tariff.

Sir GEORGE TURNER

- That is true ; and, of course, the first few months of the operation of the Tariff will afford no reliable guide. In addition to that, we must recollect that in Western Australia they are still collecting Inter state duties, which were left out of consideration when I made my calculations. Later on, when we have some fair basis on which to work, I shall have an opportunity of considering the whole matter. The revenue received in Western Australia does, however, seem to be coming in more freely than I anticipated.

#### SOLDIERS' DISCHARGES

Sir LANGDON BONYTHON

asked the Minister for Defence, upon notice -

Whether it is a fact, as represented by Australians on military service in South Africa, that they have to return to the Commonwealth in order to get their discharges ; and, if so, whether there is any good reason for adhering to the system ?

Minister for Defence

Sir JOHN FORREST

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

The arrangements as to discharges were made by the several States when the contingents were sent. With the exception of New South Wales, I am not aware that any restriction was placed on members of the contingents obtaining discharges in South Africa, and a number have been so discharged.

#### UNUSED POSTAGE STAMPS

Mr MAHON

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

Whether postmasters in some of the Australian States are permitted to purchase from the public unused postage stamps.

Whether this practice exists in Western Australia ; and, if not, will the Postmaster-General consider the advisability of extending this convenience to the public, and rendering the practice of the department uniform in this regard?

Mr BARTON

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

The postmasters in two of the Australian States are permitted to purchase unused postage stamps from the public.

This practice does not exist in Western Australia. The Postmaster-General will consider the advisability of extending the convenience to the public, and of making the practice of the department uniform in this respect.

## TELEGRAPHIC MONEY ORDERS

Mr MAHON

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

Whether, having reference to the admission made in answer to question No. 2 of 8th inst., that the cost of telegraphing £10 from Perth to Fremantle exceeds by 1s. 6d. the cost of telegraphing £10 from Sydney to Parramatta, there is any legal obstacle which prevents the immediate rectification of this inequality.

Whether the attention of the Postmaster-General has been drawn to the unnecessary delay in payment of telegraphic money orders sent from Western Australian gold-fields offices to the Eastern States, and vice versa, through the Perth office requiring that the official advice be first sent there instead of to the office of payment, and what steps he proposes to take towards avoiding this inconvenience.

Mr BARTON

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

There is a legal obstacle in connexion with the existing telegraphic rates which prevents the immediate rectification of the inequality referred to, as the Post and Telegraph Act recently assented to requires that an alteration of existing rates shall only be made by Act of Parliament.

The attention of the Postmaster-General has been drawn to the delays, and instructions have been issued that advices are to be sent direct from the issuing to the paying offices.

## MONEY-ORDER OFFICES, NORTH COOLGARDIE

Mr MAHON

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

Whether the Postmaster-General is aware that at Mulwarrie and Davyhurst, two new settlements on the North Coolgardie gold-field, several hundred miners, whose families and dependents reside elsewhere, are without proper facilities for remitting money through the Post-office.

Whether, in view of the fact that the nearest money-order office is some 40 miles distant from these settlements, the Postmaster-General will take steps to establish a money-order office in the vicinity of Mulwarrie or Davyhurst.

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Mr BARTON

- The answers to the honorable members questions are as follow : -

The Postmaster-General is not aware that at Mulwarrie and Davyhurst the miners are without proper facilities for remitting money through the post-office.

The Postmaster-General is now making inquiries with a view to taking any action that may be advisable under the circumstances.

## WAYS AND MEANS

Customs and Post-office Administration

Motion (by Mr. Kingston) proposed -

That the Speaker do now leave the chair, and the House resolve itself into Committee of Ways and Means.

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Worth

Sir WILLIAM McMILLAN

. - I take this opportunity of saying a word or two which might possibly not be in order at another time, but I do not intend to take up the time of the House unnecessarily. I listened carefully to the answers of the Minister for Trade and Customs with regard to the refund of duties. I have said several times before that it seems to me the very worst policy on the part of the Commonwealth is to take the most extreme and harsh view of every possible subject that comes before us as a matter of legislation. In some cases where Bills have been introduced into this House, based upon six different Acts of Parliament which have been in operation in six different States, if there has been an unnecessarily harsh provision in one of these Acts, that provision has been taken as a basis for legislation here. I think it is well understood in most of the States that when a new Tariff is introduced, and the duties first proposed are afterwards altered, refunds shall be given to the person who have paid duty in excess of the amount finally decided upon. That is not merely a matter of grace, but one of sound principle and of justice, and I consider that in the present case the necessity is far stronger than usual upon the Government to refund any excess of duty

that may have been paid; because, after all, we are exercising an arbitrary act by the collection of these duties. We are not acting legally in what we are doing. The duties are being collected as an Executive act without the authority of any Bill. There has been no duty imposed by Act of Parliament up to the present time, but by a straining of the Constitution and of our own position as a Parliament, we have agreed that these duties shall be collected as from the date of the Budget speech. The very fact that Ministers have told the people of Australia that they are open to conviction with regard to any particular item in the Tariff, and that probably changes will be made in it, is sufficient evidence that it is anything but perfect. If changes are made, surely, as the

Government have performed an illegal act, the people of this country are absolutely justified in demanding a refund of the excess of duty which has been paid. When we bring this matter before the Government, we are told that it is under consideration or that a refund can be made only by a vote of the House. That might be very well if we were entering upon a debate which would occupy only a few days; but we are entering upon the consideration of a Tariff which, if we make the best possible progress, cannot pass the two Houses of Parliament and become law for some months. During that period what are we doing? We are practically upsetting and turning into chaos the whole commercial and industrial life of Australia. Unfortunately, some Ministers opposite do not seem to thoroughly understand the ramifications of that life. They think that they can quietly assume the position of collecting duties, which may be subsequently altered, by telling the mercantile people that changes will probably be made, and thus, instead of facilitating business by allowing the mercantile community to deal with their goods upon the good faith and honesty of Parliament, they are simply adding to the chaos which would exist under any possible circumstances. That is not a courageous or honorable way in which to treat the commercial and industrial life of Australia. The Government ought to state definitely whether or not they intend to make any refunds. Day by day this matter is "shunted." I have questioned the Ministry once or twice regarding it, without any desire to hasten them in their decision, but it seems to me that by remaining inactive, we are adding to the whole difficulty of the situation. If the Government do not deal with this question speedily, it will be time for this House to take it into its own hands. What seems to me most deplorable is that the Minister for Trade and Customs - a member of the legal profession - does not seem to grasp the difficulties or the necessities of the commercial life of this country. It is very difficult for us to know what to do regarding the Tariff. It reminds one of certain novels to which the names of two authors are attached. There is often a difficulty in deciding who has done the work of description, and who has written the plot. But there is no doubt as to who has framed the plot in connexion with this Tariff. We are very much at a loss how to treat the Tariff, and the Ministers who are watching it through this House. It is a regular double-barrelled gun business. We have perfect confidence in the Treasurer. When there is any reasonable duty, which he has fathered, we get a clear exposition of it upon principle. But when there is some duty which was evidently intruded by his colleague, he sits silent, and his colleague turns his blunderbuss upon us. We always get fair dealing from the Treasurer, but when it is desired to give us a mixture of different kinds of ammunition, including explosive bullets, recourse is had to the Minister for Trade and Customs. This is a serious matter for the whole community. I will give one instance to illustrate what I mean. A certain piece of machinery was recently imported from the mother country for a certain institution in this State. A question has arisen whether, under the contract made, if the difference between the duty which is finally decided upon, and that which is now being collected, is not refunded, the amount will not have to be paid by the man who sold the machinery without any idea that this complication would arise. That is only one case, but it is typical of what is permeating Australia at the present time. It is not merely causing difficulties in transactions which have practically been completed, but it is causing great difficulty in regard to future transactions. Although we have been very much twitted with talking about the primary producers and the miners, I am sure that no honorable member desires to see any great industry paralyzed, or even interfered with, more than is necessary. Thousands and thousands of pounds are being paid upon mining machinery and other imports, the duties upon which may hereafter be considerably altered, and yet people are not informed whether or not there is to be any refund made to them. I do not look upon this question as a party one; but when we come to the good faith and honour of the Government of the country, I say that no consideration of revenue should intervene. It is a right thing when we disturb the community by the introduction of a new Tariff, and after a change is made consequent upon the wisdom and knowledge of this House, to refund to the importer the difference

between the duty paid and that which is ultimately decided upon? As a question of morals, the position which I take up is absolutely sound, and no consideration as to who will ultimately benefit by such a refund should enter into the contract which has practically been made with the individual who pays the money to the State, because that contract implies that if the duty is altered the Government should refund the difference.

Mr Watson

- Will the honorable member give the difference to the consumer ?

Sir WILLIAM McMILLAN

- I do not care twopence whether it goes to the consumer or to any one else ; but we know perfectly well that a large amount of this money will never be returned to the consumer.

Mr Piesse

- Then the State ought to get it.

Sir WILLIAM McMILLAN

- Whether the consumer receives it or not, has nothing to do with the State. If the Government make a contract with an individual, they are not entitled to take cognizance of any fact, save that a certain individual has paid revenue to the country under an implied contract that if the rate of duty which he pays is altered subsequently, as a matter of honour, common-sense, and equity, he will receive a refund of the difference. I am very sorry that the honorable member for Tasmania, Mr. Piesse, shakes his head, because he looks such an impersonation of justice and truth, that it almost staggers me when I differ from him. I hope that political life has not torn away every shred of my own ideas of justice. Undoubtedly, as a matter of honour and justice, the difference between the duty collected and that which is finally determined upon, should be returned to the man. who pays it. Has it not been returned under similar circumstances in. other instances ? Is it not a new departure not to return it ?

Mr Piesse

- It has very often been questioned.

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Sir WILLIAM McMILLAN

- We might question even the morality of the honorable member, which would be ridiculous. There is nothing that has not been questioned. Why this Government should depart from a system of equity and right is more than I can comprehend, but there seems to be a desire to absolutely forsake all the principles which ought to affect us in our industrial life, and all the principles of equity which should guide us as legislators.

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Mr HUGHES

- I desire to call the attention of the Minister respecting the Postmaster-General, to one or two matters in connexion with the Sydney Post-office. Acting under the Public Service Regulation Act of 1895, the New South Wales Public Service Board made certain regulations which became operative on 1st July, 1900, and applied to officers in the New South Wales Postal department, who were in receipt of salaries up to £299 a year. These regulations were repealed in December last, and the new regulations abolished the annual increments above £125. When these new regulations were introduced, the increments had not been distributed, the Estimates passing late in the year. These regulations were made retrospective, and the increments which were due to officers in receipt of salaries above £125 annually, were never granted. I would point out that under section 84 of the Constitution, it is clearly laid down that any official retained in the service of the Commonwealth shall preserve all his existing and accruing rights, and shall be entitled to retire from office at the time, and on the pension or retiring allowance which would be permitted by the law of the State as if his service with the Commonwealth were a continuation of his service with the State. I also desire to draw attention to the fact that a distinct act of repudiation has been committed on the part of the Government of New South Wales. The Federal Government has taken advantage of that act of repudiation. I maintain that under section S4 of the Constitution, it is bound by nothing but the equity of the matter, and that no repudiation on the part of a State will cover its own action. It was so clearly an act of repudiation on the part of New South Wales, that a deputation, of the officers concerned waited upon the Attorney-General of that State, who is reported to have informed them that the regulations should not have been made retrospective. Indeed, it has been stated by the New South

Wales Government that the Federal Government should make provision for these increments. In the State Estimates, an amount of £1,800 was set down under the department of Justice " to meet increments payable from 1st July to 31st December, 1900, under the Public Service regulations repealed in December, 1900, to officers in receipt of salaries between £150 and £300 per annum." It would appear, therefore, that in the Estimates of the department of Justice provision was actually made for this very purpose. I put a question upon the notice paper last week, and received two replies. One of these was general and evasive, whilst the other was particular and decisive. I was informed, in so many words, that the Government did not intend to pay any increments. I should like to hear from the Ministry some indication of their policy in reference to this matter. If they are going to take advantage of every technical shelter behind which they can crouch, it would appear that the unfortunate men who have been transferred - not through any desire of their own, but by the process of the working out of our Constitution - are to be defrauded of their just rights. This is not a small matter. It involves very large departments. For example, in the New South Wales Post-office alone, there are 5,387 persons employed. That is very much in excess of the number in any two of the States, and nearly 50 per cent, of the officials employed in the post-offices throughout the Commonwealth ; and of these, a large number are interested in this particular matter. These men have qualified under the regulations of their State for an increase of salary, and it is unreasonable that the State should relieve itself of the necessity of paying this money, and that the Commonwealth, in its turn, should shelter itself behind a wrongful act ; the result being that neither the State nor the Commonwealth will give these unfortunate men their just rights. It is not as if there were any doubt as to the authority or intention of the regulation, which, though it was repealed, was, according to the Attorney-General, wrongly repealed retrospectively. It would appear as if it were open to a Government to issue a new regulation allowing people to think, as an incentive to further exertion, that they were to get increments, and then to retrospectively repeal that regulation and deprive those people of their due. Such a course could not commend itself to any one's sense of fairness and justice. Those most particularly affected are telegraph operators and telegraph masters, who must possess considerable skill. I may say that in New South Wales hundreds of men were weeded out for incompetency by the Public Service Act of 1895, and those who were the very 1 cream of the service were left behind, and told that, having gone through a very cruel ordeal, their reward was to come. The increments were due at the time the regulation was repealed, and now I am astounded to learn that the Federal Government intend to take advantage of that circumstance, and that because the State has repudiated its obligation they propose to follow that vicious example. That is not the way in which to carry on business. If we are to be economical let us be so, but not at the expense of poor men who have unfortunately been defrauded of their just rights. I bring this matter up now, because I should be loath to move the adjournment of the House, and interrupt business. I trust that the subject will receive the attention it deserves, and that these men, if any injustice has been perpetrated, may feel that the Federal Government is no party to that injustice.

Minister for External Affairs

Mr BARTON

. - In dealing, first, with the question of refunds, I am not about to follow the honorable member for Wentworth in a discussion of the Tariff at this stage. The honorable member says that the Tariff is anything but perfect; but it may be said of every Tariff that it is anything but perfect. There has never yet been a perfect Tariff, and there never will be until we have one framed by some superhuman intelligence, or perhaps by the Opposition, who sometimes arrogate to themselves that extraordinary quality. The honorable member has said that we are upsetting the whole industrial life of Australia. The imposition of a Tariff causes dislocation and trouble under any circumstances; and in referring to the question of refunds, it seems to me that the honorable member has left out the most important consideration, namely, the consideration of justice. A man may have imported a quantity of goods before the 8th of October and have sold them, charging the duty to the consumer. But supposing a man has imported goods since that date and has sold them, charging the duty to the consumer, by what right can he claim to have that duty returned to him in order that he may twice benefit by it ?

Sir William McMillan

- A contract may be made with the consumer.

Mr BARTON

- The man who imports contracts with the consumer and makes the latter pay the difference ; and he has no right to a refund of the duty. I grant that there may be difficulty, and some cases of injustice, where a man has imported goods a portion of which have not gone into consumption. There is no doubt that whether there be a refund or not, we may, in some cases, be guilty of unfairness which cannot be avoided. We have to choose between refunding to a man who ought to have nothing, because he has already had the benefit of charging the duty, and, in some cases, leaving a person without remedy who has taken out of bond and paid duty on goods which have not yet passed into consumption. But the importer takes his chance. When he clears goods out of bond he does so as a business man, thinking that the best course to take; and, in many cases, he risks an increase of duty. An importer may take goods out of bond before the Tariff is imposed ; and, as has been done in some cases, may charge the consumer with the duty subsequently imposed, although no duty has been paid. I do not think that the whole of the sympathies of the House are necessarily with the importer. If the importer has put the goods into consumption, which was his object when he took them out of bond, he has charged the consumer with the duty, and it is not fair that in so doing he should have the double advantage. The honorable member for Wentworth has said that to refuse a refund under the circumstances is a new departure. It is no new departure, because it is the practice in both New Zealand and Victoria.

Sir William McMillan

- That is one State in Australia.

Mr BARTON

- That does not matter ; it is the practice in one State in Australia and in an adjacent State. The statement that this is a new departure, when it is proved to be otherwise, is not well atoned for by saying that the practice prevails in only one instance.

Mr McMillan

- No one could have believed that it was the practice.

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Mr BARTON

- There are some things which people cannot believe until they see the justice of them, and perhaps the honorable member will see the justice of the Government's proposal. The fact that men belong to the legal profession does not disqualify them from grasping the difficulties of the industrial life of Australia. If it were otherwise, the leader of the Opposition would be totally unqualified for his position. Questions of this kind are not to be settled by sneers at the avocations of men. It is not fair to cavil at any honest means by which a man earns his living, whether he be labourer, lawyer, or merchant, and I think the House as a whole is above any quibble of that kind. We have had to choose between two courses, either of which will in certain cases lead to injustice. We have chosen that course which seems to us to lead to the least injustice ; and it must be remembered that we have no business to play with the revenue. We have no business to give refunds to people in cases where refunds are not deserved. The question is surrounded with difficulties. How can we determine satisfactorily whether a claim for refund is a just one - whether goods have or have not gone into consumption? How can we get at the books of an importer and ascertain what has, been charged, or what is the course of his business ? Is it not the best thing to assume that he has done what he took the goods out of bond to do ? Whether or not he has had the chance of selling the goods, is it not fair to assume that the natural course has been adopted, and therefore to apply the Government proposal? In any case this is a premature discussion, because the sense of the House and the committee must be taken on the point. We have already stated that our proposals will be laid down in the Tariff Bill in such terms that the House will have an opportunity of judging them. More than that, it seems to me that in the course of the progress of the Tariff through committee, it will be necessary to affix dates to such changes as may be made, so that the propriety of what is being done may be determined by honorable members. Full opportunity for consideration will be given to the House, and I take it there is no serious necessity to have a double discussion. As to the other matter, I am very sorry that I cannot speak so fully as the honorable member for West Sydney might desire. I received a note on the subject from an honorable member of the House, but it reached my hands just after one o'clock, when I had very little opportunity of obtaining the necessary information. If the question is raised hereafter, in order that the whole facts may be elicited, I shall be only too happy to give all the information which the Government can obtain. What has happened has been, so far as I know the

circumstances, in the main described by the honorable member for West Sydney. A regulation was issued by the New South Wales Public Service Board, dating back to the 30th of June, reducing an increment of £15, in certain cases, to one of £10, leaving a margin of £5. When the department was transferred the Commonwealth took it over with the onus of these regulations.

Mr Hughes

- The regulations have a retrospective effect.

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Mr BARTON

- They have; and, though I shall not give a legal opinion, it may be that part of the retrospective effect is subject to question. But when the department was taken over it was burdened with these regulations, and it will be clear to honorable members that it was not very easy for us to pay increments which the legal authority of the State had determined were not payable. Section 84 of the Constitution would affect the matter, but for the pre-existing state of the law in New South Wales. The Public Service Board were given power to make regulations having the force of law, and these regulations were made. If, with the retrospective effect, the regulations were good - and I will not say they were not - they come into effect, and the Commonwealth is deprived of the power of doing anything except take the department over in the state in which it stood. There is no desire on the part of the Government to deprive any of these people of their just rights. If we pay these increments they will be chargeable back to the State of New South Wales, and I should be very glad if we got an intimation from the State authorities that they wish the increments to be paid, notwithstanding the regulations of their Public Service Board. If they gave an intimation of that kind, we might take the risk of asking Parliament to vote the increments; but how can we do so in the absence of such an intimation? Is it fair or just to single out any State for this purpose, when we may afterwards be met with applications from the other States? We must act with a great deal of circumspection in regard to a matter of this kind. I shall see the Postmaster-General on the subject, and I may be able to give honorable members fuller information after I have had a discussion with him upon it. The information in my possession now comes to what I have already stated. In September last, the New South Wales Public Service Board issued amended regulations, which do not affect salaries of £150 per annum and over, which are the salaries mostly complained of, though they restore the £15 increment in the case of salaries under and up to £140 per annum. But as the Post-office department passed over to the Commonwealth before those regulations were made, they could not affect it, so that that adds to the complication and difficulty of the question. As the honorable member has referred to the matter, and as the honorable member for Parramatta has given notice of a question in regard to it, I shall not hesitate to inquire into it again, in order to ascertain if any injustice has been done. It seems to me at present that the Government have acted in necessary conformity with the provisions of the Constitution. If we find that that is not so, and that we are doing something which the Constitution provides shall be done otherwise, we shall not hesitate to retrace our steps, and to tell the House that we are doing so, and why we are doing so; because I think justice comes before any question of petty pride in a matter of this kind. I cannot, however, undertake to do anything until I have gone into the whole question again. So far as I have done so, there seems to me to be a serious obstacle in the way of doing what the honorable member desires.

Mr SPEAKER

- I did not prevent the honorable member for Wentworth from discussing the question of refunds, because although the standing orders prohibit the anticipation of a debate upon any subject that is set down upon the notice-paper, I thought that the question of refunds was dealt with in the Tariff, but was to be dealt with in the Tariff Bill, which is not yet upon the notice-paper. I gather from the Prime Minister, however, that the Government propose to deal with it in the Tariff. If so, as the Tariff is a subject set down upon the notice-paper, I shall not be able to allow other honorable members to refer to the question now. I should like to know from the Prime Minister if it is proposed to deal with the subject when considering the Tariff?

Mr Barton

- I endeavoured to make it clear to the House that the Government propose to take a course as the Tariff goes through committee' which will enable honorable members to express their opinion upon this matter,

Mr SYDNEY SMITH

- Is there at present any provision in regard to this matter in the Tariff, or does the right honorable member merely propose to make provision for dealing with it?



Mr Barton

- No ; there is at present no provision in the Tariff dealing with the matter. The changes which we speak of ought, in our judgment, to be made in a certain way, which will enable the committee to discuss the matter as it arises.

Mr SPEAKER

- In that case, further debate may take place, so long as it is confined strictly to matters which are not dealt with in the Tariff itself, and are not set down for discussion on the notice-paper.

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Mr G B EDWARDS

- I desire to direct the attention of the Government to the general administration of the Post and Telegraph department. There are one or two points in this connexion which I consider it absolutely necessary to bring under their consideration. One of the subjects to which I intend to refer was that brought forward by the honorable member for West Sydney - the periodical increases to employes in the department; but, as the Prime Minister has already promised to give the matter further attention, I shall not delay the House in discussing it. Seeing that the Post and Telegraph Act is to come into operation on the first of next month, we might have expected from the Government a declaration of their policy in its administration. We know what its provisions are, but the success of such a measure depends very largely upon the method of its administration, and without some statement from the Premier, members are quite in the dark as to what method will be adopted. There are many subjects in connexion with the Post and Telegraph department which are being keenly considered by the mercantile world and the community generally. One of these is the possibility of revising the telegraph rates. There is very good reason for thinking that the time has arrived when those rates, and particularly the Inter-State rates, might be recast, now that the divisions between State and State, so far as the administration is concerned, have been removed. Then there are provisions in the Act relating to correspondence forwarded to "Tattersall," a subject which occupied the earnest consideration of this House for some days, and in regard to which we should have had a declaration of the intentions of the Government. But a matter to which I wish particularly to refer is one which affects my constituents very nearly. Although I am an advocate for economy in the administration of the public departments, it seems to me an extraordinary proceeding for the Government to close post-offices in places which have enjoyed the convenience of them for many years, and where they have actually paid for themselves by the business done. In the electorate of South Sydney no fewer than three post-offices are to be closed. When, on the 5th November, I asked the following question upon the subject : -

What reasons were given in departmental reports for closing the post and telegraph offices at Erskineville and Darlington, in the State of New South Wales, and proposing the substitution of mere letter-receiving boxes for the postal facilities hitherto enjoyed by these populous suburbs ?

I was informed that -

The reasons given in the departmental reports of the New South Wales inspector for closing the post and telegraph offices at Erskineville and Darlington are as follows: - Erskineville - As Erskineville office is only about 35 chains from Newtown office on the west, and about 44 chains from Alexandria on the east, it could be closed without any serious inconvenience to the public.

I am advised by the municipal representatives of the borough that those measurements are not quite correct; but, even if they are correct, they seem to me not to furnish a reason for closing post-offices which have existed for a long time past, and have paid their way. If the locality dealt with was some place in the back-blocks, one could understand the action of the department. But the district of South Sydney is one of the most congested in that metropolis. Moreover, there are in other parts of Sydney, and in Melbourne, too, if I am any judge of distance, post-offices much closer together than those to which I refer. The House has a right to know from the Government upon what principle the department is proceeding in closing these post-offices. If the department laid down the rule that no post-office was to be within 50 chains of another Post-office, I could understand it, though I might not consider it a common-sense arrangement ; but in the cases of which I complain, although the post-offices which are to be closed are within a certain distance of other post-offices, they serve a district at the back of them which is much further from them than they are from the office which is to remain open. Honorable members who have entered Sydney by railway, know how densely populated is the district through which the train

passes for a mile or two before arriving at Redfern. Not only are the railway works and repairing shops situated there, providing occupation for an immense number of men who reside close to the scene of their employment, but there are in addition boot factories, furniture factories, tile works, metal-ceiling works, engineering shops, boiler shops, foundries, clothing factories, jam factories, glass factories, wool washing places, bone mills, varnish factories, tanneries, biscuit factories, timber yards, builders' material yards, brick works, sheet-metal works, glue works, confectionery works, breweries, rope works, paper mills, tobacco factories, iron bedstead factories, vinegar works, and carriage factories. Almost every industry which honorable members opposite regard as important to the welfare of this country is represented there. I believe that the population of South Sydney is something like 60,000 persons ; at any rate, the number of voters in the electorate which I represent is larger than that of any other electorate represented in this House, with the exception, of course, of the undivided State electorates. As the district is one which a man can walk round and through in a morning, honorable members will understand how densely populated it is. It is said that, at any rate two of the offices which it is proposed to close have paid well, and, as they have been a great convenience to the district, they should not be closed without good grounds. It would inconvenience the public less to close the post-office of George-street west, because it is nearer to the General Post-office, and trams pass it almost every half-minute of the day and half-hour of the night. When we passed the Customs Act we provided in section 168, that drawbacks should be allowed in such manner as might be prescribed ; and we also inserted a provision that if the Parliament of the State of Western Australia, in the exercise of the power conferred by the Constitution, imposed duties of Custom on goods passing into that State, whilst such duties were so imposed, drawback might be allowed in the State in which import duty had been paid in respect of any such goods as if exported. That Act is in force, and we have repealed the Customs Acts of the several States. We are continuing in New South Wales and in

Victoria, and I expect also in Tasmania to export goods, such as jam, preserved fruits, &c, containing material in respect to 'which duty has been paid, and the Custom authorities in the different States are refusing to take entries for drawbacks on these goods, on the ground that the old Acts, under which the drawbacks have been allowed, have been repealed, and that the new Act does not provide for them. The sections I have referred to do provide for these drawbacks, but, in order to give effect to them, it is necessary, I suppose, to pass by-laws or regulations. I can fully understand the difficulties in connexion with the bringing into operation of a new Tariff, 'and I fully sympathize with Ministers ; but I cannot understand why the Customs officials have been refusing entries under which these drawbacks could be recovered. At the very least, these entries should have been accepted, and the matter allowed to stand over until regulations could be framed. I have here a letter from a firm in New South Wales, addressed to the Collector of Customs; and asking for his reasons for refusing the drawbacks. The Collector's reply is as follows : -

In reply to your letter of 4th inst. relative to your drawback entries for 25 cases of jam per Cintra, I beg to point out that the provision for drawback on sugar used in jam manufactured here, and exported to Western Australia, is not now in force, it having been superseded by the Customs Act 1901.

I think a wrong is being done to the exporters, and that the Government are breaking faith with the people who have proceeded to keep up their trade with Western Australia pending a settlement of the whole matter. Western Australia will, I believe, soon cease to levy Inter-State duties. It seems to me that they will cause such serious irritation to the business people of Western Australia, and be such a burden upon the community that, in view of the fact that they will have to diminish at the rate of 20 per cent, per annum until their extinction, it is most likely that within twelve months Western Australia will refuse to exercise her right to impose duties on goods from the other States of the Commonwealth. In no sense, however, is it just, or fair, or equitable to manufacturers in the eastern States that the Government should refuse to carry out the evident intention of this House, to allow these drawbacks, and I hope that instructions will be given to the collectors to receive entries pending the decision of the Minister as to the drawbacks to be ultimately allowed.

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Mr THOMSON

- With regard to the refusal of the Government to make refunds to those who have paid excess of duty, I have no doubt that there is a fair question as to whether, in cases where the consumer cannot obtain the

refund, it is desirable for the Government to surrender revenue on the reduction of duties. That is a very open question, and for my part if the Customhouse were to retain only the revenue which cannot be refunded to the consumer, I should be perfectly satisfied. There are, however, very serious cases, in several of the States, in which it seems to me very unjust not to grant refunds. Only in the State of Victoria has it been the custom not to grant refunds. In every other State it has been a recognised principle for many years that refunds should be granted, and under that idea importers have not, as the Prime Minister said, simply duty-paid what they required for delivery; but have had goods taken straight from the ship's side to their own free stores instead of putting them in bond, under the belief that the system hitherto obtaining would be continued, and that if there were a reduction of duty they would be entitled to a refund. I have a letter in my hand showing the effects of the refusal to make refunds. The writer, who is an importer of cocoa, says : -

Early in this month we landed, ex Oceana, 99 cases, valued at £921. Having plenty of room in our warehouse, and never dreaming of any possibility of the rule which has hitherto obtained here not being followed - holding it an established principle - though we know that these goods in the present state of the market would not be required for months to come, we paid duty on them amounting to £248 17s. 5d. The duty is now lowered, and we have no means of protecting ourselves.

A reduction of 15 per cent, in the duty upon £925 would represent £135. There are many other cases in which on the understanding that the usual course would be followed, importers have paid duty on goods, and, therefore, the Prime Minister's proposal that there should be no refunds in any case, or under any circumstances, does not meet the justice of the position. There is a way of preventing the payment of refunds on goods which have gone into consumption, and of, at the same time, doing justice to those who have acted in the way I have mentioned in anticipation of obtaining a refund. It could be arranged that refunds should be paid if it were shown to the satisfaction of the Collector of Customs that certain goods upon which duty had been paid had not gone into consumption and that bulk had not been broken. There is no more difficulty in doing this than in granting drawbacks on goods re-exported. I hope that the Minister will consider this matter, and that he will remember that there are two sides to this question.

Mr Kingston

- "We shall submit our proposal to Parliament, and honorable members will have an opportunity of grafting on to it any provision that the majority may think necessary.

Mr THOMSON

-I mention the matter now so that the Minister may have an opportunity of considering it in framing his proposal.

Mr Kingston

- If we were to decide in favour of refunds in all cases we should take the matter out of the power of Parliament.

Mr THOMSON

- I am not asking the Minister to do that. I recognise that -where the consumer cannot obtain the benefit of the refund, there is some justice in refusing a refund ; but where the goods have not been duty paid for immediate sale, a refund should be granted.

Mr Kingston

- If the goods are duty paid, they will be free from the possibility of an increase. The importers want to be secured against an increase, and at the same time to derive the advantage of any reduction.

Mr THOMSON

- Surely there is no likelihood of a further increase where customs duties have already been raised so high, especially in the case of New South Wales. In that State, goods were duty paid only because it was anticipated that the old custom would be adhered to. Then as to the question of entries. I know the difficulties connected with the introduction of a new Tariff, and the trouble which some of the provisions of the Constitution create, but I think that a great deal of unnecessary information is asked for in the entries, manifests, and other documents which have to be prepared for the Customs. In these documents more information is asked for than is either necessary or useful. There is certain information which I believe to be necessary, but the Customs authorities are going beyond this, and seeking information which may be useful, but is not of such value as to justify the authorities in putting business men to the trouble that is involved. If the Minister, in requiring information, is guided by what is absolutely necessary or what is so

useful, as to justify the trouble of providing it, he will assist the trading community considerably. I wish also to refer to the matter of the two years' duty. I mean the duty which applies to goods entering a State at a lower rate than the Federal Tariff and passing to another State. I think that too much is being attempted in this connexion. The whole history of the component parts of the smallest article is being sought. For instance, in regard to fancy work made by ladies in one State and sent to another, it is necessary to inform the Customs when they were imported, the amount of cotton which they contain, the other materials upon which they are founded, whether each has paid duty and if so how much, and a host of other particulars, although the value of the article itself may be only a trifle. We find that passengers' luggage is still being examined.

Mr Kingston

- No.

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Mr THOMSON

-I shall be glad to hear that the practice has been discontinued. How is it possible for passengers to say whether any article in their luggage is dutiable or not. Only those articles which have not paid the rates in the Federal Tariff are dutiable. Let us assume that a person goes into a shop in Sydney and purchases a particular article. How does he know whether that article has paid the Federal Tariff? For the matter of that, how does the shopman himself know if he has recently bought from a wholesale house? The whole of the luggage coming from Sydney to Melbourne is being examined, and people are thus put to all sorts of inconvenience without any advantage being derived. I wish also to refer to the question of allowances in respect of goods such as spirits and wine, which were in bond here or had been shipped before the imposition of the duty. The Minister will notice from a telegram which I have received from the chairman of the Chamber of Commerce in Sydney, that the instructions which he has given have not been carried out. In this connexion, I think that he has good cause to complain

As it has been recognised that it was an injustice to impose these duties suddenly, I think that in his Bill the Minister should make provision for not charging the extra duty from the date of the imposition of the Tariff.

Mr JOSEPH COOK

-In regard to the question which has been raised by the honorable member for West Sydney, I desire to point out that it has been well understood all along that transferred officers should preserve their existing and accruing rights. The Prime Minister tells us that the trouble regarding the officers in question is a technical one. He points out that they were not technically in the employ of the Federal Government at the time these increments became due. But I would point out that the Federal Government are responsible for one-third of the period which is covered by these increments. All the other New South Wales officers have had these increments restored to them. If the Federal Government take up the position that they are not responsible for the increments, it means that the officers in the Sydney Postal department will be permanently worse off to the extent of £5 annually than they would have been had they remained under State control. That is a very serious matter. The question seems to me to be susceptible of treatment upon strictly equitable lines. Let the Federal Government recognise its share of the obligation, and let the State Government take up a similar position.

Sir George Turner

- The Estimates were prepared before that alteration was made.

Mr JOSEPH COOK

- Is it not a fact that the Treasurer struck out a large item which was intended to cover this particular case? Every effort was made by a man specially selected by the Postmaster-General to be a Board of Appeal in this case to adjust the difficulty which has arisen, but his recommendations have not been given effect to.

Sir George Turner

- I dealt with those officers under the regulations in force at the time we framed the Estimates. If the regulations were afterwards altered, that is another matter.

Mr JOSEPH COOK

- They were altered almost immediately afterwards. Acting upon the new regulations the Government of New South Wales have restored the annual increment of £5 to the other officers. Is the Federal

Government going to "chouse" its employes out of a similar sum, and thus do an unjustifiable act?

Sir George Turner

- We would rather give it than refuse it.

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Mr JOSEPH COOK

- I think that the right honorable gentlemen would. I do not suggest that the Federal Government should pay the whole of these increments. I do not think they ought to do so. They ought, however, to pay their quota, as from the time the service was taken over till the end of the financial year. It seems to me that the State Government is under an obligation to pay the increments up to the period of the transfer of the officers in question. The Government of New South Wales did not deal with their employes from the point of view of whether they had a legal right to these increments. Indeed the Attorney-General of the State expressed the opinion that they had no legal right to them. But notwithstanding that the Crown law authorities held that they had no right to the increments for the period in question, a sum was placed on the Estimates to enable the amounts to be paid, as it was considered that a moral claim existed. In the same way a moral claim exists on the part of the transferred officers. The Premier of New South Wales, in reply to a question by Mr. Cohen on 12 th November, stated -

The Public Service Board have furnished me with the following information : - The cases of any officers of the Government Savings Bank, who may be entitled to increments for the period in question, will be dealt with as soon as the necessary funds have been voted by Parliament, these officers being still in the service of the State. It has been decided by the Crown Law authorities that officers have no legal right to the increments for the period in question, but a sum was placed on the Estimates to enable the amounts to be paid, as it was considered that a moral claim existed.

On 8th October, the Premier of New South Wales, in answer to Mr. Affleck, said -

The Attorney-General and Minister of Justice has furnished me with the following reply : - When I made the promise that increments should be paid as from the beginning of the financial year, this referred to and included the officials of the Post-office, and became an obligation, which, in my opinion, the Federal Government must recognise.

Thus we have a recognition by the State Government of the absolute justice of this claim on the part of its employes. The Commonwealth Government, however, say that as the regulation restoring the increment was not in force at the time of the [transfer they cannot recognise it.

Sir George Turner

- All that the State Government have to do is to ask us to put a sum of money upon the Estimates, and we shall be only too pleased to do so.

Mr JOSEPH COOK

- It is the duty of the Government to communicate with the Government of New South Wales upon this matter, because the officers concerned are in the service of the Commonwealth. The Federal Government should make itself responsible for one third of the amount due and the State Government should foot the Bill for the other two-thirds. Justice would then be done. Neither the State Government nor the Federal Government will move, and the employes are, apparently, to be deprived of an increment to which they are entitled. I hope the Government will take the initiative in this matter, and place themselves in communication with the State Government with a view to rectifying this anomaly. Care should be taken that all officers who have been transferred to the employment of the Commonwealth are not worse off than they would have been had they remained under State control. The criticism in the Melbourne Age as to Post-office administration has very much to justify it. There is too much centralization. The Deputy Postmaster-General of Victoria strongly objects to a system which centres everything in the Minister in Melbourne, and which is leading to a very complaisant condition of things in New South Wales. I do not wonder at superior officers becoming complaisant if they are told that before they can engage a man for even a week's work, the authority of the Postmaster-General has to be obtained from Melbourne. There must be a devolution of control, and State officials will have to take pretty much the position which at one time was occupied by the States Postmasters-General. If that is not done, there will be paralysis in this huge department, the machinery of which will not move with that efficiency and celerity we all desire. So far, there is no indication that federation has in any way improved the control of the Post-office. Quite the contrary is the case ; and all this arises from the system of

centralizing everything in the Postmaster - General, and allowing no discretionary power to superior officers on the spot. Each State will have to be considered in regard to its local circumstances, but I am afraid that there is a disposition to treat all States exactly in the same way. That can only lead to trouble, vexatious delays, and inefficiency. We are told, for instance, by the Postmaster-General that in New South Wales the service is overmanned ; but it must not be forgotten that in that State there is twice the territory to cover that there is in Victoria, and that the conditions are altogether different. It is quite true that officers in the Victorian department are not treated as well as are officers in New South Wales. The average salaries in Victoria are considerably lower ; and if there is to be any levelling at all, I take it that Parliament will be in favour of levelling up. In my opinion, the Postmaster-General ought to be a member of this House, which has essentially to do with postal affairs. The Senate represents the States as a whole, and the members of that House have not the same concern with the Post-office that we have, who represent States divided into separate electorates. I appeal to Ministers not to lend a too attentive ear to the seductive voices of those who suggest that the postal departments in New South Wales, Western Australia, and other large States are overmanned, and to give to all officers the increments to which they are entitled. If neither the State Government or the Federal Government will take the initiative, the House will have to take strong action in order to see these officers righted.

Sir JOHN QUICK

- I desire to ask the Treasurer when arrangements will be made to give effect to section 19 of the Victorian Public Service Act .1900, which provides that every transferred officer " shall be entitled to receive a salary equal to the highest salary then payable to an officer of corresponding position in any Australian colony." . This matter has been pending for a considerable time, and was previously brought under the notice of the Treasurer by the honorable member for Yarra. I have frequently been spoken to on the subject by those interested, and, considering that upwards of six months have elapsed since the departments were taken over, it is time effect was given to the section I have quoted.

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Sir George Turner

- I have lent one of the Commonwealth officers to the State in order that the necessary inquiries may be made, and that officer has prepared a report to the State on the subject. The State is investigating the whole matter, and we shall get a copy of the report as soon as it has been dealt with.

Sir JOHN QUICK

- We have had that dilatory reply so often that I think it is time to bring a little gentle, friendly pressure to bear. I know that the Treasurer is not responsible.

Sir George Turner

- The State is dealing with the matter.

Sir JOHN QUICK

- I do not see why the responsibility should be placed on the shoulders of the State, because these are Federal officers, and the Federal Government have full control.

Sir William Lyne

- But have we anything to do with a State Act of Parliament?

Sir JOHN QUICK

- By this Act the State has given certain rights and privileges to officers who are transferred to the Commonwealth, and section 84 of the Constitution preserves all the rights which belonged to State officers at the time of transfer.

Sir George Turner

- It is a very difficult matter to investigate.

Sir JOHN QUICK

- But surely nine months is long enough in which to make an investigation, and I trust the Treasurer will do his best to give effect to the constitutional provision to which I have referred. This hope was held out to these men by the Parliament of Victoria, and the people of Victoria will have to pay the expense ; and I do not think the Federal Government will be able to deprive these officials of the constitutional right which exists. In all probability, when the section of the Victorian Act is brought into operation, it will have to be made retrospective, and the men given back pay.

Sir George Turner

- There is no doubt about that.

Sir JOHN QUICK

- Effect might as well be given to the section at once, because by the Constitution, the Federal Government cannot take away any of the rights of these men. If there is any financial difficulty

Sir George Turner

- There is no financial difficulty; the difficulty is that of ascertaining to what the men are entitled.

Sir JOHN QUICK

- Surely some system might be devised, in order to give effect to this constitutional right. The only other question to which I desire to refer is that raised by the honorable member for South Sydney, with regard to drawbacks of duty paid on sugar which has been used in making jam for export. Section 168 of the Customs Act makes provision for this matter being dealt with by regulation, so that legislation is not required ; and action ought to be taken as speedily as possible by adopting and promulgating the necessary regulations dealing with the subject. It will be an assistance and encouragement to the fruit-growing industry. The principle has been recognised by the State Governments, and it is only right and proper that effect should be given to it. By doing so, the Minister will, I am sure, give satisfaction to a large number of persons who are interested in a very important industry, and I ask him if he intends to take this action ?

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Mr KIRWAN

- I wish to refer to a matter connected with the administration of the Post and Telegraph department. So far as the construction of public works under that department is concerned, in Western Australia it has been virtually at a stand-still since the department was taken over by the federal authorities. I understand that the Federal Government have not proceeded with any works, except such as were under contract at the time the transfer was made. The result is that there is, in the western State, a strong feeling of dissatisfaction at the administration of the department. The position of affairs would almost lead one to believe that the federal authorities were rather hasty in taking over the department, and that it might have been better for them to have waited longer. However, now that the department has been taken over, we must make the best of things. So far as the people of the gold-fields of Western Australia are concerned, the principal change they have noticed in connexion with the administration of the department since its transfer to the federal authorities has been the threat to discontinue certain services which were carried on by the State purely for purposes of development. One of these is the service from Kurnalpi to Mulgabbie and Edjudina. That service may have been run at a loss, but the State considered that it was compensated by the keeping open to prospectors of valuable territory which would probably otherwise have been abandoned. As the State Governments have considered themselves justified in carrying out services of this kind, it seems rather arbitrary for the Commonwealth to discontinue them without consulting the States. I understand that the policy of the Federal Government is that, where services have been run for developmental purposes, the State Government shall be required to subsidize them to the extent of any loss ; but I would point out that, during the five years' bookkeeping period, that compensation will come automatically, inasmuch as any loss must, according to the provisions of the Constitution, be borne by the State in which it is incurred. However, the whole matter is now under negotiation. Another matter to which I wish to refer is the inadequate accommodation furnished by the post-office at Boulder City - a township with a population of 20,207 persons within its municipal borders, and of between 30,000 and 40,000 within a few miles radius. The business done at that post-office is considerable, but the building itself would disgrace a township in Victoria or New South Wales where not one-twentieth as much business is done. The people waiting for their letters have to stand out in the rain or under the blazing sun, and all the arrangements are discreditable. A new building was definitely promised by the State authorities more than eighteen months ago, and, although constitutionally the federal authorities are not bound by such promises, I think they incurred the moral obligation to fulfil them when taking over the department, especially where the need for new accommodation was urgent. Petitions upon this subject have been presented to the Government, and with other members of the Federal Parliament, I have several times seen the Postmaster-General in regard to it. He is always very courteous and kind, but we do not seem to get any further. The Deputy Postmaster-General of Western Australia says that the plans have been prepared, but there still seems no prospect of getting a new

building for a long time to come. I am aware that an amount is set down in the Estimates, and I should like to know whether the Government could anticipate the vote of this House 1

Sir George Turner

- Only in the most urgent matters. I have done it in a few cases.

Mr KIRWAN

- I am sure that if the Minister were to visit the place, there would be no further delay. In agricultural and pastoral districts, the changes -which occur in the course of five or ten years are not very great, but a progressive gold-field town creates new requirements every few months. The population of many of the townships of Western Australia, including that of Boulder City, is increasing almost weekly, and their needs increase accordingly. The Post and Telegraph department affords, the people in that part of the Commonwealth almost the only means of testing the advantages of federal administration. If the department is well administered, they are inclined to think well of federation ; but if the administration is bad, it will tend to make federation unpopular.

Minister (without portfolio)

Sir PHILIP FYSH

- As to matters of general administration, I would ask honorable members to put their complaints into the form of questions, when they will receive prompt and particular attention. Although the honorable member for Kalgoorlie has not done that, I shall take care that due and early investigation is given to the matters to which he has referred. Provision having been made upon the Estimates for the construction of a new post-office at Boulder City, Ministers, of course, cannot incur the responsibility of anticipating parliamentary sanction for the expenditure .; but, directly the Estimates are passed, the work will be proceeded with.

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Mr WILKS

- I would point out to the Minister representing the Postmaster-General that the matters which have been referred to during this debate form considerable and weighty grievances, both to the trading community and to a section of the public service. With regard to the matter which has been brought up by the honorable members for West Sydney and Parramatta, I would like to point out that on the 27th February last, prior to the transfer of the Post and Telegraph department to the Commonwealth, the New South Wales Public Service Board regraded the officials, and allotted increments to them. But their determinations were not made public until six days after the department was taken over by the Commonwealth, so that the officers who were aggrieved were deprived of their right to appeal to their representatives in the State Parliament. I do not think it is part of the duty of the Commonwealth to pay the increments properly due to these officers before they became Commonwealth officials ; but we should discharge our full obligations towards them, and see that they do not suffer through any informality, or through their transfer from the State to the Commonwealth. If they were entitled to any increments under the operation of the State law their rights should be fully respected, and I trust that the Commonwealth Government will enter into communication with the State authorities, with a view to removing any grievance that may exist. I desire now to refer to another matter. It is inevitable that in the early days of the Commonwealth there should be some small conflicts between the State and the Commonwealth Governments, owing in most cases to misunderstandings. A difficulty has arisen in New South Wales through the non-payment of certain accounts in connexion with the visit of the New South Wales military forces to Melbourne at the time of the Commonwealth celebrations. In reply to Mr. Wood, an ex-Minister of the Crown, the State Treasurer of New South Wales stated last night in the New South Wales Assembly that there was a dispute between the State Treasury and the Federal Treasury with regard to the accounts.

Sir George Turner

- There are only one or two accounts in which they have sent in claims for refreshments supplied to the various troops. These only came in a few days ago, and I want to know something about them before I pay them.

Mr WILKS

- The State Treasurer of New South Wales said there were certain accounts in dispute, and that they had not been passed by the Commonwealth Treasurer because a question had been raised whether the



expenditure should be met by the State Government or by the Commonwealth Government. However, I hope that the Treasurer will remove all doubt in the matter, because, if the accounts are not passed it will be a disgraceful thing for the Commonwealth .

Sir George Turner

- The accounts only came to me a few days ago, and I am not responsible for any delay.

Mr WILKS

- If the State authorities are responsible, it is well that the matter should be made known so that the fault may rest on the proper shoulders. We have not yet been told whether the Government have appointed a Commandant of the military forces of the Commonwealth. I think that after an interval of six months it is a reasonable thing to ask for a decision on this matter. We have heard many suggestions as to difficulties having been raised by officers to whom the position has been offered, and as to stipulations regarding the appointment of the Commandant's staff. I do not see why there should be any more delay in this matter. Although we have taken over the military forces of the Commonwealth, no controlling head has yet been appointed, and in all probability the extravagance of the past is still going on. One of the great inducements held out to us to join the Federal Union was that we should simplify the administration of military matters, and very considerably reduce the expenditure, and every delay in the appointment of the military Commandant must result in injury to the interests of the Commonwealth. I hope the Minister of Defence will recognise the necessity of making an early announcement upon this matter.

Sir William Lyne

- The Prime Minister has stated that he will make an announcement very shortly. We are losing no time in the matter.

Mr WILKS

- I am very glad to hear it. I should like to know what is being done with reference to the federal capital site. The representatives of New South Wales do not forget that the establishment of the federal capital in New South Wales was a part of the bargain under which that State entered the Commonwealth, and it is desirable that decision should be arrived at as early as possible. It might be convenient, perhaps, to arrange for a visit to the suggested sites during the Christmas holidays. I hope the members of the Government will give their fullest attention to the matters I have mentioned.

Mr F E McLEAN

- I desire to emphasize the importance of dealing with the question of drawbacks on colonial manufactured goods that are exported. Certain Customs regulations were gazetted on the 10th October, but no provision was made for dealing with drawbacks in regard to articles in the manufacture of which dutiable goods have been used. My attention has been drawn to the fact that either the Minister for Trade and Customs or some other authority has intimated that no drawback will be allowed on sugar used in the manufacture of jam, at a higher rate than the excise duty on that article.

Mr Kingston

- No. That is not the case.

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Mr F E McLEAN

- I am very glad to hear the Minister's denial, because if the intention is to confine the drawback rate to the excise duty, the effect will be very prejudicial in the case of the manufacturers who use imported sugar in the manufacture of articles for export. A considerable trade has been done during the last year or two in the exportation of Australian manufactured goods to South Africa and other places, and it is desirable that drawback should still be allowed to the full extent of the import duty. My attention was directed to the matter, and I wished to know what were the real facts of the case. The honorable member for South Sydney, during the absence of the Minister representing the Postmaster-General, referred to the great inconvenience that was likely to be caused to certain parts of his constituency by the closing of post-offices at Darlington and Erskineville. I understand that there is an idea also of closing another post-office at Redfern. I wish to direct special attention to this matter, because it will be a very serious thing to all parts of the country if the Postmaster-General enters upon the course of closing post-offices which are a great convenience to residents of particular localities. I know the districts which have been mentioned very well. They are centres of population which might reasonably expect postal facilities to be afforded them. When making his Budget speech the Treasurer said that if under federation we

enormously increase the cost of government, the people will be disposed to regard it as a curse instead of a blessing. But on the other hand, if federation is to curtail postal facilities it is very questionable whether the people will not regard it as a curse in that respect. The excuse offered for the closing of the post-offices mentioned is that they are within a short distance of other post-offices. That is not a sufficient reason for closing them if the volume of trade justifies their existence. We know that in Melbourne and Sydney, within a stone's throw of the General Post-office, there are branch offices which transact a good business, and which no one would dream of closing. A very intimate knowledge of the particular localities affected should be possessed before such an extreme step is taken as that of depriving them of postal facilities.

Sir George Turner

- Did not the inspectors report in favour of closing the post-offices referred to ?

Mr F E McLEAN

- I am not prepared to attach too much value to the reports of these inspectors. I know that in the suburb of Hurstville an inspector recommended the erection of a post-office, and his recommendation was approved by the State Postmaster-General. All preparations were made for the commencement of the work, but when the Postal department was transferred to the Federal Government, the inspector reported that a post-office was not required in that locality. I fear that a general knowledge of the policy of the person administering the Postal department will, to a large extent, determine the character of the inspector's reports. '

Sir George Turner

- Then the sooner such men are got rid of the better.

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Mr F E McLEAN

- I do not go to that extent. But if an inspector is aware that his Minister is opposed to granting postal facilities to certain districts, it is easy enough for him to make a report which will harmonize with the ideas of his chief. The closing of these suburban post-offices will result in a loss of revenue to the department. A man will use a post-office if he is within a reasonable distance of it, but will be precluded from using it if it is so far away as to inconvenience him. These matters should be carefully considered, and no curtailment of postal facilities should take place simply because there has been an alteration in the administration of the department. I would further point out that, under the bookkeeping clauses, the States themselves have to bear the expense of maintaining these offices, so that practically the Commonwealth is no better off by effecting such small economies. Unless it be demanded by the States concerned, there is absolutely no reason why this policy of rigid economy should be pursued when it involves interfering with the postal facilities of the people. I should also like to urge that the claims of the officials of the Sydney Post-office to increments should be fully considered by the Treasurer. I feel assured that they have his sympathy. I know that he has not the slightest desire to do an injustice to any officer in the Postal department. If a difficulty has arisen between the States and the Commonwealth, owing to the transfer of the department upon a certain date, I hope that some way will be found to overcome it.

Sir George Turner

- I will communicate with the Government of New South Wales to-morrow.

Mr F E McLEAN

- The interests of justice demand that the Treasurer should take the step which he now proposes.

Mr BROWN

- There is one matter which was mentioned by the honorable member for Dalley, concerning which the people of New South Wales would be glad to receive some information. I refer to the intentions of the Government in regard to the selection of the site of the future federal capital. Some time ago New South Wales appointed a commissioner to inquire into the eligible sites. The result of his investigation was a recommendation in favour of three sites, namely, Canobolas, Yass, and Eden-Bombala. Early during the present session we were informed that it was the intention of the Government to give honorable members an opportunity of visiting the eligible sites, so that from their own personal observation they/ would be in a better position to arrive at a decision upon this important matter. Since then the Government of New South Wales has placed all the information in its possession at the disposal of the Federal Government, in order to facilitate the selection of the site in every possible way. It was generally understood that the

projected inspection of the proposed sites would be made about the end of this year, and considerable preparation has accordingly been made by the centres interested. Now that the year is drawing to a close, it would be wise if the Minister for Home Affairs would indicate his future intentions in regard to this matter. He might well inform the House whether it is still his intention to organize a parliamentary inspection of the sites during the present session, and, if not, whether the work is to be undertaken early in the new year. He might also inform the House what particular sites it is proposed to inspect, and in what order? Any information which the Government can give upon these particular points will be very welcome at the present time.

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Minister for Home Affairs

Sir WILLIAM LYNE

. - The question of the inspection of the federal sites has not been lost sight of. I am aware that there has been a simmering anxiety on the part of the representatives of New South Wales that there should be an inspection of the eligible sites as soon as it reasonably can take place. But I ask honorable members what opportunity there has been for undertaking such a visit. It has not been possible to make a break in the session in order to give honorable members an opportunity of making this inspection. It is the intention of the Government, however, to give them an opportunity of so doing before the session closes. We cannot do so whilst the Tariff is under discussion; and it is therefore to be hoped that that debate will not extend far into the months of next year. It has been suggested that a board should be appointed for the purpose of obtaining information of a professional character regarding the different sites. I differ from that view altogether. Nine or ten sites have been submitted, and, if we appointed a board or boards of professional men to report upon them, it would cost a great deal of money. By far the better course would be to afford honorable members an opportunity of viewing the localities which have been suggested. They can then decide as to which is the most eligible. Supposing the Government were to select one or more sites for investigation by professional men, should we not be accused of giving preference to the site or sites? It will be much better to get an expression of opinion from honorable members, and then to obtain professional information in the manner suggested, before the matter is finally decided by Parliament. I hope I have convinced honorable members that there is no intention to delay this matter. In any case, considerable time must elapse before any site can be put into proper condition for the reception of this Parliament. As the administration of the Public Service Act will be under my department, I would now like to say one word as to the public service in New South Wales. The Public Service Board of that State last year just before the departments were taken over regraded the officers, as was also done in Victoria, in order that their rights should continue under the Commonwealth Constitution; and it is only a matter of ascertaining what those rights are, when any money to which they are entitled will be paid. When the Public Service Bill has passed through the Senate, as I hope it will in a few weeks, we shall be in a much better position for dealing with these questions, seeing that, as yet, we have no staff. As the Treasurer has stated, he has lent one of his officers to make an investigation in order that matters may be in an advanced stage when a staff is appointed to deal with all the details of the public service. This is not a question, that can be dealt with in a haphazard fashion, but it requires careful investigation in order that no injustice may be done to the public service or to any individual officer. The rights of these officers are accruing at the present time, whatever they may be; but we shall be better able to deal with questions of the kind in detail after the Public Service Bill has passed.

Mr. SYDNEY

SMITH (Macquarie). The thanks of the House are due to the honorable members who raised the question of the capital site. I read the report of a speech by

Mr. Shiels,

an ex-Premier of Victoria, in Parliament the other day, when he said that, owing to the unsuitability and healthiness of the temporary State Parliament House, there would probably be a serious increase in the death rate amongst honorable members of the local Legislature. I am sure that we have no desire to inconvenience the members of the State Parliament, who have placed this building at our disposal

&nd have made a considerable sacrifice in order to meet the requirements of the Federal Parliament. We ought not to accept such a sacrifice, if the result is to be an increased death rate amongst the members of

the local Parliament; and something should be done at once to avert such a result. The Federal Government ought to take prompt steps to enable honorable members to visit the proposed capital sites, and select the most suitable, and when that is done we can proceed with the erection of temporary buildings, the funds for which there would be no difficulty in securing. I am sure honorable members are prepared to put up with inconvenience so far as temporary buildings are concerned, rather than impose any longer<sup>1</sup> than can be avoided on the good nature of the Victorian Legislature. There are, I believe, ten sites suggested, and I do not think it would take long to determine on the one most suitable. I am pleased the Government intend to take prompt steps to inquire into the grievances of the Post-office officials, because this is a matter which ought to be settled as speedily as possible. As to refunds in connexion with the Tariff, I a few nights ago suggested, in common! with several other honorable members; a reduction in certain duties, to which I am glad to say the committee and the Government agreed. In some cases the Government have collected duties at an increase of about 350 per cent, over and above the duties, which have been sanctioned by honorable members. I admit that in certain cases it is difficult to find the persons- to whom the refund should be made ; but there are other cases which present no difficulty. I have received a letter from a gentleman in a large way of business in New South Wales, who states- that he has paid a duty of 25 per cent, on three roller mills, in addition to 10 per cent, added by the Customs on the invoiced price. This gentleman states that on inquiry as to refund he was informed that none would be made, and, consequently, he has ordered all the machines to be placed in bond, and kept there pending the settlement of the Tariff. He adds in his letter that, had he known a few months earlier that this iniquitous Tariff was to be imposed, he would have cancelled his order. This machinery, he says, cannot be manufactured in the State. In another case £961 has been paid in duty on machinery, and naturally the people interested are anxious to know whether a refund is to be made, provided the committee see fit to make a reduction in the Tariff. I think it is only right that there should be a refund when a heavy duty like 25 per cent, has been reduced to, say, 15 per cent. The Government are not legally entitled to charge these duties after it has been determined to impose a lower rate. The duties are not charged under an Act of Parliament, but merely at the will of the Executive.

Mr SAWERS

- People may sue for refunds.

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Mr SYDNEY SMITH

- But to sue the Government often means ruin to the man who takes such a step. In the cases to which I have drawn attention, it would be perfectly easy to find the persons to whom the refund is due, seeing that they are two large manufacturing firms in New South Wales. It would be a wrong thing for the Government to refuse to give a refund under such circumstances. One man has placed his machinery in bond because the Customs officials tell him that, even if Parliament reduces the proposed duty, or abolishes it altogether, he will still have to pay the amount set out in the Tariff, and will not be able afterwards to get a refund. The result is that the machinery is lying idle, and his industry is at a stand-still. The gentleman to whom I refer is well known in Sydney, and has expended thousands of pounds in carrying on one of the largest and most important businesses in the Commonwealth.

Mr Kingston

- Is it not for Parliament to decide whether there shall or shall not be a refund 1

Mr SYDNEY SMITH

- I should like to know by what authority the Government are charging a duty at all. Even if they had the legal power to levy these duties, is it fair not to give a refund where the duties are afterwards altered by Parliament ? It seems to me that in all cases where the person who has paid the duty can be discovered, and there has been no charging of the duty on to other people, a refund should be made, and that the Government should give notice of their intention to make it.

Mr O'MALLEY

- I am opposed to this Parliament going to New South Wales to live in a wool-shed, although it may appear heroic to do so. I am satisfied with our present location, and if my friends will help me to raise members' salaries to £750 or £1,000 a year, I shall be prepared to help them to keep Parliament here for some time to come. It is not fair to say that the members of the Victorian Parliament are dying off like rats afflicted with the bubonic plague, because, as a matter of fact, they are well housed, and have all sorts of

comforts and luxuries. It would not be fair to the people of Victoria, who have made such great sacrifices on our behalf, not to stay here for a few years, after agreeing to do so. Let us stay here for fifteen or twenty years. In that time we can build a federal capital at Bombala, or some other place, and although we shall, most of us, be dead twenty years hence, the next generation will be able to go there without any sacrifice of comfort. But do not let us sacrifice ourselves on the altar of a wool-shed. Some time ago I asked the Government to erect a light-house at West Point, Tasmania. It seems to me that honorable members are not aware of the importance of the West Coast of Tasmania, where the Mount Lyell and North Lyell mines are. It is- a long distance from Cape Sorell, the last point in Tasmania at which there is a light-house, to the Victorian coast, and, as crowds of people travel backwards and forwards from Victoria to the West Coast every year, they should be protected. In my opinion the Government are more to be pitied than condemned for their neglect in this matter. It has been rumoured - and I am glad to hear the Prime Minister deny it - that the military commandant is to have a free hand to bring out with him a lot of European gilded-spurred rooster officers ; but we have enough sham in this country,, and a military oligarchy will have my eternal opposition. A number of our officers who went to South Africa are able men, and know more about our requirements than do European officers, whose systems of warfare are as obsolete as that of the Crusaders who marched to Jerusalem. If there is no one else qualified, I am willing to run the show myself for a couple of years. Another matter to which I wish to refer is that the public servants- of Tasmania who were transferred to the Commonwealth service have not received the payments which should have been made to them on account of the work which they have to perform. Men are sent out to the West Coast, and have to live there in tents, or in hessian or galvanized-iron houses, and as it rains there for eleven months in the year, it is only fair that they should receive compensation. The Government ought also to attempt to resume the cable between Victoria and Tasmania. It is a terrible disadvantage to the people of Tasmania to have to pay the rate of 1s. to a private company for every telegram they send, when a small expenditure would buy the cable, and make it a valuable Commonwealth asset. In conclusion, I would say that the Melbourne telephone system is simply atrocious.

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Mr CONROY

- I am glad that the honorable members for Parramatta and West Sydney have called attention to the treatment which the New South Wales officials of the Post and Telegraph department have received. The honorable member for South Sydney complained of the contemplated closing of post-offices in Darlington, Redfern, and Erskineville. These post-offices are situated in a district having a population of 70,000 people, and one of them, I understand, has been returning a profit of over £300 a year. It will be noticed that the closing of post-offices is taking place, not in a State like Victoria, where the population is stationary, but in New South Wales, where it is said to be increasing. Is it because the Victorian members support the Government and the New South Wales members sit in opposition that these closings are done? New South Wales, by reason of its increasing population and its large area, is constantly requiring new offices, but no provision is made for any, while, out of some fifteen new buildings that are to be constructed, eleven are to be erected in the old settled State of Victoria. In the very nature of things new post-offices are more likely to be required in the outlying and newly settled districts of Queensland and Western Australia, and even in New South Wales, where the country is being constantly developed, than in the smaller State of Victoria. The preference that seems to have been given to Victoria may be due to the fact to which I have referred. I am aware of several places in the electorate which I represent which have received no consideration whatever. An application was recently made for the construction of a telegraph line from Binda to Bigga, the latter being a thriving and rapidly expanding settlement. Although the people in the district have offered to contribute the money necessary to construct the line, or to pay the interest on the outlay, the department have not taken any action, and the whole of that great district has been left without any means of telegraphic communication whatever. This is not fair treatment. The Government do not apparently recognise the responsibilities which attach to the administration of the Post and Telegraph departments, but appear more disposed to use it as a party political machine. From the very beginning they have proceeded on similar lines. The first appointments that were made by the Ministers aroused a certain amount of suspicion that they were made as the result of personal favour rather than from considerations of fitness. I believe that the Government have promised to appoint a

gentleman from Sydney to the position of chief architect of the Commonwealth at a salary of £1,000 a year. It is pretended that this appointment is only of a temporary character, but I believe it is intended to make the position a permanency. In New South Wales the appointment of this gentleman is generally condemned, and I am sure that if honorable members knew the whole facts of the case they would not vote one penny of the salary attached to the position. The Ministry in this case, as in others, seem to have ignored all considerations of fitness. The question of refunds, which was raised by the honorable and learned member for Bendigo yesterday, is one of the most important matters that has been brought forward, and one can only express surprise at the cavalier way in which members of the Ministry deal with questions which they do not understand. They have turned a deaf ear to all the representations on this subject, and the fact that the business of the country is delayed is apparently a matter of indifference to them so long as they are not troubled in Parliament. Despite all the talk that we have heard about the federal capital site, we find that the Ministry are as far as ever from making any definite announcement regarding it. As far as one can judge they seem to be relying on the fact that they cannot be forced to do anything. We have heard it asserted that they are ready to do certain things, but no action has yet been taken. We are violating the very spirit of the Constitution by delaying this matter, because it was clearly intended that the capital should be in New South Wales, and that the necessary arrangements for fixing the seat of Government in that State should be made without delay. Over ten months have been allowed to elapse since the Government took office, and not one thing has been done towards advancing the selection of the site. The very fact that we are incommoding the members of the State Legislature, by occupying the building which previously accommodated them, should urge the Government on in this matter, but they do not seem to be moved by considerations of this kind. Perhaps the Ministry regard it as fortunate that Parliament cannot meet anywhere near Sydney, because if the federal capital were fixed within measurable distance of the New South Wales metropolis, the Ministry would be brought more within the reach of the public disapproval which exists in that State, and would not be able to carry on in their present high handed manner. Unless the Ministry show a disposition to deal with the selection of the capital site without further delay, and to give us a sounder administration of the Post and Telegraph departments, some steps will have to be taken to bring direct serious attention to these matters.

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Sir LANGDON BONYTHON

- When the House met this afternoon I had no grievance, but I have been furnished with one since. I refer to the exhibition of stone-walling which has taken place.

Mr Conroy

- I rise to a point of order. I object to the expression "exhibition of stone-walling."

Mr SPEAKER

- If the honorable and learned member considers the remark personally offensive, the honorable member for South Australia must withdraw it.

Sir William McMillan

- Is it not out of order to refer to a constitutional practice which is intended to permit of the ventilation of grievances as "stonewalling"?

Sir Malcolm McEacharn

- There has been a gross waste of time.

Mr SPEAKER

- If the honorable member for South Australia stated that any honorable member representing a particular electorate was guilty of stone-walling, it is a remark that should be withdrawn. But a general statement to that effect, which is not applicable to any honorable member, is not out of order.

Sir LANGDON BONYTHON

- I am quite willing to withdraw the term "stonewalling," and substitute "unnecessary delay of public business," or to adopt the expression of the honorable member for Melbourne, "a gross waste of time." I do not complain in the least degree of the grievances which have been brought forward, but I protest strongly against the unnecessary waste of time involved by the extreme length of the statements made in ventilating those grievances. If we make no more progress with the Tariff than we have made to-day, it seems to me that in its consideration twelve months will count for nothing.

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Mr KINGSTON

- I should like to relieve the anxiety of the honorable member for Tasmania, Mr. O'Malley, with regard to the question of light-houses. But I. would point out that up to the present time light-houses have not been transferred to the Federal Government. On the question of a refund we have indicated clearly what we propose. Our proposal, will, I am sure, commend itself to the good sense of the House, particularly as it leaves the final settlement of the matter to Parliament, which can regulate its every detail. In the meantime probably the lieutenant-leader of the Opposition will be able to arrange his difference with the leader of the Opposition as to how the matter should be met. Whilst the honorable member for Wentworth has powerfully contended that there should be a refund in all cases, he will no doubt recollect that his leader took a different view, and said -

I entirely agree with the Minister, however, that where goods have gone into consumption, it would merely be giving a premium to persons who have not paid the duty to grant refunds.

I am sure that under all the circumstances the course which we propose is the best. Regarding the Tariff difficulties which have been referred to, I cannot complain of the tone of most of the references which have been made to them. It has been rather a sympathetic one, and honorable members, generally, have recognised that the difficulties have been inseparable from the new order of things. When they come to consider that it is only about eight weeks since the Tariff was introduced, and the new order of things was instituted; that the officers in six States had to learn to live under a uniform system, and that various new conditions had to be considered, I am inclined to conclude that they will not be dissatisfied generally with the way in which things are working. At the same time I am obliged, by the references which have been made, to say a few words concerning one or two matters which seem to require attention. I do not hesitate to assure honorable members that I am only too glad at any time to have information imparted to me as to what is wanted, either upon the floor of the House, or privately, and, as in the past, so in the future I shall be most delighted to give it the most careful consideration. Of course, I prefer that the references should be made privately, for the reason that probably they can thus be more effectually dealt with, and the time of the House can be saved. Regarding the remarks of the honorable member for North Sydney, I wish to say that effect will be given to our promise to make an allowance for spirit which is under proof to the extent of 16.5 degrees, and also for wines with over 35 per cent. of proof spirit, the concession extending only to cases in which the goods were in bond, or had been shipped before the announcement of the alteration was made. As regards the question of drawbacks, there is certainly no intention to harass trade, or to place producers at a disadvantage as compared with their position under the old conditions. They will not have drawbacks from one State to another. But there is a special provision as regards drawbacks in the case of Western Australia, and as to goods exported outside the Commonwealth, drawbacks are intended to be allowed as heretofore, to an extent of course not exceeding the amount of duty payable at the time. That will apply to the case of jams, and whilst we recognise that the drawback ought not to be given under conditions which might lead to the revenue being defrauded, we have no intention to limit it to the amount of the excise, but we shall require strict proof, if any higher amount is claimed in respect of import duty, that that duty has in point of fact been paid. Honorable members will see that already there are provisions in the existing drawback regulations. Section 168 is the clause of the Act under which they are provided for, and the regulation is No. 56 on page 8. It provides -

Drawback of the full amount of duty paid, not exceeding the import duty when payable, shall be allowed on all goods (other than spirits, wine, beer, tobacco, cigars, cigarettes) on the due exportation thereof, either in the original packages, or in packages packed in the presence of an officer, provided that goods shipped for drawback in other than original packages are exported within three years from date of importation.

Of course, that does not in terms apply to drawback for duty paid upon sugar in jam. But we cannot do everything in a day, and I am pleased to inform honorable members that at this very moment regulations are before me - and I hope to have them completed next week - which will make full and ample provision in that connexion. It is possible that a mistake has been made through want of information on the part of my officers if they have refused any entries. I do not desire, however, to reflect on them in the slightest degree. I am only too proud of them, and the good opinion which I formed of them some time ago has been heightened by the way in which they have performed their duties at this juncture. Therefore, I

infinitely prefer that any censure attaching to what may have been done should rest upon the shoulders of the responsible Minister rather than countenance the suggestion that it properly attaches elsewhere. Something has been said about the practice which obtains with reference to examining passengers luggage. I think that honorable members who have had considerable experience of Inter-State travelling will recognise that the stringency of the examination has at least been relaxed, and I can assure them that that is the intention of the department. With reference to what has been said about the luggage being put into a van for the convenience of the Customs authorities in conducting their examinations, I am informed on authority that the luggage is put into the van by the Railway department and for their convenience. The practice has nothing whatever to do with the Customs. Whilst I admit that we have instructed our officers not to be too strict, the publicity of a matter of that sort might temporarily necessitate a little extra supervision, lest those dishonestly inclined might take advantage of the intimation.

Mr Thomson

- There is not the inducement to the individual now.

Mr KINGSTON

- Indeed? The duty would require to be collected on Sydney free goods passing into Victoria, and it might be of very considerable advantage to the individual to introduce them without that payment if the Customs did not exercise the necessary vigilance to prevent it.

Mr G B EDWARDS

- The selling value of such goods would be the same in both States.

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Mr KINGSTON

- But the case would be very different on the Victorian side, if these laws are properly administered, to that of goods imported free of duty in New South Wales. They must be cheaper in New South Wales. It would be to the entire advantage of the persons who have introduced goods' upon the cheapest possible terms into New South Wales to get them into Victoria without payment of the Federal Tariff. The examination must take place for two reasons - first, to prevent a fraudulent advantage being gained by the person who introduces the goods without the payment of duty, and, secondly, for the security of Victoria in the matter of her proper credit for revenue purposes. Here I might remind the honorable member for Wentworth that he rightly put it, as regards the question of bonuses, some time ago, that the Federal Government are undoubtedly the trustees of the people to secure the observance of the provisions of every line and letter of the Constitution in the interests of all. We are doing it. We feel the position acutely. In the matter of bonuses, they may operate to the detriment of Victoria ; and as regards keeping watch and ward over the State boundaries for the purpose of the collection of the duties as provided by the Constitution, it is our province to exercise similar vigilance, even though it may be to the disadvantage of New South Wales. We shall have ample opportunities of discussing any other matters which may require to be further debated, and therefore I do not propose to say any more now.

Question resolved in the affirmative.

TARIFF

In Committee of Ways and Means:

- Consideration resumed from 20th November

(vide

page 7554).

Item 5- TOBACCO, viz. : -

Manufactured, including the weight of tags, labels, and other attachments, per lb., 3s. 6d.

Unmanufactured, per lb., 3s.6d.

Unmanufactured, but entered to be locally manufactured into tobacco, cigars, or cigarettes - to be paid at the time of removal to the factory, per lb.,1s. 6d.

Cigars, including the weight of bands and other attachments, per lb., 5s. 6d., and 15 per cent. ad valorem.

Cigarettes, including the weight of the outer portion of each cigarette, per lb., 6s. 6d.

Snuff, per lb.,6s. 6d.

Special Exemption -

Tobacco destroyed for manufacture of sheep- wash or other purposes under departmental bylaws.

Upon which, Sir William McMillan had moved, by way of amendment -



That the words " and on and after the 21st November, 1901, 6s." be added to the duty "Cigars . . 5s. 6d. and 15 per cent. ad valorem."

Sir WILLIAM McMILLAN

- I congratulate the Minister for Trade and Customs on being in a milder frame of mind to-day than he was evidently in yesterday ; and, under the circumstances, we shall probably make better progress. I wish to disabuse the mind of the Treasurer, and the Minister for Trade and Customs, of any idea of party feeling on the part of the Opposition, in the discussion of this particular item. We desire to do only what is best for the revenue, and we object entirely to these composite duties, believing that where it is possible, duties should be ad valorem. We believe that wherever there is a composite duty, made up of what we call a fixed or specific duty, and an ad valorem duty, if the revenue can be protected, the specific duty should go, and the ad valorem duty remain. But I think both the Treasurer and the Minister for Trade and Customs will agree that we could not protect the revenue in relation to this particular article with an ad valorem duty. There is great objection to a specific duty, because it naturally taxes the cheaper article, as against the more expensive article ; but in this case we have no choice, because we could not put on simply an ad valorem duty.

Mr Page

- Is the extra 6d. going to light it ?

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Sir WILLIAM McMILLAN

- I am not bound particularly to the extra 6d. It has been suggested that we should draw a line, making the duty on Havana cigars 8s., and the duty on other cigars, 6s. per lb. To a certain extent, I admit the principle involved in the idea of this ad valorem duty, but, at the same time, we are interpolating, so to speak, into the Treasurer's affairs, the great difficulty of dealing with an ad valorem duty on this kind of goods. As the honorable member for North Sydney pointed out, an ad valorem duty in such a connexion intrudes an unpleasant and business like factor, which it is almost impossible to calculate in dealing with these particular articles. If we have a specific duty on Havana cigars, and another specific duty on other cigars, the path of the revenue officer is clear, and all concerned know what they are about. Once, however, we introduce the ad valorem principle, we open up an enormous amount of work for the Treasurer. It is not to escape the principle of the ad valorem duties that I advocate specific duties in this case, because in other cases where there is a composite duty, we prefer an ad valorem duty where possible, and shall vote against the fixed duty. In this case, however, I am satisfied that the Treasurer, with his large experience, will agree with me that, on the whole, it is scarcely worth while intruding the trouble and confusion which an ad valorem duty will occasion. We do not introduce the principle in the matter of imported manufactured tobacco. It should be remembered that the value of imported leaf for cigar making varies from 6d. per lb. to 25s. per lb. ; or, at any rate, there is a large variation. We have already passed certain items in which these inconsistencies exist, owing to the very nature of the articles on which the duty is placed. While I admit the arguments -with regard to the poor man, we should recollect that the cigar is a luxury, in connexion with which the poor man need scarcely be considered. We cannot have a system of finance or Tariffs in which there will not be certain inconsistencies and anomalies, but I am perfectly certain it was not the Treasurer who first thought of introducing these composite duties. This is not a party matter ; but I would like to ask the Treasurer whether he will accept the alternative proposal to draw a line such as I have suggested, between the high-priced Havana and low-priced cigars. The second duty the Treasurer might decide on himself, because, personally, I do not care very much whether the duty is 7s. or 8s., so long as it is not beyond a certain moderate amount. The suggestion, if accepted, would not involve all the worry, trouble, and inconvenience of introducing an ad valorem duty in connexion with a class of goods which do not admit of the application of the principle. I am appealing to the business sense of the Treasurer who knows the difficulties which will arise. There will be delay in the Customs, and difficulty amongst dealers in goods which are generally kept in bond, owing to their not being able to say at any time under what conditions the articles will be sold, while there will probably be fraud perpetrated. I am told that the line I suggest should be drawn is a practical line which appeals to those who understand the business.

Sir GEORGE TURNER

- I regret that we cannot agree to the suggestion which has been made by the honorable member for

Wentworth. This item affords one of the most justifiable cases we could possibly have for imposing what has been called a composite duty, and it is the item on which we propose to test the feeling of the committee on the question. It is admitted apparently on all hands that there should be a difference between the duty which is charged on the poorer class of cigar, and the duty charged on the more expensive cigars which are largely imported and probably not made in any of the States. We cannot get away from the fact that it is unjust to charge the same duty on an imported article of small cost as on an imported article of large cost. It is said that with regard to tobacco and tobacco leaf the same principle would apply.

The principle would apply to a large number of other items, but we have picked out certain items in connexion with which we think we are fully justified in introducing the system of composite duties. I do not think any honorable member has anything to say against the fairness and the equity of the principle.

Mr Thomson

- It is not so fair as an all ad valorem duty.

Sir GEORGE TURNER

- An all ad valorem duty in this particular case is absolutely impossible. The honorable member for North Sydney would vote for an ad valorem duty of 15 or 20 per cent, but I do not think he would vote for an ad valorem duty over that rate, in view of the principles he holds. The suggestion has been submitted that the duty on Havana cigars should be 8s. per lb., and on other cigars 6s. per lb. ; and that at once shows that it is realized that there ought to be a difference. Six shillings would, of course, be an impossible amount, because the duty was 6s. originally, and we have put an extra 6d. on the leaf, while considerably increasing the excise. Our local cigars have to be made, so far as I know, from imported leaf, and imported leaf only.

Sir William McMillan

- What would the right honorable gentleman call an equivalent, supposing the suggestion made were considered ?

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Sir GEORGE TURNER

- I cannot enter into that question, because I want on this particular item to test the feeling of the committee with regard to the new system which we consider is a proper one to be applied to a number of items. If the composite duty on this item be rejected by the committee, we shall have to endeavour to ascertain what will be a fair margin, and on what class of cigars the higher rates will have to be proposed. The honorable member for Wentworth appears to perceive great difficulty, so far as the Treasurer is concerned. But these are matters which are dealt with entirely by the Customs authorities, and as there are a number of other ad valorem duties, I see no more difficulty in arriving at decisions in regard to cigars than in arriving at what should be the duty on silk or any other article. I fail to see where there can be any complication. AVe have to ascertain the value of a large quantity of imported goods in order to impose ad valorem duties, and that work will be extended to a few other articles which we enumerate.

When the ad valorem duty has been ascertained, then it is simple enough to add the other duty of so much per lb., and there can be no complicated proceeding for either the Customs officers or for those interested in the import. I think we agree that a mere ad valorem duty would be impossible unless we were prepared to make that duty very high all round. To put on a small ad valorem duty would not shut out the cheaper article which is made here in large quantities ; and one of the objects of a fixed duty is to a great extent to give command of the local market to manufacturers. In articles of lower and medium prices, and in these only, have the manufacturers any hope, in the earlier stages of a country, of reaping a fair profit, and giving reasonable wages to their employes. The number of people in a new country who consume higher-priced articles, is comparatively small, and it would be utterly impossible in a large number of cases to enable manufactures to be carried on at all successfully without a fixed duty. A fixed duty is necessary, also, to shut out shoddy articles, which would come in if there was merely an ad valorem duty. After studying this matter with an open mind from all points of view, I regard these composite duties as absolutely fair and equitable. The only complaint I have heard with regard to the system, in the particular instance under discussion, is that it compels the importer to disclose his invoiced prices. With regard to tea, it is almost impossible to obtain experts who, by tasting and other methods, can ascertain its full value, and we therefore saw that it would be impracticable to apply these composite

duties, though if they could have been applied it would have been a wise thing to adopt them. With regard to the duties immediately under discussion, it seems to me that, if the principle be fair and equitable, the mere fact that an importer will have to disclose to a buyer the price at which he imported is no reason for not adopting it.

Mr F E McLEAN

- It is the disclosure to competitors which matters chiefly.

Sir GEORGE TURNER

- I understand that the cigars are sold in bond, and that the objection of honorable members is that if the purchaser of them has to pay an ad valorem duty upon them, he will become aware of the price at which they were imported. We do not wish to harass those who are engaged in importing cigars, and therefore it is suggested by the Minister for Trade and Customs, that the importer might be allowed to pay the ad valorem duty, and the buyer to pay the fixed duty when he came to take the goods away. If that was done, there would be no disclosure of the prime cost, and the objection raised against these composite duties would be removed.

Mr Thomson

- Does not the Treasurer know that no drawback is allowed ?

Sir GEORGE TURNER

- Yes ; but it is not likely that the duties will be paid until it becomes necessary to take the goods out of bond.

Sir William McMillan

- And then the seller will have to disclose to the buyer the original cost of the cigars.

Sir GEORGE TURNER

- Not at all. But, even if that must happen, it is no answer to our proposal if that proposal be fair and just, as I believe it is. No doubt composite duties are a novelty, so far as the people of the Commonwealth are concerned ; but we find them in force both in Canada and the United States. In Canada, for instance, there is a duty upon cigars and cigarettes of 3 dollars per lb., and 15 per cent, ad valorem, while in the United States the fixed duty is 4 dollars 50 cents, per lb., and 25 per cent, ad valorem. If such great countries as those can satisfactorily levy composite duties, there is no reason why we should not do so.

Mr Thomson

- They lose a lot of revenue by their composite duties.

Sir GEORGE TURNER

- We shall not lose revenue, because on the cheaper kinds of cigars we shall obtain the same duty as we get now, while on the higher priced cigars we shall levy higher duties. It has been said that not many high-priced cigars are imported, but the importation of cigars into Victoria in 1900 was 168,000 lbs., of which 51,000 lbs. were valued at £47,000, or 18s. per lb. On such cigars as those it is quite fair to levy a higher duty than upon cheap cigars. We want to give a market to our own manufacturers for cheap and medium priced cigars, and at the same time we desire to make those who can afford to purchase high-priced cigars pay a little more to the revenue.

Mr Thomson

- Do the Government intend to apply the same argument to tobacco excise duties?

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Sir GEORGE TURNER

- We shall deal with the excise duties when we come to them. I submit to the committee that in this case we can fairly ask for a larger amount of revenue from the higher-priced article. That is admitted by honorable members opposite, because they have suggested that there should be a rate of 7s. or 8s. per lb. on high-priced cigars.

Mr.F. E. McLEAN (Lang). - The Treasurer has the sympathy of the committee in seeking to obtain a fair contribution towards the revenue from those who can afford to make it, but it does not always follow that those who indulge in the wildest extravagance are those who are possessed of the most means, and if a man is fool enough to smoke expensive cigars he puts a tax upon himself that almost entitles him to consideration at the hands of the tax gatherer. I regard the duties on this item purely as revenue duties ; not as a means of keeping out cheap cigars and stimulating the local manufacturing industry. The imposition of duties upon tobacco, cigars, spirits, and other luxuries, is one of the most legitimate means

of raising revenue. I am informed that the importation of Havana cigars, which are the more expensive kind of cigar, amounts to only 50,000 lbs. per annum for the whole Commonwealth, and that the value of this importation is about £60,000. With a 15 per cent. ad valorem duty added to the specific duty, about £9,000 of revenue would be obtained from these cigars. But if a duty of 9s. per lb. were put upon them, the Treasurer would get all the revenue he requires. I am willing to surrender so much of my principles as will bring me into harmony with the contention of the Treasurer that those who smoke expensive cigars should pay more to the revenue than those who smoke cheap cigars, and I am willing, therefore, to vote for a specific rate of 6s. per lb. upon cheap cigars, and 8s. or 9s. a lb. upon the dearer Havana cigars, because I do not wish to see action taken which will tend to diminish the revenue. I am satisfied that the contention of the honorable member for North Sydney that the price of these articles is fixed more by their brands than by their actual quality is incontestable, and that, if the rates set forth in the Tariff are charged, many high-class cigars will be imported without any brand at all. It is not by mere accident that the duty on cigars was fixed at 6s. per lb. in nearly all the States prior to the introduction of the Federal Tariff. Some few years ago the duty on cigars in New South Wales was only 5s. per lb., and when it was raised to 6s. per lb. it was felt that that was the highest duty that could be safely collected. All the other States, acting on their own experience in Customs matters, adopted practically the same rate, and I think we can take this fact as affording some evidence that the Customs officials entertain the opinion that 6s. per lb. is a fair and reasonable rate and likely to produce the best results from a revenue point of view. Owing to the difficulty of estimating the value of cigars, apart from the brands attached to them, the object of the ad valorem duty will be very largely defeated. By fixing two rates, one of 6s. for Manilla and continental cigars, and another of 8s. or 9s., if it is found necessary, for Havana cigars, the same amount of revenue will be derived by the Customs as from the composite duties. I have not worked the calculations out to a fraction, but I know there is a margin of £1,000 or £1,500 difference between the amounts that would be yielded under the two systems. That, however, would be more than accounted for by the large loss of revenue that must be incurred under an ad valorem system, and I am quite sure that fixed duties would be more likely to produce good results.

Mr Conroy

- I beg to call attention to the state of the House.

The CHAIRMAN

- I think, and Mr. Speaker agrees with me, that in the case of attention being called to me to the absence of a quorum, we might abrogate the standing orders to the extent of allowing the Chairman to set the bells ringing instead of vacating the chair and reporting no quorum to Mr. Speaker.

Mr Conroy

- I object.

No quorum reported ; quorum formed.

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Mr F E McLEAN

- If we impose ad valorem duties, the revenue will be very largely defrauded; but with fixed duties such as suggested, we shall secure as much, if not more, revenue than under the composite system, and remove a distinct blemish from the Tariff. The Treasurer has stated that the Government intend to make this a test case. This, however, would be a most unfortunate item to select for that purpose, because the principle of the composite duties cannot fairly be put to the test in the case of an article with such widely varying values as cigars.

Sir George Turner

- We shall take each case on its merits.

Sir WILLIAM

McMILLAN (Wentworth). - This case assumes a very serious aspect when the two Ministers in charge of the Tariff say that they intend to take a test vote on the cigar duties. I was surprised to hear the Treasurer justify the principle of composite duties, because I thought the opinion in their favour was entirely confined to his colleague, the Minister for Trade and Customs.

Sir George Turner

- We are at one in this and all other matters.

Sir WILLIAM McMILLAN

- I wish to point out the essential difference between this composite duty and others. In the case of almost all the composite duties in this Tariff we agree that an ad valorem duty only would be preferable. We quite recognise the disadvantage of a specific duty, because it bears too heavily upon the least valuable material. Therefore, when we come to the discussion of the other duties, we intend to do all in our power to retain the ad valorem principle. The effect of the addition of the specific duty in this case is to really cover up the actual amount of the tax with regard to the particular item. We were told when this discussion began that it was absolutely necessary for the sake of the revenue that there should be a specific duty. The Treasurer said that it was impossible under an ad valorem system, as applied to cigars, to safeguard the revenue. He agreed that the article was a peculiar one, inasmuch as it was difficult to ascertain the values.

Sir George Turner

- I did not say that in reference to cigars, but I admitted it with regard to tea. I think the values of cigars are most easily determined.

Sir WILLIAM McMILLAN

- Then if cigars are easily valued, why have a specific duty at all ?

Sir George Turner

- I have already given the honorable member the reason.

Sir WILLIAM McMILLAN

- The peculiar position we are in is that if cigars are capable of being easily valued, then the ad valorem duty is essentially the proper duty to impose in order that the higher priced article may be taxed most heavily, and that those who use the lower-priced goods may be protected. We are absolutely against the principle of specific duties where they can be avoided, because specific duties are part and parcel of a carefully elaborated scheme to hide the real amount of the taxation on the article. If the Treasurer and the Minister of Trade and Customs say that cigars can be easily valued, we are quite willing to impose a high ad valorem duty. But here we see the disingenuousness and dishonesty of the argument of my right honorable friend. I do not use the word " dishonesty " in any improper sense ; but he says if we impose a purely ad valorem duty on cigars, what a tremendously high ad valorem duty we should have. That shows the dishonesty of mixing up the two duties. The Government desire to hide the real amount of the tax by imposing a specific rate, and then attaching to it an ad valorem duty.

Sir George Turner

- How do we hide it? Does the honorable member mean to say that he cannot calculate the duty in this case just as well as in connexion with other items ?

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Sir WILLIAM McMILLAN

- If a specific duty be imposed upon an article which ranges in value from 1s. to 5s., and an ad valorem duty is also imposed, it is difficult to arrive at a fair understanding of the operation of the composite duties. I am quite willing to accept the principle that a high-priced article should bear a higher rate of duty, but I am not going, even for the sake of agreeing, or appearing to achieve a slight victory for the ad valorem principle, to accept the dictum of either of the right honorable gentlemen who are in charge of the Tariff. I say most distinctly that cigars should be subject to a specific duty, and no one knows that better than the Treasurer himself. Therefore, if the committee will allow me to withdraw my previous proposal, I am willing to move that there should be a duty of 8s. 6d. per lb. upon Havana cigars, and 6s. 6d. per lb. upon other kinds. These duties, as far as I can see, will give exactly the same amount to the Treasurer as the rates proposed by the Government. Indeed, they will probably give more, because whilst we increase the duty from 5s. 6d. to 6s. 6d. upon the cheaper article, and to 8s. 6d. upon the higher priced article, we know that we shall be able to get every farthing of that duty ; but with an ad valorem duty we cannot foresee the result. Therefore, as a purely financial operation, I maintain that the fixed duties I propose will carry out the principle which underlies the ad valorem proposals, and at the same time prove better for the Treasury. I ask leave to withdraw the amendment now before the committee.

Amendment, by leave, withdrawn.

Sir WILLIAM McMILLAN

- I move-

That the words " and on and after 22nd November, 1901, Havana cigars, 8s. 6d., and on all others, 6s.

6d," be added to the duty, " Cigars.

. . per lb., us.6d., and 15 per cent. ad valorem."

Sir George Turner

- Havanas would not cover all the expensive cigars.

Sir WILLIAM McMILLAN

- If the Treasurer cares to bring Manillas under the higher rate, he may do so. I believe there has been a good deal of consideration given to this matter, and we have received a large amount of information upon it. The honorable member for North Sydney explained, last night, a matter which neither the Treasurer nor the Minister for Trade and Customs seems to understand. He pointed out that these goods are usually sold in bond. Transactions are carried on between the owner of the goods and the purchaser as in bond. When we have a specific duty upon all classes of cigars everyone understands what the duty is, and there is no disclosure of values. But this ad valorem duty of 15 per cent. which is proposed will be upon the original cost of these articles. How can an importer conduct his transactions in bond without disclosing to the purchaser the exact price of the cigars? The right honorable gentlemen opposite apparently believed that the ad valorem will be upon the purchasing price ? Nothing of the kind. It will be upon the value entered in the Customs by the original importer. Therefore, there is a double difficulty and a double disadvantage. Dealing with the question in the way I propose will meet all the difficulties which honorable members have felt regarding the same rate on articles of a lower and higher quality.

Sir George Turner

- Will the honorable member explain how it will be necessary for the importer to disclose the exact price to the purchaser?

Sir WILLIAM McMILLAN

- Let us suppose that an importer has imported a quantity of cigars, which go into bond. The specific duty upon all that class of imports is a duty all round, which everybody understands. If the importer sells to another individual, he must tell him the price at which he is selling the cigars in bond. He sells at a certain price subject to a certain duty. He must, therefore, disclose the amount of the duty. Under a specific duty upon cigars the merchant sells at a certain all-round value, but under an ad valorem duty he must disclose the prime cost.

Mr A McLEAN

- If the vendor pays the ad valorem why must he disclose it ?

Sir WILLIAM McMILLAN

- It is a bond transaction, and the man who purchases the cigars may keep them in bond. Therefore it is essential that he should be informed by the merchant who sells to him what are the liabilities of the bond. The whole object of bond is to avoid the expense of paying the duty immediately. Otherwise an importer might as well pay the duty in every case and put his importations into a free store. The Treasurer is trying to alter the machinery by which the trade of the country is carried on. He may have great power in his capacity of Treasurer of the Commonwealth, but he has not sufficient power to alter the usages of commercial and industrial life. As far as the Minister for Trade and Customs is concerned, he is impervious to everything except a flutter in two corners of the House. That is the only argument which appeals to him. If he can see that there is danger in a division, his mind at once becomes enlarged. That makes it necessary for honorable members upon this side of the House, instead of uttering a few words and putting the case clearly, to discuss line upon line, and precept upon precept, in order that other honorable members may grasp the position.

Mr McColl

- In the interests of the importer only.

Sir WILLIAM McMILLAN

- To hear some honorable members talk one would think that the importer was a criminal. One would imagine that the port of Melbourne ought to be closed, that there ought to be no trade or commerce in this country, and that every man in it is a rogue. We have as much right to consider the interests of the importers as we have to consider those of the man who carries bricks up the scaffolding of a building. The importer is kept pretty well in his place by the competition of the world. There is no monopoly amongst importers. I submit the amendment, believing that it will be equitable in its incidence, and far better than the proposals of the Government.

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Mr A McLEAN

- I always attach a great deal of importance to the statements of the honorable member for Wentworth, because I know that he expresses his honest convictions, and puts his case clearly and impartially. If I shared his opinion upon this item, I should feel tempted very strongly to support his views. But assuming that the ad valorem, duty amounts to 2s. 6d. or 3s. per lb. upon the superior class of cigars, what is to prevent the importer from paying that 2s. 6d. or 3s. per lb. to the Customs authorities and adding that amount to the price at which he sells in bond 1 The purchaser will then pay a price which covers the whole cost of the article except the fixed duty, and nobody, save the Customs officials, will be any the wiser. I admit that it is not customary at present to do what I suggest. I confess that, although I am not partial to the composite duties, yet I think that in regard to this article a very good case has been made out. If the proposal of the Government be carried, and if the importer entertains any serious objection to disclosing the original cost, it is only necessary for him to pay the duty to the Customs authorities, and add the amount to the price at which he sells. Thus the buyer will purchase the commodity subject only to the fixed duty, and nobody outside of the Customs department could have any knowledge of what was the original cost. The buyer will know that he pays the amount of the ad valorem duty, but he will not know what the amount of that duty was.

Mr THOMSON

- I think that it has already been stated that we are perfectly desirous that a distinction should be made between cigars of different qualities. We are anxious that the man who can afford to consume expensive cigars shall pay more than does the man who can afford to smoke only much cheaper ones. Honorable members on this side of the House will go further than the Government in that direction. Supposing that the Treasurer imposed a duty of 100 per cent.-

Mr Kingston

- The honorable member does not like the sound of 15 per cent.

Mr THOMSON

- That 100 per cent, would mean that on a cigar costing 40s. a lb. the duty would be about 3s. 3d. per lb. But why does the Treasurer not accept that position, and let the user of the cheaper article get the full benefit 1 For the reason - and he has stated it candidly - that it would not give a sufficient protection to the local manufacturers. The Government desire that this article shall be produced here, and produced quite independently of the consideration as to what the consumer shall pay.

Mr Mauger

- No.

Mr THOMSON

- The Treasurer is much more candid than is the honorable member for Melbourne Ports. The Treasurer has stated distinctly that the cheaper lines of cigars cannot be produced here unless there is a high fixed duty. I do not think it is fair to say that members of the Opposition are working for importers, because on several occasions I and other honorable members have brought forward arguments in favour of the proper treatment of the local manufacturer. This is not a question of importer versus manufacturer. To the largest extent we recognise existing conditions, and that we are not starting de novo. The honorable member for Wentworth has not endeavoured to reduce previously existing duties in the interests of importers, and, recognising that there will be an increase in the duty on leaf, he is proposing a corresponding increase in the import duty. There is no doubt a particular objection to the composite duty in connexion with cigars. It has been stated that if the importer pays an ad valorem duty he can sell cigars, duty paid, without disclosing his cost; and, of course, that is so. But the trade is almost entirely done in bond as between the importer and the distributing houses, and it is to the interests of Australia, under our customs conditions, that the trade should be in bond. No drawback is allowed on tobacco and cigars, and when we compel men to duty-pay their stock we prevent the proper catering for the export trade.

Sir George Turner

- Where could we export to ?

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Mr THOMSON

- If people desire to buy cigars in bond, in order to export to New Zealand and Western Australia, and, to a limited extent, to the islands of the Pacific, or to supply ships with stores, in which a considerable trade is done, a limit is placed on their operations. In addition we compel every small man who has to take his cigars duty-paid to provide £15 more capital in every £100. I do not see that we ought to attempt to hamper trade if we can get in another way the result desired by the Government. Information can be obtained about the cost, not merely after but before purchase. If people desire to do trade in bond, because of the advantages of that course, when a seller quotes he must give the ad valorem duty that has to be paid, so that when any portion of the stock has to be duty paid, which would be the case, it may be known what the cigars are going to cost. If a broker goes to inquire the price of cigars in bond he must obtain the cost from the importer, or obtain what ad valorem duty is payable, which is the same thing. That enables less scrupulous competitors to ascertain the costs of their opponents, and that is not desirable in either a manufacturing trade or an importing trade, because it makes business very difficult to conduct. Since the duty has been imposed, houses in Sydney have found it absolutely necessary to refuse to quote in bond, but to quote duty-paid only ; and this alters the basis of trade to a considerable extent. It compels those who buy to invest a large amount in the duty they have to pay, and it prevents the full opportunity of supplying the export trade. Owing to the absence of any drawback provision, tobacco and cigars are the most unsuitable articles to which this system of composite duties could be applied, and for that reason I think that the proposal of the honorable member for Wentworth, which would have the effect desired without complications, is infinitely better.

Mr Watson

- How could the Havana or higher class cigars be identified ?

Mr THOMSON

- There is a great danger under an ad valorem duty of evasion with loss to the revenue by dishonest persons, and it would be very difficult to check that evasion in the case of cigars. But under the other proposal the danger would not be that of evasion. There might be dishonest practices, but the desire would be to represent other cigars as Havanas, and thus to increase revenue.

Mr Watson

- Many fairly high-class cigars come from Germany.

Mr THOMSON

- Only a limited number. I know that German cigars are generally branded as Havana, and they may be made of Havana leaf and would thus pay duty as Havana. But the Treasurer is likely to benefit from any deception of the sort I have just described, while any deception in connexion with ad valorem duties will lead to a loss. I do not think it is desirable or necessary for honorable members to talk about attempts being made to relieve the " fat man." The charge is unworthy and unjust as can be shown by the difference there is between the two proposals in reference to cigars costing 9s. per lb., and cigars costing 18s. per lb. Under the Government proposal the difference in the duty would be 1s. 4d., while it would be 2s. under the proposal of the honorable member for Wentworth, so that there is really a higher rate of duty, under the latter proposal, on the higher-priced cigars. We must bear in mind excise in connexion with this question. If there is any argument in favour of imposing a percentage duty on imports, there is nearly the same argument in favour of imposing a percentage duty in the matter of excise. The value of cigars sold by local manufacturers differs very largely, some costing four times as much as others. Is a man who uses the higher-priced cigar to pay the same duty as the man who uses the lower priced article? Is there to be a distinction drawn in this respect between excise duty and import duty ? We may presume that our manufacturers are going to make a market for high-priced cigars as well as for low-priced cigars, and the distinction indicated is not a fair one. If the proposal of the Government is passed in regard to the imported article, there will have to be very good reasons to prevent its being adopted in regard to excise. Objection might arise as to disclosing costs in the case of the excise, though not to such an extent as regards imports, because there is no question of bonded trade. For all these reasons the Government could accept the proposition of the honorable member for Wentworth as one that will not deprive the Government of revenue, and will effect the result they desire with greater simplicity and without hampering trade. Cigars happen to be the first item in connexion with which the composite duty occurs, but this item is the worst that could have been selected for testing the principle, seeing that it is a bond trade, and that there is no drawback. The Treasurer has abandoned the 15 per cent, import duty on tea,



because of the difficulty of exactly fixing the value, but I undertake to say that still greater difficulty will be experienced in connexion with cigars.

Mr Bamford

- Why then advocate the ad valorem duty ?

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Mr THOMSON

-I am showing that the proposal of the honorable member for Wentworth will effect what the Ministry desire. What I said of the ad valorem duties was that if Ministers desire to carry out what they advocate as a right principle, they can do so more effectively by an ad valorem duty of 100 per cent. than they will under their present proposal.

Mr. G.

B. EDWARDS( South Sydney).I shall support the amendment, but I regret that the honorable member for Wentworth has not made a greater distinction between the two classes of cigars by proposing duties of 6s. and 9s. per lb. The last speaker pointed out that good cigars imported from other parts of the world are frequently labelled " Havana," when they are not Havana cigars ; and no doubt, the amendment if carried would have the effect of putting an end to that fraud to some extent. But, on the other hand, in Hamburg they make good cigars with imported Havana leaf, and label them " Havana," and those cigars would be charged the higher rate. Upon the question of principle, there can be very

little difference between honorable members in regard to this item. When speaking upon the motion of want of confidence, I pointed out that there were many lines in the Tariff which I considered did not raise the fiscal question, and this is one of them. Honorable members must admit that our revenue must be obtained largely from duties upon narcotics ; and we are, therefore, forced by one of the first canons of taxation to impose duties upon these articles in such a way that they will fall heaviest upon those who are best able to pay them. I look upon cigars as more or less luxuries, and, though it may be difficult to define a luxury, it is evident that a man who can afford to smoke cigars can afford to contribute towards the revenue of the State. Men, too, smoke cigars according to their means , and the committee is, therefore, justified in imposing heavier taxation upon the higher-priced article. The Government propose a specific duty of 5s. 6d. per lb., and an

ad valorem

duty of 15 per cent. upon all cigars. If we could collect the

ad valorem

duty fairly it is the only duty that we should impose, and 100 per cent.

ad valorem

would not be too high a rate ; but it is generally admitted that it is impossible to avoid fraud where

ad valorem

duties are charged upon articles of considerable value. But if we wish to avoid the creation of fraud in regard to the importation of cigars, we should abolish the 15 percent, duty. If we can, by a specific duty, obtain as much revenue as by the proposals of the Government, and make a distinction between the quality of the cigars imported, without giving opportunities for fraud, we should do so. It has been pointed out that one of the difficulties in connexion with the imposition of an

ad valorem

duty is that cigars are dealt in largely in bond, and that where

ad valorem

duties are imposed, the importers' cost is disclosed to the purchaser. The suggestion of the honorable member for Gippsland shows that he knows very little about the way in which these things are managed. I do not know that any Customs department has ever allowed the piecemeal payment of duty. Goods are either bond or free, and, in my opinion, it would be almost impossible for a collector to have in bond goods upon which the

ad valorem,

but not the specific, duty had been paid, and goods wholly dutiable. I am sure that if the amendment is adopted the taxation will be more evenly divided, and the Government will get a larger revenue, while those who want protection will obtain all that they desire.

Mr WATSON

- I should like to support the amendment, because my experience and information show that in the interest of honest traders it is best, where possible, to have specific duties. Where there are ad valorem duties, some portion of the trading community will almost certainly arrange for "cooked" invoices, and other means of evading the payment of them ; but in this instance I am doubtful if the proposal of the honorable member for Wentworth will carry out the desire of the committee to exact an additional impost from the consumers of the higher-priced cigars. As the honorable member for South Sydney has pointed out, there are manufactured in Germany cigars which are of a fairly high grade. It is true that some of these cigars come to this country branded "Havana," but a large number of them are sent here, branded "Made in Hamburg"; and an honorable member who bought a box of them a few days ago has assured me that they are as good as any he has smoked for years. Yet such cigars would, under the amendment, come in at the lower rate of duty. If we placed a higher duty upon Havana cigars alone, they would probably disappear from the market in favour of an almost equally good cigar coming from Germany, and paying 2s. 6d. per lb. less duty, or of a cigar made in Havana, but sent through Hamburg or some other port to evade the higher duty. Therefore, both in the interest of importers who are willing to trade fairly, and of the revenue, I do not think the amendment will meet the case. With regard to the selling of cigars in bond, I believe that nearly all cigar importers keep only samples in stock, and retain their bulk stocks in bond, because, naturally, they do not want to pay the duty before they are absolutely compelled to do so, and have their money lying idle for a long time. I understand, however, that the Minister for Trade and Customs has indicated that it may be possible to make some arrangement whereby the importer can pay the ad valorem duty, and allow the specific duty to remain unpaid until he finds a purchaser for the cigars. If that can be done, I think it will largely get over the difficulties which have been raised.

Mr GLYNN

- Upon this question very reasonable considerations can be urged by both sides. When I first saw the suggestion to apply composite duties to tobacco and to tea, it appealed to me rather favorably, but upon examination it seemed to me that such duties would not serve the purpose without considerable waste of revenue, trouble, and inconvenience. I have not spoken to a single importer upon the tobacco question since the Tariff was introduced ; but, prior to its introduction, an importing tobacconist in Adelaide called my attention to the inequality of the fixed duties. It seemed to me that an ad valorem duty might, on the whole, work more fairly than a fixed duty ; but, looking more closely into the matter, I have come to the opinion that it would be better to single out high-priced brands, and impose upon them higher specific duties than to impose ad valorem duties upon all cigars imported. If you once acknowledge the principle of an ad valorem duty, coupled with a specific duty, you are bound to apply it in regard to locally manufactured cigars, because, although the necessity to do so may not appear urgent at the present time, it will become so hereafter when the revenue from imported high-class cigars begins to diminish. Unless you can justify it in the one case, I fail to see how it can be justified in the other. The Government propose to levy a 15 per cent. ad valorem duty professedly to get a larger amount of revenue, not from the medium and low priced cigars, but from the high priced cigars which are consumed by the well-to-do classes. It seems to me, however, to be unwise to increase the duty upon all classes of cigars, merely to get a higher revenue from certain brands which form but a comparatively small proportion of the whole importation. If only medium priced cigars were introduced, the Treasurer would not suggest a 15 per cent. ad valorem duty. I understand that the cigars chiefly imported are Manillas, the price of which ranges from 2d. to 3d. each. They are sold at 30s. per 1,000, but good Havana cigars are sold at £10 per 1,000 and upwards, and in order to get at these high-priced goods, which enter into consumption to only a small extent, it is intended to impose a duty which cannot logically be justified. I do not attach much weight to the argument, that by imposing ad valorem duties we should be compelling the importers to disclose their prices. Why should they not do so ? If a man is reaping a high profit, why should he not disclose his price, or why should he be ashamed of it? I think it would be far better for political and commercial honesty as a whole, if men were more honest and open in their dealings with each other. If a man pays an honest price for an article, and seeks only an honest profit, he should not be ashamed to disclose his price, and he need not be afraid of any other importer. I acknowledge that if we impose a high duty upon Havana

cigars, there will probably be some leakage, because there are other cigars which bear a very close resemblance to Havanas.

Mr Deakin

- Havanas are now made in Manilla.

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Mr GLYNN

- They must be branded as Havana cigars if they are to be sold as such in this market. If any fraud were perpetrated in that way, it could be very easily detected. The Trades Marks Acts of the various States, and even of the exporting countries, would to some extent protect the revenue against possible fraud by the importation of cigars under a false name. We ought to diminish the difference between the excise duty and the duty on imported leaf combined, and the duty on imported cigars, so as not to afford an undue amount of protection to the local cigarmaker. The New South Wales Cigarmakers have managed very well, with only a difference of 2s. 6d. per lb. between the locally manufactured and the imported article.

Mr Watson

- They have not got on at all.

Mr GLYNN

- I know what the figures are, and I am aware that two new firms have started in New South Wales.

Mr Watson

- They started recently, in view of the Federal Tariff.

Mr GLYNN

- That might be said of every manifestation of enterprise during the last two or three years. Two large concerns were started in Sydney sixteen or eighteen months ago.

Mr Watson

- There was only one.

Mr GLYNN

- There were two. I have seen a statement by an authority that I am not likely to disregard, that two large firms started operations last year, and that one, a German company, brought out 60 men, under contract, to work in their factories. It would be an extraordinary thing if these factories were started in anticipation of a high duty, because since the duties were declared, the Tobacconists' Association of Victoria has complained that the duties are not high enough. In fact, they stated that they were going to change the shape of some of their goods, because they were rather disgusted at the inadequate protection afforded by the Tariff. I think a difference of 2s. 6d. between the imported and the locally-manufactured article would be quite sufficient. That may be brought about by making the total duty on the locally manufactured cigars 4s. per lb., and the duty on the imported cigars 6s. 6d. per lb., or by fixing the import duty at 6s., and the duty on the locally-manufactured cigars at 3s. 6d. per lb. A considerable amount of revenue would be obtained by making a change in this way. If the duties are fixed at 4s. and 6s. 6d., which I believe the honorable member for Wentworth is aiming at, additional revenue will be produced to the extent of £32,000. Whereas, if the duties are fixed at 6s. and 3s. 6d. the addition to the revenue will be something like £22,000.

Mr Watson

- Would the honorable and learned member allow me to say that only 5,000 lbs. weight of cigars were made in New South Wales in 1899, as against 260,000 lbs. weight imported?

Mr GLYNN

- But the honorable member must allow some time for the development of the industry. I venture to say that the production of cigars in New South

Wales will be quadrupled in two years from the present time. I would treat cigarettes very severely, but as regards cigars, considering that there is a comparatively greater amount of labour represented in the total value of the product, a reasonable difference between the duties imposed on the locally-manufactured article and the imported article ought to be provided for.

Mr McCay

- That is protection.

Mr GLYNN

- Free-traders recognise that Australia cannot at once be broken off from the vice of protection. We must

remember that the producers of cigars are to a great extent also manufacturers of cigarettes and tobacco. I do not suppose that all the trades are carried on in the one factory, but they are to a large extent combined. The protection afforded to all departments of the trade is considerable, and the profits made are enormous, and I do think that we should discontinue the extraordinary advantage that these manufacturers have hitherto enjoyed. In New South Wales, with a difference of 2s. 6d. per lb., they got on very well, whilst in Victoria, with a difference of 4s. 3d. per lb., they did not get on particularly well. My desire is to reduce the difference to 2s. 6d., and in the meantime I shall support the amendment proposed by the honorable member for Wentworth

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Mr TUDOR

- The honorable and learned member who has just resumed his seat stated that the cigarmakers of New South Wales had got on very well with a margin of 2s. 6d. between the import duty and the duties charged upon locally-manufactured cigars. The statistics for 1899 show that in New South Wales there were manufactured 6,250 lbs. of cigars, whilst they imported 268,293 lbs. In other words, out of every 42 cigars that were smoked in New South Wales, 41 were imported. At the end of 1899, when there was an alteration in the excise from 2s. 6d. to 9d. per lb., and thus the margin between the imported and the locally-manufactured article was increased to 4s. 3d., the local manufacture of cigars went up from 6,250 lbs. to 50,168 lbs. One German importer, who had been introducing a particular brand of cigars very largely, brought out 50 workmen from Germany and manufactured the cigars in bond until the reduction of the excise duty took place, and then the cigars were brought on to the market. In New South Wales in 1899 they imported 21,546,000 cigars. More than half that number was from the Philippine Islands, and the average price per thousand of the Manilla cigars was 38s. 2d. The working men of New South Wales, who are the largest consumers of these cigars, had to pay a duty equivalent to 220 per cent. Now the average price per thousand of the higher-class cigars is £13, so that the rich man only had to pay duty equivalent to 33 per cent, on the value of the article. I hope that the proposals of the Government will go a long way towards correcting this manifestly unfair distribution of taxation. In Victoria where we had a margin of 4s. 3d., there were 84,407 lbs. manufactured in 1899, and 127,350 lbs. imported: so that out of every five cigars smoked in Victoria three were imported. It stands to reason, therefore, that with a smaller margin it would be absolutely impossible to hold the trade together. Honorable members who have travelled through the East, know that one can get cigars there for next to nothing. I have bought them in Colombo for 10d. per 100. The leaf used in them is not well cured, but one can get an excellent cigar for 2s. 6d. per 100. The reason for this is that the wages in India are about 6d. per day, whereas in New South Wales and Victoria the cigarmakers receive 40s. per 1000 for their manufacture. Nearly every honorable member in this House professes to be in favour of a white Australia. I utterly fail to understand how some honorable members, who make this profession, and who voted for the exclusion of the black man from our shores, can consistently allow the products of his labour to compete with that of our own people. I am convinced that the margin which we had in Victoria, and which formerly operated in New South Wales, was not sufficient to allow the local manufacturers to produce more than half the cigars consumed in Australia. If we have a smaller margin the trade will be utterly wiped out. In Victoria we have a scale of wages fixed under the wages boards provisions of the Factories Act, which ensures to the worker better conditions than he has had before. But if the margin which has operated hitherto is reduced the wages will certainly go down. In New South Wales, we have been informed, there are two large manufactories. There are only 70 persons employed in the cigar making industry in that State at the present time. In Victoria there are 300 thus employed.

Mr Conroy

- Why is that ?

Mr TUDOR

- Because we have imported more than half the cigars that are consumed here. Some of our friends on the other side of the House are in favour of a white Australia. They are very much concerned at the outbreak of bubonic plague in Sydney, and yet they smoke cigars which are made by lepers. Honorable members may think that this is a prohibitive duty, but I would point out that it is less than one-half that imposed under the Canadian Tariff, and about two fifths of that levied by the United States. There has been a notification in the newspapers here to the effect that a manufacturing company in Manilla has

made a reduction in then- prices by 15 per cent., pending the settlement of the Commonwealth Tariff. Of course the foreigner never pays the duty, but, apparently, he was going to do a little bit of it upon this occasion. I hope that the proposal of the Government regarding the ad valorem duty will be adhered to. In connexion with this matter, I may say that I have not spoken to a single cigar or tobacco manufacturer since the Tariff was submitted to the House. Indeed I do not know any manufacturer in Melbourne. I have, however, spoken to many representatives of the workers, in whose interests I am here, and I intend to fight to improve their condition in this city. I wish to point out further that in 1889 New South Wales imported 21,000,000 cigars from Manilla, Hong Kong, and China, whilst Victoria imported 7,000,000. I am quite prepared to accept a duty of 6s. 6d. per lb. for ordinary cigars, and 8s. 6d. per lb. for Havanas, if we retain the ad valorem. duty of 15 per cent.

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Mr CAMERON

- The honorable member for Yarra has had a good deal to say about a white Australia, but he omitted to mention where the imported leaf which the cigar manufacturers of New South Wales and Victoria make up comes from. He forgot to tell the committee where that particular leaf is grown, and by whom. A good deal has been said by honorable members upon this side of the House in reference to the question of importers having to disclose the value of their imports. I do not see the slightest objection to that. But when honorable members talk about the ad valorem duty they should remember how extremely difficult it is to accurately determine the value of any article according to quality. Only experts can do it. I speak as one who probably knows more about cigars than does any other honorable member in the House, and I have no hesitation in declaring that experts cannot tell the various values of different cigars. Of course, if certain brands are affixed to them, the difficulty of determining their value is not so great.

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Mr Mauger

- Does not the brand sell them largely?

Mr CAMERON

- To a man who knows what a good cigar is, the brand should not sell them. It is almost impossible for a man to distinguish between cigars which cost 500 dols. per 1,000, and those which cost 1,000 dols. per 1,000. I wish to impress upon honorable members that the moment we substitute ad valorem duties upon a class of goods like cigars, we open the door to all sorts of fraud. Regarding Havana cigars, there are probably not more than six men throughout Australia who import them direct from the Havana manufacturers. One firm in Sydney imports about a third of the total quantity used here, and the rest of the trade in Havanas is in very few hands indeed. With the exception of the tobacco leaf, which is grown in the Vuelta Abajo district of Havana, the Havana cigar is very little better than is the Manilla. But owing to the name which Havana cigars have obtained, Havana manufacturers charge from 40 dollars to 1,000 dollars for them. If we take Havana cigars as a whole, and compare them with Manilla cigars, I have no hesitation in saying that, leaving out the small portion of country to which I have referred, the Manilla cigars will be found quite equal to the Havana. Manilla cigars a few days ago could be landed here at 38s. to 40s. per 1,000, while Havana cigars, owing to their name, were a much higher price. Objection has been taken that if we have an ad valorem duty, Havana cigars will be shipped to Hamburg and sent out here ; but that is practically absurd, because, as I have said, it is the name which sells the Havana cigar. These cigars under these circumstances would have to be smuggled, and the same remark applies to the man who imports direct from Havana. Suppose I wanted 5,000 or 6,000 Havana cigars and desired to rob the Customs, all I need do is to arrange with the manufacturer to send me an invoice showing a reduced rate. I prefer a fixed duty, even though it be 9s. or 8s. 6d. on dear cigars, and 5s. or 6s. or 6s. 6d. on cheap cigars.

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Sir MALCOLM McEACHARN

- I quite agree with the honorable member that it would be very difficult for an expert to tell the value of cigars such as come from Germany and Manilla, but I do not agree that nobody could tell which was the better quality. So far as the inferior kind of cigars are concerned, which are made principally in Germany and Manilla, it would be utterly impossible for a Customs officer to know their proper value, and there would be great difficulty in applying the composite duty. Apart from that question, I am entirely opposed to

hampering trade by the imposition of composite duties, and I shall oppose them. I desire to point out an anomaly which I am sure the Minister for Trade and Customs did not see when he proposed this Tariff. The duty excise on home manufactured cigars in the past has been 1s. 9d., and it is now raised to 3s. On 1,000 cigars manufactured here the duty excise in the past has been 24s. 6d., whereas now the manufacturer has to pay 42s., or a difference of 17s. 6d. The importer, taking cigars worth £2 per thousand, pays 5s. 6d. per lb. and 15 per cent., equal to about 6s. per lb. ; he will now pay 83s. per 1,000 as against 84s. previously. When we come to the higher-grade cigars, the difference is even greater ; but I am sure there is no intention to put the manufacturer at a disadvantage of 17s. 6d., while giving an advantage to the importer, and if the proposal of the honorable member for Wentworth is not carried, I shall certainly support an increase in favour of the manufacturer. In the case of Indian cigars, the cost price of which may be 16s. per thousand, the duty on a case of 10,000 is £35 15s. and in additional £1 4s. 6d. ad valorem duty. That means £36 19s. duty on cigars valued at 16s. per 1,000, which sell here at 3d. each. There is another class of cigars which come in at 30s. per 1,000, the duty on which is £35 15s. per 10,000, plus £2 5s. duty and ad valorem at 15 per cent. It will be seen that in the case of the cigars worth 16s. per thousand, the duty is 2s. 5d. per 100, while in the case of the cigars worth 30s. per 1,000 the duty is 4s. 6d. per 100. If we take the Havana cigar which is imported at £13 10s. per 1,000, the duty on 10,000 is £35 15s., together with duty and 5 per cent, ad valorem of £20 5s., or a total of £56, equalling £2 0s. 6d. per 100. Under the old duty, these Havana cigars had to pay £39 per 10,000, whereas it is now £38. I am quite sure that the Minister for Trade and Customs will recognise that an anomaly exists here, and in the interests of those who have invested their capital in the industry, and who are considerable employers of labour, there should be a difference more in accordance with the previous conditions. I shall vote on all occasions against composite duties, but shall in this instance support an increase in favour of the manufacturer.

Mr E SOLOMON

- I hope that the Minister for Trade and Customs and the Treasurer will reconsider this matter, which is one of great importance, because if they persist in their proposal they will find the revenue much smaller -than they anticipate. Western Australia in the year 1900 received cigars from the following places : - The United States, 6,715 lbs.; Victoria, 8,715 lbs.; South Australia, 8,606 lbs.; New South Wales, 12,328 lbs.; Singapore, 16,080 lbs.; India, 232 lbs.; Hong Kong, 74 lbs.; Germany, 8,770 lbs.; France, 2,023 lbs.; Belgium, 3,670 lbs.; Sweden, 140 lbs.; the Philippines, 351 lbs.; and Holland, 209 lbs. It would be impossible for any one, even an expert, to tell the value of all these brands of cigars. It will be seen from the figures that the quantity produced in the Australian States and imported into Western Australia was 9,081 lbs. During the last two or three years, three or four tobacco and cigar manufacturers had started business in Western Australia, and, producing a very good article, are extending their operations. So far as Western Australia is concerned, the proposal of the honorable member for Wentworth is much to be preferred to that of the Government. I know from importing cigars myself that the average invoice from Singapore is from £2 to £3 per 1,000, at 12 lbs. weight to the 1,000. A consignment of 1,000 Singapore cigars invoiced at £3 per 1,000, 12 lbs. weight, with a duty of 7s. would pay £4 4s. in duty. The proposal of the honorable member for Wentworth would exact still more, whereas under the Government proposal the cigars would pay only £3 15s. I look on the duty on cigars as I do on the duty on spirits and similar articles, namely, as purely a means of raising revenue, and as having nothing whatever to do with free-trade or protection. While there may be a large amount of protection incidentally, what we have to consider is that this is a source from which we must derive as much revenue as possible. I feel compelled to support the amendment of the honorable member for Wentworth.

Mr. HENRY

WILLIS (Robertson). There seems to be no principle involved in this question, but merely a matter of expediency. The principle here involved we shall also have to discuss when we consider the excise duty. It would be well on the part of the Government to consider the proposal of the honorable member for Wentworth with a view of offering a compromise. I am not at all opposed to the Government in this matter, but merely desirous of doing what is best for raising revenue in the interests of the several States. The waste of time arises from the fact that the Government look on suggestions or proposals from the opposition side with a certain amount of suspicion. During the last month it has been the experience of merchants that composite duties, and especially

ad valorem

duties, lend themselves to fraud, and we are as desirous as is the Minister to protect the Commonwealth against fraud. It is quite possible for unscrupulous persons to produce invoices showing that their goods are of much lower value than their actual value, so that they may evade the payment of high duties upon them. If the Minister were to accept as a compromise duties of 6s. and 8s. per lb.-

Sir George Turner

- Six shillings per lb. is the existing rate, and we have put 6d. extra per lb. upon imported leaf.

Mr HENRY WILLIS

- Would the Minister be willing to accept duties of 6s. 6d. and 8s. per lb. ?

Mr Kingston

- Certainly not. The principle is wrong.

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Mr HENRY WILLIS

- It seems to me that the Government would save time if they accepted the amendment of the honorable member for Wentworth, or put forward a fair and reasonable proposal by way of compromise.

Sir WILLIAM

McMILLAN (Wentworth). - There seems to me to be some doubt in the minds of honorable members as to whether under my amendment the

Government would receive as much revenue as they would lose by surrendering the proposed ad valorem duty. When I proposed duties of 6s. 6d. and 8s. 6d. per lb., I made a rough calculation of the amount of revenue that would be derived from them, and I have since ascertained that that calculation works out entirely in favour of the Treasurer, and that the probability is that under the amendment £7,000 more revenue would be obtained each year than under the Government proposals. The discussion has brought from the Treasurer a recantation of a very rash statement he made at the beginning of the evening. He said that this was a test question in regard to the principle of composite duties ; but he knows that it is an exceptional question, and that in this case the duties stand on a different footing from those upon other articles with which we shall have to deal later on. I am perfectly satisfied with the discussion, because if ever there was a debate in which all the reasons and arguments were on the one side it is this. To show to what straits Ministers have been driven, they actually, when it was proved that their proposals would affect business, because transactions in cigars are carried on in bond, stated that every trader ought to disclose to his purchaser the cost of the article purchased - that that is the way in which the commercial business of the country would be carried on if traders were virtuous. That statement is another proof of the absolute ignorance of those who have tried to frame this Tariff. I should like to know if, when he appears in the law courts, a barrister asks his learned friend on the other side of the table to show him his brief, or to tell him as an honest man what arguments he intends to use, so that he may be perfectly equipped to meet them. What absurd and unadulterated nonsense the contention is ! I hold that in dealing with this part of the Tariff we have nothing to do with the fiscal question. It is only within the last few weeks that the Minister has awakened to the existence of composite duties. When Treasurer of his own State he did not propose such duties, nor has any other Australian Treasurer ever done so. He has had to go to Canada and the United States for his high-flown proposals. As a matter of finance, a specific duty is the proper one to adopt, owing to the impossibility of being able to get at the true value of the article imported. I want it to be distinctly understood, so that there may be no misunderstanding when we come to deal with the other composite duties, that in most cases we think it a sound policy to have an ad valorem duty. It is only in special cases of this kind, in which it is almost impossible to get at the real value of the articles imported, that we support entirely specific duties.

Sir George Turner

- Was it not the honorable member's original suggestion that we should have all fixed duties ?

Sir WILLIAM McMILLAN

- I am perfectly consistent. I said that £4,500,000 should be raised from narcotics and stimulants. I suggested fixed duties upon articles which I thought were better dealt with in that way, and the raising of £3,000,000 by means of ad valorem duties. We have not dealt with this question in a party spirit. We have dealt with the duties upon stimulants and narcotics purely on revenue principles. In deference to the wish of certain honorable members that a distinction should be made between higher and lower-priced cigars, I

have moved that the duty upon low-priced cigars be 6s. 6d. per lb., and upon high-priced cigars 8s. 6d. per lb., and I have proved that the revenue will gain by adopting that proposal.

Mr KINGSTON

- It seems to me that for pure drive, tempered with the grossest egotism and the most insufferable conceit, the speech just delivered by the honorable member for Wentworth stands unexampled.

Mr. F. E. McLean. - Is the Minister for Trade and Customs in order in characterizing the utterances of another honorable member as pure drive?

Mr KINGSTON

- The honorable member for Wentworth referred to me in terms intended to be equally warm. He spoke of the ignorance shown by myself and the Treasurer, and of the unadulterated nonsense that we have talked.

Sir William McMillan

- I do not often object to the language used by honorable members, but when the Minister attempts to draw a comparison between his coarse vituperation and my refined censure, I think I have a right to protest.

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Mr KINGSTON

- The honorable member's observation is a proof, if proof were wanted, of the insufferable conceit to which I have alluded. I take him to be a representative importer, who eloquently and ably mouths all that can be put forward on the importing side. The contention of the honorable member that there should not be an ad valorem element in these duties is altogether unfair. We have heard, hitherto, the most bitter denunciation of composite duties, and now that we come to the consideration of the first item to which they apply, honorable members opposite retire from their position that it is fair to introduce ad valorem duties when there is a considerable difference in the value of the articles to which it is proposed that they shall apply. I never heard of such a volte-face as that executed by honorable members opposite. The honorable member for Wentworth tells us that in future he is prepared to abandon his fixed principles, and vote for ad valorem duties right through, yet in the past he has declaimed in the strongest terms against such duties. He comes from a State where the proposal to impose a 5 per cent\* ad valorem duty has been sufficient to raise the bitterest cry against protection. He lauds the New South Wales Tariff to the skies, and has practically sought to secure its adoption by the Commonwealth. Its leading feature was an utter absence of ad valorem duties. He has also suggested that £6,500,000 of Commonwealth revenue should be raised by the imposition of fixed duties of various descriptions and a uniform rate ad valorem over other articles, which would effect no discrimination at all. But he abandons that position now, and I venture to believe that if the real leader of the Opposition were here every hair upon his venerable head would have stood erect, "like quills upon the fretful porcupine," in indignant protest against the abandonment of the chief principle of the great cause for which he has so eloquently contended at various times. There is no doubt that if the ad valorem principle is right we ought to apply it according to various gradations, and not draw any illogical or broad lines. Whilst the members of the Opposition admit the correctness of the principle, what is the excuse for not giving effect to it in this case - that it does not suit the convenience of the importers. They do not like it - it interferes with their trade. Their craft is in danger. The profits which they make out of the public are likely to be sacrificed. I say that the interests of the importer are entitled to fair consideration, and they will always get it I trust. They are always sufficiently powerful to secure it, and they have in the past secured a good deal more than they are entitled to. The Government have no wish to give them any less than they are entitled to, but they are not willing for the convenience of the importers to sacrifice the great principle of fair play to all. To do so would be unreasonable in the extreme, and the Government would be unmindful of their duty to the general community if they contemplated any such thing. For the purpose of enabling the importer to conceal his real relations to those with whom he trades, or to reap an unfair advantage, we are asked to sacrifice a great principle. It is my view that we should not offer any encouragement to traders to follow unfair methods. I do not stand alone in this opinion, and I was delighted to hear the observations of the honorable and learned member for South Australia, Mr. Glynn, and the honorable member for Tasmania, Mr. Cameron. Is it not all too monstrous to suggest that, because a merchant or an importer desires to hide from those with whom he trades, whether they be his fellow merchants or the public, the real position



of affairs, and to prevent them from getting at the facts, we should be asked to sacrifice a principle of fiscal policy which insures fair play to all and just treatment in a matter in which it is admittedly necessary that something of the sort should be provided. I have said that we do not intend to deal harshly with or to give any unnecessary embarrassment to the importer, but his advantage or his convenience should not be made the reason for sacrificing that which is right or just ; and when we put on one side of the balance the principle for which we are contending, and on the other side the advantage of the importer to which I have referred, there should be no question as to the decision of the committee. Something, has been said by the honorable member for North Sydney on the subject of inconvenience. I have not very much reason to find fault with the way in which the honorable member presents matters to the House. Although what I think may not be of much importance to the honorable member, I may say that I only wish that those who are associated with him would take example from him as regards the fairness of their remarks, and the courtesy of their conduct.

Sir William McMillan

- Do not divide us.

Mr KINGSTON

- I suppose that the honorable member for Wentworth is still smarting under the very proper rebuke administered to him this evening. I trust it will be for his political good in the future. If the honorable member could only see himself now, and note the difference between his present demeanour and that which he was exhibiting when he was talking just now, in a manner so utterly unfitting the occasion, and so utterly unbecoming, he would register a resolve never to so offend again. I am sorry that I found it necessary to speak to him as I have done to-night, but the necessity was patent to all fair-minded people, and I trust that his future behaviour will show that he has heeded what has been said to him. A great deal has been said on the subject of drawbacks on the export of cigars. Now, let me tell those honorable members who have so eloquently addressed themselves to the subject of this drawback on cigars, and the inconvenience which will result if the Government proposals are carried, that as a matter of fact there is no drawback on cigars.

Mr Thomson

- That is what we said.

Mr KINGSTON

- Honorable members reserve their disclaimers until the absolute fallacy of their contentions is disclosed, and then they say they never said what is attributed to them. They have all talked eloquently on the subject of the drawback on cigars without the slightest foundation.

Mr Thomson

- The Treasurer knows well enough that we said there was no drawback on cigars.

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Mr KINGSTON

- What I said before I repeat. We are prepared to make it as convenient as we possibly can for the importers. With regard to unnecessary disclosures, we do not care so long as we are not called upon to forfeit for the convenience of the importers an admirable fiscal principle, and the Customs instructions will be that if importers so desire they can secure a certificate showing that the duties at the fixed rate only are collectable in respect to the goods warehoused. To that end they will have to pay the 15 per cent., but there will be no necessity for them to disclose their values to intending purchasers. As regards the question of the sales in bond, and the payment of the duty, there will be no necessity to pay any money until the goods are intended to be cleared, and it seems to me idle to suppose that payment will be made wholly or in part until the goods are about to be cleared. The contention of honorable members on the other side is that we are doing something unusual or improper. They contend that we should divide the whole of the cigars into two classes, Havanas being taxed at the rate of 8s. 6d. per lb., and others at 6s. 6d. per lb. What does that mean - that there would not be any fair valuation all round, applying the taxation to the articles according to their values. If a cigar were placed in the higher class, it would have to pay the higher rate, irrespective of its value, and if it were rated in the lower class there would still be the same disregard as to the actual worth of the article. There are two objections to this method. The first is that the prices of Havanas and other cigars vary most materially in their respective classes. Havanas may cost from £7 up to £30 per 1,000, and it is not fair that Havanas at £7 per 1,000 should pay the same rate

of duty as those costing £30 per 1,000. The value of other cigars varies from £3 up to £20 per 1,000, so that included amongst the Havanas there might be cigars which would be of lower value than those which were rated in the lower class, and vice versa. There will be inequalities in both classes, and I ask honorable members if it would be fair to fix the duties in the way suggested - would it be carrying out the justice of the ad valorem principle, and properly applying it all round? It certainly would do nothing of the sort. The proposal of the honorable member for Wentworth is objectionable on the score that you cannot properly divide Havanas from other cigars, simply on the score of value, when the value of cigars which are not Havanas may, in many cases, be higher than those which are. No true line of demarcation can be fixed by paying regard to the brands. German cigars are, in many cases, of greater value than Havana cigars, and it would be unjustifiable to draw a broad line of distinction, and apply two different rates to the various classes of cigars. The honorable member for Wentworth stated that he intended to stand up for the ad valorem duties to the abandonment of the fixed duties as applied to other items in the Tariff, but he is proposing fixed duties in this case to the exclusion of the ad valorem principle: In no part of the world is a distinction drawn on the principle that is sought to be here applied - it is unheard of, and I am sure that honorable members will see that it would be unjust in its operation. When we are told that the duties fixed by us will not work satisfactorily, we can point to the fact that amongst the people who are closest to us - except those of the old country - the Canadians and Americans, the very principle which is here contended for has been working satisfactorily for years. Under circumstances such as these the position is that our principle is intelligible, equitable, and capable of fair application all round. It has been an established practice for years in two of the greatest countries of the world. As regards the other proposal, it was unheard of, before it was suggested here as an emergency, as a way of escape from the proposal for ad valorem duties which fairly discriminate according to value. When honorable members make a comparison between the two proposals, I venture to think that they should have no difficulty whatever in coming to a decision.

Sir WILLIAM

McMILLAN (Wentworth). - Before we take a vote on this question, I think it would be well if the Treasurer would translate into calm and judicious language the sentiments of the right honorable gentleman who has just astonished us by such a volcanic outburst over cigars.

Sir George Turner

- The honorable member himself was very offensive in his speech, though not intentionally so.

Mr Kingston

- Offensive in style.

Sir WILLIAM McMILLAN

- After all, these are mere matters of taste and opinion, and certainly I shall not go to my aesthetic friend opposite in order to create a pattern for myself. However, we do not desire to prolong this debate.

Sir George Turner

- We shall prolong it now.

Sir WILLIAM McMILLAN

- I hope that the fact of the Treasurer coming so closely into contact with his colleague will not cause him to surrender the reputation of a life-time. I can guarantee that this debate would have been finished ere this if it had not been for the speech of the Minister for Trade and Customs. Even now I advise that the debate should not be prolonged very much. Although the Minister for Trade and Customs has imported an amount of unnecessary heat into this debate, and has delivered a speech which does not reflect credit upon a member of the Government, I do not think that, in the interests of the public business, we ought really to take any notice of his volcanic eruption.

Mr. THOMSON

(North Sydney).- I merely wish to point out that the Minister for Trade and Customs is defeating any effort which could be made by honorable members upon this side of the House to prevent the discussion being unduly prolonged. The right honorable gentleman has just made a speech which - if he had any right to make it - should have been made in reply to objectionable remarks by specific members of the Opposition. But he includes in his attack every honorable member sitting upon this side of the chamber, some of whom have been silent and others of whom are very careful not to impute improper motives, and not to call the Minister or his supporters " manufacturers' agents." If the Minister has a proper right to

object to the remarks of any individual member of the Opposition let him single out the member and make his reply. But if he is going to attack the Opposition and call them " agents for importers "--

Mr Kingston

- I did nothing of the sort, and well the honorable member knows it.

Mr THOMSON

- The Minister said that we were representatives of the importers simply, and were working in the importers' interests only.

Mr Kingston

- I did not say anything of the sort.

Mr THOMSON

- I leave it to the committee to decide. There could be no more improper imputation cast upon honorable members. We are bound by our oaths in this Parliament, and we are not here in the interests of any importers.

Mr Kingston

- The honorable member is applying to himself an accusation which was never made.

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Mr THOMSON

- The Treasurer heard what the right honorable gentleman said. Then the Minister proceeds upon the very easy task - one wonders why he makes it so difficult - of putting up arguments as having emanated from this side of the House, which were not used, and then knocking them down. What did the Minister for Trade and Customs say ? He said that every honorable member of the Opposition who had spoken had stated that there was a

Sir George Turner

- At the same time we should not be spoken of as " ignorant."

Mr Kingston

- That is the whole style of the other side.

Mr THOMSON

- There is a statement by the Minister. He objects, not to the words or statements which come from this side of the House, but he actually objects to the style. By-and-by he will object to our personal appearance. That is what it is coming to. He has objected first to our words, next to words which we did not use, and now he objects to our style.

Mr THOMSON

- I agree with the Chairman that they ought to cease. But they ought never to begin. "When, however, the Minister, who is supposed to lead the House, and whose example should be one for honorable members to follow, indulges in the language which he has employed, we can expect nothing else.

Mr V L SOLOMON

- I am a little afraid that honorable members upon this side of the House do not thoroughly understand the Minister for Trade and Customs.

An Honorable Member. - Oh ! let us divide.

Mr V L SOLOMON

- I certainly object to rudeness being exhibited by honorable members on the other side of the House when I rise for the first time to make a few remarks upon this question. I hope that my friends here will not take the Minister for Trade and Customs too seriously.

Mr McColl

- Let us get on with business.

Mr F E McLEAN

- Has the honorable member to be subjected to interruption from honorable members on the other side?

The CHAIRMAN

- I have repeatedly asked the committee to refrain from interjecting, and if honorable members will not accede to my request, I shall have to use the means placed at my disposal by the standing orders, without respect to persons.

Mr JOSEPH COOK

- Pay some attention to the other side.

The CHAIRMAN

- I must ask the honorable member for Parramatta to refrain from interjections which are personally offensive to members of the committee. I decline to allow any honorable member to reflect on my conduct in the chair.

Mr JOSEPH COOK

- I ask you to pay some attention to the other side.

The CHAIRMAN

- If the honorable member reflects again on my conduct, except in a constitutional way, I shall have no other course to pursue but to name him, and throw the responsibility on the committee of supporting the Chair.

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Mr V L SOLOMON

- The honorable member for North Sydney has pointed to the fact that these composite duties necessitate one of two courses - either clearing the goods, paying the whole of the duty, and selling as duty paid, or, on the other hand, selling the goods in bond and being forced to disclose the absolute cost. The Minister for Trade and Customs asked whether we want to protect the importer by not insisting on his showing exactly what his goods cost. Such- an utter exhibition of ignorance of commercial principles was never witnessed in a deliberative assembly. Surely the importer has the right to retain that knowledge to himself ? We have heard a good deal of political clap-trap about the composite duty being designed to enable "the poor working man" to get his cheap cigar, and to force the bloated gentleman with money to pay a higher rate of duty. I do not think that the working men of Australia are cigar smokers ; if so, they are in a much better financial position than their friends have hitherto admitted. If this argument of the Minister for Trade and Customs has any value, how is it that the Government abandoned the composite duty on tea? We now have these mock heroics and platform twaddle, not in relation to a necessary of life, but in relation to " the poor working man's " cheap cigar. The debate would have been much curtailed had the Minister for Trade and Customs possessed his soul in silence for a little longer, or had he allowed the Treasurer, in his usual courteous and conciliatory way, to reply to the observations of the Opposition. I do not intend to occupy much time. Every member of the committee, I think, has been perfectly flooded with literature from both importers and manufacturers, and it is very difficult for a member who desires to do what is fair for the revenue to decide as to the best course. I object altogether to composite duties. One of the first essentials in business is to know what there is to pay in the form of duty. From the first, the Opposition have absolutely protested against these composite duties, and the Government have very wisely given way in the matter of tea. We are just as anxious as the Government to protect the revenue. On the Government side of the House there are honorable members who are in favour of the manufacturer and of none else, but the whole object of the Opposition is to protect the revenue. It is very difficult to- see what course other than a direct course can be adopted with that object ; and the amendment of the honorable member for Wentworth is a very proper one. In reply to the observations of the honorable member for Bland, I should say there are very few high-priced German cigars of the Havana type which come here. Havana cigars are imported at very high prices, and if we were to charge, as suggested by the honorable member for Wentworth, a higher duty by 2s. or 3s. on those cigars than, on the lower-priced article, we should amply protect the revenue. It has already been mentioned to the committee that something like £50,000 worth of Havana cigars are imported annually into the States, and looking at the Customs returns, there seems to be very little difficulty about discriminating between low class cigars, which are imported from Germany and the Philippine Islands, and the higher-priced Havanas, which are imported for the use of the more opulent classes. I therefore feel that whatever may be the conclusion of the committee later on as to the desirableness or otherwise of having a duty of 6s. 6d. or 7s. upon the lower-grade cigars, and 8s. or -9s., or whatever the rate may be, on the higher-grade cigars, the main position upon which a vote should be taken is simply as regards striking out the words imposing the ad valorem duty. Let us get a decision on that one point without complicating it by voting on the question as to what the duty should be. It would be better for the honorable member for Wentworth to frame his amendment so as to strike out the words imposing the 15 per cent, ad valorem duty. If those words were struck out, there could be an understanding that subsequently the committee could decide about increasing the rate from 5s. 6d. to whatever sum might be considered advisable. I am aware that

apparently that would be going back on the decision to strike out the words, but that could be done by the pre-arranged concurrence of both sides. This course of action would conduce more to economy of time than the continuance of a long debate dealing with all sorts of suggestions in reference to the proposed new duty if the ad- valorem duty is struck out.

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Mr O'MALLEY

- I get very sad when I hear my parliamentary brethren quarrelling amongst themselves, though too much agreement in politics may not be a good thing. It is sad when the lamb and- the lion lie down together, because we know that they never get up together. Usually the lion rises alone, brushing his teeth with the lamb's tail. We have heard a good deal about cigars in this discussion. Let me inform the committee that Vanderbilt once told me that the quality of a cigar all depended on the man who gave it. If a millionaire gives a man a cigar, although the odour of it was so bad that it would drive one out of the house, the man who received it would swear that it was a first class cigar ; but if a poor man gave him a millionaire's cigar, he would simply refuse to smoke it, because it came from a poor man. I hope we shall have no further quarrels upon this subject. What reason is there why we should quarrel about cigars? Let us endeavour to compromise on the subject. All government is the result of compromise with stipulations. If the Opposition are prepared to say that they are agreeable to making the duty on one kind of cigars 7s. 6d., and on the better kind 10s. 6d., I will help them to abolish ad valorem duties. I hope no time will be lost in arriving at a compromise, so that we may get through the business in good time. I will vote for anything that will give us a fair compromise, fix things up, and enable us to get home.

Mr CONROY

- The arguments of the Minister for Trade and Customs in reference to these duties might have been very good indeed if it were not for the fact that these composite duties reveal a Very alarming state of things. Despite the Minister's bold talk, we know that on the lower-priced cigars these composite duties will amount to between 100 and 110 per cent., while they will amount only to something like 40 per cent. on the higher-priced article. These facts simply show the ignorance of the right honorable gentleman in regard to the Tariff, which perhaps some outsider framed for him. But there is still another important question in relation to the matter, and one which has not been considered at all. The honorable member for Yarra and other honorable members have said that these duties must be preserved, because of the protection which they give to the cigar-workers, but if the whole of the cigars used in the Commonwealth were subject to the import duty, and no cigars were locally manufactured, the revenue of the Commonwealth would benefit to the extent of £97,000 per annum.

I find that the number of operatives, men, women, and children, engaged in the cigar manufacturing industry in the Commonwealth, is only 400. The average earnings of these employes is not much more than £1 per week, so that we could afford to pension off all these people at £1 per week, at a cost of £40,000, and still give the revenue the benefit of an additional £57,000 per annum. What becomes of all this wild cry for protection ? The fact is that Ministers and those who are supporting them do not state their cry in full - their object is to secure protection to the manufacturer. If help is to be given at all, however, it should be given to the workers ; but that is what the Government resolutely refuse to do.

The CHAIRMAN

- We are not now discussing the excise duties. The question before the Chair is the substitution of certain import duties on cigars for those originally proposed in the Tariff. The honorable and learned member may incidentally refer to the excise duties, but not discuss them at any length, as he will have an opportunity of doing that later on.

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Mr CONROY

- I submit, Mr. Chairman, that my remarks do not refer to the excise duties. I was pointing out that it would be better for us to abandon the manufacture of local cigars, and to make provision for the workers now engaged in the industry, than to continue to afford high protection to the local manufacturer. If the Government are so much concerned about the interests of the poor man, why do they propose duties which will be equal to 110 or 115 per cent. on the poor man's cigar, and only 40 to 45 per cent. on the higher-priced article ? The honorable member for Wentworth has pointed out very clearly the reasons which should operate to induce us to impose fixed duties upon cigars. There is, no doubt, great difficulty

in arriving at the value of cigars, and for that reason a fixed duty will be very much more satisfactory in its operation, having regard to departmental convenience and the revenue alike.

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

22

AYES

35

NOES

Majority..... 13

Question so resolved in the negative.

Amendment negatived.

Mr BATCHELOR

To my mind the Government proposal does not give a sufficient advantage to the local manufacturer. Two and sixpence per lb., with 15 per cent. ad valorem, has already been shown to be quite useless in New South Wales. I therefore move -

That the words "and on and after the 22nd November, 1901, 6s. 6d., and 16 per cent. ad valorem," be added to the duty" Cigars, . .

. per lb., 5s. 6d., and 15 per cent. ad valorem."

I would point out that with an import duty of 6s. 6d. per lb., the margin in favour of the local manufacturer will be kept at about 4s., which is considerably under the average rate which formerly prevailed through the Commonwealth.

Mr V L SOLOMON

- I ask your ruling, sir, as to whether, after the previous division by which the committee declined to add certain words to this item, it is competent to go back to a previous portion of the item with a view to altering it.

Mr CHAIRMAN

- The amendment is perfectly in order. There is no proposal to go back.

Mr O'MALLEY

-I wish to ask the Treasurer if it is possible to give a preferential duty to hand-made cigars as against machine manufactured cigars?

Sir GEORGE TURNER

- I do not see that it is.

Sir WILLIAM McMILLAN

- I should like to know from the Treasurer, or the Minister for Trade and Customs, what is the exact advantage to the manufacturer under the Government proposals?

Sir George Turner

- There is 1s. 6d. per lb. on the leaf, and 1s. 6d. per lb. excise.

Sir WILLIAM McMILLAN

- Does the Treasurer intend to alter the excise?

Sir George Turner

- I do not propose to interfere with it.

Sir WILLIAM McMILLAN

- As a matter of revenue, I can understand an alteration, but I cannot see any fairness in amending the Government proposal with a view to affording further protection to the manufacturer. I think the proposed duty will operate very fairly.

Sir GEORGE TURNER

- I think that a mistake has been made in fixing the duty at 5s. 6d. per lb., because the fact that the duty upon imported leaf has been increased by 6d., has evidently been overlooked. I cannot go to the length proposed by the honorable member for South Australia, Mr. Batchelor, but I am willing to increase the duty to 6s. per lb., with a 15 per cent. ad valorem duty, which I think will fairly meet the difficulty.

Mr. BATCHELOR

(South Australia).I wish to point out that past experience shows there has not been too much protection afforded to the local cigar manufacturers. In South Australia and Victoria, a higher duty formerly operated in their favour, whilst in New South Wales, a much higher differential duty was in force.

Mr Thomson

- That was only temporary, and for a particular purpose.

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Mr BATCHELOR

- But the honorable member must admit that during the time that New South Wales had a difference of only 2s. 6d. in favour of the local manufacturer she produced practically no cigars. Already a considerable amount of distress has occurred in Victoria and South Australia on account of the operation of this duty, and I think that a rate of 5s. 6d. per lb. is scarcely enough.

Sir MALCOLM McEACHARN

- I have already pointed out that under a duty of 5s. 6d. per lb. with 15 per cent. ad valorem, the manufacturer will have to pay in duty and excise 17s. 6d. per 1,000 more than he has paid in the past. The proposition of the Government to increase the duty by 6d. will leave the local manufacturer 10s. 6d. per 1,000 worse off than he was formerly, whereas if we adopt the amendment of the honorable member for South Australia, he will still be 3s. 6d. per 1,000 worse off. I have previously shown that the importer is really paying a lower duty than he has been paying upon the cheaper cigars. To my mind a splendid case has been made out for the manufacturer. If the Government insist upon their proposal a number of manufacturers will suffer loss, and I believe that a great many people will be thrown out of work. On the other hand the Government will be assisted in obtaining revenue if they increase the rate by 1s. per lb., which is a perfectly legitimate proposal.

Mr TUDOR

- It is assumed by some that if an honorable member supports an increased duty upon any item, he holds a brief for the manufacturer. So far as I am concerned that is wrong. The only brief which I hold is one for the worker. Throughout Victoria there are a number of small £5-licence men who manufacture cigars. Their establishments prevent monopolies being built up by the big manufacturers, and I am anxious to see them considered.

Mr THOMSON

- I do not think that we should be asked to give local manufacturers more protection than can be justified by the figures supplied by the cigar workers themselves. It has been stated that the reason for the imposition of a protective duty is to be found in the difference between the wages paid here and those paid in the countries from which cigars are imported. According to the importers' statement, a 3d. cigar costs 60s. per 1,000 abroad, while the workers say that it costs 40s. per 1,000. I take the duty upon the higher estimate, which is no doubt the extreme cost. That amounts to £3 18s. 7d., though the manufacturer says the duty is only £3 12s. 7d.

There is a difference as to the amount of tobacco used, it being said that there is 2 lbs. extra in the 1,000 cigars. That 2 lbs. of offcuts is surely worth the duty ; at any rate, I should reduce the importers' estimate to £3 15s. 7d. The excise and the duty on the leaf is £1 17s. 6d., and that leaves the difference of £1 18s. 1d. per 1,000 in favour of the manufacturer. According to the report of the Victorian board, the labour of making these cigars costs 30s. per 1,000, and I allow another 10s. for wrapping, packing, and so on, though the manufacturers add only 7s. 6d. on this latter score. It seems to me that the whole cost of labour is almost covered by the proposal of the Government. There is a proposal to increase the duty by 1s. per lb. on all cigars, but that is quite against what we have heard argued against increasing the duty on the lower priced cigars. The difference of 4s. 3d. between import and excise exists only in the one State of Victoria.

Mr Tudor

- And in New South Wales, too.

Mr THOMSON

- That was a temporary measure adopted in New South Wales for the reason that the Federal Constitution had omitted to make the same provision with regard to excise, as is made in regard to Customs, namely, that goods when passing to another State shall be chargeable with the difference between the duty that has been paid and the higher federal duty. Had the New South Wales Parliament not arranged to meet the circumstances by empowering the Government to create the lower Victorian rates by proclamation, the Victorian manufacturers, who had paid the lower excise, would immediately after the imposition of the higher federal excise, have passed their goods into New South Wales and

taken the trade.

Mr HUME COOK

- The proclamation stimulated local manufacture.

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Mr THOMSON

- No, though the manufacturers of New South Wales, anticipating that the federal excise would be higher, worked hard, as did the manufacturers of Victoria, in order to get in as big a stock as possible duty-paid. It seems to me that the Government rates, as they are, without the sixpence increase, cover the whole cost of labour within 2s. per thousand, even shading the figures in favour of the manufacturer ; and I think, therefore, that the proposal of the Government is quite liberal enough.

Sir GEORGE TURNER

- When I mentioned 6s. a few minutes ago, I was under the impression that the 6s. fixed duty, and the percentage would mean 6s.11d. per lb. I find, however, that there was a miscalculation, and that the duty is only 6s. 5d. per lb. on cigars at £2 per thousand. At present our proposal is 1s. 6d. on the leaf and 1s. 6d. excise, or 3s., and there would be left on the 6s. 5d. a margin of 3s. 5d. In Victoria there is a margin of 4s. 3d. ; in South Australia 4s. 7 1/2d.; Tasmania 4s. ; and Western Australia 4s. 1 1/2d. I think that if the Opposition would accept a compromise from me, I should be prepared to make the duty 6s. 3d.

Mr Conroy

- Is that the way in which the Treasurer seriously deals with an item like this ?

The CHAIRMAN

- The honorable member is disorderly in rising to interrupt the Treasurer.

Mr Conroy

- May I ask in what I am disorderly?

The CHAIRMAN

- Will the honorable member be seated ? I have before called the attention of the honorable member for Werriwa to the fact that he has been disorderly, and if he defies the Chair again I shall name him and let the committee deal with him.

Mr Conroy

- I did not like the threatening tone of your voice, sir. I am not defying the Chair.

The CHAIRMAN

- There is no justification for the honorable member's conduct now, because he has been sufficiently long in Parliament to have studied the standing orders.

At this stage

Mr. Conroy

left the chamber.

The CHAIRMAN

- The honorable member for Werriwa is distinctly disorderly now, and I name him for disorderly conduct.

Mr Poynton

- I should like to ask the Chairman under what standing order he names the honorable member for Werriwa for walking out of the chamber?

Mr Barton

- Under Standing Order 59--

Mr McDonald

- I rise to a point of order. When an honorable member has been named, no debate can take place, but the Chairman called upon the honorable member for South Australia, Mr. Poynton, to address the committee, and then the Prime Minister got up and started to speak about a standing order. The

CHAIRMAN.- I named the honorable member for Werriwa under Standing Order 59. The honorable member for South Australia rose in his place, but I do not know for what purpose, and I did not hear one sentence of what he said. Had the honorable member attempted to debate the question, I should have called his attention to another standing order, which provides that a motion must be made by the Prime Minister, as head of the Government, upon which no debate is allowed.

Mr Poynton



- As a matter of personal explanation, I might say that I rose at my own, and not at the Chairman's instance, to ask under what standing order the honorable member for Werriwa had been named.

Mr Barton

- I am not obliged to submit a motion at this stage, but I shall not be out of order in making just one remark. When the strong course is forced on the Chairman of naming an honorable member, there is yet time for thought. The honorable member for Werriwa, who left the chamber, has returned and resumed his seat ; and I think honorable members will be at one in the hope that he will withdraw from the position he has taken up, so that the business may go on. I am quite sure that neither the honorable gentleman nor the Chamber will lose in dignity if he acts on my suggestion.

Mr Conroy

- So far from wishing to create disorder, I walked out because I felt a little hasty at the time, and I thought I should be better outside. It was advisable to walk out for a moment, rather than remain and interrupt the proceedings. Never having been placed in such a position before, I could not possibly know that my conduct was disorderly ; that the Chairman will easily understand. If I was out of order, I express my regret to the Committee, and to Mr. Chanter, both as Chairman and personally.

The CHAIRMAN

- The honorable and learned member for Werriwa having expressed his regret at his somewhat disorderly conduct in not obeying the Chair, I withdraw the naming of him.

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Sir GEORGE TURNER

- I was pointing out that the amount I had suggested at the moment as being a fair amount to insert, would have given a preference of 3s. 5d., as against 4s. 3d. in Victoria, and 4s. 7 1/2d. in Western Australia, being a reduction of 10d. in the one case, and of 1s. 2 1/2d. in the other. We have increased not only the duty on the leaf by 6d., but also the excise in Victoria by 9d. In South Australia, Tasmania, and Western Australia, where there was no excise, we put on a duty of 1s. 6d. On the whole, I think, to settle the matter, we might fairly agree to make it 6s. 3d. instead of 6s. 6d. as proposed by my honorable friend.

Mr JOSEPH COOK

- The honorable member for South Australia, Mr. Batchelor, has told us very plainly that he wants more protection for the makers of cigars, and I have reason to believe that his sole object is the protection of the workers of South Australia and other parts of the continent. I give him full credit for sincerity in doing what he is doing in the interests of the workmen who are engaged in this industry. But there is no need to give this protection to the worker, because the figures given by the honorable member for North Sydney, which cannot be controverted, show most unmistakably that, even under the proposed duty, there is an amount of protection which more than balances the total cost of making the cigars. It is not a working man's question in the way in which it is put by the honorable member for South Australia. His proposition cannot be needed in the interests of the working man. Therefore, it must be needed for some other purpose.

Mr. BATCHELOR

(South Australia). At the strong pressure of some other honorable members, who are just as much interested as I am, I am prepared to accept the proposition of the Treasurer.

Amendment, by leave, amended accordingly.

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

31

AYES

19

NOES

Majority ... .. 12

AYES

NOES

Question so resolved in the affirmative.

Amendment agreed to.

Mr CONROY

- I dissent from the amount of protection which is afforded to two or three favoured individuals. The

community generally could afford to give every one of these men an income of £100 a year to sit down and do nothing, and yet be very considerably in pocket by it. If the imported article were consumed we could wipe out this industry, and yet save a considerable amount of money by it. It seems to me that argument on a point like this is entirely lost upon many honorable members on the opposite side. Therefore I shall not continue the discussion after having been defeated on the two former items.

Division III. Sugar.

Sir WILLIAM

McMILLAN (Wentworth). - After the generous way in which the Government has been treated to-night, we might have an adjournment, as we have to sit all to-morrow and to travel to Sydney and other places.

Division III. is of a different character from that which we have been considering, and as a matter of courtesy from the Government to this side, I ask that we should now adjourn, so that we may have an opportunity of considering the next lot of items.

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Sir GEORGE TURNER

- There is no doubt that the public and the commercial world are waiting with great anxiety for this Tariff to be finally determined. We have been considering it for days, and have practically done nothing. There are a large number of items to come, upon which there is sure to be a good deal of discussion, especially with regard to the protective items. If we are only to make the progress which we have been making, it will be months before we finish the Tariff. I have no desire to curtail discussion, but I do say that the debate which has taken place with regard to the items just dealt with has been too prolonged altogether.

Mr Conroy

- I am sorry that we did not know this two hours ago. If we had known it, the Government would not have got the last items through. The Treasurer need not threaten the Opposition.

Sir GEORGE TURNER

- It is not my practice to threaten, but I am firm when I take up a position. We have a duty to do to those who wish to see these items passed, and we should perform our duty more rapidly than we have been doing. Under these circumstances the Government must ask the committee to sit for another hour or two.

Mr SYDNEY SMITH

- We shall miss our trams !

Sir GEORGE TURNER

- We have to consider the business of the country, and not our own private convenience.

Mr McDONALD

- I suggest to the Government that they should not go on with the sugar duties, in view of the fact that there is an important measure affecting those duties being now dealt with elsewhere.

Sir George Turner

- if it is desired to postpone the sugar duties we have no objection.

Mr FISHER

- If the Government have made up their minds that this Tariff ought to be considered more speedily than has been the case during the last few days, it is incumbent upon them to ask the House to sit on Mondays, Tuesdays, Wednesdays, Thursdays, Fridays, and Saturdays.

Mr JOSEPH COOK

- I rise to a point of order. Is this the time for the consideration of days and hours of sitting? There is an item before the Chamber.

Mr FISHER

- It is in the worst possible taste for the honorable member for Parramatta to object to what I am saying. I have not unduly taken up an hour of time since I have been a member of this Parliament. However, I will take another opportunity of expressing my views.

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Mr WATSON

- As to the suggestion for an adjournment, there is a great deal to be said as to the necessity of getting the Tariff through as soon as possible. So far as I am concerned, I have no desire to be kept here until the middle of next winter. The commercial community will not be inclined to thank any one who takes any action in the direction of delay. Reasonable discussion every one desires to see, because we may make

mistakes if that does not take place ; but as far as possible we should push things along. I suggest to the Treasurer, however, that the matter of the sugar duties, with which glucose is connected, is one upon which the committee should not come to a hasty decision. It would appear that the fate of a measure upon which these sugar duties absolutely depend is trembling in the balance in another place. I should be inclined to vote for a very much lower duty on sugar were it not for helping the planters in the north, to get over the interim period during which we ask them to dispense with kanaka labour. Therefore, I think there is a consensus of opinion in the committee in favour of keeping these items in hand. The sugar duties should be considered from the point of view of the measure to which I have alluded. Honorable members on the Opposition side have generously waived their opinions on the general question of the sugar duties, in order to help those engaged in this industry through a trying period; but the point of view will be altogether altered if the terms and conditions upon which the sacrifice is being made are not observed by all parties. It would be a mistake for us to determine these duties until we see that other people are willing to bear their fair share. I ask the Government to postpone the sugar duties until we know what is to be the upshot of the labour legislation upon which we have been engaged. I do not ask them to hold over the sugar duties with the intention of going back upon the bargain, because I believe all members of this House will pledge themselves loyally to abide by the sugar duties if the other part of the compact is carried through. I know that, so far as concerns the party with which I am associated, we would not for a moment think of going back at a later stage upon this bargain, so long as other matters are dealt with in the way the House of Representatives has dealt with them. For these reasons, I suggest to the

Government the propriety of holding this matter in hand in the meantime, and then if what we desire in reference to the question of a white Australia is attained, we shall be quite prepared to make what is certainly a sacrifice on the part of some of us with respect to the sugar duties.

Mr KINGSTON

- As regards the question of postponing this particular item, I may remark that if we deal with it now there is no likelihood of its passing out of our control for some time to come. But possibly it might be better, as a means of marking the interdependence of the legislation which is being considered elsewhere and the proposals here made, to postpone altogether the division in reference to sugar. Under the circumstances, I move -

That division No. 3 be postponed until after the consideration of division No. 6a.

Mr. JOSEPH

COOK (Parramatta). - I congratulate the Government on the way they come down instantly the moment the gun is fired at them from the labour corner. What this side of the Chamber can never do can be done in one word by the leader of the labour party. The acting leader of the Opposition in a courteous way already asked for an adjournment of this item.

Sir George Turner

- Not at all ; he asked for the adjournment of the House.

Mr JOSEPH COOK

-But solely on the ground that this item ought not to be considered at the present time. That request was refused by the Government. I am glad to see, however, that the labour party can get their wish fulfilled so readily, though I protest against the cavalier treatment meted out to the Opposition.

Sir WILLIAM

McMILLAN (Wentworth). - A great many honorable members have left the Chamber on the understanding that we should not go beyond the item that has already been dealt with. In the next place the Government now propose to postpone the division in regard to sugar, and to proceed with the next division, of which no notice at all has been given. I am not going to plead and beg, but I think that a certain amount of courtesy should be shown to honorable members. We have been sitting for a long time, and have passed items which practically mean the voting of about £4,000,000 of revenue out of £9,000,000.

Sir George Turner

- We have wasted three hours on a matter for which one hour would have been sufficient.

Mr SYDNEY SMITH

- I rise to a point of order. Has the Treasurer any right to reflect upon honorable members who have taken part in the debate this afternoon? The right honorable gentleman has no right, I submit, to reflect upon the

action of honorable members who have merely exercised their just right of ventilating grievances under the standing orders.

Mr Conroy

- I also object to the Treasurer setting himself up as a judge, and on the point of order I consider that the Treasurer has no right to make a statement regarding waste of time. If there has been a waste of time it is due to the fact that Ministers themselves have not been able to determine what their Tariff is.

The CHAIRMAN

- Honorable members of the committee are, I think, aware that any personal reflection by one honorable member upon another is disorderly, and should be withdrawn. But I did not understand the remark of the Treasurer as being a personal reflection upon any member. If honorable members think that there has been any reflection upon them I ask that it be withdrawn.

Mr SYDNEY SMITH

- I think the reflection has been upon the House, and I ask that the Treasurer should withdraw the statement.

Sir George Turner

- Rather than have any trouble at all, if honorable members are annoyed by the remark I made I will withdraw it, and allow the public to decide.

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Sir WILLIAM McMILLAN

- Owing to a proposal made by the leader of the labour party - and I do not say anything about the reasonableness of it - the division to which we have reached is to be postponed, and we are to be driven into a further part of this Tariff which no honorable member could have imagined would be considered to-night. I take it that a certain amount of latitude will be allowed for debate upon this particular division. Is the Treasurer going to force us at this' hour of the night on to a general debate upon this division when it can lead to nothing? The thing is absurd. Honorable gentlemen opposite know that on many occasions, to facilitate business, I have agreed to the suspension of the standing orders even when there was a good deal of difference of opinion on the point on my own side of the House. This is about the first unreasonable thing I have heard the Treasurer suggest in this Chamber, and he is here asking us to" open up a debate upon a totally different class of goods. The position we have taken up all through is that on stimulants and narcotics we do not enter into the region of party difference. Protection has been dragged into the discussion by honorable members on the other side, and not by us. We have considered the whole of the items purely from a financial and revenue point of view. Here we come for the first time to deal with mixed duties, some ad valorem, and some fixed, and upon these duties will greatly depend the whole scheme of the Tariff. Is it reasonable, or is it the usual parliamentary custom, to introduce entirely new matter at this hour of the night? While in the interests of the country, and for the sake of our own good conduct, I should be very sorry to retaliate, I must say that this will certainly leave a very sore impression on honorable members on this side. If honorable gentlemen opposite think that from anything which has happened to-night they have gained any position of advantage, I can assure them they are whittling it away very much by what they are proposing to do now. I think that the Minister for Trade and Customs is greatly to blame for whatever has happened. It is impossible to carry serious questions of this kind through without a certain amount of heat and ebullitions of temper, but we on this side of the committee have sufficient charity to make allowance even for the right honorable the Minister for Trade and Customs As we have now got into a calmer atmosphere, I suggest that we might forget what has happened, and adopt the ordinary custom of adjourning at a reasonable hour. In the position of acting leader of the Opposition, I think I have a right to say that, in my opinion, we have done sufficient work to-day, and will come here to-morrow morning in better temper if we adjourn now. Honorable members must recollect that we come here at half-past ten o'clock to-morrow morning, instead of half -past two in the afternoon. For all these reasons I hope that the adjournment will be consented to.

Mr. FISHER

(Wide Bay).- While I do not agree with the argument that we have come here totally unprepared to go on with Division 4, I still think the personal appeal made by the acting leader of the Opposition is a reasonable one. If, however, the honorable gentleman wishes to convey by his speech that we are to come here only to deal with One item in the Tariff each day, I think he has taken an entirely erroneous

view. The fact that we are to come here at half-past ten to-morrow does not weigh with me. There are a very large number of people in the Commonwealth who have to work much longer hours, under greater difficulties, and for a great deal less, than they are paying us. Any honorable member who feels seriously aggrieved at being kept here so late has an easy remedy at hand. The government of the country would go on if the greater number of the members of this committee were to resign to-morrow, and perhaps better men would get in to do the country's work. I say it is the duty of the Government now to see that the House sits the number of days necessary to get this Tariff through, as we are paid to give the whole of our time to our parliamentary duties. If the Government intend to carry on the business more expeditiously, the line of least resistance will be followed by sitting on all the legal days of the week, and intimating to the electors of the Commonwealth politely and fearlessly that we find it necessary to extend the hours and days of sitting, owing to the desire of honorable members to talk upon every conceivable and inconceivable subject.'

Mr JOSEPH COOK

- We ought to be much obliged for this lecture from the honorable member.

Mr FISHER

- Perhaps the honorable member would like to raise a point of order. I know of no honorable member who needs, a lecture more than the honorable member for Parramatta. While other members have an opportunity of going backwards and forwards to their homes, members representing Queensland and Western Australia have to remain here all the time, and I suggest to the Government that they should support the proposal that we should sit all the legal days of the week while we are here.

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Mr PIESSE

- I rise to support the suggestion of the last speaker. I think it is now time that we took it in hand to get through the work. I should like to point out to the leader of the Opposition, when he says that we have done very well to-day, that we were at the items which have been finally passed to-night on this day last week. I do not wish" to refer to members speaking long enough. They have been declaring that they have the right to speak, and I admit it, but I think it should be exercised with a little more consideration for the wishes of other people. Let me remind honorable members that the exercise of the right in that way has brought about in other Legislatures certain regulations which, I hope, will never be introduced here ; but members of those Legislatures have had to adopt those regulations in selfdefence.

Sir William McMillan

- Is the honorable member speaking as a member of the Government, when he threatens the closure 1

Mr PIESSE

- I have been rather surprised to hear the acting leader of the Opposition say that he is not prepared to go on with another item, of the Tariff. When are Ave to be prepared f How much longer are we to take over the items before we shall be prepared to go to a division ?

Mr SYDNEY SMITH

- When will the honorable member be prepared to vote ?

Mr PIESSE

- I have been in the Chamber and attending to my duties quite as well as the honorable member who is reflecting upon me.

Mr SYDNEY SMITH

- The honorable member is afraid to vote.

Mr PIESSE

- I vote on all proper occasions, and my reasons are given so that my constituents may judge me. I voted as I said I would vote. I again appeal to the Prime Minister and the leader of the Opposition to consider whether we should not take this work in hand on additional sitting days. It is, perhaps, rather late to go on now, but, although I have been here as long as the honorable member who is appealing for an adjournment, I am prepared to go on.

Mr PAGE

- I think it is nearly time that something was done in the direction of increasing the number of sitting days. We have been down here long enough. I have been away from home for nearly twelve months.

Mr Conroy

- I understand the honorable member is paid for his work t

Mr PAGE

- It is all very well for the honorable member to say that. He is able to return to his own home once a week. If I could do the same, I should be quite content to sit here all the year round. As it is, I may get home in the middle of the night, and if this goes on much longer the youngsters when they get up in the morning will want to know what man is in bed with their mother. When we were on the hustings we did not say we were not going to be paid well enough for the position. As the honorable member for Wide Bay remarks, if any honorable member is not satisfied, there is an easy way out of the difficulty. There are hundreds of aspirants for a seat in the Federal Parliament. I am glad to see that the Government have set up their backs for once. Let us sit on Fridays as on other days. As it is, some honorable members go away to their homes On Thursdays and Fridays, and come back on Tuesdays as fresh as new paint. It has been the custom of the Government to concede an early adjournment on Tuesday evening, because some honorable members have been . travelling in the train, and have had their nerves shaken. What about our nerves ?

Sir Malcolm McEacharn

- We have to sit here and listen to their twaddle.

Mr PAGE

- Let us do something. If honorable members are not prepared to go on with the Tariff after all the discussion on the want of confidence motion, when will they be prepared ? I have been ready ever since I came down here to go on with the business, not to suit the Government, but to suit my constituents.

Mr. JOSEPH

COOK (Parramatta).- We ought to be delighted with all this lecturing. When lectures are not being delivered we have reflections like that made by the honorable member for Melbourne, who characterized the talk of honorable members as twaddle. I presume everything is twaddle that does not commend itself to his mind. We are not here to suit the aesthetic tastes which that honorable member possesses. He might extend his knightly courtesy, and refrain from making these discourteous interjections. It does not comport with his position and high tone to be doing so. I for one resent his offensive interjections. The honorable member adopts a tone as though he were miles above every one else in the House. I beg to assure him he is not. We were sent here not to do what the Government propose, but to resist their proposals by every legitimate means in our power.

Sir William Lyne

- That is what the honorable member wants to do to-night.

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Mr JOSEPH COOK

- We want if possible to compel the honorable gentleman to go before his constituents, and explain to them the way in which he deceived them on the hustings.

Sir William Lyne

- The honorable member should look after himself. He will have quite enough to do to get back.

The CHAIRMAN

- I must direct the attention of honorable members to the question before the Chair, which is the postponement of Division 3 until after the consideration of Division 6a. While it is customary to allow, not only the leader of the Opposition, but one or two other honorable members to give reasons . why an adjournment should or should not take place, it is not usual to allow a general debate, and I ask honorable members to confine themselves to the question.

Mr JOSEPH COOK

- I desire to reply to a reflection cast upon me by the honorable member for Wide Bay. He said that no honorable member needed a lecture more than I do. So far as attending to our parliamentary duties is concerned, I work three hours for every one that he does, and the honorable member is not within bounds in attempting to lecture me in regard to the discharge of my parliamentary duties. I do not pretend to say I am not paid for what I do. I can point to my career, and compare it with the honorable member's, either in this or in any other Parliament, in point of attendance and the discharge of my duty. When he beats me in point of attendance and earnestness in his parliamentary work, it will be time enough for him to lecture me. I think we are entitled to ask the Government to give us this adjournment.

Sir William Lyne

- The honorable member has said he is going to obstruct in every way.

Mr JOSEPH COOK

- I have said nothing of the kind. We are going to fight these duties according to the rules of the House. There has been no obstruction, but honorable members on this side of the Chamber realize that it is not their duty to accept the Tariff without making a very strong effort to modify the Government proposals. A reasonable amount of expedition has been shown in the consideration of the Tariff, and there is no justification for the impatience that is now being exhibited by the Government.

Sir MALCOLM

McEACHARN (Melbourne). - I am very sorry to have to rise to take part in a debate of this character. I appear to have brought down upon myself the spleen of the honorable member for Parramatta, because I said there had been a good deal of twaddle talked. The honorable member has now given us a sample of what he can do in that respect.

Mr Conroy

- I rise to a point of order. The honorable member has referred to the remarks of the honorable member for Parramatta as twaddle.

The CHAIRMAN

- I did not take it that the honorable member for Melbourne meant to be offensive, but if the honorable member for Parramatta regards the language as offensive, I must ask the honorable member for Melbourne to withdraw it.

Mr JOSEPH COOK

- I do not regard the language as offensive; I treat it with contempt.

Sir MALCOLM McEACHARN

- I withdraw the remark as I have no desire to give offence. Much as I respect the honorable member as a friend, I must say that he has not appeared much inclined to mollify any one here this evening. I feel it is a disgrace to parliamentary proceedings that we should be kept here by honorable members on the opposition side of the House talking against time.

Mr SYDNEY SMITH

- Listen to the kanaka advocate.

Mr F E McLEAN

- I rise to a point of order. The honorable member for Melbourne has accused honorable members on this side of the House of talking against time.

Sir George Turner

- The public know it is true;

Mr F E McLEAN

- I submit, Mr. Chairman, that you, in the exercise of your duties, would prevent any honorable member from talking against time, and that the reflection is cast upon you as much as upon honorable members.

The CHAIRMAN

- The term employed by the honorable member is very often used in parliamentary proceedings, and this is the first time I have ever known it to be considered offensive.

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Sir MALCOLM McEACHARN

- If it were offensive to you, Mr. Chairman, I should withdraw the expression at once, but it appears to me that there is a desire on the part of honorable members of the Opposition to be offensive. The honorable member for Macquarie made an interjection with reference to kanakas.

Mr SYDNEY SMITH

- The honorable member for Melbourne commenced it. I shall say something more presently.

The CHAIRMAN

- I must ask honorable members on both sides of the Chamber to refrain from interjecting. These interjections lead to disorder, and very often the disorder reflects seriously on honorable members, both individually and collectively.

Sir MALCOLM McEACHARN

- Men should respect one who, against great odds, stands up for his opinion. There are very few who

have the courage of their opinions, and very few had the courage on the hustings to stand up for their opinions in regard to the kanaka question. I doubt whether a great many honorable members, if they had acted in accordance with their consciences, would have taken the course they did on the kanaka question when they were before the electors.

Mr KINGSTON

- I think it is a great pity that honorable members should lose their tempers, or provoke others to 'do so. I can assure honorable members that I cordially appreciate the altered tone of the leader of the Opposition, and I shall strive to modify mine accordingly. Nothing would give me greater delight than to assent to any request that he might make ; but this is not a matter of personal consideration or liking, and it is not even a question of party strife that we could fight out and put an end to. It is a question of the dignity of Parliament, and whether we shall have the right to stand high in the public estimation. If we continue in our present course we shall forfeit that right. The duty of the Government, not only to themselves, but to honorable members on both sides of the House, is clear, and that is to go on with the business and show that we appreciate our duty to the public, and that we are setting our minds fearlessly to the discharge of that duty.

Mr F E McLEAN

- The Minister will have the support of all honorable members on both sides of the House in endeavouring to transact the business of the country, but it often happens that an attempt to find the shortest way ends in lengthening the journey. My experience has been that late sittings do not facilitate business.

Sir William Lyne

- I always found that business was facilitated by them in New South Wales. .

Mr F E McLEAN

-I think that some of the worst work done in the New South Wales Parliament was performed after midnight.

Sir William Lyne

- The Opposition in New South Wales prevented me from doing anything until after midnight.

Mr F E McLEAN

- There is no fair comparison between the important question now under discussion and many of the matters that may have been stone-walled in the State Parliaments in days gone by. There is no attempt at stone-walling now.

Sir George Turner

- Well, let us get on with the business.

Mr F E McLEAN

- Is there any necessity to sit on late to-night.

Sir George Turner

- Yes.

Mr F E McLEAN

- There has not been any excessive waste of time over the details of the Tariff. The Government themselves interrupted the debate upon it during the present week by introducing a proposal that the Commonwealth should take over the administration of New Guinea, and a whole evening was absorbed in that discussion. I do not anticipate for a moment that we shall not be able to dispose of the Tariff before the Christmas adjournment. As far as it is possible, after reasonable debate has been allowed upon the items, the Government will find the Opposition co-operating with them in an endeavour to expedite the transaction of business.

Sir WILLIAM

McMILLAN (Wentworth). - I desire to make a personal explanation. I wish to point out that the Government whip has paired several honorable members to-night. He offered to pair myself, and was . very anxious that I should leave the House. I am perfectly satisfied that between the whip and myself the understanding was that there was not to be a long sitting. Several honorable members paired under that impression. Had there been any idea that we should continue sitting after half-past eleven o'clock, or midnight, I should have requested them not to leave the precincts of the House. There has been no intimation given that the Ministry intended to unduly prolong the sitting.

Sir George Turner



- The Prime Minister said so last night.

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Sir WILLIAM McMILLAN

- The Prime Minister said nothing definite at all. I took it for granted that he meant we should not sit later than twelve o'clock. If the Government intended to sit till one a.m. or two a.m., there ought to have been some official intimation of the fact given to honorable members. Instead of there being any justification for the charges which have been levelled against myself and others during this discussion, I have specially requested honorable members upon this side of the House to refrain from discussing items. I stopped the discussion upon the cigarette question, which might have occupied a very long time. However, I do not care now what is done. If there is an adjournment at this stage, I have nothing to thank Ministers for, but I have to thank honorable members upon the cross benches. The Government are treating us very unfairly and discourteously.

Mr. CONROY

(Werriwa). - I regret very much that the Government should have persisted in continuing the debate to-night. Personally, I induced several honorable members not to speak upon two or three items, and to that extent I consider the Government are indebted to me. If the Ministry have allowed an impression to go forth that there would be an adjournment at midnight, they have committed a serious breach of faith. I spoke to the Ministerial whip about this matter, and he assures me that I misunderstood him. I am therefore bound to accept his explanation. Had I not misunderstood him, we should have been discussing some of the items still. Upon one line I saw that the Ministry had consented to raise the duties to the extent of 9d. per lb., thus putting another £15,000 or £20,000 annually into the pockets of certain manufacturers. In deference, however, to a request from the Government whip, and to a further request from the acting leader of the Opposition, I waived my right to speak upon that item. On a question like this a great deal of information is required, and a settlement cannot be arrived at without some discussion. At the instance of the acting leader of the Opposition several of us curtailed our remarks on the last two or three subjects, on the understanding that the Ministry would consent to an adjournment ; and even if a mistake has been made in this connexion, the Ministry would be only acting honorably in consenting to bring the sitting to a close. Queensland members have referred to what they call a "paid House," but I do not consider that such a description applies to honorable members who give their time as we do to the work of legislation.

Sir WILLIAM

McMILLAN (Wentworth). - I object to a postponement of the consideration of this division of the Tariff until we have an understanding with the Minister in charge that there shall be an adjournment. The Ministry, in the first instance, without consulting the committee or the Opposition, accepted the mandate - because I can call it nothing less - of an honorable member in charge of the party on the cross benches. Then at a late hour of the night, when it was understood by most honorable members that we were not going beyond the tobacco duties, the Ministry proposed to postpone an intermediate division, and ask honorable members to consider subsequent duties. The Ministry ought to have given honorable members a clear intimation of their intention ; and their treatment of the House is unfair and unprecedented.

Mr Fisher

- The matter should have been mentioned to the acting leader of the Opposition.

Sir WILLIAM, McMILLAN

- I think it should. I am not talking now with any particular heat, but time after time the desires and wishes of the Opposition have been absolutely ignored ; and within a few minutes after a request from this side of the House had been refused, a request from the leader of the labour party was immediately assented to.

Mr Kingston

- That is not so.

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Sir WILLIAM McMILLAN

- It is so, and it has occurred on many occasions, though I said nothing, because I thought silence was the dignified course to take. I have always recognised the labour party, although I deplore a third party in any deliberative assembly. But we are His Majesty's Opposition, and representative government, as we understand it in the British dominions, cannot be carried on unless there is a properly organized

Opposition to criticise the Ministerial proposals. When the history of this session is reviewed, it will be seen that members of the Opposition have consistently assisted the Government in all non-party measures. I have done so in connexion with every one of the machinery Bills ; and on my word of honour I can say that during the consideration of those measures I never submitted a motion of a party character. It is not fair, after we have sat here from half-past two o'clock, and when we have to meet at half-past ten o'clock to-morrow morning, for the Government to refuse the courteous request which I make on behalf of the Opposition. No honorable member on the Government side of the House can say that it was understood that the House was to continue to sit until the small hours. With a great deal of pain I have to say of my right honorable friend the Minister for Trade and Customs - for he is a friend of mine whom I esteem sincerely - that he very often mistakes a sort of stubbornness, the result, perhaps, of a little temper, for that determination and firmness which is quite right under proper circumstances. But I want to let the past be buried, and merely to say that I am certain no real business will be done, for the simple reason that we are not prepared to do it. Personally I have been over weighted with work during the last week or two, as no doubt have other honorable members, for there is not an item of the Tariff on which we have not been inundated with literature and correspondence. In New South Wales the Tariff has not been a very prominent question on account of its simplicity. I confess that as to a large number of these items I am absolutely ignorant. There may be honorable members on this side who understand some of this business better than I do. I am doing my best to understand the representations that have been made. I have papers relating to the items, and wish to consult with one or two of my honorable friends on this side on one or two of them. I do not understand several of them sufficiently to debate them to-night. I do not think the Minister for Home Affairs will disbelieve my statement. If I were prepared to go on, even if we had to sit all night, I should not object, but I am not prepared to deal with these items, because I did not think that there was any chance of them being brought forward to-night.

Sir LANGDON BONYTHON

- I wish to ask the Minister for Trade and Customs whether it will be possible to proceed with the excise duties on stimulants and narcotics! I ask the question because I know that the employment of a large number of persons is dependent on some sort of finality being reached as to this portion of the Tariff.

22 6 2

Mr KINGSTON

- I do not think it will be possible to go on with those excise duties, because those honorable members who have gone away could not have imagined that the items would be gone on with.

Sir Langdon Bonython

- I do not mean to-night, but at an early date.

Mr KINGSTON

- That will be considered, and the committee informed.

Mr. THOMSON

(North Sydney).- I have no objection to the committee sitting all night and all to-morrow, but is it quite fair to proceed in the absence of honorable members, to whom some of these items are of importance, who have gone away, not knowing that the sugar duties would be postponed, and not anticipating that there would be a late sitting

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I am quite with the Ministry in their desire to get the Tariff through this House before Christmas. If there is any likelihood of its consideration being prolonged beyond that date, we should have all-night sittings to carry it through by then. I admit that sometimes a Government can get on more quickly with all-night sittings than with all-day sittings, but in fairness to honorable members or constituents who are particularly interested in certain items the members ought to have an opportunity of knowing that the business is going on beyond the usual hour before that step is taken. It will be only fair for the Ministry, if they find it necessary, to have all night sittings on days other than Thursday, as we have a day sitting on Friday. Let the Ministry ask the committee to sit for three or four days if they like, day and night, but let their intention be announced beforehand. It is not so near Christmas time that they need have continuous sittings yet. If they require to have all-night sittings let them name the nights, so that honorable members may come prepared.

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Mr McCOLL

- The acting leader of the Opposition ventured the assertion that honorable members on this side did not anticipate that we were going to sit late to-night, but we anticipated sitting late last night. We have held our tongues here for the last fortnight, scarcely any honorable members have spoken, and we are simply ashamed at the slow progress of business. The honorable member for Wentworth said yesterday that he intended to debate the Tariff line by line, and I took the statement of the Prime Minister that the Government would take such steps as to insure progress as an intimation that they would sit late to-night, and I believe that most of the members on this side took it in that light. It is the duty of honorable members to know the position of business before they leave. We are twitted by the press which supports the Opposition with the slow progress of business, and if we do not push on now honorable members on the other side, as well as their press advocates, will twit the Government with the slow progress we are making. I trust that we shall sit on to-night and do business, and sit on, as the honorable member for North Sydney has fairly said, so that we can get the Tariff put through by Christmas. The honorable member for North Sydney, and, the honorable member for Wentworth, have been fair and manly all through; but I do not think they are acting fairly to the country, or to the commercial community, by assisting to delay the consideration of these items. The honorable member for Wentworth said that he did not know of any House ever sitting late at night on the revision of a Tariff. I have assisted in the revision of three Tariffs, and we never got them through without sitting late and early.

Sir William McMillan

- I never said such a thing.

Mr McCOLL

- I understood the honorable member to say so to-night. We lost nearly a month over the no-confidence debate, which could have been avoided very easily. Surely that was quite enough preliminary discussion to have.

Sir WILLIAM

McMILLAN (Wentworth). - The honorable member for Echuca says that a number of honorable members on the other side have not spoken in this debate, or have taken up very little time. Honorable members who helped to frame this Tariff with the highest rates, can well afford to sit close and tight, and look on. But our duty has been to protest against the Tariff, and to debate it honestly in the interests of the country. The Government whip in the earlier part of the evening was engaged in arranging pairs for honorable members, and the inference to be drawn from that fact was that the Government did not intend that the committee should sit late. It was generally understood that as soon as the tobacco duties were disposed of there would be an adjournment.

Mr Barton

- The Government whip had no authority to make such an arrangement, and would not have exercised it without authority.

Sir WILLIAM McMILLAN

- It is true that the head of the Government said last night that he would expect us to sit late, and that was understood to mean that we should not sit later than twelve o'clock.

Mr Barton

- I said that I should expect substantial progress to be made.

Sir WILLIAM McMILLAN

- I can only ask for an adjournment on the grounds of courtesy and consideration. We are not prepared to go on with the next division, and, bearing in mind that we have to meet at half-past ten in the morning, the least the Government could have done was to let the House adjourn early to-night.

Sir GEORGE TURNER

- I am sorry that the acting leader of the Opposition thinks that the Government have not shown consideration to honorable members on that side. On other occasions when we have allowed an adjournment it simply meant that the speeches delivered the night before were repeated next day. But we want to deal with the matter in as friendly a spirit as possible whilst at the same time we have a duty to the people. The mercantile community are in a state of confusion, because they do not know what bargains to make and what contracts to enter into. There is no doubt that we have not made the progress with the work that ought to have been made. I understand that the acting leader of the Opposition now

states that he is prepared to assist the Government to carry this Tariff through before the adjournment for the Christmas holidays, and I think he has sufficient influence with his supporters to have that promise carried out. There are three items in the next division which we might deal with before we adjourn, namely, animals, arrowroot, and bacon and hams. I do not think there is any necessity for much discussion on them.

Mr SYDNEY SMITH

- There will be a big discussion.

Sir GEORGE TURNER

- If we are to have a big discussion on such items, we shall not get through by Christmas.

Sir William McMillan

- These are all separate items, which require grave consideration.

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Sir GEORGE TURNER

- We have no right to debate such items at great length.

I am not prepared to adjourn unless I have some understanding. If I understand that the acting leader of the Opposition is prepared to assist the Government to do what I think it is our duty to do, to put the Tariff through before we adjourn for the Christmas holidays, I point out that it will be necessary that we should sit later next Friday, and it will also be necessary to sit on each day of the week from Monday to Friday to carry out the work. On the understanding that honorable members will be prepared to sit on those days, and to sit late whenever it may be necessary--

Mr Barton

- And that the compact is to be observed--

Sir GEORGE TURNER

- Yes, it must be distinctly understood that honorable members will give us their assistance and will sit each day of the week, and, if necessary, as is done in other Parliaments, for two or three hours after midnight, so that we may get the work done. Honorable members are aware that the people desire us to settle this matter so that merchants and other persons may know exactly how they stand. If my honorable friend will undertake to assist the Government in the way I have suggested, I shall have great pleasure in asking my honorable colleague to move to report progress.

Sir WILLIAM

McMILLAN (Went worth). - Of course, this concession tonight is not to be made a reason for all requests. We are anxious to complete the consideration of the Tariff by Christmas, and I am willing to sit extra days to get it through. I am willing also to say that while, owing to the action of the Government, it will be necessary for us probably to debate the Tariff at greater length than might be the case under other circumstances, we will not countenance any obstruction. We will debate every item if necessary, and we will not allow any restriction upon our liberties in debate, but so far as I am personally concerned, in my position of acting leader of the Opposition, I shall not countenance anything like an endless repetition of arguments or obstructive tactics.

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Minister for External Affairs

Mr BARTON

. - I have every desire to accept the statement of my honorable friend, the member for Wentworth, in good faith. Am I to understand that we shall be assisted in getting the Tariff through this House before the Christmas adjournment, and that the intention to debate every item does not mean that each item is to be debated as of course, but only if, as between man and man, there appears to be good reason for debating it? That has not been the position so far, and if the position in the future is to be assimilated to that in the past, I can have no faith in any assurances whatever. I have no desire to cast any doubt at all on what the honorable member for Wentworth has said, but I should like to know whether he believes that the course he has indicated will be followed by the Opposition as a body? I am prepared to accept any assurance that is given to me by the honorable gentleman. I ask upon no question of personal honour at all, because I take every man's word as his bond. But I wish to know if the statement that every item is going to be debated is to mean that there is going to be a debate of the length we have had on the other items; and if the course indicated by my honorable friend is, in his judgment, a course which the

Opposition will follow. I ask because, unless these promises are involved in a reasonable way in the statement that the honorable gentleman has made, we can have no hope of getting the Tariff through before Christmas. I have no wish to drive or to push honorable members too far, but I should like to get from my honorable friend some intimation of his opinion upon the points I have raised.

Sir WILLIAM

McMILLAN (Wentworth). - My right honorable friend has gone, in this matter, a little too far. According to parliamentary usage, the Government side of the House is, as a rule, better organized in a certain way than the Opposition, and it is the custom, when certain serious business is to be got through within a certain period, to have some understanding between both sides. I think that is reasonable. My position in the matter, as acting leader of the Opposition, is a little more difficult than if I were leader. When the right honorable gentleman asks for my assurances in the matter, all I can say, in general terms, is that every one on this side of the committee, so far as I know, is anxious to see the Tariff put through by Christmas if that is at all possible. After all, in dealing with the Tariff, we are in a peculiar position, because, although in a minority, we represent the free-traders of Australia, and it is absolutely necessary, owing to the way in which the Tariff is framed, that where any principle or any item that requires consideration is involved, we must have the right to debate it fairly. So far as I can see every item will have to be more or less debated, and we must have the liberty of debating every item fairly.

Mr Barton

- That has not been denied.

Sir WILLIAM McMILLAN

- We do not mean to say that we are going to adopt any obstructive tactics, as long as we are treated fairly by the Government side. While giving this assurance as far as I can for honorable members on this side of the House - and I suppose that I have some influence with them - I would ask in all good fellowship, not in any humble way, but as a matter of right, that His Majesty's Opposition should be treated with more consideration than we have received during this session. I think it is a fair thing that before changes are made by the Government, before any decision is arrived at at the instigation of any honorable member or any party in the House, we should be consulted. Action has been taken on several occasions at the instigation of some honorable member without the slightest references being made to the Opposition.

Mr Barton

- To what does the honorable member refer?

Sir WILLIAM McMILLAN

- To several matters. I refer to an adjournment of a debate on one occasion, and also to the way in which certain provisions in certain Bills were dealt with". In these matters the Government have been interviewed by some honorable members, and certain arrangements have been made. I cannot recollect the exact instances.

Mr Barton

- I am sure there has been no unfairness.

Sir WILLIAM McMILLAN

- If it was thought that there should be a long sitting to-night, and that these items should be gone into, it would have been well had some communication been made to the acting leader of the Opposition, so that he might have known what was going to be done. That is a matter of courtesy.

Mr Barton

- It is customary to ask, and then receive the information.

Sir WILLIAM McMILLAN

- The Prime Minister knows that about ten years ago, in the best traditions of the Parliament of New South Wales, these courtesies did exist. I am afraid that in later years they were not so evident.

Mr Barton

- I never received any of them while I was leader of the Opposition.

Sir WILLIAM McMILLAN

- We want to preserve the best traditions of the House of Commons in this deliberative assembly, and, so far as I am concerned, while I, like other people, am fallible, and subject to a little heat occasionally when addressing the House, I have tried to show my desire that this Parliament should set an example to the

Parliaments of Australia. That will be my unfailing desire as long as I am a member of this Parliament. I can give a general assurance to my right honorable friend, that our desire is, if it be possible, to close this debate by Christmas, so that the Tariff may be handed over at that time to the other Chamber, which will thus be given full time to consider what action it will take. There will be no obstructive tactics on our part. At the same time we cannot make any hard and fast compact which would in any way limit our right of discussion to the fullest extent on every item.

Mr. BARTON

(Hunter- Minister for External Affairs). - If I may say one word in order to promote a reasonable arrangement, I am quite satisfied with the statement my honorable friend has made. It is impossible for either of us to fully control every member of our own party, but assuming that every reasonable regard is paid to that which the honorable member has said, I shall entertain the hope and belief that he will assist me to close the Tariff discussion in this House by Christmas. If that can be done by the adjournment - which I presume will be about the 15th or 18th inst. - I shall have no complaint to make.

Mr. JOSEPH

COOK (Parramatta). I rise to suggest, in all seriousness, to the Government that they might turn their attention to their own side.

Mr Barton

- Do not get up any unpleasantness.

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Mr JOSEPH COOK

- We are not supposed to be unpleasant on this side of the House. We are to have everything jerked at us from the Government side, and say nothing. We have just had a lecture from another honorable member on the Government side on the privileges we abuse. Our position is different from that of honorable members on the Government side. This is the only place in which we can make our wants known. We do not believe in a back-door, backstairs, underground system. A meeting of the country party on the other side has been held. We do not know what transpired there - except for the little that has leaked out in the press, but the party have made their communications to the Government. They pull the strings, and the Government respond. Honorable members on the Government side have an easy task of it. Their feelings and their fiscal opinions are not being cut across the grain, as those of honorable members on this side are. I would ask the honorable member for Echuca what would be his position, if a Government were in power that proposed to strike off all the duties that he supported? He would be the greatest obstructionist in the House if he were on this side, and took the views that we hold in regard to the Tariff. It comes with an ill grace from him to lecture us. He is constantly interjecting.

Mr McColl

- That is absolutely untrue.

Mr JOSEPH COOK

- It is not untrue. When the honorable member is not writing he is interjecting.

Mr McColl

- I will say that that is a falsehood.

Mr JOSEPH COOK

- I call your attention to that remark, Mr. Chairman.

The CHAIRMAN

- The honorable member for Parramatta must certainly accept the honorable member for Echuca's statement. He denies the accuracy of the honorable member's statement, and he must not repeat it. I am sure the honorable member for Echuca will withdraw the remark he has made that the "honorable member for Parramatta's statement is absolutely false.

Mr McColl

- I will do so when the honorable member withdraws his assertion.

Mr JOSEPH COOK

- I ask that the honorable member be called upon to withdraw his offensive remark.

The CHAIRMAN

- The honorable member for Echuca denied the statement made by the honorable member for Parramatta, but it was repeated. I think the honorable member for Parramatta must accept the honorable

member for Echuca's denial, and that the honorable member for Echuca in turn must withdraw his remark.

Mr McColl

- I will withdraw with pleasure.

Mr JOSEPH COOK

- I appeal to the Government to ask their supporters to check themselves in their treatment of the Opposition. An honorable member on this side of the committee cannot get up without being roared at by honorable members who frame their resolutions in secret, send them into the Government, and have them adopted immediately.

Mr. CONROY

(Werriwa).- As far as I am concerned I intend to offer an active opposition to all the Tariff proposals of the Government, and I am determined, as far as I can secure it, that they shall be fully discussed. I have already shown, by allowing three items to pass after it was clear that the committee were against us, that I do not intend to offer any useless opposition.

Mr. BARTON

(Hunter - Minister for External Affairs). - The acting leader of the Opposition will now see how difficult it may be to control some of his supporters, and if he finds that that difficulty is excessive, he will not blame the Government for any course which it may be forced to take. I believe, however, that words are often spoken in heat which are not fully meant.

Progress reported.

PROPERTY FOR PUBLIC PURPOSES ACQUISITION BILL

Mr SPEAKER

- I have received the following message from the Senate -

Mr Speaker

-

The Senate returns to the House of Representatives the Bill intituled, "A Bill for an Act to provide for the acquisition of property for public purposes, for dealing with property so acquired, and for other purposes connected therewith," and acquaints the House of Representatives that the Senate has agreed to the amendments made therein, with the exception of Nos. 5,6, and 10, to which the Senate has disagreed, for the reasons assigned in the annexed schedule.

The Senate desires the reconsideration of the Bill in respect to the amendments disagreed to.

C. BAKER,

President.

The Senate,

Melbourne, 21st November, 1901.

ADJOURNMENT

Additional sitting Day

Motion (by Mr. Barton) proposed -

That this House do now adjourn.

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Mr FISHER

- I think the

Prime Minister might intimate what is to be done with regard to the sittings of the House being extended. It will be advisable for the Government to consider the desirability of sitting on more days in the week, and for a greater number of hours per day than hitherto.

Mr CONROY

- It might be as well if the consideration of this matter were delayed until next week. After the understanding which has been arrived at between the leader of the Government and the leader of the Opposition, there may be no necessity for extra sitting days.

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Minister for External Affairs

Mr BARTON

. - :I propose to give notice to-morrow, and to move on Tuesday next, that the House shall sit on

Mondays. I shall also have to ask honorable members not only to meet on Mondays, but to sit later on Fridays than has been customary, in order that we may have an opportunity of taking a recess of, at any rate, a week or two at Christmas time. The matter has not been settled in Cabinet yet, but there seems to be a question as to whether we should adjourn for about three weeks, or for some five or six weeks. I think the general feeling will probably be in favour of the shorter adjournment.

Question resolved in the affirmative.

Hours adjourned at 1.28 a.m. (Friday).

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00:00:00

Adjournment text