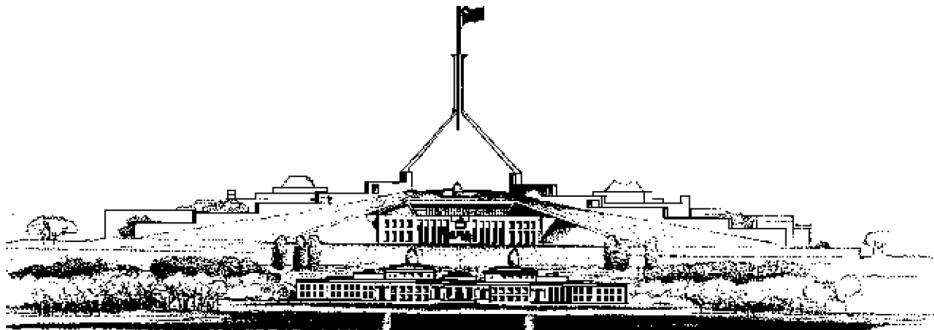




COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



# Senate Official Hansard

No. 9, 1908  
Thursday, 27 February 1908

THIRD PARLIAMENT  
SECOND SESSION

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

# PARLIAMENT OF THE COMMONWEALTH.

## GOVERNOR-GENERAL.

His Excellency the Right Honorable HENRY STAFFORD, BARON NORTHCOTE, Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George, Knight Grand Commander of the Most Eminent Order of the Indian Empire, Companion of the Most Honorable Order of the Bath, Governor-General and Commander-in-Chief of the Commonwealth of Australia.

## DEAKIN ADMINISTRATION.

(*From 5th July, 1905.*)

Minister of External Affairs	...	The Honorable Alfred Deakin.
Treasurer	...	*The Right Honorable Sir John Forrest, P.C., G.C.M.G. <i>Succeeded by</i> The Honorable Sir William John Lyne, K.C.M.G. (30th July, 1907).
Minister of Trade and Customs	...	The Honorable Sir William John Lyne, K.C.M.G., <i>Succeeded by</i> The Honorable Austin Chapman (30th July, 1907).
Attorney-General	...	The Honorable Isaac Alfred Isaacs, K.C., <i>Succeeded by</i> The Honorable Littleton Ernest Groom (13th October, 1906).
Minister of Defence	...	The Honorable Thomas Playford, <i>Succeeded by</i> The Honorable Thomson Ewing (24th January, 1907).
Minister of Home Affairs	...	The Honorable Littleton Ernest Groom, <i>Succeeded by</i> The Honorable Thomson Ewing (13th October 1906). <i>Succeeded by</i> The Honorable John Henry Keating (24th January, 1907).
Postmaster-General	...	The Honorable Austin Chapman, <i>Succeeded by</i> The Honorable Samuel Mauger (30th July, 1907).
Vice-President of the Executive Council		The Honorable Thomson Ewing, <i>Succeeded by</i> The Honorable John Henry Keating (13th October, 1906), <i>Succeeded by</i> The Honorable Robert Wallace Best (20th February, 1907).
Honorary Minister	...	The Honorable James Hume Cook (28th January, 1908).

\* Resigned office, 30th July, 1907.

## MEMBERS OF THE SENATE.

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### THIRD PARLIAMENT.—SECOND SESSION.

*President*—Lieut.-Colonel the Hon. Albert John Gould, V.D.

*Chairman of Committees*—The Hon. George Foster Pearce.

Best, Hon. Robert Wallace	...	...	Victoria.
Cameron, Lieut.-Colonel the Hon. Cyril St. Clair	...	...	Tasmania.
Chataway, Thomas Drinkwater	...	...	Queensland.
Clemons, Hon. John Singleton	...	...	Tasmania.
Croft, John William	...	...	Western Australia
de Largie, Hon. Hugh	...	...	Western Australia.
<sup>2</sup> Dobson, Hon. Henry	...	...	Tasmania.
Findley, Edward	...	...	Victoria.
Fraser, Hon. Simon	...	...	Victoria.
Givens, Thomas	...	...	Queensland.
Gould, Lieut.-Col., the Hon. Albert John, V.D.	...	...	New South Wales.
Gray, John Proctor	...	...	New South Wales.
Guthrie, Robert Storrie	...	...	South Australia.
Henderson, George	...	...	Western Australia.
Keating, Hon. John Henry	...	...	Tasmania.
Lynch, Patrick Joseph	...	...	Western Australia.
Macfarlane, Hon. James	...	...	Tasmania.
<sup>3</sup> McColl, Hon. James Hiers	...	...	Victoria.
McGregor, Hon. Gregor	...	...	South Australia.
Millen, Hon. Edward Davis	...	...	New South Wales.
Mulcahy, Hon. Edward	...	...	Tasmania.
Needham, Edward	...	...	Western Australia.
<sup>2</sup> Neild, Colonel, the Hon. John Cash	...	...	New South Wales.
<sup>4</sup> O'Loghlin, Major the Hon. James Vincent	...	...	South Australia.
<sup>1</sup> Pearce, Hon. George Foster	...	...	Western Australia.
Pulsford, Edward	...	...	New South Wales.
Russell, Edward John	...	...	Victoria.
Russell, William	...	...	South Australia.
St. Ledger, Anthony James Joseph	...	...	Queensland.
Sayers, Robert John	...	...	Queensland.
Stewart, Hon. James Charles	...	...	Queensland.
Story, William Harrison	...	...	South Australia.
Symon, Hon. Sir Josiah Henry, K.C.M.G., K.C.	...	...	South Australia.
Trenwith, Hon. William Arthur	...	...	Victoria.
Turley, Henry	...	...	Queensland.
<sup>2</sup> Vardon, Joseph	...	...	South Australia,
Walker, Hon. James Thomas	...	...	New South Wales.

<sup>1</sup> Chairman of Committees.

<sup>2</sup> Election declared void 31st May, 1907. Elected 15th February, 1908.

<sup>3</sup> Temporary Chairman of Committees.

<sup>4</sup> Chosen by State Parliament 11th July, 1907. Choice declared void, 20th December, 1907.

# MEMBERS OF THE HOUSE OF REPRESENTATIVES.

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## THIRD PARLIAMENT.—SECOND SESSION.

*Speaker.*—The Hon. Sir Frederick William Holder, K.C.M.G.

*Chairman of Committees*—The Hon. Charles McDonald.

Archer, Edward Walker	...	...	...	Capricornia. (Q.)
Atkinson, Llewelyn	...	...	...	Wilmot. (T.)
Bumford, Hon. Frederick William	...	...	...	Herbert. (Q.)
<sup>3</sup> Batchelor, Hon. Egerton Lee	...	...	...	Boothby. (S.A.)
Bowden, Eric Kendall	...	...	...	Nepean. (N.S.W.)
Brown, Joseph Tilley	...	...	...	Indi. (V.)
Brown, Hon. Thomas	...	...	...	Calare. (N.S.W.)
Carr, Ernest Shoobridge	...	...	...	Macquarie. (N.S.W.)
Catts, James Howard	...	...	...	Cook. (N.S.W.)
Chanter, Hon. John Moore	...	...	...	Riverina. (N.S.W.)
Chapman, Hon. Austin	...	...	...	Eden-Monaro. (N.S.W.)
Cook, Hon. James Newton Haxton Hume	...	...	...	Bourke. (V.)
Cook, Hon. Joseph	...	...	...	Parramatta. (N.S.W.)
Coon, Jabez	...	...	...	Batman. (V.)
Crouch, Hon. Richard Armstrong	...	...	...	Corio. (V.)
Deakin, Hon. Alfred	...	...	...	Ballarat. (V.)
Edwards, Hon. Richard	...	...	...	Oxley. (Q.)
Ewing, Hon. Thomas Thomson	...	...	...	Richmond. (N.S.W.)
Fairburn, George	...	...	...	Fawkner. (V.)
Fisher, Hon. Andrew	...	...	...	Wide Bay. (Q.)
Forrest, Right Hon. Sir John, P.C., G.C.M.G.	...	...	...	Swan. (W.A.)
Foster, Francis James	...	...	...	New England. (N.S.W.)
<sup>3</sup> Fowler, Hon. James Mackinnon	...	...	...	Perth. (W.A.)
Foxton, Colonel the Hon. Justin Fox Greenlaw, C.M.G.	...	...	...	Brisbane. (Q.)
Frazer, Charles Edward	...	...	...	Kalgoorlie. (W.A.)
Fuller, Hon. George Warburton	...	...	...	Illawarra. (N.S.W.)
Fysh, Hon. Sir Philip Oakley, K.C.M.G.	...	...	...	Denison. (T.)
Glynn, Hon. Patrick McMahon	...	...	...	Angas. (S.A.)
Groom, Hon. Littleton Ernest	...	...	...	Darling Downs. (Q.)
Hall, David Robert	...	...	...	Werriwa. (N.S.W.)
Harper, Hon. Robert	...	...	...	Mernda. (V.)
Hedges, William Noah	...	...	...	Fremantle. (W.A.)
Holder, Hon. Sir Frederick William, K.C.M.G.	...	...	...	Wakefield. (S.A.)
Hughes, Hon. William Morris	...	...	...	West Sydney. (N.S.W.)
Hutchison, James	...	...	...	Hindmarsh. (S.A.)
Irvine, Hans William Henry	...	...	...	Grampians. (V.)
Irvine, Hon. William Hill, K.C.	...	...	...	Flinders. (V.)
Johnson, William Elliot	...	...	...	Lang. (N.S.W.)
Kelly, William Henry	...	...	...	Wentworth. (N.S.W.)
<sup>4</sup> Kingston, Right Hon. Charles Cameron, P.C., K.C.	...	...	...	Adelaide. (S.A.)
Knox, Hon. William	...	...	...	Kooyong. (V.)
Liddell, Frank	...	...	...	Hunter. (N.S.W.)
Livingston, John	...	...	...	Barker. (S.A.)
Lyne, Hon. Sir William John, K.C.M.G.	...	...	...	Hume. (N.S.W.)
Mahon, Hon. Hugh	...	...	...	Coolgardie. (W.A.)
Maloney, William Robert Nuttall	...	...	...	Melbourne. (V.)
Mathews, James	...	...	...	Melbourne Ports. (V.)
Manger, Hon. Samuel	...	...	...	Mariibyrnong. (V.)
<sup>2</sup> McDonald, Hon. Charles	...	...	...	Kennedy. (Q.)
McDougall, John Keith	...	...	...	Wannon. (V.)
McWilliams, William James	...	...	...	Franklin. (T.)
O'Malley, Hon. King	...	...	...	Darwin (T.)
Page, Hon. James	...	...	...	Marnooa. (Q.)
<sup>1</sup> Palmer, Albert Clayton	...	...	...	Echuca. (V.)
Poynton, Hon. Alexander	...	...	...	Grey. (S.A.)
Quick, Hon. Sir John	...	...	...	Bendigo. (V.)
Reid, Right Hon. George Houstoun, P.C., K.C.	...	...	...	East Sydney. (N.S.W.)
<sup>3</sup> Salmon, Hon. Charles Carty	...	...	...	Laanecoorie. (V.)

## MEMBERS OF THE HOUSE OF REPRESENTATIVES.

THIRD PARLIAMENT.—SECOND SESSION—*continued.*

Simpson, Sydney	...	...	...	...	Wimmera. (V.)
Sinclair, Hugh	...	...	...	...	Moreton. (Q.)
Smith, Hon. Bruce, K.C.	...	...	...	...	Parkes. (N.S.W.)
Spence, Hon. William Guthrie	...	...	...	...	Darling. (N.S.W.)
Storrer, David	...	...	...	...	Bass. (T.)
Thomas, Hon. Josiah	...	...	...	...	Barrier. (N.S.W.)
Thomson, Hon. Dugald	...	...	...	...	North Sydney. (N.S.W.)
Thomson, John	...	...	...	...	Cowper. (N.S.W.)
Tudor, Hon. Frank Gwynne	...	...	...	...	Yarra. (V.)
Watkins, Hon. David	...	...	...	...	Newcastle. (N.S.W.)
Watson, Hon. John Christian	...	...	...	...	South Sydney. (N.S.W.)
Webster, William	...	...	...	...	Gwydir. (N.S.W.)
"Wilks, Hon. William Henry	...	...	...	...	Dalley. (N.S.W.)
Willis, Hon. Henry	...	...	...	...	Robertson. (N.S.W.)
Wilson, John Gratton	...	...	...	...	Corangamite. (V.)
Wise, George Henry	...	...	...	...	Gippsland. (V.)
Wynne, Hon. Agar	...	...	...	...	Balaclava. (V.)

## HEADS OF DEPARTMENTS.

*Senate.*—E. G. Blackmore, C.M.G.; (C. B. Boydell, Acting).

*House of Representatives.*—C. G. Duffy, C.M.G.

*Parliamentary Reporting Staff.*—B. H. Friend.

*Library.*—A. Wadsworth.

*Joint House Committee.*—G. E. Upward; (G. H. Monahan, Acting).

<sup>1</sup> Election declared void 10th June, 1907. Elected 10th July, 1907. Sworn 16th July, 1907.

<sup>2</sup> Chairman of Committees.

<sup>3</sup> Temporary Chairman of Committees.

<sup>4</sup> Decease reported, 12th May, 1908.

## COMMITTEES OF THE SESSION.

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### SENATE.

**STANDING ORDERS COMMITTEE.**—The President, the Chairman of Committees, Senator Best, Senator Dobson, Senator Clemons, Senator Guthrie, Senator St. Ledger, Senator Sir J. H. Symon, Senator Trenwith.

**LIBRARY COMMITTEE.**—The President, Senator Chataway, Senator Keating, Senator Lynch, Senator Stewart, Senator Sir J. H. Symon, Senator Walker.

**HOUSE COMMITTEE.**—The President, Senator de Largie, Senator McColl, Senator McGregor, Senator Mulcahy, Senator Colonel Neild, Senator Turley.

**PRINTING COMMITTEE.**—Senator Croft, Senator Findley, Senator Lieut.-Colonel Cameron, Senator Henderson, Senator Macfarlane, Senator Pulsford, Senator Givens.

**COMMITTEE OF DISPUTED RETURNS AND QUALIFICATIONS.** — Senator de Largie, Senator Dobson, Senator Macfarlane, Senator Colonel Neild, Senator Sir J. H. Symon, Senator Turley, Senator Walker.

**PRIVILEGE PROCEDURE.**—Senator Colonel Neild, Senator Henderson, Senator Turley, Senator Chataway.

### HOUSE OF REPRESENTATIVES.

**STANDING ORDERS COMMITTEE.**—Mr. Speaker, the Prime Minister, the Chairman of Committees, Mr. Joseph Cook, Mr. Groom, <sup>1</sup>Mr. Kingston, Mr. Watson, Mr. Wilson.

**LIBRARY COMMITTEE.**—Mr. Speaker, Mr. Glynn, Mr. Harper, Mr. W. H. Irvine, Mr. Knox, Mr. Salmon, Mr. Bruce Smith, Mr. Spence.

**HOUSE COMMITTEE.**—Mr. Speaker, Mr. Batchelor, Mr. Chanter, Mr. Fisher, Mr. Mahon, Mr. Mauger, Mr. Page, Mr. Dugald Thomson.

**PRINTING COMMITTEE.**—Mr. Edwards, Mr. Fowler, Mr. Hutchison, Sir John Quick, Mr. Storrer, Mr. Watkins, Mr. Willis.

**PRIVILEGE PROCEDURE.**—Mr. Bamford, Mr. Fuller, Sir John Quick, Mr. Wise.

<sup>1</sup>Decease reported, 12th May, 1908.

## ACTS OF THE SESSION.

### ADDITIONAL APPROPRIATION ACT 1905-6 AND 1906-7 (No. 9 of 1908)—

An Act to appropriate further sums for the service of the years ended the thirtieth day of June, One thousand nine hundred and six, and the thirtieth day of June, One thousand nine hundred and seven. [Initiated in House of Representatives by Sir William Lyne, 22nd May, 1908. Assented to 3rd June, 1908.]

### ADDITIONAL APPROPRIATION ACT 1907-8 (No. 11 of 1908)—

An Act to grant and apply an additional sum out of the Consolidated Revenue Fund to the service of the year ending the thirtieth day of June, One thousand nine hundred and eight. [Initiated in House of Representatives by Sir William Lyne, 22nd May, 1908. Assented to 3rd June, 1908.]

### ADDITIONAL APPROPRIATION (WORKS AND BUILDINGS) ACT 1905-6 AND 1906-7 (No. 10 of 1908)—

An Act to appropriate further sums for the service of the years ended the thirtieth day of June, One thousand nine hundred and six, and the thirtieth day of June, One thousand nine hundred and seven for purposes of Additions, New Works, Buildings, &c. [Initiated in House of Representatives by Sir William Lyne, 22nd May, 1908. Assented to 3rd June, 1908.]

### ADDITIONAL APPROPRIATION (WORKS AND BUILDINGS) ACT 1907-8 (No. 12 of 1908)—

An Act to grant and apply an additional sum out of the Consolidated Revenue Fund to the service of the year ending the thirtieth day of June, One thousand nine hundred and eight for the purposes of Additions, New Works, Buildings, &c. [Initiated in House of Representatives by Sir William Lyne, 22nd May, 1908. Assented to 3rd June, 1908.]

### APPROPRIATION ACT 1907-8 (No. 6 of 1908)—

An Act to grant and apply a sum out of the Consolidated Revenue Fund to the service of the year ending the thirtieth day of June, One thousand nine hundred and eight, and to appropriate the supplies granted for such year in this session of the Parliament. [Initiated in House of Representatives by Sir William Lyne, 7th April, 1908. Assented to 16th April, 1908.]

### APPROPRIATION (WORKS AND BUILDINGS) ACT 1907-8 (No. 6 of 1907)—

An Act to grant and apply a sum out of the Consolidated Revenue Fund to the service of the year ending the thirtieth day of June, One thousand nine hundred and eight, for the purposes of Additions, New Works, Buildings, &c. [Initiated in House of Representatives by Sir William Lyne, 25th September, 1907. Assented to 8th October, 1907.]

### AUSTRALIAN INDUSTRIES PRESERVATION ACT 1907 (No. 5 of 1908)—

An Act to amend the Australian Industries Preservation Act 1906. [Initiated in Senate by Senator Best, 3rd October, 1907. Assented to 14th April, 1908.]

### BOUNTIES ACT (No. 12 of 1907)—

An Act to provide for the payment of bounties on the production of certain goods. [Initiated in House of Representatives by Mr. Groom, 16th July, 1907. Assented to 28th November, 1907.]

### COAST DEFENCE APPROPRIATION ACT (No. 19 of 1908)—

An Act to grant and apply out of the Consolidated Revenue Fund a sum of Two hundred and fifty thousand pounds for Harbor and Coastal Defences. [Initiated in House of Representatives by Sir William Lyne, 4th June, 1908. Assented to 10th June, 1908.]

### COMMONWEALTH SALARIES ACT (No. 7 of 1907)—

An Act relating to the Taxation by the States of Salaries and Allowances paid by the Commonwealth. [Initiated in Senate by Senator Best, 5th July, 1907. Assented to 8th October, 1907.]

**CONSTITUTION ALTERATION (SENATE ELECTIONS) 1906 (No. 1 of 1907)—**

An Act to alter the provisions of the Constitution relating to the Election of Senators. [Initiated in Senate by Senator Keating, 17th August, 1906. Assented to 3rd April, 1907.]

**CUSTOMS TARIFF 1908 (No. 7 of 1908)—**

An Act relating to Duties of Customs. [Initiated in House of Representatives by Sir William Lyne, 8th August, 1907. Assented to 3rd June, 1908.]

**CUSTOMS TARIFF AMENDMENT 1908 (No. 13 of 1908)—**

An Act to amend the Customs Tariff 1908. [Initiated in House of Representatives by Sir William Lyne, 2nd June, 1908. Assented to 10th June, 1908.]

**DISPUTED ELECTIONS AND QUALIFICATIONS ACT (No. 10 of 1907)—**

An Act to amend the Law relating to Parliamentary Elections, and to provide for the Settlement of Questions relating to the Qualifications of Members of the Parliament, and to Vacancies in either House of the Parliament. [Initiated in Senate by Senator Best, 30th October, 1907. Assented to 22nd November, 1907.]

**ELECTION EXPENSES REIMBURSEMENT ACT (No. 20 of 1908)—**

An Act to grant and apply out of the Consolidated Revenue Fund a sum for the purpose of reimbursing expenses incurred by candidates in connexion with certain elections which have been declared void, and in proceedings in relation thereto. [Initiated in House of Representatives by Sir William Lyne, 5th June, 1908. Assented to 10th June, 1908.]

**EXCISE PROCEDURE ACT (No. 1 of 1908)—**

An Act relating to procedure on applications for a declaration under the Excise Tariff 1906 (Act No. 16 of 1906). [Initiated in Senate by Senator Keating, 10th October, 1907. Assented to 18th February, 1908.]

**EXCISE TARIFF 1908 (No. 8 of 1908)—**

An Act relating to Duties of Excise. [Initiated in House of Representatives by Sir William Lyne, 8th August, 1907. Assented to 3rd June, 1908.]

**EXCISE TARIFF (STARCH) 1908 (No. 14 of 1908)—**

An Act to amend the Excise Tariff 1908. [Initiated in House of Representatives by Sir William Lyne, 2nd June, 1908. Assented to 10th June, 1908.]

**INVALID AND OLD-AGE PENSIONS ACT (No. 17 of 1908)—**

An Act to provide for the payment of Invalid and Old-age Pensions, and for other purposes. [Initiated in House of Representatives by Mr. Deakin, 2nd June, 1908. Assented to 10th June, 1908.]

**JUDICIARY ACT (No. 8 of 1907)—**

An Act to amend the Judiciary Act 1903. [Initiated in Senate by Senator Best, 5th July, 1907. Assented to 14th October, 1907.]

**KALGOORLIE TO PORT AUGUSTA RAILWAY SURVEY ACT (No. 4 of 1907)—**

An Act to authorize the Survey of Route for a Railway to connect Kalgoorlie, in the State of Western Australia, with Port Augusta, in the State of South Australia. [Initiated in House of Representatives by Mr. Groom, 16th July, 1907. Assented to 28th August, 1907.]

**OFFICERS COMPENSATION ACT (No. 4 of 1908)—**

An Act to provide for compensation to be paid on retirement or on decease of certain officers of the Commonwealth. [Initiated in House of Representatives by Sir William Lyne, 13th December, 1907. Assented to 14th April, 1908.]

**OLD-AGE PENSIONS APPROPRIATION ACT (No. 18 of 1908)—**

An Act to grant and apply out of the Consolidated Revenue Fund the sum of Seven hundred and fifty thousand pounds for Invalid and Old-age Pensions. [Initiated in House of Representatives by Sir William Lyne, 4th June, 1908. Assented to 10th June, 1908.]

**PARLIAMENTARY ALLOWANCES ACT (No. 5 of 1907)—**

An Act relating to the Allowance to Members of each House of the Parliament of the Commonwealth. [Initiated in House of Representatives by Sir William Lyne, 14th August, 1907. Assented to 28th August, 1907.]

**PARLIAMENTARY PAPERS ACT (No. 16 of 1908)—**

An Act relating to the publication of Parliamentary Papers. [Initiated in House of Representatives by Mr. Deakin, 3rd April, 1908. Assented to 10th June, 1908.]

**QUARANTINE ACT (No. 3 of 1908)—**

An Act relating to Quarantine. [Initiated in House of Representatives by Sir William Lyne, 10th July, 1907. Assented to 30th March, 1908.]

**SUPPLY ACT (No. 1) (No. 2 of 1907)—**

An Act to grant and apply out of the Consolidated Revenue Fund a sum for the service of the year ending the thirtieth day of June, One thousand nine hundred and eight. [Initiated in House of Representatives by Sir John Forrest, 4th July, 1907. Assented to 5th July, 1907.]

**SUPPLY ACT (No. 2) (No. 3 of 1907)—**

An Act to grant and apply out of the Consolidated Revenue Fund a sum for the service of the year ending the thirtieth day of June, One thousand nine hundred and eight. [Initiated in House of Representatives by Sir William Lyne, 13th August, 1907. Assented to 15th August, 1907.]

**SUPPLY ACT (No. 3) (No. 9 of 1907)—**

An Act to grant and apply out of the Consolidated Revenue Fund a sum for the service of the year ending the thirtieth day of June, One thousand nine hundred and eight. [Initiated in House of Representatives by Sir William Lyne, 8th November, 1907. Assented to 14th November, 1907.]

**SUPPLY ACT (No. 4) (No. 11 of 1907)—**

An Act to grant and apply out of the Consolidated Revenue Fund a sum for the service of the year ending the thirtieth day of June, One thousand nine hundred and eight. [Initiated in House of Representatives by Sir William Lyne, 20th November, 1907. Assented to 23rd November, 1907.]

**SUPPLY ACT (No. 5) (No. 2 of 1908)—**

An Act to grant and apply out of the Consolidated Revenue Fund a sum for the service of the year ending the thirtieth day of June, One thousand nine hundred and eight. [Initiated in House of Representatives by Sir William Lyne, 11th March, 1908. Assented to 14th March, 1908.]

**SUPPLY ACT (No. 1) 1908-9 (No. 21 of 1908)—**

An Act to grant and apply out of the Consolidated Revenue Fund a sum for the service of the year ending the thirtieth day of June, One thousand nine hundred and nine. [Initiated in House of Representatives by Sir William Lyne, 5th June, 1908. Assented to 10th June, 1908.]

**SURPLUS REVENUE ACT (No. 15 of 1908)—**

An Act relating to the payment to the several States of the Surplus Revenue of the Commonwealth. [Initiated in House of Representatives by Sir William Lyne, 13th March, 1908. Assented to 10th June, 1908.]

# BILLS OF THE SESSION.

## BILLS OF EXCHANGE BILL—

[Initiated in Senate by Senator Keating, 5th July, 1907; lapsed at prorogation.]

## COMMERCE (TRADE DESCRIPTIONS) BILL—

[Initiated in House of Representatives by Mr. Austin Chapman, 19th November, 1907; lapsed at prorogation.]

## CONCILIATION AND ARBITRATION BILL—

[Initiated in Senate by Senator Needham, 1st November, 1907; lapsed at prorogation.]

## CRIMINAL APPEALS BILL—

[Initiated in Senate by Senator Colonel Neild, 4th July, 1907; lapsed at prorogation.]

## DEFENCE BILL—

[Initiated in Senate by Senator Dobson, 2nd August, 1907; lapsed at prorogation.]

## ELECTORAL (DISPUTED RETURNS) BILL—

[Initiated in House of Representatives by Mr. Chanter, 8th August, 1907; lapsed at prorogation.]

## FIRE INSURANCE BILL—

[Initiated in House of Representatives by Mr. Frazer, 25th July, 1907; lapsed at prorogation.]

## MANUFACTURES ENCOURAGEMENT BILL—

[Initiated in House of Representatives by Sir William Lyne, 13th November, 1907; lapsed at prorogation.]

## MARINE INSURANCE BILL—

[Initiated in House of Representatives by Mr. Groom, 22nd October, 1907; lapsed at prorogation.]

## PAPUA BILL—

[Initiated in House of Representatives by Mr. Deakin, 3rd July, 1907; lapsed at prorogation.]

## PARLIAMENTARY WITNESSES BILL—

[Initiated in Senate by Senator Keating, 11th July, 1907; lapsed at prorogation.]

## POSTAL RATES BILL—

[Initiated in House of Representatives by Mr. Austin Chapman, 23rd July, 1907; lapsed at prorogation.]

## PUBLIC SERVICE (APPEALS) BILL—

[Initiated in House of Representatives by Mr. Hughes, 8th August, 1907; lapsed at prorogation.]

## REMUNERATION OF LABOUR DEFINITION BILL—

[Initiated in Senate by Senator Colonel Neild, 17th October, 1907; lapsed at prorogation.]

BILLS OF THE SESSION—*continued*.

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**SEAT OF GOVERNMENT BILL—**

[Initiated in House of Representatives by Mr. Groom, 17th July, 1907; lapsed at prorogation.]

**NAVIGATION BILL—**

[Initiated in Senate by Senator Best, 12th September, 1907; lapsed at prorogation.]

**NORFOLK ISLAND BILL—**

[Initiated in House of Representatives by Mr. Deakin, 2nd June, 1908; lapsed at prorogation.]

**PUBLIC SERVICE BILL—**

[Initiated in House of Representatives by Mr. Groom, 2nd June, 1908; lapsed at prorogation.]

**SEAMEN'S COMPENSATION BILL—**

[Initiated in Senate by Senator Best, 3rd June, 1908; lapsed at prorogation.]

# P A R L I A M E N T C O N V E N E D.

THIRD PARLIAMENT—SECOND SESSION.

Parliament was convened by the following Proclamation:—

(*Gazette No. 28, 1907.*)

## PROCLAMATION

By His Excellency the Right Honorable HENRY STAFFORD, BARON NORTHCOTE, Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George, Knight Grand Commander of the Most Eminent Order of the Indian Empire, Companion of the Most Honorable Order of the Bath, Governor-General and Commander-in-Chief of the Commonwealth of Australia.

WHEREAS by the Commonwealth of Australia Constitution Act it is amongst other things enacted that the Governor-General may appoint such times for holding the Sessions of the Parliament as he thinks fit, and also from time to time by Proclamation or otherwise prorogue the Parliament: And whereas on the fifth day of April, One thousand nine hundred and seven, the Parliament was further prorogued until Wednesday, the twelfth day of June, One thousand nine hundred and seven, and it is expedient to further prorogue the said Parliament: Now therefore I, HENRY STAFFORD, BARON NORTHCOTE, the Governor-General aforesaid, in exercise of the power conferred by the said Act, do by this my Proclamation further prorogue the said Parliament until Wednesday, the third day of July, One thousand nine hundred and seven, and I do appoint the said Wednesday, the third day of July, One thousand nine hundred and seven, as the day for the said Parliament to assemble and be holden for the despatch of business. And all Members of the Senate and of the House of Representatives respectively are hereby required to give their attendance accordingly, in the building known as the Houses of Parliament, situate in Spring-street, in the City of Melbourne, at half-past Two in the afternoon, on the said Wednesday, the third day of July, One thousand nine hundred and seven.

Given under my Hand and the Seal of the Commonwealth of Australia aforesaid, this eighteenth day of May, in the year of our Lord One thousand nine hundred and seven, and in the seventh year of His Majesty's reign.

(SEAL OF THE  
COMMONWEALTH  
OF AUSTRALIA.)

By His Excellency's Command,

JOHN FORREST.

GOD SAVE THE KING!

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**Senate.**

*Thursday, 27 February, 1908.*

The PRESIDENT took the chair at 11 a.m., and read prayers.

**TELEGRAPHISTS.**

Senator PEARCE. — I wish to know from the Minister representing the Postmaster-General when the return showing the number of telegraphists employed by the Commonwealth in each State in 1902 and 1907 respectively, ordered to be laid on the table of the Senate, will be ready?

Senator KEATING. — I cannot say now, but I hope to give a definite answer later.

**PAPERS.**

Senator BEST laid upon the table the following papers—

- (1) Commerce (Trade Descriptions) Act 1905.—Amendment of Regulation 8, and Repeal of Regulations 20 (8), 22, and 28.—Statutory Rules 1908, No. 17.
- (2) Customs Act 1901.—Amendment of Regulation 130.—Statutory Rules 1908, No. 18.

**INTERNATIONAL CONFERENCE OF METEOROLOGISTS.**

Senator MILLEN asked the Minister of Home Affairs, *upon notice*—

If the Government has yet arrived at any decision as to the question of appointing a delegate to the approaching International Conference of Meteorologists?

Senator KEATING.—Not yet, but the matter will be considered at the first Cabinet meeting; probably next week.

## POSTAL ADMINISTRATION.

### MOTOR CARS FOR POSTAL WORK—REPLENISHING OF STORES.

Senator NEEDHAM asked the Minister of Home Affairs, *upon notice*—

1. Has the introduction of motor cars for postal work been a success in Adelaide?
2. Is it a fact that the Minister intends to introduce the system in Melbourne?
3. If the answer to No. 1 is in the affirmative, will the Minister make arrangements to extend the system to all important centres in the various States?

Senator KEATING.—The answers to the honorable senator's questions are—

1. Yes.
2. Yes.
3. Yes; where it can be done with advantage to the Department.

Senator NEEDHAM asked the Minister of Home Affairs, *upon notice*—

In view of the heavy loss sustained by the Postal Department in the destruction of property and stores caused by the recent fire in Melbourne, will he inform the Senate whether the money being expended on the new building and the replenishing of the stores is being debited to Transferred or Other Expenditure?

Senator BEST.—The answer to the honorable senator's question is as follows—

1. The building was not the property of the Commonwealth, therefore the question of debiting cost of replacement does not arise.

2. The question of the proper debit for replacing stores is still under consideration.

### SENATE ELECTION: SOUTH AUSTRALIA.

Senator ST. LEDGER asked the Minister of Home Affairs, *upon notice*—

1. What is the cause of the delay in the declaration of the result of the recent Senate election in South Australia?

2. In view of the general provisions of the Electoral Act and of Section 167, can the Government take no steps to expedite the above matter?

3. Does the Government intend to institute immediately an inquiry into the alleged defects and administration of the said Act?

Senator KEATING.—The answers to the honorable senator's questions are as follow—

1 and 2. There has been no delay, but the results are incomplete owing to certain Absent Voters' ballot papers not having yet been received by the Divisional Returning Officers from remote centres. It is considered necessary that no declaration of the poll should be made until these ballot papers are received.

3. The Government is unaware of any defect in the administration of the Act. An Amending Electoral Bill is in course of preparation.

Senator SAYERS.—Is the Minister aware that the returns for elections to the Federal Parliament have been received under the provisions of the Post and Telegraph Act?

Senator KEATING.—I am not aware that votes have been so received.

Senator SAYERS.—I have received them as returning officer.

Senator MULCAHY.—The honorable senator refers to the transmission of returns by telegraph.

Senator KEATING.—I am not aware that votes have been transmitted, except by the appointed officers, in the method provided by the Electoral Act. I believe that in this case absent voters' papers have to be opened by a particular officer, and that the Act does not provide for the appointment of any other person to anticipate his actions.

Senator MULCAHY.—What would happen if the postal votes were destroyed or lost?

The PRESIDENT.—That is a hypothetical question which the Minister cannot be called upon to answer.

Senator Colonel NEILD.—Is the Minister aware that senators have been declared duly elected on telegraphic returns, without waiting for the ballot-papers, which it appears to be deemed necessary to do in the present South Australian election?

Senator KEATING.—I am not aware, though I do not say the honorable senator's statement is incorrect. So far as my memory serves me, in the present case certain postal ballot-papers are now in transit, and they have to be opened by one particular officer, the Act not providing for the opening of them by any one else.

Senator PEARCE.—Are they absent electors' votes?

Senator KEATING.—Yes.

Senator ST. LEDGER.—From what districts are ballot-papers still in transit, and what number of ballot-papers is concerned?

Senator KEATING.—Only a couple of ballot-papers, the votes having been recorded, I think, at Alice Springs.

### TENTH AUSTRALIAN INFANTRY.

Senator GUTHRIE asked the Minister of Home Affairs, *upon notice*—

1. Is the establishment of Field Officers maintained in the Tenth Australian Infantry Regiment?

2. How many vacancies for Majors exist in the Regiment?

3. How long have the vacancies existed?
4. Why are they not filled?
5. Are any officers of the regiment qualified for the vacancies?
6. Will the Minister see that instructions are issued to have the proper establishment maintained?

Senator KEATING.—The answers to the honorable senator's questions are as follow—

1. No.
2. Two.

3. One vacancy does not appear to have been filled since the re-organization of the Military Forces, dating from 1st July, 1903; the other has existed from 9th January, 1908, *vice* Major the Hon. J. V. O'Loghlin, transferred to the Unattached List.

4. The regulations provide that promotions should be made on the recommendation of the Officer Commanding the Regiment and the Commandant. Captain Stapleton, D.S.O., the senior Captain in the Regiment, has been so recommended, but, as he had not completed his examination for the rank of Major, the Promotion Board would not confirm the recommendation. No other officer has been recommended by the Officer Commanding the Regiment or the Commandant for promotion.

5. Captain Dollman has passed the qualifying examination for the rank of Major, but the Officer Commanding the Regiment, in recommending Captain Stapleton for promotion, stated, "I have nothing against Captain Dollman, who is an excellent officer, but I think Captain Stapleton's promotion will be to the best interests of the Regiment."

6. In accordance with the clearly defined policy of the Defence Act and Regulations, citizen officers are appointed to the command of Militia Regiments. The Officer Commanding the 10th Infantry Regiment, Colonel Rowell, C.B., is one of the most capable and experienced citizen officers in the Commonwealth. It is undesirable to ignore the Regulations and disregard the recommendations of Colonel Rowell and the Commandant of South Australia. The Minister hopes for an early and satisfactory adjustment of the matter.

#### RIFLE RANGE, KERANG.

Senator McCOLL asked the Minister of Home Affairs, *upon notice*—

Is it the intention of the Defence Department to purchase the old rifle range at Kerang in order that the Military Forces of that district may have a ground to practise on?

Senator KEATING.—In reply to the honorable senator's question, I have to state—

The necessary steps are being taken to acquire a suitable site adjoining the old range. The Minister recognises its urgency, and is doing all he can to expedite the matter.

#### CUSTOMS TARIFF BILL.

*In Committee* (Consideration resumed from 26th February, *vide* page 8418): Schedule.

Division VII.—Oils, Paints and Varnishes. Item 234. Oils—\*

In vessels exceeding one gallon, viz.:—\*

(k) Mineral, n.e.i.; Naphtha; Benzine; Benzoline; Gasoline; Pentane; Petrol; Turpentine Substitutes; and the like; per gal. (General Tariff), 2d.; (United Kingdom), 1d.

(l) Solar Oils, and Residual Oilst, per gal., 1d.

(m) N.E.I., per gal., 6d.

(n) Castor-oleine and other Saponifiable Oils, per gal., 6d.

(o) Kerosene and other Refined Petroleum Oils, in packages less than 10 gallons in content, per gal., 3d.; and on and after 3rd December, 1907, free.

(p) Kerosene, and other Refined Petroleum Oils, n.e.i., free.

+ When the Department is in doubt as to the exact nature of any oil so described it shall be denatured in accordance with Departmental by-laws.

Request (by Senator STEWART) proposed—

That the House of Representatives be requested to make the duty on item 234, paragraph L, per gallon, 3d.

Senator KEATING (Tasmania—Minister of Home Affairs) [11.12].—I pointed out last night, when dealing with paragraph J, that these duties were submitted by the Government in another place at a time when we were unaware either of the intentions or the possibilities of those engaged in producing oils in the Commonwealth. I do not intend to reiterate the statements I then made, except to remind honorable senators that I gave reasons why the Commonwealth Oil Corporation was not in a position to go before the Commission and submit views as to what would be adequate protection. In the absence of any specific recommendation, the Government submitted this item as it stands. Since then, we have received information, which we have satisfied ourselves is reliable, that the Commonwealth Oil Corporation have invested a considerable amount of capital in their venture in New South Wales. They are already producing large quantities of black and blue oil. The Government think that under these circumstances it is desirable that a further measure of protection should be afforded to the company than that proposed in the Tariff. I think, therefore, that the

Committee might with confidence be asked to support a request for increasing the duty on solar and residual oils from  $\frac{1}{2}$ d. to 3d. per gallon, or at any rate, something over  $\frac{1}{2}$ d.

Senator Lt.-Colonel GOULD (New South Wales) [11.15]. — I should like to refer honorable senators to what took place when the Tariff of 1902 was under consideration by the Senate. At that time, I believe both solar and residual oils were being produced in the Commonwealth. These oils are used, not only for lubricating, but also for heating purposes. At that time, the proposal was that the duty should be  $\frac{1}{2}$ d. per gallon. Senator Pulsford, who had made a considerable study of the whole subject, then stated that a duty of  $\frac{1}{2}$ d. per gallon upon solar oil was equal to about 30 per cent., whilst upon residual oil, which is better known as liquid fuel, the duty was equal to 50 per cent. So that it would appear that even a duty of  $\frac{1}{2}$ d. is an immense amount as compared with the intrinsic value of the article. But the question arises as to whether there is any reason why these goods should practically be excluded from the Commonwealth by charging a duty of 3d., which would be 180 per cent. upon the value of one article, and 300 per cent. upon the value of the other, if the statements of Senator Pulsford—then accepted by the Senate—were correct. I find that a letter was quoted from Mr. John Pender, of Messrs. John Pender and Company, nail-makers, of Melbourne, who said :—

I am a manufacturer of horseshoe nails, resident in Brunswick, Victoria, Australia. Some years ago I invented a machine for the manufacture of nails, but never saw my way clear to use it until I had been to America, and had seen the application of liquid fuel to similar purposes, as it is possible to get a greater, more continuous, and cleaner heat (*i.e.*, that is free from smoke and cinder) from oil than from coke or coal when applied to many lines of manufacture. I have recently obtained two machines from America made on my principle, fitted with furnaces for burning liquid fuel, it being my desire to use the most modern methods in the manufacture of nails, in order to turn them out at the lowest possible price, to compete with those imported from Europe. If a heavy duty, such as the present one, is put on liquid fuel, it will, by increasing the cost of the oil, deprive me of all the advantages I expected to obtain from this, the most modern method of heating iron, in order to decrease the cost of production, so as to better meet foreign competition.

If that statement be correct—and it has never been challenged—it is evident that the Committee will be making a very serious mistake if they impose a duty of 3d. per

gallon on these oils. I hope that honorable senators will realize that liquid fuel is playing, and will play, more and more an important part in reducing the cost of manufactures. The cost of fuel is a very serious one in connexion with new manufactures which are being introduced, and will continue to be introduced from time to time. The proposed duty will be but of little value for revenue purposes, and if it tends to exclude liquid fuel, it will certainly be of no service to the people of the Commonwealth. It may be that, as the result of it, one or two local companies will secure a market for solar and residual oil, but the probabilities are undoubtedly against an increased duty being of any value to the community. I am prepared to vote for the old duty, although it may be that even that impost is undesirable; and I would urge honorable senators to do all in their power to reduce the cost of production in Australia.

Senator MCCOLL (Victoria) [11.21]. — I trust that the Committee will not agree to the request to increase the duty. I hope to see, before very long, a great deal of cultivation in the northern part of this State carried on by means of motive power supplied either by alcohol fuel or fuels of the description under consideration. Solar and residual oils are used mainly as fuels. In the far north, the farmers are taking more and more to the use of machinery, but what they need is cheap motive power. In order to make a success of farming in the semi-arid districts, our settlers require to have their cultivation paddocks turned over as early as possible. They may have plenty of grass in the dry season, but, owing to lack of water, they are unable to use horse-power for this purpose. They require some motive power such as that supplied by liquid fuel to get their ground broken up in time to be benefited by the first rains. As it is, those dependent upon horse-power have to wait until the first rainfall before they commence operation, and sometimes no further rain falls in time to mature their crops.

Senator GUTHRIE.—Leave them in the hands of the trust and they will be unable to obtain oil.

Senator MCCOLL.—I wish to make oil as cheap as possible.

Senator FINDLEY.—Does the honorable senator contend that protection increases prices?

Senator McCOLL. — My contention is that it has not yet been proven satisfactorily that these oils can be produced in Australia. I am, therefore, opposed to the increased duty. Another point to be remembered is that oils are used for spraying fruit trees with the object of destroying insect pests. Surely it should be our endeavour to make them as cheap as possible to our fruit-growers.

Senator FINDLEY.—Would they not be able to obtain oil much cheaper if we had a local competitor?

Senator McCOLL.—I do not know. I am not going to rush blindfolded into such a project as this. The proposal is too important, too far-reaching in its effect on those who keep Australia going, to be hastily dealt with. It is not the people in the cities, but the men on the land, who bring wealth to the country, and we should endeavour to facilitate their operations by making everything they require as cheap as possible.

Senator GUTHRIE (South Australia) [11.25].—For the very reasons given by Senator McColl I intend to vote for a request to obtain the highest duty we can get. Had the honorable senator made inquiries regarding the supply of fuel oils in Australia he would know that the two companies which were supposed to be in a position to meet our requirements in that respect have failed utterly to do so. I know of a manufacturer who incurred considerable expense in visiting the United States of America for the purpose of inquiring into the use of liquid fuels, and who after purchasing the very best oil sprays had to allow his furnaces in Melbourne and Sydney to remain idle because neither of the companies in question was prepared to supply him with the oil he required. We have before us an opportunity to develop an Australian industry. It has been shown that the Commonwealth Oil Corporation is a substantial company. Surely the shareholders who have subscribed a capital of £950,000 have not rushed blindfolded into the venture. No one can deny that we have in Australia deposits of shale from which this oil can be obtained. On Friday, I received from the representatives of the Standard Oil Company a circular condemning the local shale oil as an illuminant. I at once told the representatives of the Commonwealth Oil Corporation that if they could not disprove the statements contained in that circular, I should vote against any duty to

protect them. They immediately consulted their solicitors, who sent to the representatives of the Standard Oil Company the following telegram:

We have been consulted by the Commonwealth Oil Corporation with reference to your letter of 17th inst. to senators' statements made therein as to inability of New South Wales Shale and Oil Co. to market their oil on account of inferior quality as an illuminant and further statement that Commonwealth Oil Corporation's principal products in the oil line will be fuel oil, &c., and further statement that Commonwealth Oil Corporation did not want protection against American oil, but against cheap fuel oil, &c., as marketed by British Imperial Oil Co., and also statement that Commonwealth Oil Corporation would not be ready for refining for space of two years; all these absolutely without any foundation of truth. We now call upon you to at once publicly withdraw these statements unconditionally.

This shows that they are prepared to back up their opinions—

To communicate such withdrawal to senators and others to whom you have written, failing which we must ask you to at once nominate solicitor, who will accept service of process on your behalf as our instructions are, failing withdrawal, to institute proceedings at once for unwarrantable libel.

Do honorable senators imagine that a company which was not prepared to carry on the industry would be ready to take legal proceedings to contest the statements made by the Standard Oil Trust?

Senator McCOLL.—These are poor arguments in support of an increased duty.

Senator GUTHRIE. — The honorable senator said that he would not blindly support a proposal of this kind, and I am endeavouring to show that he is not asked to do so. I have proof that the companies upon which our manufacturers have relied for a supply of fuel oils have absolutely failed to meet the demand. My own opinion is that, for the purpose of keeping up prices, they limited the Australian supply. I believe that, if the request be agreed to, we shall be absolutely assured of sufficient fuel to enable us to carry on not only our manufacturing, but also our agricultural pursuits. I know just as well as does Senator McColl that, in connexion with the running of their machinery, our agriculturists are going in largely for the consumption of fuel oil, and I am anxious that they should be able to procure that article at a cheap rate, and that they shall be assured of a regular supply, which they cannot obtain under existing conditions. For these reasons I shall support the imposition of a high duty.

**Senator FINDLEY** (Victoria) [11.31].— Senator McColl has stated that he will not support the proposed duty upon the ground that he is extremely anxious that our primary producers shall be able to obtain fuel oil as cheaply as possible, and that he is not disposed to register a vote blindly in favour of a local product. When a representative Australian makes a statement of that kind he makes a very damaging admission, because, if there is one thing in which he should interest himself it is in matters Australian. His declaration that he will not vote blindly in favour of a local product evidences either that he has not made inquiries into the possibilities of this Australian industry, or that he has made them with a biased mind.

**Senator McCOLL.**—I never heard of this proposal until yesterday. It has been sprung upon the Committee.

**Senator FINDLEY.**—When the New South Wales Shale and Oil Company was in existence it was able to successfully carry on operations, because a duty of 3d. per gallon was operative upon kerosene. Immediately that duty was abolished the company found it impossible to continue its business, because the Standard Oil Company was able to get the oil admitted into that State free.

**Senator MILLEN.**—The company failed because the price of exported shale fell 50 per cent.

**Senator FINDLEY.**—I accept the statement of the company itself. Whilst the duty was operative it was able to compete successfully with the Standard Oil Company, and to give satisfaction to the New South Wales Railways Commissioners.

**Senator MILLEN.**—Does the honorable senator know that the duty of 3d. per gallon was in operation for only twelve months?

**Senator FINDLEY.**—It was in force sufficiently long to enable the company to get a good start. The argument of every true protectionist is that the operation of high duties has the effect of reducing prices.

**Senator McCOLL.**—In some, but not in all cases.

**Senator FINDLEY.**—In the absence of any local competitor, the Standard Oil Company has no consideration for the consumer, or even for human life. It defies all Acts of Parliament, and when a fine of £5,000,000 was imposed upon it, the most prominent members of this powerful organi-

zation simply laughed at the verdict, and continued to play golf.

**Senator W. RUSSELL.**—What does the honorable senator really mean?

**Senator FINDLEY.**—I do not know why I should make my meaning clearer to the honorable senator than to any other member of the Committee. I say that every encouragement should be afforded this Australian industry.

**Senator W. RUSSELL.**—What are the facts in reference to this particular case?

**Senator FINDLEY.**—The fact is that in New South Wales an Oil Corporation has been formed, with a capital of close upon £1,000,000. This company is capable of supplying the whole of the requirements of the Commonwealth in the matter of fuel oils.

**Senator W. RUSSELL.**—Where has it been proved that the Standard Oil Company has, at any time, done anything inimical to the interests of the consumer?

**Senator FINDLEY.**—I am very sorry that the honorable senator is not acquainted with the events which have occurred during the past few months. When the Tariff was introduced into another place, the Standard Oil Company at once raised the price of kerosene by 3d. per gallon, notwithstanding that it had not paid a single penny in duty upon its product. Recently, as the result of an agitation which was got up against the company, an announcement appeared in the newspapers to the effect that it intends to refund to the traders the £20,000 which had been charged them in this connexion. That announcement is merely so much fudge. Why should the traders obtain this refund, seeing that it was paid, not by them, but by the consumers? The traders are not entitled to it, and of course it is impossible to hand it back to the consumers. This, however,

is by the way. I fail to see that any true protectionist can vote in opposition to the proposed duty, which will afford encouragement to an Australian industry and insure the employment of Australian workmen. May I remind the Committee that it will also assure a cheaper supply of fuel oil to those who may require it in the prosecution of manufacturing or agricultural pursuits.

**Senator MULCAHY** (Tasmania) [11.39].—I do not admit that no true protectionist can vote in opposition to the proposed duty. I claim to be quite as strong in my desire to encourage the production of fuel oil in

Australia as is Senator Findley, but I think that our purpose can be infinitely better achieved in another way. It is generally admitted that fuel oil is absolutely essential to the industrial conditions which obtain throughout Australia to-day. It is also admitted that it is not being manufactured in the Commonwealth, but that there is a possibility of it being produced here.

Senator TRENWITH.—It is being manufactured here, but not in sufficient quantity to supply all our requirements.

Senator MULCAHY.—I have seen oil for fuel produced about nine years ago in Tasmania, in little phials of about an ounce weight, demonstrating that its production was practicable, but whether it can be made an economic success remains to be shown. I admit that it is desirable that we should encourage the production of this material. The Australian Parliament has adopted different means for encouraging different kinds of production, directly by means of bounties, and indirectly by protective duties. The whole question now is which method it is advisable to adopt in this instance. I strongly favour encouraging the industry by the bounty system. We have voted a sum of £33,000, payable over several years, in order directly to encourage the production of oil-bearing materials. Having committed ourselves to that definite policy, why not apply it in this case? The encouragement of the production of oil-bearing materials amounts to the same thing as encouraging the production of oil itself. There is no reason why we should not grant a bounty for that purpose. If, on the other hand, we impose a duty, we shall be hampering other industries. Senator W. Russell is seriously concerned as to whether the farming industry will be immediately affected by the imposition of a duty that will have to be paid by the consumers, inasmuch as the Australian production is not nearly equal to the consumption. As I said last night, we are in various instances pulling down with one hand what we build up with the other. We try to encourage the increase of production, and to provide work for our own people, and at once we proceed to the other end of the machine and start to pull down, by placing heavier restrictions on, and creating greater difficulties for, our manufacturing and agricultural industries.

Senator STORY.—Does not every protective duty affect some, if not all, classes of the community?

Senator MULCAHY.—I admit that. But the question which ought now to be discussed, without heat, amongst the protectionist members of this Chamber, whose views differ generally only on matters of detail, is which of the two ways is the better to accomplish what we desire. By offering a bounty for the production of oil, we shall much less seriously disturb existing industries, and at the same time give to the people who invest their money in the undertaking a direct and positive assurance that they will receive a tangible encouragement from the State. Lubricating oils, fuel oils, and other oils used for industrial purposes stand upon a totally different plane from other articles with which we have dealt, because they are so closely related to other industries which we have tried to encourage by protective duties.

Senator Lt.-Colonel CAMERON (Tasmania) [11.45].—I have not intervened very often in the discussion of this schedule. I wish to point out that the raising of the duty in this case from  $\frac{1}{4}$ d. to 3d., as proposed, is a very serious matter, not only because of the extremely high protection which it will represent, but because of its effect upon men who are now using oil for fuel in many of the primary industries of the Commonwealth. The small farmers in particular are now entering upon new conditions of agricultural development. We are unquestionably on the eve of a great expansion of the cultivation of smaller holdings. If we make it impossible or unlikely for men to obtain a fair margin of profit from their work, the industries which we are now building up by means of protection will fall to the ground, and we shall have a worse condition of affairs than would obtain under extreme free-trade. It is on this ground alone that I ask the Committee to pause. No one will accuse me of being a free-trader. I am a protectionist pure and simple, but not a prohibitionist. I want the people of this country to be given opportunities to exercise their talents in every direction, both on the land and in manufacture. The Committee last night pledged itself to the principle that until the company which is at the bottom of the present agitation can fulfil the promises which it makes, it is not to get the benefit of the increased duties. As Senator de Largie proposed, the increase of duty is not to operate until both Houses, by resolution, determine that the time has arrived to give the company the benefit of

it. The sense of the Committee on that point was perfectly clear, yet now we are asked, practically, to cut away the ground from under the feet of those who are striving to establish primary industries, and to develop vast manufacturing enterprises. I, therefore, ask the Committee to consider seriously and earnestly that this is not the time to allow the undigested statements and proposals of this particular company to guide us in deciding a great question.

Senator MULCAHY.—We are practically allowing the company to legislate in this chamber.

Senator Lt.-Colonel CAMERON.—The company practically say to us, "We demand that you should do this." It is indecent. I hope that the Committee will not accept the proposal.

Senator TRENWITH (Victoria) [11.49].—Senator Cameron concluded his remarks by calling the action of this company indecent. The company, so far as I have been able to learn, have undertaken to prosecute an Australian industry which, if they are successful, will develop enormously. They undertook the task, as Senator Millen pointed out last night, under the conditions that then prevailed. The circumstances seemed to warrant them, as a company, in taking all that risk, and they took it. But Parliament has affirmed the principle that it is wise to protect Australian industries.

Senator MILLEN.—The only point on which I have to be convinced is that the present measure of protection is not sufficient.

Senator TRENWITH.—That is a very pertinent question, but I am now dealing with the statement that the action of this company is indecent. I know that Senator Cameron's desire is always to be courteous and kindly, rather than unfair or cruel; and I do not think that his statement is one which, on reflection, he would make. This company have done nothing that any decent man might not do. We are now dealing with an industrial question, and affirming that it is desirable, where practicable, to encourage Australian industries by means of Customs duties. The representatives of this company are here to present such information as they have, in order that Parliament may know what step in the way of duties it is desirable to take. Obviously, there is nothing indecent in that.

Senator MULCAHY.—It would have been much better had the representatives of the company given evidence before the Tariff Commission.

Senator TRENWITH.—I do not know that this company was in Australia when the Commission was sitting. It might have been better had the company taken some other action; but I am now dealing with the allegation, which I am sure is made hastily, that the company have been guilty of an indecent action. In my opinion, Parliament is indebted to any persons who come here and give truthful information, though, of course, if we are deceived, then it would be an indecent act on the part of our informants.

Senator DOBSON.—The declarations on behalf of the company are not very reliable.

Senator TRENWITH.—I hope that the honorable senator does not imply that the statements are wilfully untrue.

Senator DOBSON.—They may have been made unintentionally.

Senator TRENWITH.—Senator Mulcahy presented another aspect, and I agree with him that this is really a matter of expediency. Which is the more expedient course to achieve the object we have in view, namely, the establishment and extension of Australian industries?

Senator MULCAHY.—But the honorable senator says that this industry is established.

Senator TRENWITH.—The honorable senator has suggested that a bonus would be the preferable method. That implies that in the honorable senator's mind a bonus is desirable, in order to induce experiment in this industry; whereas the industry has passed the experimental stage and is established. The industry, however, has not yet been established in a degree to meet anything like the requirements of the Australian people, though it is stated that the possibilities are so great that in the very near future it will be able to meet the local demand.

Senator MILLEN.—That brings me again to the question that I asked.

Senator TRENWITH.—I shall not forget the question, but I desire to pursue my argument in my own way.

Senator MULCAHY.—The honorable senator's argument would apply in the same degree to every industry in connexion with which we have given a bonus.

Senator TRENWITH.—That is not so; some industries have been begun in the

most experimental way, whereas the industry under discussion has secured the application to it of nearly £1,000,000 capital, and is managed by some remarkably able men.

Senator MULCAHY.—As a matter of fact, only £200,000 in hard cash has been subscribed.

Senator TRENWITH.—Senator Millen interjected to the same effect, but I say that the names connected with the company warrant the assumption that, although only £200,000 may be paid up, the whole capital is available; and the insinuation that there is any inflation in mentioning the sum of £800,000 is not a generous one. If Senator Mulcahy were embarking on an undertaking, which ultimately required a capital of £1,000,000, he would not release money profitably engaged elsewhere, in order to apply it all at once to the one undertaking, but would apply it as became necessary stage by stage. It is quite clear that the capital already called up is sufficient for the work that has yet been actually undertaken. This company has acquired a large area of country, and is proceeding with reasonable rapidity with the necessary works. Is the present duty sufficient for the purpose? I have no hesitation in answering that pertinent question put by Senator Millen.

Senator DOBSON.—Does Senator Trenwith know that the company is admittedly now making substantial profits?

Senator TRENWITH.—Very likely that is so; and the fact, in itself, would be a very strong argument with me for taking immediate steps to secure beyond all possible doubt the continuance of the industry.

Senator DOBSON.—Yes, by burdening the primary industries, which, in bad seasons, are starving!

Senator TRENWITH.—I shall deal with that point before I have finished. What is the danger? Why does this company require a large and efficient shield?

Senator DOBSON.—Is it to enable it to compete with the Standard Oil Company?

Senator TRENWITH.—This industry, more than any other, is immediately open to the assaults of the most powerful and unscrupulous capitalistic combination in the world.

Senator DOBSON.—I can relieve the honorable senator of the necessity of making a part of his speech by informing him that the Standard Oil Company do not ship to,

or market in, Australia either solar or residual oils.

Senator TRENWITH.—That does not touch my argument in the slightest degree. It has been proved in America that the statements of the Standard Oil Company are utterly worthless.

Senator DOBSON.—After defending one company, the honorable senator is proceeding to blackguard and abuse another!

Senator TRENWITH.—Experience teaches me that I am warranted in my statement. The Standard Oil Company permeates the industrial market, although in a hundred and one cases it is never mentioned by name.

Senator DOBSON.—Mention one unfair thing done by the Standard Oil Company in Australia. The honorable senator cannot do so.

Senator TRENWITH.—I do not propose to carry on my argument on lines suggested by Senator Dobson, but on lines that my own judgment dictates.

Senator DOBSON.—Based on what happens in America, I suppose!

Senator TRENWITH.—I should be very glad to have the ear of Senator W. Russell, who asked a very pertinent question when Senator Findley was speaking.

Senator W. RUSSELL.—And got snubbed for my pains.

Senator DOBSON.—Can Senator Trenwith name a wrong act that the Standard Oil Company has committed in Australia?

Senator TRENWITH.—I sometimes interject when honorable senators are speaking, and I invariably receive a petulant reply. May I be permitted to proceed? I rather like pertinent interjections, but Senator Dobson is repeating the same question over and over again. I am now dealing with the important question put by Senator W. Russell. How can the Standard Oil Company affect the Commonwealth Oil Corporation? It is true that there is another rather powerful company, but practically the Standard Oil Company controls the world's supply of illuminant oil in the shape of kerosene.

Senator DOBSON.—That statement is inaccurate.

Senator TRENWITH.—That is absolutely true of the Standard Oil Company so far as illuminant oil is concerned.

Senator DOBSON.—No.

Senator TRENWITH.—I would remind Senator W. Russell of the method of operation by this company, which is also

the American Beef Company. As the interest of the primary producer has been raised as a reason why this duty should not be imposed—

Senator DOBSON.—I rise to order. I admit that whatever the Standard Oil Company does in Australia may be pertinent to the issue before the Committee, but I submit that what it does in America under different conditions and laws can have no relevancy thereto.

The CHAIRMAN.—I think that Senator Trenwith is in order. The Standard Oil Company is a producer of oil, and a competitor with the other company, and therefore it is relevant to deal with its tactics in other countries as well as in Australia.

Senator TRENWITH.—The Standard Oil Company is also the American Beef Trust, the American Farm Products Trust, and one hundred other trusts; in fact, it is controlled by one person very largely.

Senator DOBSON.—The honorable senator knows a lot about it.

Senator TRENWITH.—So far as I have been able I have read what has been written, both in favour of and against the Standard Oil Company, and I feel certain that I know as much about its operations as does the honorable senator. The American Beef Trust dictates to the agriculturist to a penny what he shall get for his products, and it dictates to the retailer what he shall charge the consumer. That same influence controls in Australia every lubricant or illuminant that the Australian agriculturist uses, and experience teaches us that it raises, without any question, and without any outside necessity, the price of illuminants. We have seen the price of kerosene raised by  $\frac{1}{2}d.$ ,  $\frac{1}{2}d.$ , and so on, per gallon, while the cost of production, instead of being increased, has been reduced. While the combine method, which, *per se*, if there were no baneful influences, is the best method, as it eliminates the hundred and one expenses which competitive concerns must mean — while the Combine has been reducing the cost of production, and all managerial expenses, it has been increasing the cost of the article it sells to the world. Unless we can create in Australia some shield against the aggressiveness of this enormous power, we shall continually be at its mercy. In self defence, even though, as Senator Millen implies, the company which has been described as "indecent" does not absolutely require for its preservation and mainten-

ance this duty, it will be a wise and judicious thing to erect a barrier against the exploitation of a company that has been described in its own country as an institution which makes a reference to the Law Courts in connexion therewith, a by-word amongst the American people. To mention law in connexion with that company; said one officer, is to make the initiated laugh.

Senator MILLEN.—It was because they instituted the prosecution in such a silly way.

Senator TRENWITH.—What happened in reference to J. D. Rockefeller quite recently? He was summoned to appear before a Court, but the great United States of America, with all its powers and resources, could not find him.

Senator DOBSON.—What has that to do with the item before the Committee?

The CHAIRMAN.—I think that the honorable senator is now taking a rather wide latitude.

Senator TRENWITH.—I do not want to transgress the rules, sir, but it seems to me that we are dealing with a possible danger and the necessity for protecting ourselves therefrom.

The CHAIRMAN.—But the lack of administration on the part of the United States Government has no relevancy to the item.

Senator TRENWITH.—I do not think it was a lack of administration, sir. I believe that it was the enormous wealth of this man, whose income is £8,000,000, that enabled him so to obstruct the operation of the law that he could not be found.

The CHAIRMAN.—I ask the honorable senator not to pursue that line of argument.

Senator TRENWITH.—I do not want to be out of order in the slightest degree. Anything we can do to establish an Australian industry is well worth doing. If there is in our minds a doubt as to whether the protection we have given is adequate, it will be a wise precaution on our part to proceed at once to make it adequate. If we are to err at all in connexion with the principle which we have affirmed, we had better err on the side of carrying that principle to a fuller rather than to a lesser issue. Suppose that for argument's sake, we admit that there is not ample evidence that this protection is a necessity, which, of course, I do not admit.

**Senator MILLEN.**—The honorable senator has not shown that more duty is necessary.

**Senator TRENWITH.**—I have shown, I think very clearly, that we want an impregnable barrier against the awful power to which I have been referring. If there is a doubt as to whether we have a sufficient barrier, then as wise men who believe that a certain principle is right, we had better err on the side of the fuller application of that principle. It is wise, therefore, for us to take the fullest possible precautions. I have not the remotest doubt as to the protectionist character of Senator W. Russell's mind, and I am confident that if he were convinced that this is a protectionist proposal likely to achieve industrial results, and to lead to the employment of more people in Australia, the honorable senator would be prepared, as a protectionist, to take any risk that the price to the consumer would be raised. I am satisfied that every protectionist is prepared to take that risk, because all past experience teaches that when a protectionist duty becomes effective, as we hope this will, the result is not an increase in the cost of the protected product, but very frequently, and almost invariably, a reduction in the cost, accompanied by a continuous and easily accessible source of supply. If we do not develop this industry, which is obviously natural to Australia, and easily within our power to develop, and some day we come to be at war with America—a very undesirable contingency, and one that I think almost impossible; and I hope quite impossible—or even at war with some other country which might lead to the cutting off of our communication by sea, or render it uncertain, what would be the price of these articles then? We should then, in the midst of difficulties, have to establish their local production, whereas we can now, by a judicious application of the protectionist principle, create in Australia in the near future, and almost at once, an absolutely certain, continuous, and easily accessible supply of articles that are necessary for almost every industry in the country.

**Senator LYNCH** (Western Australia) [12.12]. — I wish to direct the attention of Senator Mulcahy to a false impression, under which he seems at present to labour. He appears to think that no solar or residual oils, or equivalents for them, are produced in the Commonwealth. I have here two credentials received by the New South Wales Shale and Oil Company from manufacturers in Victoria as to the

merits of an equivalent for a residual oil. The first is from the Northcote Brick Co. Ltd., and is addressed to W. C. Ashton, Esq., New South Wales Oil Shale Co. It is as follows:—

Dear Sir,

Having consulted the company's engineer, I find myself at liberty to state that, having used your shale waste oils for many years, we have proved same to be the best procurable lubricant for brick-making purposes, and I therefore have pleasure in handing you the result of our experience.—Faithfully yours,

J. J. OSBORNE, Secretary.

The next credential is from the Hoffman Patent Steam Brick Co. Ltd., and is to the following effect:—

Dear Sirs,

With regard to the shale waste oil you have supplied us with for many years, we have pleasure in stating it has given us every satisfaction.—Yours faithfully,

The Hoffman Patent Steam Brick Co. Ltd.  
C. W. HAWSON, Secretary.

**Senator MILLEN.**—What are the oils referred to used for?

**Senator TRENWITH.**—For lubricating machinery.

**Senator LYNCH.** — The company's shale waste oil is a residual oil, in fact and in substance. It is certainly the exact equivalent of a residual oil. It may suit Senator Dobson's purpose to deny that it is a residual oil, but the very term indicates that a residual oil is the residue of some other substance, and the credentials, which I have quoted, refer to shale waste oils. They sufficiently prove that we have at all events the beginnings of an oil-producing industry in Australia. Senator Dobson asks a very pertinent question when he wishes to know what wrong the Standard Oil Company has done in Australia. In the first place, they raised the price of kerosene in New South Wales when they found that it was impossible for the local company to compete with them.

**Senator DOBSON.** — Nonsense; they raised the price on account of the duty.

**Senator LYNCH.**—They have done another thing under Senator Dobson's eyes in Victoria, which, as an observant public man, the honorable senator cannot have failed to notice: They have indulged in the practice of paying secret rebates to small customers.

**Senator MILLEN.**—There has been no secrecy about it.

**Senator TURLEY.**—That is so. Everybody knows it.

Senator LYNCH.—They have become so emboldened that, as a matter of fact, they have not been concerned to keep this practice secret.

Senator DOBSON.—Two leading barristers in Victoria have said that the practice is perfectly legal.

Senator MACFARLANE.—It is not being followed now.

Senator LYNCH.—It is not necessary that I should draw a distinction between the legality and the justice of the practice, even for Senator Dobson. The company make no apology for the practice, but rather justify it, and we know that the object is to tie every small distributor of oil in the Commonwealth to the distribution of the product supplied by the Standard Oil Company. If Senator Dobson is prepared to contend that that is not an injustice, I can only say that the honorable senator's sense of justice must have been very much blunted. He has asked what the Standard Oil Company has done wrong in Australia, and I have told him what they are doing to-day in Melbourne and elsewhere, and what the consumers of oil are suffering from. By tying up the small distributors of oil under a system of deferred rebates, they hope to destroy their independence, with the ultimate object of securing the market for themselves. I am sure that Senator W. Russell, in common with every other member of the Committee, wishes to do all he can to advance the interests of the people of the Commonwealth. The honorable senator has expressed a wish to know what the local company has done, and appeared to be in some doubt as to the progress which the Commonwealth Oil Corporation has made in New South Wales. Let me tell the honorable senator that it controls a very active form of industrial enterprise in that State. The company has at present a capital of £800,000, and lately a call made for a further addition to the capital of £150,000 was over subscribed. The best indication of the thoroughness and enterprise of this company is to be found in its expenditure on plant and buildings, on railways, and experimental works. I find in the last balance-sheet that no less than £94,000 has been spent on railways and rolling-stock alone, £38,000 on plant, machinery, buildings, and fittings, and £35,000 on development, prospecting, and surveying. These figures should be sufficient to convince Senator W. Russell or any one else of the genuineness of this par-

ticular company, and of the fact that they mean business in New South Wales. With respect to the present supply of these oils in Australia, I do not think that very much weight need be attached to Senator McColl's fear that the primary industries of the country will be very much handicapped if we are unable to obtain a cheap oil for motive power. Senator Cameron appeared to hold a somewhat similar view, but both these honorable senators must be aware that wherever agriculture is pursued with intelligence and skill in Australia at the present time, firewood can be obtained for the purposes of fuel.

Senator Lt.-Colonel CAMERON.—It is getting scarce.

Senator LYNCH.—Quite so, but our purpose, like that of Senator Cameron, is to insure that the primary producers shall obtain oil at prices which will not be exorbitant. That will not happen if the Standard Oil Company has the field.

Senator Lt.-Colonel CAMERON.—I doubt it.

Senator LYNCH.—I could sympathize with the honorable senator's view if the method of supplying Australia's requirements were normal; but 76 per cent. of our importations of residual and solar oils come from the United States of America, our total importation in 1906 being valued at £3,182, of which £2,423 came from the United States, and I assume that the Standard Oil Company supplied most of it.

Senator DOBSON.—The Standard Oil Company does not supply us with any of the oils covered by the paragraph now before the Chair.

Senator KEATING.—Does not the Vacuum Oil Company supply these oils, and is it not the same as the Standard Oil Company?

Senator LYNCH.—I think that the figures which I have given substantiate my statement that the Standard Oil Company supplies the greater part of our solar and residual oil requirements. Do honorable senators wish us to rely on America for our oil supplies? I ask Senator Millen whether it is not well for us to set up, within our own gates, a competitor with the Standard Oil Company, in order that prices may be kept at reasonable rates? Without the proposed protection, there will be a lack of competition, and the prices of American oil will not be kept within reasonable bounds.

Senator MILLEN.—The honorable senator has read evidence to show that for a number of years this oil has been profitably made in Australia under the existing duty.

Senator LYNCH.—The industry has been a struggling one, and I wish to place it on a firm basis, so that Australian buyers of oil may obtain the benefits of local competition, which have been obtained in regard to salt, and many other commodities. I shall vote for the higher duty, in order that the prices may be kept at a reasonable level, and that our consumers may not be at the mercy of the Standard Oil Company.

Senator STEWART (Queensland) [12.26].—As I wish to move for an amendment earlier in the item, I desire, by leave of the Committee, to temporarily withdraw my request.

Request, by leave, withdrawn.

Senator STEWART (Queensland) [12.27].—I now move—

That the House of Representatives be requested to amend item 234, paragraph 1, by inserting the word "Crude" before the word "Solar."

The effect of the amendment will be to make it easier for the Customs officials to distinguish between residual and lubricating oils. At the present time, residual oils which have been slightly refined, are occasionally imported as residual oils, but used for lubricating. I understand that the true residual oil is the thick residuum which remains after the light oils and spirits have been extracted, and is properly classed as a fuel oil. That is the information which I have received from the Customs officials. I do not know anything about the matter myself. The definition of fuel oil which has been given to me, is crude residual oil. The paragraph deals with residual oil, treating it as fuel, and it is necessary that it should be made as clear and definite as possible.

Senator MILLEN (New South Wales) [12.30].—Although Senator Stewart says that the effect of the amendment will be to simplify the work of the Customs officials, the Committee must not lose sight of the fact that it will make dutiable oil that is now free.

Senator KEATING.—No.

Senator MILLEN.—Then, under what paragraph will solar oil which is not crude fall?

Senator KEATING.—If a lubricating oil, under paragraph j.

Senator MILLEN.—And if not a lubricating oil?

Senator KEATING.—Under paragraph m.

Senator MILLEN.—Then the proposal is to make dutiable at 6d. what is now dutiable at  $\frac{1}{2}$ d. Even Senator Stewart must consider that an excessive increase, and I hope that honorable senators will have little hesitation about negativing the request. If, to simplify administration, a definition is required, the matter should be thought out and the proper wording submitted; but the facts show that, either Senator Stewart does not understand the information placed before him, or the Customs Department has not seen the effect of the suggestion which it has placed in his hands. There seems a danger of this Chamber appearing in the public eye as the battle-ground of rival oil companies, which honorable senators will agree is not desirable. I have not met the representatives of any oil company or syndicate, and do not wish to do so. The question is, not whether we should further the interests of one company against another, but whether the rate of duty already provided is sufficient to enable the local company to continue its operations. No attempt has been made to prove that the duty is insufficient, though Senator Trenwith and others have said that a higher duty is desirable in the interests of the Commonwealth Oil Corporation. Of course, the corporation wishes to get as high a duty as possible. But there is an obligation upon us to regard the requirements of the Commonwealth, and I shall submit evidence to show that the present duty is ample to enable the corporation to make this particular kind of oil. Senator Trenwith adroitly avoided the real point at issue by referring to what the Standard Oil Trust has done elsewhere, and said that, even though the duty may be sufficient for the purposes of the Commonwealth Oil Corporation, it is advisable to increase it to prevent the Standard Oil Company from doing in Australia what it has done abroad. My answer is that the Standard Oil Company has done what it has done in America because of the excessive protection given to it there, and we are being invited to place the Commonwealth Oil Corporation in the same position in regard to Australia as the Standard Oil Company holds in regard to America. I am prepared to give the local company the protection necessary to enable it to carry on its undertakings. We ought not to be asked to do more. If a duty of  $\frac{1}{2}$ d. is shown to be insufficient, I shall vote

for  $\frac{1}{2}$ d., or whatever may be necessary ; but I should not be asked to increase the duty merely because of possible foreign importations in the future. I have every desire to assist the Commonwealth Oil Corporation in its grand enterprize ; but it has itself to blame if its position is not rightly understood. I see that a prospectus was published by the Commonwealth Oil Corporation, when they recently asked for a further subscription of £150,000. This document states that the company was incorporated on 8th December, 1905. Clearly it was in existence long before the Tariff Commission ceased to take evidence. But suppose that the company missed its opportunity of going before the Tariff Commission, what was to prevent its managers from approaching Parliament, and putting their case for an increased duty before us ? But so far as I am aware they have done nothing of the kind. They have waited until the last moment, and then have attempted, by lobbying individual members, to secure their object. The proper course was to address Parliament collectively, with a full statement of their case—not merely with a request for higher duties, but with a statement of the facts such as would have enabled Parliament itself to arrive at its own judgment on the matter. But the corporation have done nothing of the kind. Owing to the method by which they are moving individual senators to propose increases in particular items, it is utterly impossible for any of us to know what the true position of the Corporation is, and what measure of protection is necessary, having regard to their operations as a whole. I do not know whether residual oil forms a large proportion of their business. I know nothing about the cost of working, and nothing about the proportion which the proposed duty bears to the labour involved in the production of the oil. Surely Parliament should have been afforded an opportunity to look into all these matters. Instead of that we find that an effort is made to increase the duty on each individual item. Now I want to say two things. One is that the present duty, as shown by the company itself, is ample to enable it to carry on its business properly, and next, that any duty which we impose, at least for some years to come, and until the Corporation is in a position to supply oil to the extent of our requirements, must necessarily be a serious handicap upon every

one who is likely to require oil as fuel. I shall apply my remarks on that point by reference to the increasing tendency on the part of farmers—which is rapidly becoming a necessity—to employ motor power for their agricultural work. The first thing we should do in ascertaining whether the present duty is sufficient, is to see whether the company is a profitable undertaking. In 1907, the balance-sheet issued on the 30th June, stated that the directors desired to point out that the shale works were already yielding substantial profits, and other large sources of income were approaching realization. I should like to explain that although the New South Wales shale undertaking is carried on as a separate trading concern, the controlling force, that is to say the directorate, is the same. It is, however, as I have said, carried on as a separate concern, and its accounts are kept separately. We have the assurance of the directors that the undertaking is showing substantial profits. It is no meagre concern. There is no evidence here of a struggling industry. The fact that it is showing substantial profits is proof of that. So that no case has been made out for increased protection on that ground. The evidence which I have quoted comes from no biased source, but is the directors' own statement. At the meeting in December last year, held in London, the shareholders were told that the refinery in New South Wales would not be completed and ready for operations for eighteen months, but at the same meeting, the chairman said that the directors hoped some day to have an output of 3,000,000 gallons of kerosene per annum. An honorable senator said last night that the company was already turning out 3,000,000 gallons.

Senator STEWART.—Not of kerosene.

Senator MILLEN.—Of any oil. It appears to me that there has been some confusion, arising out of that statement of the chairman of the Corporation last December, that they hoped one day to turn out 3,000,000 gallons of kerosene, and that that has been assumed to mean that 3,000,000 gallons of some sort of oil were actually being turned out. Just a word more about the operations of the Trust, which is supposed to control the oil business, and which we are told will crush out any competing company. From a newspaper called *The Petroleum Review*, I find that the Pumpherston Oil Company in Scotland has declared a dividend of 50

per cent. Well now, where was the Standard Oil Trust there? Here is a company which has to obtain the oil it sells, not by collecting it from wells, but by making it out of shale—admittedly a more expensive process. But this company is enabled, alongside the big depôts of the Standard Oil Company in England, to carry on business and pay dividends of 50 per cent. Surely this Standard Oil Trust cannot be such an alarming concern as many of my honorable friends seem to fear? There are many other companies which are also doing well, and which are enabled to carry on in an open market like that of Great Britain. Apparently, they are not frightened by the bogey of the Trust. I have before me an extract, from which I propose to quote, in furtherance of my contention that the Commonwealth Oil Corporation is already doing exceedingly well. The paragraph is taken from the *Age* of the 15th January of this year, and it appeared in the commercial column of that journal. Apparently, the commercial editor is here reviewing the report of the meeting held in London, when £150,000 worth of debentures were offered to the public.

The accounts show that expenditure on development, &c., including the construction of the railway, now amounts to over £187,000. The railway has cost £94,300. The New South Wales Shale and Oil Company, which the Commonwealth Corporation bought up for £42,000, but retains as a separate trading venture, shows that even with the low price of oil at which, by reason of their long contract with the Australian Gas Light Company, the oil has had to be sold, a large margin of profit can be made without the production of refined oils.

There is a point to which I direct the attention of honorable senators—the fact that this company is making a large margin of profit upon residual oils, without any reference to refined oils at all. I have already shown, on the admission of the directors, that the New South Wales Shale and Oil Company is making substantial profits. Here is the contention put forward at their meeting of shareholders when they were inviting the investing public of Great Britain to subscribe further capital. But even without that oil they can carry on the industry well. Surely the facts clearly prove that the existence of the Corporation is not at stake, and that whether we increase the duty or not the fact will not materially affect their operations.

Senator McGREGOR.—But are they never to do anything but supply oil to the gas company?

*Senator Millen.*

Senator MILLEN.—I do not know, but I want my honorable friend to show me that the duty in operation now is not sufficient.

Senator FINDLEY.—The fact that the Standard Oil Trust have been largely importing into Australia is evidence that an increased duty is required.

Senator MILLEN.—About £3,000 worth of residual and solar oil is the total amount of imports into the Commonwealth.

Senator FINDLEY.—That is too much.

Senator MILLEN.—When honorable senators recollect that that oil must be used as fuel, to say that merely because £3,000 worth comes in we are to put a duty of 3d. on every gallon of oil imported into the country is surely absurd.

Senator McGREGOR.—The reason why so small a quantity was imported was that the Trust could not, or would not, supply more.

Senator MILLEN.—That was not the reason; and so far as that goes, I may as well mention that the Commonwealth Corporation itself has expressed its inability to meet orders. I do not put that forward as any reason against the duty, because any company, big or small, might be unable to meet a particular order. If I were to go to some of the hat makers of Melbourne they would decline to sell me a hat, but that would be no reason for removing or decreasing a duty in this Tariff.

Senator DE LARGIE.—The statement that the Commonwealth Corporation is at present unable to meet orders is quite feasible.

Senator MILLEN.—But we were told yesterday that they were turning out 3,000,000 gallons a year. Of course, they are not doing anything of the kind, but that is one of those reckless statements which have been made here on insufficient inquiry.

Senator STEWART.—The statement made is that the present output of black and blue oils, which are equivalent to solar, residual and lubricating oils, is about 3,000,000 gallons per annum.

Senator MILLEN.—If my honorable friend has that information from an authoritative source I will accept it literally, and point out that it shows how groundless is the dread of the Standard Oil Company. If this corporation is able to turn out 3,000,000 gallons of oil per annum, what becomes of the Standard Oil bogey? Where does the Standard Oil Trust come in at all? The fact is that the Standard Oil Trust imported less than £3,000 of

these particular oils last year, and we now have the admission put forward that the Commonwealth Corporation last year manufactured 3,000,000 gallons. It is to be assumed that they sold it. Are we to suppose that they are keeping it in their works? Are they locking it up in reservoirs? No; it has gone into consumption. The fact that they have been able to dispose of 3,000,000 gallons of residual oil is the best possible proof that there is no necessity to make the duty 3d. per gallon.

Senator LYNCH.—I do not think that it is residual oil that is referred to in the statement which Senator Stewart has quoted.

Senator MILLEN.—What I have been complaining of is that the Corporation by their tactics have left us in the dark as to what the facts really are.

Senator DE LARGIE.—There is no market for residual oil to that extent.

Senator MILLEN.—We were told yesterday that the Corporation were making 3,000,000 gallons of kerosene, and soon hoped to make the quantity 12,000,000 gallons.

Senator McGREGOR.—Not kerosene.

Senator MILLEN.—Will Senator Stewart be good enough to read again the statement which he has quoted?

Senator STEWART.—“Our present output of black and blue oils, which are equivalent to solar, residual, and lubricating, is about 3,000,000 gallons per annum.”

Senator MILLEN.—I do not know what these different oils are, but I take it that they are applied to various purposes, and in different ways. It is, however, evident that this corporation is making and selling a very considerable quantity of oil under the existing duty. Is there, then, any evidence that a higher duty is necessary to enable the Corporation to carry on? And remember that the Corporation have not really got to work yet. It is admitted that they are only in their infancy.

Senator McGREGOR.—That is the very time when an industry wants to be helped along.

Senator MILLEN.—But they did not ask for help before they started. They were prepared to put their money into the venture, and start work on the lower rate of duty. On their own showing they are doing remarkably well on that duty. What is the increased duty wanted for? It is only to enable the Corporation to raise prices, and to do better still. The Corporation themselves are to blame for not putting

forward a clear and distinct statement, showing that the old duty was inadequate. They have not declared that they will have to close down operations if the duty be not increased.

Senator FINDLEY.—All sorts of arguments are used as to why the duty should not be increased. Some honorable senators say that the oil produced is a bad oil, and some say that the company does not want the increase.

Senator MILLEN.—I am not putting forward a statement of my own. I am taking the Corporation’s own statements, and I have done that because I take them to be genuine. These statements have been made by business people, and they show that the Corporation is doing fairly well under the existing duty. The only effect of a higher duty, and the only reason for a change, must be to enable the Corporation to charge a higher price for the commodity which they sell. The effect will be to enable them to levy a toll on every gallon of each of these oils that they sell.

Senator STEWART.—They are supplying half their present output to the Australian Gaslight Company.

Senator MILLEN.—I have already read that they supply a great deal to the company under contract, and that but for the low price at which they tendered their substantial profits would be still more substantial. Seeing that the company is doing well under the present duty, and that when it is thoroughly established it must do still better, why should a higher duty be imposed, particularly when the only result must be to increase the cost of these oils to the multiplicity of manufacturers and others who use, or will be called upon within the next few years to use, liquid fuel? It is reckless, perhaps, to predict anything, but if I can foresee any development of the near future it is in the substitution of motive power for the horses and bullocks now used in farming operations. If there is one class in the community whose productions we ought to encourage, it is our grain farmers. Do what we will, having reached the export point, wheat farmers have to come face to face with the competition of the lowest paid labour in the world—the cheap labour of India and Egypt, to say nothing of that of Russia. There is only one way in which we can enable them to successfully meet that competition.

Senator STEWART.—There are other ways.

Senator MILLEN.—I shall leave the honorable senator to point them out. To my mind the only way in which we can enable them to meet this competition is by abstaining from doing anything that will make their work more expensive. I firmly believe that within the next few years we shall see the motor on the farm just as often as we see it to-day in the streets of Melbourne—machines worked in the same way, but for different purposes.

Senator FINDLEY.—Every farmer with a motor and a telephone.

Senator MILLEN.—I firmly believe that we shall. I have seen one or two small agricultural machines worked by motor, and do not think it will be long before the difficulty of applying motive power to agricultural machinery will be overcome. The difficulties which farmers to-day encounter by reason of a drought are accentuated by their having to pay a high price for fodder for the horses which they use to plough their land in readiness for the next crop. But by the introduction of motive power they will be able to carry on this work during a drought just as economically as they can in the good seasons. That is something to look forward to, and we should do nothing to retard it. The question before us is practically that which we discussed last night—whether the duty is sufficient to give the industry reasonable protection. The Committee decided in respect of one of these paragraphs last night that it was, and no reasons have been advanced why we should give, in respect to this line, more protection than was originally proposed. I should welcome any substantial reason for an increased duty, and would be willing to support it in such circumstances, more particularly as the industry is likely to be of some prominence in the State of which I am a representative. But in the absence of that information, I should show not only a want of common sense, but a reckless disregard of my duty to the electors, if I voted for a request to increase this duty from  $\frac{1}{2}$ d. per gallon to 3d. per gallon—the largest increase that has yet been suggested.

Senator STEWART (Queensland) [12.55].—I find that I have moved a request to insert the word "crude" before the word "solar." I should have proposed that it be inserted before the word "residual." I desire leave to amend my request accordingly.

Request, by leave, amended accordingly.

Senator DE LARGIE (Western Australia) [12.56].—For something like two hours this morning this debate has been carried on upon the assumption that solar and residual oils are used as liquid fuel. I am credibly informed, however, that they are not used for that purpose, so that much of the criticism directed against this request is altogether unwarranted. The crude petroleum used as a fuel comes under an entirely different heading. Solar oil is used principally for gas-making purposes, whilst residual oil is used in the brick-making industry to mix with clay in order to impart a certain quality to bricks. It will thus be seen that the paragraph we are now discussing has no bearing on the use of fuel for motors.

Senator McGREGOR.—Every one knows that.

Senator DE LARGIE.—If that be so, it is singular that so many honorable senators should have dealt with the question from that stand-point, and that Senator McGregor has not attempted before this to disabuse their minds.

Senator McGREGOR.—The honorable senator does not describe as fuel oil that which is used in motors?

Senator DE LARGIE.—I want to assure Senator W. Russell, who seemed to think that this was a proposal to tax a fuel used by the farmers, that he is under a misapprehension. The liquid fuel that he desires to be free is at present on the free list.

Senator MILLEN.—If Senator Stewart's request be carried, it will make the duty on residual oil 6d. instead of  $\frac{1}{2}$ d. per gallon.

Senator DE LARGIE.—The point that I wish to emphasize is that solar and residual oils are not used as fuel.

*Sitting suspended from 1 to 2.15 p.m.*

Senator DE LARGIE.—I hope that the few remarks which I made prior to the suspension of the sitting in regard to the uses to which residual and solar oils are put will serve to show honorable senators that in debating this paragraph from the stand-point of liquid fuel we are, to an extent, "barking up the wrong tree." The question of the duty which ought to be levied upon liquid fuel will properly come up for consideration under the next item. To my mind much of the criticism which has been directed against the Standard Oil Company has been altogether beside the mark, because whatever may be the sins of that company—and I dare say they are many—it does not

import residual oils into the Commonwealth. As a matter of fact, these residual oils are brought into Australia by the Borneo Company, which supplies a very superior article. Whilst I do not for a moment champion the Standard Oil Company, I wish to see it get a fair deal, though if any favours are to be bestowed, I should prefer to see them go to an Australian rather than to a foreign company. Naturally I desire the Commonwealth Oil Corporation to be successful, but I cannot disguise the fact that the day may come when the party with which I am associated may be compelled to fight it. I regret that such a large industry should be controlled by any company. To my mind it should be nationalized. Seeing that the duty upon liquid fuel—in which Senator W. Russell takes so much interest on account of the primary producers—is not raised by this paragraph, I hope that he will extend a fair measure of protection to the oil industry, which has been established in our midst. I shall not support the higher duty proposed by Senator Stewart. It is quite unnecessary to increase the impost upon residual oils from  $\frac{1}{2}d.$  per gallon to 3d. per gallon, but there is a happy medium between the two which I shall be ready to support.

Senator MACFARLANE (Tasmania) [2.19].—I was glad to hear Senator de Largie say that there are uses to which residual oil can be put other than that of liquid fuel; but I cannot agree with his statement that it is not utilized as a liquid fuel. I understand that it is so used; and to a considerable extent. That being so, we ought to extend some consideration to our primary producers. Senator Lynch has quoted figures with a view to showing that residual oils are being imported into the Commonwealth. From inquiries which I have made I understand that such is not the case, but that inferior machinery oils have been imported as residual oils.

Senator BEST.—My honorable friend is quite wrong.

Senator MACFARLANE.—At any rate that is the information which has been supplied to me. The Standard Oil Company does not import residual oils into Australia. I do not know whether honorable senators realize the *ad valorem* rate represented by a duty of 3d. per gallon upon this class of oil. At the present time, the price of residual oil in Melbourne is only  $\frac{1}{2}d.$  per gallon.

Senator Lt.-Colonel CAMERON.—It is £4 10s. per ton.

Senator MACFARLANE.—That is one reason why I regard the proposed duty as excessive. In the second place it is not required to support the industry. Why should the whole community be subjected to this impost for the benefit of one particular corporation, which does not need it, and which is doing very well without it? A few years ago, Senator Pulsford, who is regarded as an authority upon these matters, pointed out the enormous duty which it was proposed to levy upon solar and residual oils. It worked out, I think, at 5s. 1d. upon 250 gallons—the assumption being that there are 250 gallons in a ton of oil. It has been said that the Standard Oil Company is a monopoly. But I find that in the United States and elsewhere there are just as large companies as the Standard Oil Company—companies with an aggregate capital of £100,000,000. The Asiatic Company itself controls all Burmah and the East Indies, where a very large portion of these residual oils are produced. It has also been stated that a Scotch Petroleum Oil Company was making a profit of 50 per cent. I wish to point out that that profit was not made from the production of oil for illuminating purposes. As a matter of fact, the kerosene which is produced from shale is a dark, smoky, and inferior article. I hold in my hand the abridged prospectus of the Commonwealth Oil Corporation, which was published in London on 4th January last, when the company sought to increase its capital by the issue of further debentures. The prospectus states that the corporation acquired the property in October, 1905, and was registered on the 9th October, 1906. A capital of £800,000 was subscribed in England upon the assumption that the industry would be a very profitable one under the old rate of duty.

Senator MULCAHY.—What is its actual cash capital?

Senator MACFARLANE.—It consists of 500,000 deferred ordinary shares of £1 each, all of which have been issued and paid up to 18s. each, and 300,000 deferred ordinary shares at £1 each, of which 225,000 have been issued and fully paid up.

Senator STEWART.—What about the balance?

**Senator MACFARLANE.**—They are held, I suppose, for future use. In addition, the company has applied for, and obtained, £150,000 by the issue of debentures in London. Its shares are already at a very high premium, and consequently there is no reason why we should extend to it an additional measure of protection.

**Senator ST. LEDGER** (Queensland) [2.27].—I believe that the financial standing of the Commonwealth Oil Corporation is so strong that in London its shares are the most favoured stock offered by any Australian industry. As Senator Millen incontestably proved last night, this company was formed in December, 1905, whilst the Tariff Commission was prosecuting its inquiry, and its members must have known the duty which was then levied upon oils. The whole of their financial operations must have been based upon that consideration. Under such circumstances, what need is there for the additional guarantee for which we are asked? The shareholders were perfectly assured of their prospects when they subscribed the capital of the corporation, and therefore we ought not for a moment to further consider its position. I am astonished to find the Government, and their socialistic supporters, persisting in the statement that we must consider this company for the sake of promoting an Australian industry. In this connexion I wish to embrace the present opportunity of accentuating what I regard as a remarkable reversal of socialistic form. The Commonwealth Oil Corporation required no assistance from the Government in the beginning, nor does it need any now. However, it is quite evident that the Ministry intend to climb down upon this paragraph just as they climbed down last night. They will climb down because Senator de Largie—who, I dare say, expresses socialistic ideals just about as well as does Senator Stewart—

**Senator GIVENS.**—What is the honorable senator's idea of socialistic ideals?

**Senator ST. LEDGER.**—After the Senate has adjourned, Senator Givens is at liberty to remain and explain to himself what are his own, or Senator de Largie's, or Senator Stewart's socialistic ideals. I wish to compliment Senator de Largie on rescuing the Government, as he did last night, from a very uncomfortable position. That sort of astute move comes from the Socialist corner, whenever we of the Op-

position are defeating the Government, at any rate in argument. I wish some of us could get Senator de Largie to come down a little lower, because he sees clearly from his own point of view, and from that of the taxpayers, that the demand of the Government is absolutely indefensible and wholly unreasonable. I wish the honorable senator would agree to let the duty stand as originally proposed. In the meantime I desire to accentuate the point that a company which had an opportunity to go before the Tariff Commission has no right to come here and lobby in order to get an increase of duty which is much larger than the protectionist section of the Tariff Commission recommended.

Question—That the House of Representatives be requested to amend item 234, paragraph L, by inserting the word "crude" before the word "Residual" (Senator STEWART's request)—put. The Committee divided.

Ayes	...	...	...	13
Noes	...	...	...	14
Majority	...	...	...	1

## AYES.

Findley, E.	Russell, E. J.
Givens, T.	Stewart, J. C.
Henderson, G.	Story, W. H.
Keating, J. H.	Trenwith, W. A.
Lynch, P. J.	Turley, H.
McGregor, G.	Teller:
Needham, E.	de Largie, H.

## NOES.

Cameron, Lt.-Colonel	Neild, Colonel
Chataway, T. D.	Pearce, G. F.
Dobson, H.	Russell, W.
Gould, Lt.-Colonel	Sayers, R. J.
Gray, J. P.	St. Ledger, A. J.
Macfarlane, J.	Teller:
McColl, J. H.	Mulcahy, E.
Millen, E. D.	

## PAIRS.

Best, R. W.	Symon, Sir Josiah
Guthrie, R. S.	Clemons, J. S.

Question so resolved in the negative.  
Request negatived.

**Senator W. RUSSELL** (South Australia) [2.38.] — I do not believe in extremes. I agree that a protective duty should be imposed, but to raise it from 1d. to 3d. per gallon seems too much. I therefore move—

That the House of Representatives be requested to make the duty on item 234, paragraph L, 1d. per gallon.

I have no very strong convictions on the matter. I have listened attentively to the

speakers on both sides of the Chamber, unprejudiced, and desiring only to gain information. I admit that I do not know as much about the subject as I should like. But when I saw honorable senators sitting on the left hand side of the Chair, squirming under the remarks of the speakers on the other side, I came to the conclusion that there was danger in the path. Although I shall not vote for a duty of 3d., I feel that I can with safety vote for a duty of 1d. If I had been in any doubt, the squirming on this side—on the part of the conservative element, which is continually denouncing labour—including the sweet familiar voice of Senator Dobson—would almost have compelled me to vote with honorable senators opposite. But I like a medium course. I believe in moderation. In order to prevent that abominable trust, of which we read and hear so much, from sending its agents here to play the deuce with the business of Australia, I think we can easily afford to raise the duty to 1d. Even Senator Cameron might well come to the rescue on this occasion by voting with me, because, if we cannot go that length, we cannot be true protectionists. When I heard Senator Stewart moving for a duty of 6d., I, as a cautious Scotchman, said, "Go a bit slow. Keep on safe lines. Do not trample more than you can help upon the primary producers." But when it is a question of raising the duty to 1d., in order to keep out those rogues from the United States of America, we should have no hesitation. The way in which honorable senators, on this side, received some of the statements from the other side, all but convinced me that I should have voted for an even higher duty. I hope that the Committee, in its wisdom, will agree to my moderate proposal.

Senator STEWART (Queensland) [2.42].—Senator W. Russell seems altogether to have missed the principle which lay at the root of my request. He was simply horrified at the proposal for a sudden jump to 3d. per gallon.

Senator MILLEN.—On a point of order, I submit, Mr. Chairman, that Senator Stewart's request should have been put first. I think you are reversing the usual practice in putting the lower amount first. If Senator W. Russell's request were agreed to, because honorable senators would sooner have a duty of 1d. than ½d., it would not be competent then for any other honorable senator to move for a higher rate. On the

other hand, if the higher amount were put first, and the Committee rejected it, some other honorable senator would be able to move a request for a duty of 2d. Then, if the Committee regarded that as still too high, the proposal for a duty of 1d. could be put forward. If Senator W. Russell's request is put first, of course Senator Stewart, and others who desire to have a still higher duty, will naturally vote for a duty of 1d., because they prefer it to the duty of ½d. But, having carried it, they will not then be able to move for any higher amount.

The CHAIRMAN.—The proper practice is for any honorable senator, who desires a higher duty than 1d., to move to omit the figure 1d., and insert, say, 3d.

Senator STEWART.—I do not intend to submit an amendment at the present time, but merely to give the Committee a few reasons why the duty should be higher than 1d. Senator W. Russell seems to miss the principle which lay at the root of my original proposal, namely, that the duty should be 3d. What I desired was a duty sufficiently high to encourage the production of oils of all kinds within the Commonwealth, it being accepted that within the borders of Australia there are the raw materials in abundance. That being the case, I see no reason why the Committee, in pursuing the policy of protection laid down by the Commonwealth, should not do something to encourage and promote this industry. Senator W. Russell apparently thinks that 1d. will prove a sufficient duty; but in submitting his amendment, he admitted practically that he knew little or nothing of the subject, merely intimating that a jump from a duty of ½d. to a duty of 3d. seemed so extraordinary that he could not vote for it. I point out, however, that in connexion with a large number of other industries we have increased the protection in very much larger proportion. If we desire to establish industries in Australia, we must give sufficient protection; there is not any half-way house, unless we are revenue tariffists. If an honorable senator regards the Tariff as merely an instrument by means of which revenue may be extorted from the people, he ought to vote on all occasions for low duties. But if he desires the Tariff to assist in establishing industries, he must assist in imposing duties sufficiently high to enable the industries to live.

Senator W. RUSSELL.—I believe that a duty of 1d. would have that result.

**Senator STEWART.**—The honorable senator practically admitted that he knew nothing whatever of the subject.

**Senator W. RUSSELL.**—Even so, I may know as much as does the honorable senator.

**Senator STEWART.**—Apparently the honorable senator submitted his motion blindly, and had no other reason in support beyond the arithmetical reason. The honorable senator pleaded with myself, and others who favour high duties, not to trample on the primary producers—not to load them with heavy taxation. That is exactly what we are trying to prevent the honorable senator and his allies, the free-traders, from doing. We are trying to place the primary producers in a much better position than they will be in if they are handed over to the tender mercies of either the Standard Oil Company or the Borneo Oil Company. Has Senator W. Russell ever read of the condition of the primary producers in the United States, the home of the Standard Oil Company? Has he ever read of the exactions by the railway companies or by companies similar to that I have just named? Why are these companies in the position to trample on the primary producers? Simply because they have no competition to meet—the oil companies and the railway companies have everything their own way. The honorable senator evidently desires to create a similar state of affairs in Australia. We, who believe in high duties, are endeavouring to bring about totally different conditions. We desire to establish the oil industry within the bounds of the Commonwealth, and give primary producers a choice of markets. If this industry is not encouraged or permitted to grow—if it is exposed to the attacks of the Standard Oil Company, with its millions of money and its hundreds of thousands of agents all over the world—it will have a very trying time before it comes to maturity, if ever it arrives at that point. We hear a great deal about the strength and the capital of the Commonwealth Oil Company; and that is given as a reason, by those who are opposed to a higher duty, why this enterprise should not be assisted. If it were a poor company without capital, and not likely to succeed, precisely the same view would be taken by those honorable senators; it does not matter whether an industry plays high or plays low—whether it be rich or poor, likely to succeed or fail—the free-trader is opposed all the time. Senator Millen

dealt very exhaustively with the present position of the Commonwealth Oil Company; and, in this connexion, I propose to read an extract or two from a document which has been handed to honorable senators. The first extract is—

Our present output of black and blue oils, which are equivalent to soiar, residual, and lubricating oils, is about 3,000,000 gallons per annum, and this quantity will be increased to 5,000,000 or 6,000,000 gallons about the end of this or the beginning of next year. About the end of 1908 our output will be about 12,000,000 gallons, a large proportion of which will be kerosene, and by the end of 1909 we expect our output to be about 20,000,000 gallons, or equivalent to all Australia's present requirements. We also make a considerable quantity of petroleum spirit, such as naphtha, motor spirit, as well as paraffine wax for candles.

**Senator GRAY.**—There would be a monopoly if the company supplied all Australia's requirements.

**Senator STEWART.**—I should much rather have a monopoly within the Commonwealth than a monopoly exercised from beyond our borders. If the Standard Oil Company or the Borneo Oil Company were able to crush the Commonwealth Oil Corporation, then the primary producers of Australia would be at the mercy of foreign corporations, over which the Commonwealth has no control. On the other hand, if the Commonwealth Oil Corporation is established, and obtains a monopoly, we shall be able to dictate terms, and compel it to sell its product at a reasonable rate.

**Senator GRAY.**—How does the honorable senator propose to exercise that compulsion?

**Senator STEWART.**—By force of the law of the country, just in the same way as men are compelled to be honest and pay their debts. Does the honorable senator insinuate that any corporation in Australia is likely to be able to place itself above the law of the land?

**Senator GRAY.**—But the Government do not put the law into operation.

**Senator STEWART.**—The honorable senator and others say now that the shipping combine is above the law of the Commonwealth.

**Senator GRAY.**—So it is.

**Senator STEWART.**—I expect their assistance to deal with the shipping combine.

**The CHAIRMAN.**—I ask the honorable senator not to discuss the shipping combine.

Senator STEWART.—The quotation continues—

Solar and residual oils are sold here at 6d. per gallon and under.

I believe that the price of residual and solar oils is 2½d. per gallon.

In order to give us an opportunity of earning a profit and preventing dumping, we should get a duty of anything from 3d. to 6d. per gallon on all these oils and spirits.

The company say that they cannot manufacture and sell at a profit at 2½d. per gallon, so that unless substantial protection be given, the probability is that they will go under. Further on they say—

In the Customs return for Australia for 1906, the imports show something under 185,000 gallons of solar and residual oils, and on which there is a duty of 4d. per gallon. The requirements for Australia of these oils must be at least 4,000,000 gallons per annum. One firm in Melbourne alone requires 180,000 gallons per annum. It is therefore perfectly obvious that, as kerosene is free, a very large quantity of solar, residual fuel, and crude oils must be coming in as kerosene which, in bulk, is still free. Nearly all these oils, a large proportion of which is sold under 6d. per gallon, prices which it is impossible to compete with, are the by-products of Burmah or Borneo oils, and entirely produced by black labour, which is paid for at the rate of about 1s. 4d. a day. In order to check the further importation of such oils as kerosene, a duty might be put on all kerosene over .792 gravity, such duty to be the same as on solar, residual, crude, and fuel oils. A large quantity of kerosene has been coming to Australia from America from the Standard Oil Co., and sold under the brand of "Royal Daylight," but is really used as engine oil, and sold, tins and cases free, at 7½d. per gallon. It is really kerosene, but is never burned for domestic purposes. We should say seven-eighths or nine-tenths of the kerosene used for domestic purposes in Australia has a gravity of .790. Probably 90 per cent. of American kerosene imported into Australia has a gravity of not more than .790 and .791.

Here is an aspect of the question which I wish to place before Senator W. Russell. We have in Australia, as every one will admit, the raw material for a huge oil industry. We can not only produce all that we require, but, I believe, that in the very near future we shall be exporting oil, just as to-day we are exporting butter.

Senator GRAY.—How are we to compete against black labour?

Senator STEWART.—We are competing now against black labour. We have admittedly all the raw material for a huge oil industry. Yet we send to the black-fellow in Borneo for our oils. Is that worthy of the white settlers of Australia? Is that worthy of the Parliament of a Commonwealth which has the policy of a

White Australia as its corner-stone? Are we going to use oil produced by black labour when we can use the oil produced by white men, paid white men's wages, in our own country?

Senator SAYERS.—How are we going to send oil to the black man if we pay white men's wages? The idea is ridiculous.

Senator STEWART.—This industry appears to me to be on the same footing as the sugar industry. We are growing sugar in sufficient quantities to supply the whole of the people of Australia.

Senator W. RUSSELL.—And we make them pay a good price for it too.

Senator STEWART.—We could import sugar grown by black men in various quarters of the globe, and probably could get it a little more cheaply than we obtain the locally-grown article. But our national policy is first a White Australia, and, secondly, to produce everything we possibly can within our own confines. The more articles we can produce within our own territory, the more self-contained we are, the better will our position be if we are ever assailed by a foreign power. Industrial protection is a portion of our national policy of defence. Of course, honorable senators on my right sneer at that remark.

Senator GRAY.—We smile.

Senator STEWART.—Such an idea as that seems to them to be so extravagant as not to be worth a moment's consideration.

Senator GRAY.—Because it is so absurd.

Senator STEWART.—But have we not been told that within the very near future the use of coal ashore and afloat will be abandoned, and that steam will be raised by means of liquid fuel? Suppose that Australia were at war with a foreign country, that her supply of oil ran out, and that she were dependent upon the Standard Oil Company or the Borneo Oil Company, or some other company outside for a supply of that commodity, would she not be in a fine pickle! It is just as necessary that we should produce our own oil as that we should manufacture our own arms and ammunition. The policy of free-trade as it is expounded by my honorable friends on my right is one which ought to stink in the nostrils of every man who wishes to see Australia not only prosper, but able to defend herself against foreign aggression. I do not suppose that I need appeal to Senator W. Russell to agree to a higher duty on this item than 4d. a gallon. He apparently thinks that he has made a great step in

advance when he has jumped to that amount.

Senator W. RUSSELL.—Only 300 per cent.

Senator STEWART.—It looks very large when it is mentioned in hundreds per cent., but to my mind an increase from  $\frac{1}{2}$ d. to 1d. per gallon is not sufficient to place the oil industry on a solid and sound foundation. Of course, if I cannot get more than 1d. per gallon, I shall be compelled to accept it; but I suggest to my honorable friend that, having sprung to 1d., he might compound with his conscience just a little more and spring to 2d. I believe that if the company got a protection of 2d. per gallon, it would have at least a fair run for its money. If he will propose a duty of 2d., I shall vote for his proposal, if not with pleasure, with at least a little measure of satisfaction.

The CHAIRMAN.—Inadvertently I fell into an error just now when I gave a ruling as to the method of dealing with a request for an amount above the rate in the schedule. On referring to the records I find that our practice has been to take first the higher amount which has been suggested. If in the present case an honorable senator wished to move that the duty be 3d. a gallon, that request would be taken first, and if it were not carried a request for the next highest amount would be taken and so on. That course was taken yesterday, and therefore it has become the practice of the Committee. If there is any honorable senator who wishes to move a request for a higher duty than that suggested by Senator W. Russell, I will put his proposal first. When we get below the amount which is given in the schedule we take the lowest duty and work up. In every case the guiding point is the amount in the schedule.

Senator CHATAWAY (Queensland) [3.13].—In his speech, Senator de Largie pressed the point that residual oil is not used as fuel in the primary industries. From North Queensland, I have received a communication in which the writer states that residual oil at a duty of  $\frac{1}{2}$ d. per gallon is used in connexion with motors, chaff-cutters, and irrigation works. That certainly is evidence that it is used by the primary industries. I think it will be a matter of great regret if the duty be raised. The person who communicated with me went so far as to ask on behalf of the users of the oil that I should move a request for the item to be made free; but although

I do not propose to do that, I certainly will not vote for an increase in the duty.

Question—That the House of Representatives be requested to make the duty on item 234, paragraph L, "Solar oils and residual oils," 1d. per gallon (Senator W. RUSSELL's request)—put. The Committee divided.

Ayes	...	...	...	15
Noes	...	...	...	12
Majority	...	...	...	3

#### AYES.

de Largie, H.	Pearce, G. F.
Findley, E.	Russell, E. J.
Givens, T.	Russell, W.
Henderson, G.	Stewart, J. C.
Keating, J. H.	Trenwith, W. A.
Lynch, P. J.	Turley, H.
McGregor, G.	Teller:
Needham, E.	Story, W. H.

#### NOES.

Cameron, Lt.-Colonel	Millen, E. D.
Chataway, T. D.	Neild, Colonel
Dobson, H.	Sayers, R. J.
Gould, Lt.-Colonel	St. Ledger, A. J.
Gray, J. P.	Teller:
Macfarlane, J.	Mulcahy, E.
McColl, J. H.	

#### PAIRS.

Best, R. W.	Symon, Sir Josiah
Guthrie, R. S.	Clemons, R. S.

Question so resolved in the affirmative.  
Request agreed to.

Senator MCCOLL (Victoria) [3.16].—I wish now to move a request in the terms of one which was considered last night, for the insertion of a new paragraph to follow paragraph L, imposing a duty of 1d. per gallon on solar and residual oils, to come into operation on a date to be fixed by a proclamation, the proclamation to be issued so soon as a joint address, stating that their manufacture is sufficiently established in the Commonwealth, has been passed on the motion of Ministers, by both Houses of Parliament.

The CHAIRMAN.—If the honorable senator suggests a duty of 1d. per gallon under those conditions that would be inconsistent with the request to which the Committee has already agreed.

Senator MCCOLL.—Then I shall not press the matter.

Senator KEATING (Tasmania—Minister of Home Affairs) [3.20].—Honorable senators will see that under paragraph o kerosene and other refined petroleum oils, in packages less than 10 gallons in content, are free since the 3rd December,

1907, and under paragraph p kerosene and other refined petroleum oils, n.e.i., are free, and that until the Government proposal was dealt with in another place, a duty of 3d. per gallon was levied under paragraph o on these oils imported in packages containing less than 10 gallons. I move—

That the House of Representatives be requested to amend item 234 by substituting for paragraphs o and p the following new paragraph:—

"p. Kerosene and other refined Petroleum Oils, n.e.i., having a flash point of not less than 97 deg. Fahrenheit, according to the Abel-Pensky close test, free."

We have decided that kerosene shall be admitted duty free for use as an illuminant, and what is intended by the request is to impose, in the case of kerosene admitted free for household purposes as an illuminant, a flash point test to prevent the free admission of kerosene which might too easily explode.

Senator DOBSON.—Is not the flash point fixed a little too high?

Senator KEATING.—I am suggesting the flash point which Mr. Wilkinson, the Analyst to the Government, has strongly recommended should be adopted.

Senator MILLEN.—How does it compare with the flash point of the oils actually in use to-day?

Senator KEATING.—I am not just now in a position to say.

Senator MILLEN.—Does the honorable senator not think that we ought to know whether the request, if agreed to, would have the effect of shutting out any oils that are now being admitted free?

Senator KEATING.—It will not shut out any but unsafe oils, which should be prevented from coming into household use on account of the danger from explosion.

Senator SAYERS.—There is something else behind it.

Senator KEATING.—I do not think that a reflection of that kind upon a competent officer is one which should be made in this Chamber.

Senator SAYERS.—It is not intended as a reflection upon the officer at all. I think we ought to know the flash point of the oil which is being imported now. Surely the analyst has tested it, and should be able to supply the Government with the information.

Senator KEATING.—I can give the honorable senator my assurance that I am moving this request because the Government Analyst of Victoria, who has also acted as analyst for the Federal Government for many years, has strongly recom-

mended that no lower standard than the one suggested should be adopted.

Senator SAYERS.—But why could he not give information as to the flash point of oils at present imported?

Senator KEATING.—I have no doubt that he could do so, but my reply to Senator Millen's inquiry was, that I was not just now in a position to give that information. I am moving the request because it is considered that it would be absolutely unsafe to permit the free admission of these oils for use as an illuminant with any lower flash point, however advantageous the oils might be for use for other purposes.

Senator DOBSON.—Is not the flash point very much lower in Great Britain?

Senator KEATING.—It might be, but the honorable senator will remember that our climate is very much warmer than that of Great Britain, and that kerosene oil is used in some parts of the Commonwealth where the normal temperature during many months of the year is very much higher than it is even in Melbourne and Sydney. Necessarily we require to adopt a higher standard than that found to be suitable to a comparatively cold country like Great Britain.

Senator MACFARLANE.—What is the flash test?

Senator KEATING.—I am not familiar with the actual nature of the test, but I understand that two tests, the open and the close test, are applied. In this request, provision is made for the application of a close test, which, I believe, is carried out by subjecting a certain quantity of oil in a small closed vessel, to rising degrees of temperature, to discover the point at which it would explode.

Senator MACFARLANE.—Kerosene is sold according to the flash test, and I am anxious to know just what the request means?

Senator KEATING.—It is intended by the request to provide for a close flash test. There is an open test which is used to discover the temperature at which the oil would light, but the close test is the test of the temperature at which it would explode.

Senator MACFARLANE.—The ordinary oils at present imported are said to have a flashing point of 150 degrees.

Senator KEATING.—That is according to the open test, and I understand it is equivalent to a flash point of 103 degrees under the close test. We had intended to propose a flash point of 100 degrees, but

in a communication received this morning, Mr. Wilkinson has conveyed the information to us that 97 degrees Fahrenheit is the correct point at which to draw the line between what would be safe and unsafe.

Senator DE LARGIE.—What is the flash point in the Old Country?

Senator DOBSON.—I saw that an attempt was made to raise it from 76 degrees to 82 degrees, and it was decided to leave it at 76 degrees, which appears to me to be very low.

Senator KEATING.—I have pointed out that the climatic conditions of the Old Country are very different from those which prevail in Australia.

Senator CHATAWAY.—Those prevailing in one part of Australia differ very much from those prevailing in another.

Senator KEATING.—That is so; but we cannot make any discrimination to meet that difficulty.

Senator CHATAWAY.—Just so, but it occurred to me that a flash point is being decided on, which, apparently, will suit Victorian conditions, and it might not suit the conditions in other parts of the Commonwealth.

Senator KEATING.—It is not so. I am proposing the adoption of a flash point, which is suitable for all Australia. Although Mr. Wilkinson is Government Analyst of Victoria, he has been advising the Federal Government in this matter with a knowledge of that Government's responsibilities, not merely to Victoria, but to the whole of the Commonwealth. I understand from him that a flashing point of 97 degrees Fahrenheit, according to the Abel-Pensky close test, is the right point at which to draw the line, and I have been informed that under that test, a flash point of 103 degrees is equivalent to a flash point of 150 degrees under the open test. We must adopt a high standard to meet the conditions prevailing in the warmer parts of Australia. We could not discriminate and say that oil imported into Tasmania might have a lower flash point than oil imported into Queensland, because, after its importation into Tasmania, there would be nothing to prevent its transit from that State to Queensland. I feel sure that honorable senators will agree that it is necessary that, in the interest of the safety of the people, some such standard should be adopted, and that the standard suggested, if adopted, will not interfere with the principle which Parliament has affirmed

that kerosene introduced for illuminating purposes should be admitted duty free.

Senator DE LARGIE (Western Australia) [3.32].—I wish to know from the Minister whether the test which he proposes to apply to kerosene imported into the Commonwealth will be applied to kerosene locally produced. It seems to me that it would be unfair to have one test for imported kerosene and another for that made in Australia.

Senator KEATING (Tasmania—Minister of Home Affairs) [3.33].—In dealing with this item, we can only fix a test for imported kerosene. We may be able, under the Commerce Act, or by the exercise of other powers under the Constitution, to do something in regard to the standardization of locally produced kerosene, but, generally speaking, this matter is in the hands of the States, most of which have, by legislation, already provided standards for kerosene and various other commodities purchasable by the public. The Customs Act of 1902 empowers the Department to fix a standard by by-law, but we prefer to bring the matter under the notice of Parliament, so that the standard adopted may be the result of legislative, not departmental, action.

Senator MILLEN (New South Wales) [3.36].—I am sure that the Committee is with the Minister in wishing to safeguard the public from accident, and the proposal to fix a standard must meet with cordial approval. The question is, what standard should be adopted? The Minister is not able to tell us whether a flash point of 97 is too high or too low. All he says is that he is advised by Mr. Wilkinson—for whom we all have great respect—that that is a good standard to fix. We should have a little more information on the subject. If a standard were fixed by departmental by-laws, it could easily be altered at any time, if found to be defective; but a standard imposed by the Tariff will not be capable of alteration except by an amendment of the Customs Tariff Act. The Minister says that 97 under the test proposed is equivalent to a flashing point of 150 by the open test.

Senator TRENWITH.—No; 103 is equivalent to 150.

Senator MILLEN.—My sole object is to have a standard sufficiently high to insure the safety of the public, without fixing it so high that it will operate to make dutiable oil which really should be free. As I have not sufficient information on the

subject at present, I shall consider it my duty to ascertain what will be the effect of the adoption of the proposed standard, and, if necessary, I shall later ask honorable senators to reconsider the matter in the light of the facts I may have collected.

Senator DOBSON (Tasmania) [3.40].—It seems to me that the standard proposed is at variance with that adopted in many other parts of the world. I am informed that an effort was made in Great Britain to increase the standard there from 76 to 82, but that it failed, and that 76 is the standard now prevailing in Great Britain, throughout India, and in more than half the countries of the world. I think that the words "at such standard as may be prescribed by by-law" should be used. The bulk of the oil which comes here is imported by two companies, and while the public safety is of paramount importance, we should not fix a standard which will keep out oil which is not dangerous.

Senator KEATING (Tasmania—Minister of Home Affairs) [3.42].—Section 52 of the Customs Act gives a list of prohibited imports, in which are mineral oils and mineral spirits, unless imported under and subject to such restrictions as may be declared by proclamation. It must be remembered that the climatic conditions of Australia are very dissimilar from those of a country like England. The Customs Department, nearly four years ago, asked the Government Analyst to recommend a standard for kerosene, and, after a series of experiments and inquiries extending over more than three years, he has quite recently recommended that which I ask the Committee to accept.

Senator DOBSON.—If that is so, I am quite content. I did not know that these experiments had been made.

Senator MULCAHY.—What necessity is there for placing a standard in the Tariff?

Senator KEATING.—It is very difficult to please honorable senators opposite. We have had hours of talk against legislation by regulation, and now that I ask honorable senators to agree to something which could be done by regulation, but which we wish to be done by legislation, they find fault. They should be a little more consistent. We wish to place the standard in the Tariff so that he who runs may read—so that when a person takes up the Tariff to know the duty on kerosene, he will know what the test is. In other circumstances, it might be that a person desiring to import kerosene would look to the Tariff,

and seeing no provision with regard to the flash point test, would not know until he came in contact with the Customs that kerosene had to conform to a certain test.

Senator DOBSON.—I do not wish to press the point.

Senator SAYERS (Queensland) [3.46].—The Minister of Home Affairs has given us a lecture on what we ought to do. I think we have a perfect right to know what information Mr. Wilkinson has supplied to the Department. It is admitted that we do not know the technical features in relation to the flash point of kerosene. But surely Mr. Wilkinson, who has been experimenting, can tell us the reason why he has determined upon this flash point. As Senator Millen said a little while ago, if we fix this test in an Act of Parliament, and it is found to be too high, it will operate prejudicially against the people, and it cannot be easily altered. We certainly should not fix the flash point by law at 97 degrees until we have further information. I have nothing to say against Mr. Wilkinson, but it is only fair that we should know the grounds upon which his conclusion is based. If it is shown to me that some of the kerosene that is imported is dangerous, I shall be prepared to vote for a still higher test. But I am not going to do that blindfold. We have not been positively assured that a lower test would be dangerous. We do not know the flash test of the oils usually imported.

Senator KEATING.—They usually run from 100 to 105 deg.

Senator CHATAWAY.—We have the information we wanted at last.

Senator SAYERS.—If the Minister had given us that information before, I should have been perfectly satisfied.

Senator MCCOLL (Victoria) [3.50].—It is surprising that, as the series of experiments of which we have been informed were undertaken some time ago, no steps were taken to insert a provision as to the flash point of kerosene in the Tariff when it was before another place. If the analyst has been experimenting for three years to ascertain the proper flash test, why was not a provision inserted in the Tariff before it came to the Senate? The whole proceeding seems to me to be suspicious. I am credibly informed that under this test several kerosenes that have hitherto come into the Commonwealth under departmental by-laws will be blocked.

Senator TURLEY.—If they are not safe, they should be objected to.

Senator McCOLL.—They have been imported for years, and nothing has happened in connexion with them. Why should the importers of these goods be penalized to help the Standard Oil Company, which seems to be the *bête noir* of some honorable senators? That is the company that will benefit by driving competitors out of the market, because the Standard Oil Company sends the best kerosene into our market. I am also informed that the flash test in Egypt and India, as also in South Africa, is 76 degrees Fahrenheit. I should hesitate on the *ipse dixit* of any officer to embody in the Tariff a proposal such as this without further inquiry. The Minister would be well advised in agreeing to postpone the question to allow honorable senators to make inquiries regarding it.

Senator TRENWITH (Victoria) [3.52].—Senator McColl has pointed out that oils have been imported having a lower flash point than that proposed to be prescribed, and that they have been found to be safe. But honorable senators have only to probe their memories to know that there have been quite a number of disasters through the use of low-grade oil, or, at any rate, through explosions that could not otherwise be explained. Some of them may have been caused by some flaw in the lamp or heater in which the oils were used, but the probability is that they were caused through low-grade oil being used. It is supposed that the regulations have not been stringent enough, or that they have not been enforced with sufficient rigour. At any rate, it is a fact that there have been disasters of this kind. Only within the last few days a whole family was decimated through the explosion of kerosene used in a heater.

Senator McCOLL.—We do not know the particulars.

Senator TRENWITH.—I quite admit that.

Senator McCOLL.—The best kerosene may have been used.

Senator TRENWITH.—But the disaster may also have been occasioned through the use of low-grade oil. If what is proposed is a precaution, in the interests of safety we ought to be glad to adopt it. If 97 degrees is a higher point than is absolutely necessary, it is not by any means a higher point than can easily be secured by refiners of oil. We should be wise to err on the side of precaution rather than of laxity. I believe that the oils generally imported are very much above the

standard here proposed. I have been informed that the general standard is nearer to 105 than any other figure.

Senator McGREGOR (South Australia) [3.55].—I hope that Senator McColl will withdraw his opposition to a proposal that has been made in the interests of the people of the Commonwealth. The test proposed cannot in any way interfere with the importation of safe reliable kerosene. From the most authentic sources I have it that both the White Rose and the Silver Light kerosenes, which are generally put upon the market here, have a flash point of over 100. I may also tell Senator McColl that the Abel-Pensky close test of 100 is similar to the American fire test of 150. The oil tested in America and imported to Australia represents about 103 under the Abel-Pensky close test. We want to protect the public against what could not be considered to be fraudulent, but would certainly be injurious trading, and I am assured that there are lines of kerosene coming into our market which have a flash point far too low to be safe. In fact, I have been told the names of some of them. I am told that Petrolene and Royal Daylight have a flash point which is not very much above 70 degrees. The storekeeper might supply such oils quite innocently, but serious consequences might ensue. We all desire to do all we can to protect the public from any of the difficulties which have been indicated by the Minister. I therefore urge the Committee to vote for the request.

Senator MACFARLANE (Tasmania) [3.58].—There was considerable ignorance in the Department on this matter three years ago. At that time, many cargoes of kerosene were refused, though they were of the same quality as had been received for years and years. In India, and in Egypt, the flash point is 74 and 76, which is considered safe. If we are going to experiment in making the flash point 97 under a close test, I do not propose to object, but I wish the Committee to understand that we are going for an extremely good article and shall have to pay the price for it.

Senator DE LARGIE (Western Australia) [3.59].—When we are informed that the Government Analyst has been experimenting with the flash point of kerosene for a lengthy period, and that as the result of his scientific researches he has advised the Government that no flash point under 97 degrees is absolutely safe for

kerosene, I think we ought to take his advice. This is a scientific question, and the only safe course for us is to stand by the advice tendered to us by the public officer. If we choose to act upon our own immature knowledge on such a question, we are extremely likely to blunder, and our legislation will not be creditable to us. There is another aspect of this question of which we should not lose sight, and that is that the public are not in a position to judge of the quality of the oil which they buy. The public, like honorable senators, generally appear to be very much in the dark as to whether or not the test is a safe one. It is therefore our duty in the interests of the public to say that kerosene below a certain test shall not be placed upon the market. If we are not to be guided by the advice of the Government Analyst, on whom shall we rely? We could have no better authority on this subject, and I hope that we shall accept his advice. If we do not the public will hold us responsible for any deaths caused by an explosion of inferior kerosene, a great deal of which is placed on the market. Honorable senators of the Opposition have admitted that analyses would show that so far as the test is concerned a great deal of imported kerosene on the market is incorrectly branded. The only excuse they offer for the perpetration of such a fraud is that probably others within the Commonwealth are also resorting to it. It is our duty to suppress fraud whenever we have an opportunity to do so, and I hope that the Committee will agree to the request submitted by the Government.

Senator DOBSON (Tasmania) [4.2].—I have no desire to fight again the battle of the two companies, but I am a believer in justice and competition. Certain statements made during the debate in reference to the Colonial Oil Company, which sells the oil of the Standard Oil Company in Australia, are unjust. I am satisfied that there is absolutely no foundation for the statements which Senator McGregor has made. Senator Lynch referred to the granting of a rebate by this company, and in that connexion used the word "secret." The rebate allowed by the Standard Oil Company was not a secret one; it was a well-known trade discount. When the Melbourne representative learned of the public outcry against it he consulted his solicitors—a leading firm—who obtained an opinion from Mr. Mitchell, K.C., and

Mr. Irvine, K.C., that the rebate was perfectly legal.

Senator LYNCH.—I said that the Standard Oil Company justified the rebate.

Senator DOBSON.—Their counsel held it to be perfectly legal, but in deference to public opinion it was discontinued. In support of my contention that it was not a secret rebate I make the following quotation from the Trade and Finance columns of the *Age* of 16th November last—

Oils.—American White Rose kerosene is quoted at 12½d. ex store, less ¼d. conditional rebate.

That is sufficient to show that the rebate was granted openly, and was a conditional one.

The TEMPORARY CHAIRMAN (Senator Colonel NEILD).—Before putting the question I wish to have recorded the fact that I am temporarily occupying the chair, and am therefore unable to take part in the discussion of an item that peculiarly affects the State of which I am a representative.

Request agreed to.

Item 235 (Oils in bulk or otherwise) agreed to.

Item 236. Paints and Colours, viz. :—

(A) Ground in liquid, per cwt. (General Tariff), 4s. 6d.; and on and after 3rd December, 1907, 4s.; (United Kingdom), 4s.; and on and after 3rd December, 1907, 3s. 6d.

(B) Prepared for use, including tattoo oil, per cwt. (General Tariff), 6s. 9d.; and on and after 3rd December, 1907, 6s.; (United Kingdom), 6s.; and on and after 3rd December, 1907, 5s. 3d.; or ad val., whichever rate returns the higher duty (General Tariff), 25 per cent.; and on and after 3rd December, 1907, 20 per cent.; (United Kingdom), 20 per cent.; and on and after 3rd December, 1907, 15 per cent.

(C) Ships' Antifouling Composition—On and after 3rd December, 1907, per cwt., (General Tariff), 4s. 6d.; (United Kingdom), 4s.

(D) Colours, dry, n.e.i., per cwt. (General Tariff), 3s. 3d.; and on and after 3rd December, 1907, 2s. 6d.; (United Kingdom), 3s.; and on and after 3rd December, 1907, 2s.

(E) Dry White Lead; Patent Dryers and the like; and Putty, per cwt.; (General Tariff), 2s. 3d.; and on and after 3rd December, 1907, 2s.; (United Kingdom), 2s.; and on and after 3rd December, 1907, 1s. 6d.

(F) Whiting, per cwt. (General Tariff), 6d.

Senator LYNCH (Western Australia) [4.7].—The Government have circulated a request which they propose to move that a duty of 2s. per cwt. be imposed on barytes,

a popular and in some cases indispensable ingredient of paint.

Senator McGREGOR.—In many cases it is used fraudulently.

Senator LYNCH. — In some cases it is used in imported as well as in some of the locally-made paints, and is at present on the free list, while linseed oil is dutiable at 6d. per gallon. According to the report of the protectionist section of the Tariff Commission it is probable that in the near future deposits of barytes in New South Wales will be extensively worked. Seeing that barytes has been used for a long time in the manufacture of paint and that its use will be continued until a more honest ingredient is found, I feel that we should do an injustice to the paint manufacturers if we did not restore the duty under paragraph A to the rate originally proposed. I therefore move—

That the House of Representatives be requested to make the duty on item 236, paragraph A (imports under General Tariff), per cwt., 4s. 6d.

Senator KEATING (Tasmania—Minister of Home Affairs) [4.9].—The schedule of proposed requests circulated by the Government embodies a proposal that a new paragraph be inserted providing for a duty of 2s. per cwt. on barytes, which is used in the manufacture of paint and certainly in some of the preparations included in the earlier paragraphs of the item. I understand that the honorable senator does not propose that another place be requested to impose a duty in excess of that originally imposed by the Government.

Senator LYNCH.—That is so.

Senator KEATING.—The Tariff, as introduced in another place, provided for a duty of 4s. 6d. per cwt. on paints and colours ground in liquid and a duty of 2s. per cwt. on barytes. The Government now propose to ask another place to restore the latter item, and it seems only reasonable that we should bear in mind the relation which exists between it and the one immediately under consideration.

Senator MILLEN.—Why put a duty on barytes if it is the raw material of another industry?

Senator KEATING.—Because a good deal of it is found throughout the Commonwealth. Some very fine deposits, I am informed, have been found in Tasmania within the last three or four months.

Senator FINDLEY (Victoria) [4.12].—Barytes, as most honorable senators are aware, is a mineral. I have here samples

of it in its crude state as well as pulverized. Barytes is extensively used in the mixing and preparation of paints, and I believe constitutes about 80 per cent. of the ingredients of some paints. Under the first Federal Tariff it was dutiable at 1s. per cwt., and it is now proposed to increase the duty to 2s. per cwt. on the ground that it relates to an industry which ought to be encouraged. Barytes is, I believe, found in all the States. In South Australia a company recently took up a fairly extensive area and the analyses of the barytes taken from its deposits proved it to be of high quality. I am informed that barytes is used in sugar refining, paint making, tanning, rubber goods, straw goods, paper, pottery, and sealing wax. In a memorandum on the subject from interested parties it is said that if a duty of 2s. per cwt. were imposed they would be able to supply the requirements of the Commonwealth; that the industry being essentially Australian ought to be encouraged, and that if it were established on a firm basis much employment would be found for Australian workmen. The item was considered in another place at an early hour in the morning and in the belief that barytes was not obtainable in Australia, and because it was admittedly one of the raw materials of the paint manufacturers, honorable members agreed to place it on the free list. The barytes industry has passed beyond the experimental stage, and those interested in it claim, and rightly claim, a measure of protection. It is proposed to request another place to subject this material to a duty of 2s. per cwt., and in the belief that that request will be agreed to Australian paint manufacturers have urged that additional protection should be extended to them. It was with a view of obtaining that additional protection that Senator Lynch just now submitted his request.

Senator MACFARLANE (Tasmania) [4.15].—I submit that the manufacture of white lead is a very poisonous occupation, and it would really be better if we did not undertake its production at all. A very bad disease is prevalent amongst those engaged in its manufacture. It is a noxious trade, which ought not to be encouraged in this country. I think that the paint industry will be amply protected by a duty of 2s. per cwt., which was the old rate. As a matter of fact, it did very well under the operation of the first Commonwealth Tariff. I ask Senator Lynch to withdraw

his proposal, to enable me to move in the direction I have indicated.

Request, by leave, withdrawn.

Senator MACFARLANE (Tasmania) [4.17].—I move—

That the House of Representatives be requested to make the duty on item 236, paragraph A (imports under General Tariff), per cwt., 2s.

In their report upon oils, paints, and varnishes, the free-trade section of the Tariff Commission say—

The evidence is conclusive that the Commonwealth Tariff has not retarded the local manufacture of white lead; the process in operation when the evidence was given was not perfect; the material used was not the most suitable; and in consequence there has been, and is, a difficulty in obtaining capital to develop the industry. The local article is not undersold by imported white lead, and, in view of the raw material being on the spot, and the heavy transit charges on imported white lead, there is—as was admitted—no necessity for any duty other than for revenue purposes. The proportion of imports of paints mixed for use in relation to paints ground in oil is small, and it was plain that the witnesses asking for a higher duty desired the absolute prohibition of these goods, in order to obtain a monopoly of the market. It was admitted that there was little local competition in relation to the magnitude of the business.

Senator KEATING (Tasmania—Minister of Home Affairs) [4.20].—Senator Macfarlane is quite right in discussing the duty upon white lead in connexion with this item. But I would point out to him that the item is not confined to white lead. It also includes paints ground and in liquid. Now, although the manufacture of white lead may not commend itself to the honorable senator, he is scarcely justified in requesting the other Chamber to reduce the duty upon all paints, ground and in liquid, from 4s. to 2s. per cwt. His arguments were addressed only to the disadvantage of manufacturing white lead in the Commonwealth, and I ask him not to press his proposal, which, if carried, would affect all paints, ground and in liquid. I do not know that the manufacture of white lead cannot be carried on in Australia under conditions which will eliminate the dangers that confront those who are employed in the industry elsewhere.

Request negatived.

Senator MILLEN (New South Wales) [4.22].—The proposal of Senator Lynch is one to increase the duty upon paints, and the reason advanced in its favour is that a duty has already been placed upon one of the raw materials from which paints are manufactured. But I would point out

that a duty is to be proposed upon barytes, which is a substitute for white lead. If we are going to charge the manufacturer a duty upon his raw material he may reasonably expect a little measure of protection. Of course, Senator Lynch made a very frank admission when he declared that the effect of a duty is to enhance the marketable price of the commodity upon which it is imposed.

Senator LYNCH.—That principle has been observed right through the debate upon the Tariff.

Senator MILLEN.—I recognise that where a duty has been imposed upon a raw material, a compensating impost should be levied upon the manufactured article. But when protectionists put forward that idea, they ought at least to cease urging that the effect of a duty is not to increase the price of any article.

Senator TRENWITH.—Hear, hear. It is a stupid thing to urge. I have always contended that its effect is to make an article cheaper.

Senator MILLEN.—In that case, Senator Trenwith ought to move for a reduction of the duty proposed upon barytes. The honorable senator ought to be logical.

Senator TRENWITH.—I am. I ought rather to propose a higher duty upon paints in order to make them cheaper.

Senator MILLEN.—It is impossible to reconcile Senator Lynch's statement with that of Senator Trenwith. I wish now to direct attention to the very valuable opinion offered by a person who, by reason of the time that he has devoted to a study of this question, ought certainly to be regarded as an authority upon it. He says—

Whilst there is a duty on an important part of the raw material it is impossible to make paint cheaply and to sanction an increase of duty would enhance the price to the detriment of the numerous industries and enterprises in which paint is used.

Senator GIVENS.—Who said that?

Senator MILLEN.—It was the statement of the members of the Victorian Tariff Commission, of which Senator Trenwith was one. So that that honorable senator, who now declares that the imposition of a duty upon paint will not increase its cost, when vested with the responsibility of a Royal Commissioner, signed a report in which he affirmed that the operation of a duty upon the raw material would render it impossible to make cheap paint.

Senator TRENWITH.—If the honorable senator had read that report, he would see

that I added a rider, stating that I did not agree with it. As a matter of fact, I refused to sign it for quite a long time, but as it was desirable that all the Commissioners' signatures should be attached to it, I ultimately signed it with a rider.

Senator MILLEN.—All I know is that the report declares that a duty upon the raw material of paint will increase the cost of the manufactured article.

Senator GIVENS.—Why all this academic discussion. We have had it *ad nauseam*.

Senator MILLEN.—I am simply endeavouring to reconcile the breach between honorable senators opposite. I think that the measure of protection afforded in the present instance is ample.

Senator TRENWITH.—As a matter of fact, after the Victorian Tariff Commission had presented its report, a duty was imposed upon paints, with the result that they have been cheaper ever since.

Senator MILLEN.—Their report also points out that a gentleman who had been engaged in the industry in Victoria for thirty years had started operations under free-trade conditions.

Request (by Senator LYNCH) put—

That the House of Representatives be requested to make the duty on item 236, paragraph A (imports under General Tariff), per cwt., 4s. 6d.

The Committee divided.

Ayes	...	...	...	13
Noes	...	...	...	14
				—
Majority	...	...	...	1

AYES.

Findley, E.	Russell, W.
Givens, T.	Stewart, J. C.
Keating, J. H.	Story, W. H.
Lynch, P. J.	Trenwith, W. A.
McGregor, G.	Turley, H.
Needham, E.	<i>Teller:</i>
Russell, E. J.	de Largie, H.

NOES.

Chataway, T. D.	Mulcahy, E.
Dobson, H.	Neild, Colonel
Gould, Lt.-Colonel	Pearce, G. F.
Gray, J. P.	Sayers, R. J.
Henderson, G.	St. Ledger, A. J.
Macfarlane, J.	<i>Teller:</i>
McColl, J. H.	Cameron, Lt.-Colonel
Millen, E. D.	

PAIRS.

Best, R. W.	Symon, Sir Josiah.
Guthrie, R. S.	Clemons, J. S.

Question so resolved in the negative.  
Request negatived.

Senator LYNCH (Western Australia) [4.33].—I move—

That the House of Representatives be requested to make the duty on item 236, paragraph A (imports from the United Kingdom), 4s. per cwt.

Senator MILLEN.—To abolish the preference.

Senator LYNCH.—The honorable senator can put it that way.

Senator McCOLL.—Will the Government support this request?

Senator KEATING.—Four shillings is the duty we introduced.

Senator LYNCH.—One very prominent member of the Opposition said that he was only going to adopt preference as a means of reducing duties. Apparently that is the desire of honorable senators opposite. I wish to see the paint industry established here. I can refer those honorable senators who voted recently under the misapprehension that barytes was not produced in Australia to page 241 of the protectionist section of the Tariff Commission's report, where it is stated that—

In Sydney a paint manufacturer, representing a limited liability company, with a nominal capital of £20,000, requested that barytes, instead of being put on the free list as suggested by some witnesses, should remain dutiable at 1s. per cwt., as there were large deposits of it in New South Wales.

That paint manufacturer asked for a protective duty of 1s. per cwt. on his raw material. He was, at any rate, an honest man. Some manufacturers are all there for protection for themselves, but when it is a question of protecting their raw materials they are free-traders to the backbone—

They have a barytes mine, and are grinding the material and treating it successfully. The company employed about ten adult males, receiving an average wage of £2 10s. per week. Linseed oil should come in free.

We have taxed linseed oil at the rate of 6d. a gallon. Linseed oil and barytes are the chief ingredients of some paints. I believe that barytes forms as much as 90 per cent. of green paints, and of some classes of blue paints. I hope we shall not crush out this young and growing industry of barytes mining simply because of a misunderstanding. I desire the raw products of Australia, used in the manufacture of paints, to enjoy the same measure of protection as is given to the paint manufacturer. I have shown that barytes is mined and ground successfully in New South Wales. It enters into the composition of paints, and, therefore, in the interests of

that young industry I ask the Committee to agree to a protective duty, on this class of paint, of 4s. per cwt. against the United Kingdom. My request will certainly abolish preference, but if it is a question of fostering an Australian industry or giving preference to Great Britain, my vote will be in favour of the Australian industry every time.

Senator FINDLEY (Victoria) [4.36].—Much will depend upon the vote taken on Senator Lynch's request. In a rather thin Committee the honorable senator and myself urged the claims of the comparatively new industry of barytes production. I believe that one or more votes which were cast against restoring the duty to the level at which it stood when the Tariff was introduced will be cast differently in the next division. A Sydney manufacturer asked the Tariff Commission for a duty of 1s. a cwt. on barytes. The A section of the Commission recommended that a duty should be imposed.

Senator GRAY.—Why does the honorable senator advocate double the duty which the manufacturer asked for?

Senator FINDLEY.—Because I believe that if a fair measure of protection is given to the barytes industry it will become very extensive in different States.

Senator GRAY.—Does not the honorable senator think that the manufacturer knows well what he wants?

Senator FINDLEY.—The manufacturer looks mainly after himself. Our duty is to consider the interests, not of one or half-a-dozen manufacturers, but of the citizens of the Commonwealth. In addition to the deposits which the evidence shows to exist in New South Wales, there are extensive deposits of barytes in South Australia and Tasmania. Some of them drew high testimonials from the best experts. Mr. John Storer, who I understand occupies a high and responsible position in the South Australian School of Mines, expressed the following opinion upon samples of barytes submitted to him—

90 Queen-street,

Melbourne, 30th December, 1907.

To R. D. Oswald, Esq.,  
Equitable Building, Melbourne.

Dear Sir,

I beg to advise that I have examined the barytes samples received from you, and have to report as follows:—

These blocks show a quality, which must from its whiteness, be easily merchantable, and the source from which it comes, from what I saw

of the samples, indicated an occurrence of some importance.

In so remarking, I bear in mind my previous technical knowledge of this material.

At present Germany supplies the chief demand, not only of United States of America, but also of Great Britain. Belgium furnishes a small proportion of the consumptive demand of the before-named countries, but its quality is inferior—and their product is only used as second grade, whilst what I have examined from your mine is equal to the high grade of which hitherto Germany has had the monopoly.

Yours truly,

JOHN STORER:

Senator GIVENS.—Would not that information come in better when we are discussing the duty on barytes?

Senator FINDLEY.—Yes; but unless we vote for Senator Lynch's request the paint manufacturers will be disadvantaged. We want the duties restored to the level at which they were introduced by the Government in another place, in order that the barytes industry may receive protection. The evidence which I have quoted ought to have some influence on protectionist senators. If it will not move protectionist senators, or senators who were returned on protectionist principles, what will move them? I know what would move them at a certain period of their political existence. I ask honorable senators who previously voted against increasing the duty on this item to reconsider their position now. We have been fairly consistent in giving protection to certain industries, and should not make an exception of the barytes industry, but should give it the protection to which it is justly entitled.

Senator NEEDHAM (Western Australia) [4.41].—I may be one of those referred to who might have voted under a misapprehension. I recognise that barytes is the basic material of the coloring matter in paints. Up to a few minutes ago I was not aware that it was produced in Australia. I asked to-day if it was possible to secure a sample, but it was not until I came into the chamber that I saw a sample of barytes prepared in powdered form. It would have been wiser to postpone a couple of items until we decided what the duty on barytes shall be. If we increase the duty on that article we must necessarily increase the duties on other items, such as "Colours, dry, n.e.i." I am prepared every time to support infant industries. If there is an industry in any part of Australia struggling for existence I am always prepared to give it protection. I regret that the vote went against us on

the last occasion, and am prepared now to support Senator Lynch in abolishing preference. I think we shall be able by effective protection to produce all the barytes necessary for the coloring matter of paints in Australia. Now that Senator Lynch has shown, from the Tariff Commission's report, that barytes is produced here, I hope that the Committee will vote to abolish the preference to Great Britain in this case.

Senator ST. LEDGER (Queensland) [444].—The arguments which we advanced so strongly and successfully with regard to oils apply exactly to barytes, the vote on which will determine the votes on the whole of the paint items. Barytes was free under the 1902 Tariff.

Senator McGREGOR.—We are discussing the duties on paints.

Senator ST. LEDGER.—I wish to discuss the duty on barytes, because it is the basic element of all pigments and coloring matters. What we determine on the question immediately before us will determine the duties on a large proportion of the commodities embraced in the item now under discussion.

Senator NEEDHAM.—But the "cart is before the horse."

Senator ST. LEDGER.—I do not think so; the horse is in the shafts and pulling very well. Only one witness was examined before the Tariff Commission, and, according to him, this company has a nominal capital of £20,000; and under the circumstances I am suspicious, as I was in the case of the Commonwealth Oil Company. Personally, I do not think there is sufficient proof of the presence of commercial barytes in New South Wales or South Australia; if there be conclusive evidence let it be brought forward so that our way may be made clear. Assuming, however, that what Senator Lynch has said in this respect is correct, I direct the attention of honorable senators to the enormous natural protection there is already. If the industry cannot succeed under the circumstances, I am afraid that, from a commercial point of view, the local barytes is such that manufacturers will not use it.

Senator CHATAWAY.—The protectionist section of the Tariff Commission reports that Australian barytes is being treated successfully.

Senator ST. LEDGER.—But when all the evidence we have is that of a witness representing a company with a nominal capital of £20,000—

Senator TRENWITH.—What has the company to do with the question now before us?

Senator ST. LEDGER.—The company was represented before the Tariff Commission by a witness; and, in that respect, I admit, the position is different from that of the Commonwealth Oil Company. However, I am not satisfied with the evidence that was given.

Senator NEEDHAM.—Has the honorable senator any rebuttal evidence?

Senator ST. LEDGER.—I suppose the honorable senator is adopting the word from legal phraseology; and in reply I say that the onus of proof lies on those who ask for the increase of duty. The cost of barytes in England is said to be 28s. a ton, and in Germany a little higher; whereas the cost here, I am informed, is 62s. a ton—a natural protection of over 100 per cent. I am afraid that if we increase the duty unduly, we shall increase the price of the raw material to the manufacturer of colours. If local consumers are confined to Australian barytes, the result will be the complete disturbance of the industry.

Senator TRENWITH.—We desire to disturb the industry; at present we import a large number of paints, and we do not wish the importation to continue.

Senator ST. LEDGER.—That, of course, is a stock argument. But the colour industry is largely dependent for its success on cheap raw material; and if we create any undue disturbance in this connexion we shall very probably, as Senator Needham has said, have to revise the whole Tariff. For the reasons I have given, I strongly advocate that barytes should be admitted free; or, at any rate, the duty ought not to be more than that suggested by the single witness who appeared before the Tariff Commission, namely, £1 per ton. Even Senator Lynch will admit that that witness had, probably, strong interest in placing the most favorable case before the country.

Senator GIVENS.—He was a paint manufacturer talking about raw material.

Senator ST. LEDGER.—As Senator Givens may see for himself the desire of this witness was to use the Australian material.

Senator LYNCH.—And the honorable senator would prevent his doing so.

Senator ST. LEDGER.—Nothing of the kind. We may take it that this witness presented the best case; and strong reasons are necessary before the duty is raised

above the figure he suggested. It seems to me that on this item, as on many others, the Tariff is being made on a "go-as-you-please" principle. The man who has the strongest "pull," or who can finance, is probably the man who can get most out of the taxpayers. Originally the Government wanted a duty of £2 a ton, but the House of Representatives, after careful consideration, would not agree to their proposal. It is clear that the Government are out for revenue. Wherever they want an increased duty they say that it is high protection, and when we point out that it may injure a settled industry they say that they want revenue. It has not been shown that even if we go so far as the witness asked, namely, to £1 a ton, the consumption of the natural barytes will be prejudiced. I take it that a protection of £1 a ton is quite sufficient. Notwithstanding the man's statement that he can manufacture paint on a basis of barytes with that measure of protection, the Government get some one to rise and tell the Committee that it is not sufficient from a protectionist point of view, and that the duty should be fixed at £2 a ton. If that is not a squeeze, I should like to know what is a squeeze. If my speech fails to change a vote, or to save the honour and consistency of the Government and Senator Lynch, the public will know pretty well what the position is in regard to barytes, and also the reasons which influenced us in protesting so strongly against this unnecessary increase of duty.

Senator MCCOLL (Victoria) [5.5].—I trust the Committee will not adopt the proposal of Senator Lynch. Apart from the mere question of preference, to which, with the exception of one or two senators who have continually voted against it, we are all agreed, there are solid, practical reasons why it should not be carried. The best white lead in the world—Champion's—comes from England. It is the only white lead that I would care to use if I had any painting to be done.

Senator LYNCH.—Yet the Victorian Railway Department has ordered the use of Australian white lead.

Senator MCCOLL.—I am speaking about the best article. It is a serious thing for a man to be called upon frequently to paint his house. When a house is painted the paint ought to last for a reasonable time. Of course, the Railway Department of this State may have had

special reasons for doing what they did, but I am speaking in the interests of those who have to use paint. It is unwise, I think, not to give a preference to the United Kingdom. The result will be that the lower priced white leads, which are not nearly so good as the English article, will come into the market, and give general dissatisfaction. Therefore quite apart from the question of preference, by which we ought to stand—in the interests of the users, we should give to the British article, which is the best in the world, a preference of 6d. per cwt.

Question—That the House of Representatives be requested to make the duty on item 236, paragraph A, "Paints and Colours, ground in liquid" (imports from the United Kingdom), per cwt., 4s. (Senator Lynch's request)—put. The Committee divided.

Ayes	...	...	...	14
Noes	...	...	...	13
Majority				—

## AYES.

de Largie, H.	Russell, E. J.
Findley, E.	Stewart, J. C.
Givens, T.	Story, W. H.
Henderson, G.	Trenwith, W. A.
Keating, J. H.	Turley, H.
Lynch, P. J.	
McGregor, G.	
Needham, E.	

Teller:  
Russell, W.

## NOES.

Cameron, Lt.-Colonel	Mulcahy, E.
Chataway, T. D.	Neild, Colonel
Gould, Lt.-Colonel	Pearce, G. F.
Gray, J. P.	Sayers, R. J.
Macfarlane, J.	St. Ledger, A. J.
McColl, J. H.	Teller:
Millen, E. D.	Dobson, H.

Dobson, H.

## PAIRS.

Best, R. W.	Symon, Sir Josiah
Guthrie, R. S.	Clemons, J. S.

Question so resolved in the affirmative.  
Request agreed to.

Senator LYNCH (Western Australia) [5.10].—I move—

That the House of Representatives be requested to make the duty on item 236, paragraph B (imports under General Tariff), per cwt., 6s. 9d.

My object is to restore the original duties of 6s. 9d. in the general Tariff and 6s. in the preferential Tariff. All the arguments which were employed in support of restoring the original duty on paragraph A will apply in this case, while all the talk and froth indulged in by honorable senators on

the other side will equally apply. I do not know that it is necessary for me to break any fresh ground or to occupy the time of the Committee.

Senator MILLEN (New South Wales) [5.11].—I do not want to discuss the item, but to point out that in this particular case honorable senators opposite, whatever their protectionist views may be, are distinctly asked to vote to destroy preference.

Senator MCCOLL.—They are all opposed to preference.

Senator MILLEN.—I know that it will be quite in conformity with the views expressed by those honorable senators, and, therefore, they are quite consistent in that regard, and nobody can have any quarrel with them. Those who are distinctly against giving a preference to Great Britain are entitled to their view, and to vote to give effect thereto.

The CHAIRMAN.—The honorable senator is not in order in discussing the question of preference in connexion with the duty in the general Tariff.

Senator MILLEN.—The duty in the general Tariff represents an increase of 50 per cent. The old duty was 4s. per cwt., and the duty proposed in the schedule is 6s. If honorable senators are prepared to increase the duty to 6s. 9d., I suppose that nothing but numbers will restrain them. This is an article which is required in every household in the Commonwealth. There is not a house which does not sooner or later require paint, and more particularly is it purchased in the interior districts, where very often it is not possible to get paint made up as it may be required. The ready-made paint is used there, and it is proposed by the Government to increase by 50 per cent. the duty under which this trade has made satisfactory progress.

Senator MCGREGOR (South Australia) [5.12].—I wish to emphatically deny what Senators Millen and McColl have said in connexion with the views held on preference by honorable senators on this side. I am one of those who are prepared to grant preference—

Senator CHATAWAY.—Is the honorable senator in order, sir, in discussing preference in connexion with the duty in the general Tariff?

The CHAIRMAN.—No; but the honorable senator had only mentioned the word "preference." I do not think that he was discussing that question.

Senator MCGREGOR.—I have no intention of discussing preference. Senator McColl said that we were opposed to preference.

The CHAIRMAN.—I ask the honorable senator not to discuss that question.

Senator MCGREGOR.—I am not discussing it, sir. I only want to tell Senators McColl and Millen, as quietly as I can, that I am supporting the action of Senator Lynch so that I may be able to vote for higher protection for the natural products of Australia, and, at the same time, give some preference to Great Britain.

Senator MCCOLL.—Will the Minister say whether sheep-branding oils are included in paragraph b of item 236?

Senator KEATING.—Can the honorable senator tell me what their ingredients are?

Senator MCCOLL.—No; I want the information.

Senator KEATING.—I could not say unless I knew the ingredients.

Senator MILLEN (New South Wales) [5.12].—There need not be much doubt on the subject, as any one who has farming or grazing knowledge must know that tattoo oil is well known throughout Australia as the oil used most extensively in the branding of sheep. I confess that I had overlooked its inclusion in paragraph b of this item until my attention was directed to it by Senator McColl's question. It is as well to emphasize the fact that honorable senators are now being asked to increase by 50 per cent. the duty imposed upon an article which is used by every sheep farmer in the country.

Question.—That the House of Representatives be requested to make the duty on item 236, paragraph b, "Paints and Colours, prepared, including Tattoo Oil" (imports under General Tariff), per cwt., 6s. 9d. (Senator LYNCH's request)—put. The Committee divided.

Ayes	...	...	...	13
Noes	...	...	...	14
Majority	...	...	...	1

#### AYES.

de Largie, H.  
Findley, E.  
Keating, J. H.  
Lynch, P. J.  
McGregor, G.  
Needham, E.  
Russell, E. J.

Russell, W.  
Stewart, J. C.  
Story, W. H.  
Trenwith, W. A.  
Turley, H.  
Teller,  
Givens, T.

## NOES.

Cameron, Lt.-Colonel	Mulcahy, E.
Chataway, T. D.	Neild, Colonel
Dobson, H.	Pearce, G. F.
Gould, Lt.-Colonel	Sayers, R. J.
Gray, J. P.	St. Ledger, A. J.
Henderson, G.	
Macfarlane, J.	Teller:
Millen, E. D.	McColl, J. H.

## PAIRS.

Best, R. W.	Symon, Sir Josiah
Guthrie, R. S.	Clemons, J. S.

Question so resolved in the negative.  
Request negative.

Senator LYNCH (Western Australia) [5.20].—As the interests of an Australian industry are still at stake, I move—

That the House of Representatives be requested to make the duty on item 236, paragraph B (imports from the United Kingdom), per cwt., 6s.

Question put. The Committee divided.

Ayes	...	...	...	14
Noes	...	...	...	13
Majority	...	...	—	1

## AYES.

de Largie, H.	Russell, W.
Findley, E.	Stewart, J. C.
Givens, T.	Story, W. H.
Henderson, G.	Trenwith, W. A.
Keating, J. H.	Turley, H.
Lynch, P. J.	
McGregor, G.	Teller:
Russell, E. J.	Needham, E.

## NOES.

Cameron, Lt.-Colonel	Millen, E. D.
Chataway, T. D.	Mulcahy, E.
Dobson, H.	Pearce, G. F.
Gould, Lt.-Colonel	Sayers, R. J.
Gray, J. P.	St. Ledger, A. J.
Macfarlane, J.	Teller:
McColl, J. H.	Neild, Colonel

## PAIRS.

Best, R. W.	Symon, Sir Josiah
Guthrie, R. S.	Clemons, J. S.

Question so resolved in the affirmative.  
Request agreed to.

Senator FINDLEY (Victoria) [5.25].—I move—

That the House of Representatives be requested to make the duty on item 236, paragraph D (imports under General Tariff), per cwt., 3s. 3d.

The intention is to restore the duty to that originally submitted by the Government. The Tariff Commission recommended this duty.

Senator Colonel NEILD.—The honorable senator might drop the farce of referring to the Tariff Commission.

Senator FINDLEY.—I suppose that if it were a recommendation of the free-trade section of the Commission it would be all right. According to the evidence given before the Commission there are extensive deposits of colours of all shades at Blumberg, near Adelaide, South Australia. We can get there all the colours we require and of the very best quality, and by giving encouragement to this industry employment can be found for Australian people.

Senator DE LARGIE.—That is the greatest of crimes from the point of view of honorable senators opposite.

Senator FINDLEY.—Of course, with them it is a great crime that Australian people should be employed in Australian industries.

Senator DOBSON (Tasmania) [5.27].—

Senator Findley is not content with rolling out his so-called arguments in favour of protection like an "A, B, C," but he tries in doing so to insult every honorable senator who does not agree with his ultra-protectionist views. The honorable senator not only tries to insult us, but to put a lie into our mouths and to slander us before the electors.

Senator FINDLEY.—What did honorable senators opposite say about the last vote?

Senator DOBSON.—Perhaps the honorable senator will listen to what I am saying now. How dare he impute to us that we do not desire to see Australian labour employed? Is the honorable senator so thick in the head, or so ignorant that he cannot see that there are two sides to these economic questions?

Senator FINDLEY.—Yes, there is the cheap and nasty side and the Australian patriotic side.

Senator DOBSON.—All this is brought about by the action of Ministers in coqueting with demands for higher duties. They know that infinite time and trouble were devoted in another place to the framing of the Tariff, and although magnificent protection was afforded to local industries, they do not appear to be content, and we find them supporting every single request for a further increase in the duties.

Senator MULCAHY.—And they never have the courage to submit those requests themselves; if they did we could respect them.

Senator DOBSON.—No; in every instance they leave that to one of their followers, and the only argument the Minister can give in support of a request for an increased duty is that it is consistent with the

original proposal submitted by the Government in another place. Do we not know from the lips of Sir William Lyne himself that the Government submitted high duties in the first instance in another place in order that they might have something to give away? Is it not known that the rates of duty proposed are, in many cases, 100, 200, or 300 per cent. higher than those recommended by the protectionist section of the Tariff Commission, and that in 200 instances the finding of this judicial tribunal, which was established that we might learn the truth about the so-called struggling industries, have been departed from? Honorable senators cannot point to a single industry which under the old Tariff was a struggling one. Increases of duties are being obtained by means of statements absolutely lacking in truth. When, in regard to another item, I asked what the effect of a protective duty would be on primary industries, I was told by Senator Trenwith that he would deal with that later; but he did not do so. With, on the one hand, the industries which are crying out for protection, and, on the other, the great body of primary producers, which is to be preferred? In every instance the Labour Party prefers to give a tremendous dose of protection to the manufacturers, instead of studying the interests of the primary producers. Protection is the policy with which they pull the leg of the Government, and on which they are going to fight the next election. I shall have much pleasure in putting the true state of affairs before my constituents. Honorable senators seem to have not the faintest notion of the importance of our primary industries. They talk of the need of giving employment, but they injure the primary industries, which give employment to thousands, in order to protect industries some of which employ only two men and a boy.

Senator GIVENS (Queensland) [5.34].—In reply to the reckless statement of Senator Dobson, that we on this side advocate high protective duties at the expense of the rural and primary industries, let me point out that yesterday, when I moved to protect flax growing, a primary and rural industry, honorable senators voted against it.

Senator DOBSON.—Let the farmer go to the devil. That is the policy of honorable senators opposite.

Senator GIVENS.—Those on the Opposition side of the Chamber would not

have a soul in the Commonwealth earning decent wages, and would do nothing to create a market for the farmer at his own door. Senator Dobson referred to the Tariff Commission as a judicial tribunal appointed to let Parliament get at the bottom of these questions. Well, in this item the rate proposed in respect to imports from Great Britain is that recommended by the protectionist section of the Tariff Commission, whose recommendations he said should be followed. The Commissioners recommended a duty of 3s., and I am willing to vote for that rate in respect to importations from Great Britain, whence 80 per cent. of our importation of paints comes. I should like Senator Dobson to show his consistency by joining me in supporting this proposal.

Senator McGREGOR (South Australia) [5.37].—I am surprised that Senator Dobson got so excited, and made reference to his relations.

Senator TRENWITH.—To only one of them.

Senator McGREGOR.—He talked about letting the farmer go to the devil; but he also mentioned others. He spoke about branding asses. If he would tell me where to put the brand, I would put it on him.

Senator MULCAHY.—I do not think that Senator McGregor should be allowed to refer to Senator Dobson as an ass.

The CHAIRMAN.—I must ask Senator McGregor to withdraw the expression.

Senator McGREGOR.—I do not know that I should withdraw it, seeing that Senator Dobson referred to a section of the Committee as asses.

The CHAIRMAN.—If Senator Dobson referred to other honorable senators in terms which were objectionable to them, notice should have been taken of it at the time. I ask Senator McGregor to obey the Chair.

Senator McGREGOR.—I shall certainly do so, and shall not attempt to brand any asses.

Senator DE LARGIE.—If we are to be so thin skinned, I ask that Senator Dobson be required to withdraw the objectionable words which he used.

The CHAIRMAN.—The words should have been objected to when they were uttered.

Senator DE LARGIE.—Do you rule, sir, that Senator Dobson may refer to the Labour Party, or to other honorable senators, as asses?

The CHAIRMAN.—My ruling is that the time to take objection to Senator Dobson's expression was when he was speaking. I did not understand him to make such a reference. No objection having been taken at the time, the point of order cannot be raised now.

Senator DE LARGIE.—When I rose to a point of order, you, sir, would not let me speak.

The CHAIRMAN.—That is not so.

Senator McGREGOR.—The Tariff Commission took a great deal of evidence in regard to paints, and were shown samples of locally-produced coloring matter, by which they could not help being impressed. We have been told that the industry is not a struggling industry; but, to my knowledge, it has been struggling for nearly twenty-five years without being able to go ahead, because of the competition of imported materials, many of which come from southern Europe. Within thirty miles of Adelaide there is practically a mountain of colouring material. Not only is the colour obtained from it good, but its durability compares favorably with that of any other. Is not the mining for this material as much a primary industry as any other kind of mining?

Senator GRAY.—We do not impose duties for the protection of the mining industry.

Senator McGREGOR.—More has been done in Australia for the mining than for any other industry. Over twenty years ago experiments were made in Adelaide with paint made from the material I speak of. The railings of Victoria Square there were painted with it, and the paint did not require renewal for over sixteen years, a record which could scarcely be beaten.

Senator Colonel NEILD.—Then this is a South Australian industry?

Senator McGREGOR.—There is similar material in New South Wales. If the honorable senator paid as much attention to the State which he represents as do the representatives of South Australia to their State, he would know more about its resources.

Senator Colonel NEILD.—We do not want all this blather and rubbish!

Senator GIVENS.—I rise to order. Senator Neild has just interjected that "we do not want all this blather and rot."

Senator Colonel NEILD.—I did not use such a term.

Senator GIVENS.—The honorable senator did use such a term.

Senator Colonel NEILD.—I deny it.

Senator GIVENS.—Then the honorable senator would deny anything. Was the honorable senator in order in using such an insulting expression?

The CHAIRMAN.—All interjections are disorderly, but if Senator Neild did use the expression attributed to him, I must say that the word "blather" is one that should be withdrawn.

Senator Colonel NEILD.—The term I used was "blather and rubbish." If it is objected to I will not raise a question as to whether it is in order or not. I will simply withdraw it, and use some other phrase at the proper time.

Senator McGREGOR.—I had no desire that Senator Neild should be asked to withdraw anything, because his vulgarity never affects me to the slightest extent.

Senator Colonel NEILD.—Not likely!

Senator McGREGOR.—Of course, I am very much obliged to Senator Givens for taking notice of the vulgarity of the honorable senator.

Senator Colonel NEILD.—I rise to order. It must be recognised that it is entirely out of order to make observations upon an incident that has been closed by a withdrawal.

The CHAIRMAN.—That is so; I was just about to ask Senator McGregor to resume the discussion on the item, and not to comment further on an incident that is closed.

Senator McGREGOR.—I have no desire to comment further on it. It is not a savory subject. So far as concerns the material to which I have been referring, I should like to add that the natural products that have been found in South Australia and other States, and manufactured into paint, are of such a quality that the paint adheres to the material to a greater degree than does paint manufactured from any other substance. In the instance to which I have alluded—the railings of Victoria-square, Adelaide—when the paint was taken off a few years ago, it was found that it left nothing but the white metal to which it had been adhering. For durability it cannot be surpassed. It is certainly a primary industry, and it has also unfortunately been a struggling industry. It has been struggling for the last twenty-one years, and has not got on its feet yet. But I am hoping that if this Tariff proposal is adopted and made permanent, we shall, in the near future, have paint made in Australia manufactured from our own

material that will be equal to the best in the world.

Senator DE LARGIE (Western Australia) [5.49].—I am sorry that fiscal divisions of opinion cannot be exhibited without heat being engendered. In discussing a matter of this kind, we ought to make allowances for those who differ from us. I can assure honorable senators who are opposed to this request that some of those who are not in accord with them know quite as much about the primary industries of this country as do others who are always declaring that they are the special advocates of such industries. The matter with which we are dealing is undoubtedly a primary industry that is well worthy of encouragement. I should like honorable senators who usually regard themselves as the champions of primary industries to remember that those who hold the protective fiscal faith know quite as much about such industries as do the free-traders. I have all my life been engaged in primary industries. It must be remembered that while there are some primary industries which are, perhaps, able to stand without fiscal assistance, it is impossible for others to get a start without such assistance. Surely we can express such opinions without being called asses or without being assured that we know nothing about the primary industries of Australia and care nothing as to whether they sink or swim. Personally, I have a great deal more to lose from any damage done to primary industries than perhaps have those who make such observations. I am here to try to give a start to all industries which are struggling, and if I can do that by voting for a duty such as is proposed I am happy to be able to do so.

Senator Colonel NEILD (New South Wales) [5.52].—I must oppose this proposal because I think it is quite possible that in administering the Tariff the Department of Trade and Customs may bring the dry materials used in white-washing within the operation of this duty, and seeing the enormous amount of whitewash that will be required by the Ministry and the Labour Party in connexion with their performances in relation to the Tariff, I am certainly opposed to any duty that will place a difficulty in the way of their being whitewashed, as is so urgently necessary.

Senator W. RUSSELL (South Australia) [5.53].—I regret the remarks of the last speaker, who seems to think that the

Labour Party wants whitewashing. But the members of the Opposition appear to be inclined to abuse the party to which I belong. Even Senator Dobson sometimes forgets himself, and has been inclined to abuse us because we asked for a protective duty on the material from which paints are made, though it is produced of a most excellent quality in South Australia. Some of our friends are geographical protectionists. I would remind them, however, that others of us have recently been fighting for a duty that will benefit an industry in New South Wales. Senator Dobson threatened us that when he went electioneering he would tell the people of the evils of the Labour Party in relation to this Tariff. But the fact is that on fiscal questions the Labour Party are divided. There are both protectionists and free-traders amongst us.

The CHAIRMAN.—I remind the honorable senator that the item before the Chair is paint.

Senator W. RUSSELL.—The attitude that I take up is that all the industries of Australia that can be fostered should be encouraged, including the farming industry and the squatting industry, which some of our opponents tell us we do not care a dump for. I have much pleasure in supporting the request and in confirming the statements made by my colleague Senator McGregor as to the excellent quality of the material found in South Australia.

Senator MULCAHY (Tasmania) [5.59].—I do not like the charge of "geographical protectionist" which is sometimes made. I do not think it is quite fair. It does not matter whether a deposit of ore or of any other primary material is found in any particular State—it is our duty to give it a fair measure of protection. I have consistently supported a moderate amount of protection being given to Australian industries regardless of geographical situation. But I really want to know on what grounds Senator McGregor, who was a member of the Tariff Commission, is supporting an increase in this item, and on what grounds it was originally supported by the protectionist members of the Commission. There is nothing in the evidence, as disclosed in the reports of both sections of the Tariff Commission, to justify any increase of the duty agreed to by the other branch of the Legislature. I shall read from the reports evidence which I think bears out my contention that there is no justification

for reverting to the duty originally proposed by the Government. Referring to pigments, the protectionist section of the Commission in their report state that—

The manager and secretary of a limited company in Adelaide informed your Commissioners that the only pigments being produced in South Australia were iron oxide, and as there was only a limited use for oxide colours the output would not warrant the employment of the necessary scientific and other men to treat it—(Clarkson, Q. 53411-21). This deposit of pigment contained some good colours, but they were not levigated properly—

In other words, they could not be so smoothed out as to make a sufficiently smooth-working paint—

He did not desire a duty on dry colours, as he was not "pushing" them; but if any one else proposed such a duty he would be inclined to give them his support.

That is the only evidence on which we are asked to make this request.

Senator FINDLEY.—It certainly is not. The honorable senator should turn to page 239.

Senator MULCAHY.—In the report of the free-trade section of the Tariff Commission it is stated that—

The evidence is conclusive that only a very limited range of dry colours is produced in Australia, and that, except in obtaining them from the earth, there is practically no labour involved. Ample protection is afforded by the transit charges on colours imported. There is not sufficient output to justify the embarking of the necessary large capital and scientific skill in the production of high-grade chemical colours. This disability is too great for any duty to equalize. It is, however, a fact that a variety of primary colours is manufactured successfully and profitably in the Commonwealth.

I am prepared to agree to the old duty being increased by 100 per cent., but certainly not to support a request that it be increased by 200 per cent.

Senator FINDLEY (Victoria) [6.5].—I should not have risen but that I think Senator Mulcahy must have seen in the report of the protectionist section of the Tariff Commission from which he quoted other evidence which he ought to have put before the Committee.

Senator MULCAHY.—I assure the honorable senator that I did not.

Senator FINDLEY.—The extraordinary fact is that the evidence to which I refer appears on the page from which the honorable senator quoted. If he desired to be in a position to give an intelligent vote upon this question he ought to have taken the trouble to observe what another witness

had to say in respect of this question. It is pointed out by the protectionist section of the Commission that a witness—

stated that large deposits of such colours, in ten or twelve shades, existed at Blumberg, 30 miles north-east of Adelaide, capable of supplying the Commonwealth with the highest quality of paints and colours. Were the importation of dry colours into Australia stopped, within three months he would have 100 men, now idle, manufacturing them.

He demonstrated beyond doubt that the quality of his colours would be up to the standard of any that are imported.

Senator McGREGOR.—That was the evidence of Mr. John O'Connell, who knows more about the business than all the rest.

Senator FINDLEY.—His evidence might well be taken into consideration by the Committee. I find, Mr. Chairman, that I have not fully stated my request, and by leave I wish to amend it by inserting the words "or *ad valorem* 20 per cent., whichever rate returns the higher duty."

Request, by leave, amended accordingly.

Question—That the House of Representatives be requested to make the duty on item 236, paragraph D, "Colours dry n.e.i." (imports under General Tariff), per cwt. 3s. 3d., or ad val. 20 per cent., whichever rate returns the higher duty (Senator FINDLEY's request)—put. The Committee divided.

Ayes	...	...	13
Noes	...	...	14
Majority	...	...	—

#### AYES

de Largie, H.	Russell, W.
Findley, E.	Stewart, J. C.
Givens, T.	Story, W. H.
Keating J. H.	Trenwith, W. A.
McGregor, G.	Turley, H.
Needham, E.	<i>Teller:</i>
Russell, E. J.	Lynch P. J.

#### NOES.

Cameron, Lt.-Colonel	Mulcahy, E.
Dobson, H.	Neild, Colonel
Gould, Lt.-Colonel	Pearce, G. F.
Gray, J. P.	Sayers, R. J.
Henderson, G.	St. Ledger, A. J.
Macfarlane, J.	<i>Teller:</i>
McColl, J. H.	Chataway, T. D.
Millen, E. D.	

#### PAIRS.

Best, R. W.	Symon, Sir Josiah
Guthrie, R. S.	Clemons, J. S.

Question so resolved in the negative.  
Request negatived.

Request (by Senator FINDLEY) proposed—

That the House of Representatives be requested to make the duty on item 236, paragraph D (imports from the United Kingdom), per cwt., 2s. 6d.

Senator MILLEN (New South Wales) [6.10].—Just before the last division Senator Findley was greatly exercised in his mind as to the evidence given before the Tariff Commission, and was at some pains, for which he is to be commended, to try to correct a wrong impression into which Senator Mulcahy had evidently fallen. I object to the slight tinge of rebuke in Senator Findley's remark that any honorable senator should be guilty of negligence in quoting only a portion of the evidence and not the whole of it. Recognising that the honorable senator is a perfect Pilate in his search after truth, I propose to supplement the limited knowledge of this subject which he has gained by his examination of the report by drawing his attention to a few statements to which he has not referred. The witness O'Connell, who, according to Senator McGregor, knows more about this business than all the rest, said—

He successfully produced colours fifteen years ago, but previous to Federation could not get into the other States (except New South Wales) because of the duties. He admitted, however, that he had not manufactured much paint out of local colours the last ten years. The average value of colours was £15 per ton. He admitted that bright, expensive tints required more expert knowledge than he possessed.

Senator McGREGOR.—He could easily pay for expert knowledge.

Senator MILLEN.—This is the evidence of a witness who, according to Senator McGregor, knows more about the business than all the rest.

Senator McGREGOR.—Was it not an honest acknowledgment?

Senator MILLEN.—It was. It is also a complete answer to Senator McGregor's statement, and supplements the evidence for which Senator Findley is evidently thirsting.

Senator FINDLEY.—The honorable senator has been quoting from the report of the free-trade section.

Senator MILLEN.—I can give the honorable senator the numbers of the questions on which the report is based. It is stated further that—

The manager of a paint manufacturing company in Adelaide stated that it would be exceedingly foolish to shut out dry colours, since there were none locally to take their place; the

great majority of colours were chemically treated. That treatment was very scientific, and it was the men to treat them that were wanted. That confirms the evidence given by Mr. O'Connell—

He said, "I cannot see how the output here will warrant the expenditure of getting the necessary men. There is only a limited use for oxide colours." The previous witness (O'Connell), he said, had never been able to supply a useable article. There was little labour in preparing dry colours; they only required washing. It would take no time to prepare them if there was an output sufficient.

I do not propose to weary the Committee by making further quotations from the report, but I direct Senator Findley's attention to it so that before voting on the request now before us, he may have an opportunity to gain that ample knowledge for the non-possession of which he rebuked Senator Mulcahy.

Senator W. RUSSELL (South Australia) [6.15].—I think that Senator Millen was absent from the chamber when Senator Findley quoted an extract from the report of the protectionist section of the Tariff Commission in reference to this item.

Senator MILLEN.—No, I was present.

Senator W. RUSSELL.—Then the honorable senator must have been behind the door of the chamber. I have repeatedly noticed that whenever Senator Millen wishes to gain a point he endeavours to take up the position of a fair man.

Senator MCCOLL.—He is always that.

Senator W. RUSSELL.—I know Mr. O'Connell, whose evidence has been quoted, but I do not say that he possesses all the knowledge that is available in regard to the paint industry.

Senator MILLEN.—But Senator McGregor said that he did.

Senator McGREGOR.—I did nothing of the kind.

Senator W. RUSSELL.—From the report of the protectionist section of the Tariff Commission I extract the following—

An agent in Adelaide desired to have the duties on paints and dried colours raised so as to preclude their importation. He thought 40 per cent. would effect his object.

That was the evidence of Mr. O'Connell, as will be seen by reference to question 49043. The report proceeds—

He stated that large deposits of such colours in ten or twelve shades existed at Blumberg, 30 miles north-east of Adelaide, capable of supplying the Commonwealth with the highest qualities of paints and colours. Were the importations of dried colours into Australia

stopped, within three months he would have 100 men, now idle, manufacturing them. If he could get his article on the market he would soon convince the public of its quality. His paint had been used by the Railway Department, on private buildings, and by the municipal authorities, with satisfactory results. At present the public would rather buy inferior paint from Germany, Italy, and other countries. With the duty he would sell his paint for much less than the public now paid for imported lines. He also suggested this increased duty to encourage the production of linseed oil, which is used in the manufacture of paint. The Commonwealth Tariff had not prejudiced his industry, but he wanted the Tariff to help it. "A 5 per cent. Commonwealth Tariff is no advantage at all."

If only half of Mr. O'Connell's statements be true, would not this be a grand industry to establish in the Commonwealth? Surely Senator Neild will not say that because it is not a New South Wales but a South Australian industry it should go down!

Senator Colonel NEILD.—The honorable senator will get himself disliked if he talks in that fashion.

Senator W. RUSSELL.—If the industry were a Queensland one there would be no difficulty experienced in getting fiscal assistance extended to it. Would not Senator St. Ledger and even Senator Sayers make long speeches in its favour? But the South Australian representatives in this chamber who are true protectionists, and not half-hearted ones like Senator Mulcahy and Senator McColl—the latter can never see beyond Melbourne—favour the fostering of industries, wherever they may be found in the six States. In the face of the evidence of Mr. O'Connell, honorable senators cannot deny that in South Australia we have excellent raw material for making paints. If the proposed duty will accomplish the desirable object to which I have alluded, the Committee, by sanctioning its imposition, will have done good work.

Senator Colonel NEILD (New South Wales) [6.22].—The superb bathos which seems to be all round and above this proposition is more than amusing. Everybody who knows anything about the paint trade is aware that one particular class of mineral deposit cannot be used for all the varieties of paint required, and that there is a limited market in Australia for any one class of paints. I congratulate Senator McGregor upon the discovery that the mineral paint deposits in South Australia are sufficiently large to enable some railings around a few of the small squares in the city of Adelaide to be painted. But in New South Wales

we have not only overtaken the local consumption, but we are shipping thousands of tons of this mineral material to other parts of the world. All this bathos about the industry providing employment for so many men is so much superb fudge. Instead of contending for a duty upon this mineral material, it would be just as sensible to advocate the imposition of an export tax upon wool.

Senator McGREGOR.—I do not think that the honorable senator knows much about the question.

Senator Colonel NEILD.—I know more about it than Senator McGregor is ever likely to know, because he is so self-sufficient that he does not take the trouble to ascertain facts. I have had a close connexion—not a profitable one, unfortunately—with mineral paints in New South Wales ever since 1868. During all the period that has since elapsed, a large enterprise has existed there, known as the Standard Paint Company, which was originally started by the well known auctioneering firm of Messrs. Richardson and Wrench, who used to carry on their operations in what is now a part of the Sydney watershed. In more recent years, its paint has been manufactured in Woolloomooloo, which forms a portion of Sydney. I have no doubt that some honorable senators know where Woolloomooloo is situated, and I hope that they visit it at suitable times.

Senator NEEDHAM.—Can the honorable senator spell Woolloomooloo?

Senator Colonel NEILD.—I do not think that Senator Needham's education has been so sadly neglected that he needs to be taught how to spell Woolloomooloo, but in view of the fact that he is, comparatively, a recent arrival from the Old Country we must make some allowance for him. If he will spend a quarter of an hour with me during the adjournment for dinner, I shall be able to spell Woolloomooloo for him, and also a number of other words, which will probably be more useful to him.

Senator NEEDHAM.—I think that, during the Tariff debate, I have shown myself as good an Australian as is the honorable senator.

Senator Colonel NEILD.—I am quite sure that the honorable senator's remark is a very appropriate and cultured one, but I do not understand its applicability.

Senator McGREGOR.—If both Senator Needham and yourself were fools, you would be the bigger one.

Senator GRAY.—Is that remark in order, sir?

Senator Colonel NEILD.—I suppose that it is, but I take exception to it.

The CHAIRMAN.—Of course, the observation was put in such a way that it could not be said to apply to anybody.

Senator Colonel NEILD.—The other night you, sir, required me to withdraw a certain phrase when I was putting a hypothetical case, and I ask that the expression made use of by Senator McGregor shall be withdrawn.

The CHAIRMAN.—Does the honorable senator regard it as offensive?

Senator Colonel NEILD.—I do.

The CHAIRMAN.—Then Senator McGregor must withdraw it.

Senator McGREGOR.—I should like Senator Colonel Neild to tell me the expression which he wishes me to withdraw?

Senator MILLEN.—I rise to a point of order, and I do so because upon occasions like the present Senator McGregor always wishes to argue against your ruling: You, sir, asked Senator Neild whether he regarded the expression used by Senator McGregor as an offensive one. He replied in the affirmative, and you then said, "Then Senator McGregor must withdraw it." Under the circumstances I hold that there is only one course for Senator McGregor to adopt, and that is to withdraw the offensive expression and to cease arguing against your ruling.

Senator DE LARGIE.—I think that an honorable senator who is called upon to withdraw any expression ought to know exactly what he has to withdraw.

The CHAIRMAN.—I am about to tell Senator McGregor what he has to withdraw. He made the statement that if Senator Needham and Senator Neild were both fools Senator Neild was the bigger of the two. Senator Neild regarded the expression as an offensive one, and the Standing Orders provide that if an expression used by one honorable senator is regarded in that light by another honorable senator it must be withdrawn. I must therefore ask Senator McGregor to follow the usual practice by withdrawing the statement which he made.

Senator McGREGOR.—I have pleasure in bowing to your ruling, but I was not going to withdraw any expression until I knew exactly what I was expected to withdraw.

Senator Colonel NEILD (New South Wales) [7.45].—A night or two ago I submitted that if the Government continued to profess an interest in preferential trade with the United Kingdom, they would, in view of their actions, be guilty of a fraudulent pretence. I may go a stage further now, and congratulate them on dropping all pretence in the matter of United Kingdom preference, tearing up and scattering to the winds all their pledges, offered with so much eloquence to the United Kingdom by the Prime Minister, Mr. Deakin, a little while ago, and posing here as not only anti-preferentialists, but prohibitionists against England, as well as against the rest of the world. I do not refer personally to my esteemed and learned friend Senator Keating, for whom I have great respect and deplore that he is to be found in such very unfortunate Ministerial company. I must, of course, address my remarks to the particular item before the Chair, but every one within hearing will know that I am speaking generally when I say that it is deplorable to find the Government supporting in this Chamber propositions that have been opposed elsewhere. There was a show of preference to the United Kingdom displayed elsewhere, but here of late, and particularly in this instance, there has been very much more than a backsliding—there has been a lamentable exhibition of the abandonment of Ministerial pledge, Ministerial promise, and the hopes that surrounded those features of the Tariff, which seemed to indicate that blood was thicker than water. But we find that blood is not, in the estimation of many here, thicker than water, and any nation of the world is just as good to some honorable senators as, and better to some others than, the land from which we spring—the land whose great power overshadows and protects this far quarter of the globe, and to which we are bound, whether we like it or not, by such strong ties. I must conscientiously support in connexion with this item and in the future, just as I have done in the past, the proposals that are to be found in the second column of the schedule, where some show is given to the workers and the people of the Old Country who outlay so largely every year towards the assistance of the defence of Australia and Australian trade. These dry colours cross the globe coming and going. There are imports of them

from the United Kingdom to Australia. Hundreds and thousands of tons of minerals for the making of dry colours traverse the waters of the globe from Australia to England. That traffic to and fro is under the ægis of the British Navy, which is supported by the taxpayers of the country to which we should be proud to give a preference, not only as an evidence of our sonhood to the Old Land, but as a token that we appreciate benefits conferred and advantages given. I deplore most sincerely the frequent opposition shown to preference to the United Kingdom, which is nicely printed in our schedule, and shockingly ignored in our voting.

Senator SAYERS (Queensland) [7.54].—I oppose Senator Findley's request. I am rather surprised at the action of the Government in supporting it. The question was debated in another place, where it was thought advisable to impose a lower duty against the United Kingdom than against the rest of the world.

Senator TRENWITH.—You have struck out the higher duties.

Senator SAYERS.—We have not. We have left the item exactly as it reached us. The Government either believe in preference or they do not.

Senator BEST.—Why did you destroy the preference?

Senator SAYERS.—We did not. The Government are destroying it. The duty on this paragraph as introduced in another place was 3s. 3d. per cwt. on imports under general Tariff. It was reduced by another place to 2s. 6d. per cwt. That was agreed to, I believe, by the Government. The duty proposed on imports from the United Kingdom was 3s., and another place reduced it to 2s.

Senator BEST.—Exactly. Stick to the original figures.

Senator SAYERS.—We have stuck to the figures as submitted to us by the honorable senator in charge of the Bill. I congratulate him on being back in the chamber again to assist us.

Senator BEST.—I have not been away.

Senator SAYERS.—Honorable senators opposite have twitted us with being anti-Australians. I do not believe that any true Australian will agree with their action in seeking to give to every other country in the world the same advantage as they are willing to give to Great Britain. I often hear them talk about the way in which the workers in the Old Country are sweated, but according to their votes they would

never give those workers a chance of getting more work. They want to make the people of the Old Country compete against all the cheap labour of the world.

The CHAIRMAN.—The honorable senator must not discuss the general question of preference. He must confine his remarks to the question of preference on the item before the Committee.

Senator SAYERS.—I am trying to show that if the request is agreed to the United Kingdom will be put upon a level with all other countries. The Prime Minister when in Great Britain made great professions of his desire to give preference to the United Kingdom, but now the representatives of the Government in this chamber support a motion to raise the duty against the United Kingdom to the level of that against the rest of the world. I believe that that action has been forced upon them. They have not done it of their own free will, but are obeying orders. I cannot understand the attitude of the Government in endeavouring to place Great Britain on the same footing as every other country.

Senator STORY.—The Government desire to put Australia first.

Senator SAYERS.—We are putting Australia first; but it is possible that the honorable senator who interjects does not approve of preference. Senator McGregor told us to-night that the dry colours produced in South Australia are so good that when they were applied to iron railings in Victoria Square, Adelaide, the paint lasted for fifteen or sixteen years, and the metal had to be scraped until it was bright before it could be repainted. If what Senator McGregor states is the truth, then it would appear that, for the sake of employing fifty men in the colour industry, thousands of painters are to be thrown out of work. I understand that a number of Government buildings in Melbourne require painting, and if these local colours are used, it is evident, from what we have heard, that no more painters will be required for many years.

Senator McGREGOR.—Surely the honorable senator is joking!

Senator SAYERS.—Like Senator McGregor, I never joke.

Senator STORY.—Is the honorable senator really serious in his apology for an argument?

Senator SAYERS.—If it be the wish of honorable senators opposite to deprive painters of employment, I decline to assist to

that end. Senator W. Russell is a humanitarian, and would not desire any such result; but Senator McGregor, apparently, takes a different view. All I can do is to advocate the retention of preference for the poor benighted people of Great Britain. Senator Findley desires to place the artisans and labourers of Great Britain on the same footing as the labourers of China, Japan, and other Eastern countries.

Senator FINDLEY.—The honorable senator's obligation is to Australia first.

Senator SAYERS.—My obligation is first to the Empire of which we form part and parcel; and, in my opinion, preference ought to be given. It does not speak well for Australia that representatives of the people here should seek to deprive Great Britain of the preference promised by the Prime Minister. Real labour representatives know that it does not matter whether a man works for his bread in England or Australia; and the request can only tend to undesirable class distinction. If the object be as I say, to place the workmen of Great Britain on the same level as the workmen of China and Japan, let that object be openly expressed; but my vote shall always be given for preference to the Old Country.

Senator MILLEN (New South Wales) [8.11].—The Vice-President of the Executive Council by way of interjection, endeavoured to cast on those opposing the request the odium of resisting preference. But we cannot get away from the fact that in the Tariff as introduced here the duty in the first column was 2s. 6d.

Senator TRENWITH.—Does the honorable senator desire to destroy preference?

Senator MILLEN.—It has rested with the Government to destroy their own Tariff, while we have endeavoured to maintain it as introduced and agreed to by Ministers in another place. The duty originally was 3s. 3d., but the Government, in another place, if they did not suggest, agreed to an amendment, moved by Mr. Webster, a member of the Labour Party, to make it 2s. 6d.

Senator FINDLEY.—But the item must be altered, because there is to be a new one introduced.

Senator MILLEN.—Senator Findley amongst the prophets! The man who will predict anything in regard to the Tariff takes upon himself a very serious responsibility.

Senator FINDLEY.—I'll lay odds that barytes go in!

Senator MILLEN.—Betting is illegal in Victoria. The Tariff, as introduced here, approved by the Ministry, provided for duties of 2s. 6d. and 2s., and the Government expressed a pernicious belief in the principle of preference. We are now asked by the Government to raise both duties by 6d., and, because we are not prepared to do so, we are accused of being opposed to preference. In other words, the Government say "We will give you a preference conditionally on your raising the duty in the general Tariff just as high as we like." That is the extent to which they believe in preference. While some honorable senators are open opponents of preference—

Senator W. RUSSELL.—How does the honorable senator know that?

Senator MILLEN.—Senator W. Russell is quite right; one has no right to judge what honorable senators mean by the way they vote.

Senator McGREGOR.—Senator Russell voted with the Opposition last night, and he is now being abused.

Senator MILLEN.—That is not so; I am showing that the honorable senator ought to repeat the performance to-night.

Senator McGREGOR.—The honorable senator insinuates.

Senator MILLEN.—I do not insinuate; I always state as plainly as I can what I mean. The two columns are not under review now, and there is only one way in which we can give preference, namely, by fixing the duty in the second column below that fixed in the first column. It is those who support the request who are opposing preference.

Senator TRENWITH (Victoria) [8.15].—Those honorable senators who are now such ardent preferentialists expressed the belief, both before and after the general elections, that the proper course was to make the Tariff, in the first instance, high enough for Australia against the world, and then, as there would still be importations, to give Great Britain a preference.

Senator MILLEN.—Did not Sir William Lyne think a duty of 2s. against the United Kingdom high enough when he accepted it?

Senator TRENWITH.—We have two preferences. We have a preference for Australians against the whole world, and a preference for Australians' nearest relatives against the rest of the world.

Senator CHATAWAY.—Is this the Government policy?

Senator TRENWITH.—It is the preferential policy, and I venture to say that there is no more ardent preferentialist than I am. On this item the preferentialists in the Chamber sought to make the duty higher against foreign nations, but the other side objected. Some of them have declared that they do not care for preference, but would use it on every occasion to reduce duties. That is the use to which they are now endeavouring to put it, while they are prating, as Senator Sayers did just now, about the "dear Old Land." A few moments ago there was an opportunity to give a preference to Great Britain on this item. It was taken advantage of by honorable senators on this side to propose a duty which would be higher against the rest of the world than we thought to be necessary even against Great Britain. That object we were unable to consummate because of the votes of honorable senators on the other side. We therefore have to acknowledge regretfully that on this item preference to Great Britain is not possible, and to insist upon our first preference for Australia.

Senator ST. LEDGER (Queensland) [8.20].—A strong appeal has been made to us by Senator Trenwith and others that we must consider first the Australian industry whether it be primary or secondary, and then make the duty high enough to protect that industry as against the world. That is a sentiment which of course appeals very strongly to Australians, but I cannot understand the position upon which the Government and their supporters seem to be insisting. They have urged that Australians should look after Australian industries and build up the Tariff accordingly. I know that in the construction of recent Tariffs that principle has been departed from, and articles have been made free. Within the space of a few minutes that principle has been departed from here to our knowledge. In another place the Government departed from it flagrantly.

The CHAIRMAN.—The honorable senator must address his remarks to the question of the duty on dry colours.

Senator ST. LEDGER.—I think that what I wish to draw attention to must be palpable to every one. The request before the Committee is a complete reversal of the Government's policy. I am not an ardent admirer of their idea in regard to prefer-

ence, but if there is any benefit in a preference it seems to me that there is an opportunity of conferring a benefit in connexion with this item, because in 1906 we imported £19,705 worth of dry colours, of which £10,847 worth came from the United States of America. In the case of many items that country has been regarded by honorable senators as the most formidable competitor with our industries. With them no words have been too strong or too expressive to point out the dangers from which we are suffering in that regard. Senator Findley waxed quite eloquent at times in his denunciation of such competition. If, as it appears from the figures, the United States of America is such a dangerous and formidable antagonist, cannot Senator Trenwith, who said that the secondary object of his affections was the Old Land, give something even for that object?

Senator TRENWITH.—I tried to do so when I voted for preference just now.

Senator ST. LEDGER.—If the honorable senator did not succeed on that occasion, why can he not join with us on this side and give what we can to the Old Country? If, however, he will not help us, what is the value of his terms of regard for the Old Country? In the face of the figures I have quoted I ask the Government, if there is a shadow of reality in their pretence, to try to do some little good for the Old Country by voting with us on this occasion. If they will not support our efforts, what conclusion can be drawn from their refusal but that their preferential scheme is a mere pretence? The meeting of Parliament was delayed for many months in order that the Prime Minister might go to the Colonial Conference, and by a splendid burst of eloquence and argument try to impress upon that body how much he and his Government desired to benefit the Old Country by a preferential Tariff. I suppose that the supporters of the Government indorsed everything which was said and done on that occasion. But when we ask them to grant a little preference to the Old Land as against the United States and other foreign competitors they turn a deaf ear to our appeal. Even if we do not succeed in carrying this duty as it stands, I think that we shall have the satisfaction of having made it pretty clear, to the public what is the proper term to apply to such political conduct as that of which the Government and their supporters have been guilty.

Senator MACFARLANE (Tasmania) [8.26].—Notwithstanding all that has been said on this matter, one rather important point has been overlooked entirely, and that is that we on this side are only asking the Government to increase the old duty by 100 per cent. But Shylock-like they say, "No, we want an increase of 150 per cent. on the old duty." Is there any sense or any gratitude to Great Britain in that? It is monstrous. If the Government have any desire to give a preference to the United Kingdom let it be one of some value and not a sham.

Senator McCOLL (Victoria) [8.29].—I regret to find myself again in the position of having to defend the Government Tariff against a Government attack and the attack of the anti-British party on the other side of the chamber.

Senator FINDLEY.—The honorable senator belongs to the anti-Australian party.

Senator McCOLL.—We are charged with being the anti-Australian party. It would appear that our honorable friends on the other side are going to take up the rôle of the "Separation Party" directly.

Senator FINDLEY.—No, we believe in Australian industries first.

Senator ST. LEDGER.—The honorable senator was a strong Australian on kerosene.

Senator McCOLL.—We can only commiserate the representatives of the Government in the Senate on the abject position in which they find themselves at this stage of the consideration of the Tariff. When one remembers the way in which Senator O'Connor battled in this Chamber for the Tariff submitted by the Government of which he was a member, fighting for every word, line, and figure in it, and refusing to be moved, one has only to institute a comparison to see how the representatives of the present Government in this Chamber have fallen from grace. In moving the second reading of the Customs Tariff Bill the Vice-President of the Executive Council gave us a dissertation on preference, and filled several columns of *Hansard* in telling honorable senators what a magnificent thing it was. Perhaps it would be just as well to put into juxtaposition the votes which have been recorded in the last few divisions, and what the honorable senator said on that occasion. He said—

The next feature to which I desire to direct attention is what I may term the novel and im-

portant departure that has been made in a discrimination of duties chargeable under the general Tariff and those chargeable against goods the production of the United Kingdom.

Senator NEEDHAM.—Does the honorable senator think the departure a wise one?

Senator BEST.—I not only think that the departure was justified, but I say that it was demanded by the people in pursuance of the proposals put before them.

Senator NEEDHAM.—What are we getting for the preference we give?

Senator BEST.—The departure has been made in obedience to the mandate of the country, and as a part of the declared policy of the Government.

Senator BEST.—Then why does not the honorable senator stand by it?

Senator MILLEN.—Because the Government wish to alter it.

Senator BEST.—No, we do not.

Senator McCOLL.—It should not be forgotten that the honorable senator made the speech from which I am quoting on the Tariff as received from another place—the Tariff from which he is now running away.

Senator BEST.—No, he wishes to perfect it.

Senator McCOLL.—During the speech from which I am quoting, Senator Needham again interjected—

Is the Mother Country giving us anything in return for the preference we give? and the Vice-President of the Executive Council went on to say—

Senator BEST.—The position was very fairly recognised by my right honorable friend Mr. Reid when he said—

The situation in regard to preferential trade has been cleared considerably by the decision of the people at the last general election.

Senator ST. LEDGER.—Which people—the people of England or our own people?

Senator BEST.—The people of the whole of Australia.

Senator MILLEN.—If the honorable senator relies so much upon Mr. Reid, I shall begin to think that he must be in a very bad way.

Senator BEST.—Mr. Reid went on to say—

Given a protective Tariff the free-trade objections, wherever they exist, to a system of preferential trade, pretty well disappear so far as we in Australia are concerned.

The CHAIRMAN.—I ask the honorable senator to address himself to the item before the Chair.

Senator McCOLL.—But, sir, the whole question of preference is involved in the question before the Chair, because we are being asked to depart from that policy.

The CHAIRMAN.—I have already stopped other honorable senators, and I cannot allow a general discussion of preference on this question. The honorable

senator, if he wishes to deal with the question of preference, must deal with it as it affects the item, dry colours.

Senator MCCOLL.—If I am not to be allowed to proceed, I can only express my regret that I am unable to show up the tergiversations of the Vice-President of the Executive Council as they ought to be shown up.

Senator GIVENS.—That is a good big word.

Senator MCCOLL.—And it is a very appropriate word. I remember also that two years ago, when in London, the Vice-President of the Executive Council addressed the London Chamber of Commerce, and there dilated at considerable length upon what the Government were prepared to do for the Old Country.

Senator BEST.—And he has never swerved in the slightest degree from what he said there.

Senator MCCOLL.—Now we find the honorable senator turning his back on the Tariff as introduced to the Senate, on the speech with which he introduced it, and also on the speech which gained him such immense plaudits in London, and for the sake of what? For the sake of doing a little crawling to the men who are supporting him at the present time. I trust that this duty will be left as it is. I trust that honorable senators, and especially the representatives of the Government in this Chamber, will have some little sense of decency in the conduct of business, will on this occasion reverse the previous vote and allow the preference to imports from the United Kingdom to remain.

Question—That the House of Representatives be requested to make the duty on item 236, paragraph d, "Colours, dry, n.e.i." (imports from the United Kingdom), per cwt., 2s. 6d. (Senator FINDLEY's request)—put. The Committee divided.

Ayes	...	...	...	14
Noes	...	...	...	13

Majority	...	...	...	1
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*AYES.*

de Largie, H.	Russell, E. J.
Findley, E.	Russell, W.
Givens, T.	Stewart, J. C.
Henderson, G.	Trenwith, W. A.
Keating J. H.	Turley, H.
Lynch, P. J.	
McGregor, G.	<i>Teller:</i>
Needham, E.	Story, W. H.

*NOES.*

Cameron, Lt.-Colonel	Millen, E. D.
Chataway, T. D.	Mulcahy, E.
Dobson, H.	Neild, Colonel
Gould, Lt.-Colonel	Pearce, G. F.
Gray, J. P.	Sayers, R. J.
Macfarlane, J.	<i>Teller:</i>
McColl, J. H.	St. Ledger, A. J.

*PAIRS.*

Best, R. W.	Symon, Sir Josiah
Guthrie, R. S.	Clemons, J. S.

Question so resolved in the affirmative.

Request agreed to.

Senator FINDLEY (Victoria) [8.40].—I move—

That the House of Representatives be requested to make the duty on item 236, paragraph e (imports under General Tariff), per cwt., 2s. 3d.

The object is to restore the duty to that first submitted by the Government. I do not need to urge any reasons for this request.

Senator MILLEN.—The honorable senator need not bother about any reasons.

Senator FINDLEY.—The same reasons can be urged for the restoration of this duty to that at first submitted as were urged in support of the other requests on which we have voted in connexion with this item.

Senator MILLEN (New South Wales) [8.41].—Senator Findley has said that the reasons which induced Senator Lynch to move his requests on the previous paragraphs of this item are those which underlie the present proposal. But Senator Lynch gave as a reason for moving the requests he submitted to the Committee his intention to move the insertion of a new paragraph providing for the imposition of a duty on barytes. That was an intelligible proposal, because when it was proposed to impose a duty on barytes, a raw material used in the manufacture of paint, it was not unreasonable from Senator Lynch's stand-point to increase the duty on paint. Here we have an article which stands in exactly the same relation to paint as does barytes, which is a raw material from which paint is made.

Senator McGREGOR.—And which can be produced here.

Senator MILLEN.—If Senator Findley said openly that he was submitting his request because he wished for a higher duty I could understand it.

Senator FINDLEY.—It would not matter what reasons I urged; the honorable senator would not vote for the request.

Senator MILLEN.—The honorable senator knows well that I am not likely to vote with him to increase a duty by nearly 150 per cent. The original duty on white lead was 1s. per cwt., and to show its utter absurdity the proposal to increase the duty to 2s. 3d. per cwt. need only be stated. The honorable senator should come forward openly and say that he is moving this request because he does not consider the present duty of 2s. per cwt. high enough; but he should not tell the Committee that he is seeking to increase this duty on a raw material of paint because he intends later on to support the imposition of a duty on another raw material. If the intention were to assist the trades affected by the former item he should leave the duty in this case as it stands. I point out that whatever may be the virtues of barytes no one would contend that it is a better raw material for the manufacture of paint than is white lead. Yet while Senator Lynch has intimated his intention to move for a duty of 2s. per cwt. on barytes, Senator Findley now asks the Committee to agree to a request that the duty on white lead should be 2s. 3d. per cwt. No one who desires to see superior paint made here will consider it advisable to impose the higher duty upon the superior raw material. I ask Senator Findley to leave this duty as it stands, though I do not profess to be animated by any hope that the honorable senator will accept so reasonable a suggestion.

Senator MCCOLL.—The honorable senator has received his orders.

Senator MILLEN.—I dare say that is so, and that the whole matter is cut and dried. I ask honorable senators to pay some attention to the fact that it is proposed to impose a duty of 2s. 3d. per cwt. on white lead and a duty of only 2s. per cwt. on barytes, whilst no one will pretend to prefer paint made from barytes to paint made from white lead. Barytes is used in the manufacture of paint because it is an inferior substitute for white lead, and in framing this Tariff we should at least do what we can to encourage the manufacture of the superior article.

Senator McGREGOR.—A duty of 2s. per cwt. on barytes is a much higher *ad valorem* duty than is a duty of 2s. 3d. per cwt. on white lead, and the honorable senator knows it.

Senator MILLEN.—Some honorable senators who think they know everything

do not know all that they think they know, and Senator McGregor is one of them. On the reasons put forward for it this request stands out as an unblushing attempt to further raise an unduly high Tariff.

Senator MACFARLANE (Tasmania) [8.44].—I understand that the duty under the old Tariff on white lead was 1s. per cwt. Are the Government now going to agree to a request to raise the duty to 2s. 3d. per cwt. when the protectionist section of the Tariff Commission recommended a duty of only 2s. and the free-trade section a duty of 5 per cent.? Do the Government propose to accept this request without a word?

Senator KEATING.—The honorable senator may not have been present, but when the first request in connexion with this item was moved I explained that what I had to say with regard to it applied to the paragraphs from A to E.

Question—That the House of Representatives be requested to make the duty on item 236, paragraph E, "Dry white lead" (imports under General Tariff), per cwt., 2s. 3d. (Senator FINDLEY's request)—put. The Committee divided.

Ayes	...	...	...	13
Noes	...	...	...	14
Majority	...	...	...	1

AYES.

de Largie, H.	Russell, E. J.
Findley, E.	Russell, W.
Givens, T.	Stewart, J. C.
Keating, J. H.	Trenwith, W. A.
Lynch, P. J.	Turley, H.
McGregor, G.	Teller:
Needham, E.	Story, W. H.

NOES.

Cameron, Lt.-Colonel	Mulcahy, E.
Chataway, T. D.	Neild, Colonel
Gould, Lt.-Colonel	Pearce, G. F.
Gray, J. P.	Sayers, R. J.
Henderson, G.	St. Ledger, A. J.
Macfarlane, J.	
McColl, J. H.	Teller:
Millen, E. D.	Dobson, H.

PAIRS.

Best, R. W.	Symon, Sir Josiah
Guthrie, R. S.	Clemons, J. S.

Question so resolved in the negative.  
Request negatived.

Request (by Senator FINDLEY) proposed—

That the House of Representatives be requested to make the duty on item 236, paragraph E (imports from the United Kingdom), 2s.

Senator MILLEN (New South Wales) [8.49].—I would point out that the proposition was to increase the duty for imports under the general Tariff by 3d. Now the honorable senator shows his desire to give preference to Great Britain by proposing to increase the rate on imports from the United Kingdom by 6d.

Senator FINDLEY.—That is consistent with the Tariff.

Senator MILLEN.—I advise the honorable senator to spend a little time with a dictionary, studying the meaning of the word "consistent." I have not discovered consistency either in the Tariff or in the attitude of some honorable senators, who vote for preference on some items, and try to destroy it on others. If the interests of Australia required an increase of only 3d. in the general duty, a similar increase should be sufficient in the preferential rate.

Senator LYNCH (Western Australia) [8.51].—Senator Millen said a little while ago that white lead, being superior to barytes, should pay less in duty, but I find that, whereas white lead is worth about £11 a ton, barytes is worth only £3 2s. a ton.

Senator MILLEN.—Then honorable senators should be satisfied with a duty of 1s. instead of 2s. on barytes.

Senator LYNCH.—The rate should be 4s., if the proper ratio is to be observed. We cannot allow these alleged arguments to pass current, and, therefore, I take this opportunity to nail one down as an example. On page 241 of the Tariff Commission's report it is stated that in September, 1904, metallic white lead was worth £11 15s. a ton, and imported white lead £29 10s. a ton, while in a document issued on the authority of the Victorian Varnish Company and Mr. E. G. Borthwick, of Sydney, the price of barytes landed in Australia is stated as 62s. a ton.

Question put. The Committee divided.

Ayes	...	...	...	13
Noes	...	...	...	13

#### AYES.

de Largie, H.	Russell, F. J.
Findley, E.	Russell, W.
Givens, T.	Stewart, J. C.
Henderson, G.	Story, W. H.
Keating J. H.	Trenwith, W. A.
Lynch P. J.	Teller:
McGregor, G.	Needham, E.

	NOES.
Cameron, Lt.-Colonel	Millen, E. D.
Chataway, T. D.	Mulcahy, E.
Dobson, H.	Neild, Colonel
Gould, Lt.-Colonel	Pearce, G. F.
Gray, J. P.	St. Ledger, A. J.
Macfarlane, J.	Teller,
McColl, J. H.	Sayers, R. J.

	PAIRS.
Best, R. W.	Symon, Sir Josiah
Guthrie, R. S.	Clemons, J. S.

Question so resolved in the negative.  
Request negatived.

Senator KEATING (Tasmania—Minister of Home Affairs) [8.57].—I move—

That the House of Representatives be requested to amend item 236 by inserting the following new paragraph:—

"c. Barytes, per cwt., 2s."

This is a request of which notice was given when the Tariff was introduced in the Senate. It is perfectly true, as was said by Senator Millen in discussing the previous paragraph, that the Minister in charge of the Tariff in another place accepted an amendment taking barytes from the position in which it stood in the Tariff and inserting it in item 239, dutiable at 5 per cent. as against foreign countries, and free in regard to imports from the United Kingdom. It was stated at that time that barytes was not produced in Australia. That statement went uncontradicted, and at a late hour at night, or early in the morning, the Minister in charge of the Tariff consented to the amendment proposed. But later on it was discovered that barytes was produced in various parts of the Commonwealth, and that there are large deposits of it scattered throughout Australia which can be worked to commercial advantage. It has been decided, therefore, to rectify the error then made, and the request which I have submitted is for that purpose. I understand that a parcel of barytes is to form one of the features of Australian productions at the forthcoming Franco-British Exhibition in London. Quite recently what are considered to be very valuable deposits of barytes were discovered in my own State. Other deposits capable of being developed are to be found elsewhere in the Commonwealth. As honorable senators are aware, barytes in crushed or powdered form is used as a dry colour, and is employed in the manufacture of paints. In some cases it has been used as a substitute for white-lead. We have large importations, particularly from Germany, France, and Belgium. It has been considered desirable,

in the interests of protecting our own industry and promoting local production, to propose a duty of 2s. per cwt., and I therefore move accordingly.

Question put. The Committee divided.

Ayes	...	...	...	16
Noes	...	...	...	11
			—	

Majority	...	...	5
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**AYES.**

de Largie, H.	Russell, E. J.
Givens, T.	Russell, W.
Henderson, G.	Stewart, J. C.
Keating J. H.	Story, W. H.
Lynch P. J.	Trenwith, W. A.
McColl, J. H.	Turley, H.
McGregor, G.	
Needham, E.	Teller:
Pearce, G. F.	Findley, E.

**NOES.**

Cameron, Lt.-Colonel	Mulcahy, E.
Chataway, T. D.	Neild, Colonel
Dobson, H.	Sayers, R. J.
Gould, Lt.-Colonel	St. Ledger, A. J.
Gray, J. P.	Teller:
Millen, E. D.	Macfarlane, J.

**PAIRS.**

Best, R. W.	Symon, Sir Josiah
Guthrie, R. S.	Clemons, J. S.

Question so resolved in the affirmative.

Request agreed to.

Item 237 (Varnishes) agreed to.

Item 238. Liquid Removers of paint and varnish ad val. (General Tariff), 15 per cent.; and on and after 3rd December, 1907, 5 per cent.; (United Kingdom), free on and after 3rd December, 1907.

Senator GIVENS (Queensland) [9.4].—I move—

That the House of Representatives be requested to make item 238 free.

This is a purely revenue duty, and honorable senators will observe that neither section of the Tariff Commission made any recommendation about it. The present duty is 5 per cent. on the general Tariff, and there is no duty against imports from the United Kingdom. These facts go to show that the item is a purely revenue one. The articles covered by it are the raw materials for certain work. They are not produced here, and, as there is no likelihood of their being produced in Australia, I fail to see why we should impose upon them a revenue duty of 5 per cent.

Senator KEATING (Tasmania—Minister of Home Affairs) [9.6].—I hope that the honorable senator will not press his request. He has not put before the Com-

mittee any proof that this is a purely revenue duty.

Senator GIVENS.—Is a duty of 5 per cent. under the general Tariff a protective impost? Imports from the United Kingdom are free.

Senator KEATING.—The item refers to articles which can be, and are, made in the Commonwealth. There is no specific recommendation in regard to the item by either section of the Tariff Commission; but the same may be said with regard to several other items in the Tariff. The subdivision of this Tariff is different from that of the Tariff of 1902, and it is, therefore, impossible to give, in the comparative statement circulated amongst honorable senators, information as to the volume or the value of imports under this item.

Senator GIVENS (Queensland) [9.8].—The Minister has the unblushing effrontery to tell the Committee that this is a protective duty. If it is, then I weep for protection in Australia. It is the most miserable pretence of a protective duty that I have ever known to be dignified by the name. The item relates to chemical substances that are largely made in Germany, but not in Australia:

Senator TRENWITH.—They are made in Great Britain.

Senator GIVENS.—The bulk of our imports of these goods come from Germany, and I intend to press my request.

Senator MILLEN (New South Wales) [9.9].—The honorable senator has disclosed a wealth of information, which the Customs Department evidently lack. I suggest to the Minister that, as it is a pity to see any one wasting his sweetness on the desert air, he should endeavour to secure for the Customs officials the assistance of Senator Givens in the discharge of their multifarious duties. I inquired from the officials the source of origin of our imports of these goods, but they were unable to tell me. Senator Givens, however, has no difficulty in ascertaining where they come from.

Senator GIVENS.—Ask the tradesmen where they come from.

Senator MILLEN.—The tradesmen, as a rule, do not import them. Passing from that phase of the question, I would point out that Senator Givens is quite consistent in what he is doing. This duty of 5 per cent. in respect of foreign imports is a slight preference to the United Kingdom, and, possibly, that is why he desires it to be removed. It is another evidence that

wherever it is possible to do so some honorable senators are prepared to destroy the preference which the Government say they are pledged to support.

Senator TRENWITH (Victoria) [9.11].—I hope that the item will not be made free.

Senator GIVENS.—Another revenue tariffist.

Senator TRENWITH.—I trust that it will not be a revenue duty; that it will have the effect of inducing us to import these goods mostly from Great Britain instead of from Germany. Wherever we can do so, we ought to give the Mother Country a preference. So far as I know, we are not producing these goods in Australia. We must have them; consequently we must import them, and, as there is a choice of importation, the preference ought to be given to the United Kingdom.

Senator GIVENS.—The Minister of Home Affairs said that we could produce them.

Senator TRENWITH.—I am expressing my own opinion. So far as I know, we are not producing these articles. If we were I should agree with Senator Givens that 5 per cent. was not sufficient as a protectionist duty. It may, however, and probably will, have the effect of diverting to Great Britain some of the imports that now come from Germany. I hope that result will be achieved, and, if it can be, we ought to aim at it. There are some protectionists who do not believe in preference. Senator Needham has repeatedly expressed his disapproval of the principle, and I could understand his objecting to this duty. Senator Givens, perhaps, takes up the same stand, but there are protectionists who believe, very properly, that our first preference should be for Australia, and that we ought to have a second preference, and a strong one, for the United Kingdom.

Senator GIVENS.—And that we should impose revenue duties for that purpose?

Senator TRENWITH.—No. I think the effect of this duty will not be any considerable collection of revenue, but that it will lead to the importation of these articles from Great Britain instead of from Germany.

Question put. The Committee divided.

Ayes	...	...	...	9
Noes	...	...	...	16

Majority	...	...	7
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## AYES.

dé Largie, H.	Pearce, G. F.
Findley, E.	Russell, E. J.
Givens, T.	Stewart, J. C.
Gray, J. P.	Teller
Needham, E.	Lynch P. J.

## NOES.

Cameron, Lt.-Colonel	Russell, W.
Chataway, T. D.	Sayers, R. J.
Dobson, H.	St. Ledger, A. J.
Henderson, G.	Story, W. H.
Keating, J. H.	Trenwith, W. A.
McColl, J. H.	Turley, H.
McGregor, G.	
Millen, E. D.	Teller
Neild, Colonel	Mulcahy, E.

## PAIRS.

Clemons, J. S.	Guthrie, R. S.
Symon, Sir Josiah	Best, R. W.

Question so resolved in the negative.

Request negatived.

Item agreed to.

Item 239. Blacks, being lamp, ivory, bone, or vegetable, and Litharge; London Purple and Paris Green; Prepared Glazes for Pottery; Sulphate of Copper; Ultramarine Blue; Ceramic Colours; Artists' Colours; Dyes, dry or in paste, in bulk for manufacturing purposes; Vandekes; Manganese; Paris White; Vermilions; Crayons; Barytes, ad val. (General Tariff), 5 per cent. (United Kingdom), free.

Senator KEATING (Tasmania—Minister of Home Affairs) [9.18].—I move—

That the House of Representatives be requested to amend item 239 by leaving out the comma and the word "and" after the word "vegetable," with a view to insert in lieu thereof a semicolon.

The effect of my proposal will be to separate the articles which appear in the first line of the item from the articles which are subsequently enumerated. This is necessary, inasmuch as there is no such thing as a Litharge black:

Request agreed to.

Senator NEEDHAM (Western Australia) [9.20].—I move—

That the House of Representatives be requested to further amend item 239 by leaving out the words "Ultramarine Blue" with a view to insert in lieu thereof the following new paragraph:—"239A. Ultramarine Blue, free."

I recognise that ultramarine blue is essentially the raw material of the manufacturer of laundry blue. It is a mineral deposit which has never been discovered in Australia. At any rate, there are no records of its discovery here, and I see no reason why the manufacturers of laundry blue should be taxed to the extent of 5 per cent. upon the raw material of their industry. But assuming that ultramarine blue were discovered in the Commonwealth, the expense that would require to be incurred to

extract it from the solid rock would be so great that it would scarcely be worth while to undertake the work. I would also remind the Committee that our manufacturers of laundry blue have to compete with the German article, because German chemists have discovered a process by which they can make ultramarine blue equal in quality to the natural product. In support of my contention I quote the following from the *Encyclopædia Britannica*, Vol. 23, page 721—

Ultramarine, a magnificent blue pigment, which occurs in nature as a proximate component of Lapis Lazuli (Q.V.). Lapis Lazuli has long been known as a precious stone, and highly valued as such, and as early at least as the eleventh century the art of extracting a blue pigment from it was practised.

I believe that some honorable senators do not know exactly what ultramarine is. Neither did I until I consulted the publication to which I have referred. The *Encyclopædia Britannica* adds—

From the beginning of the sixteenth century this pigment began to be imported into Europe from "over the sea" as *asurium ultramarinum*. To extract it, the stone, after being powdered coarsely, is heated to redness and thrown into cold water to facilitate its conversion into a very fine powder.

As bearing out my statement that German chemists are making an ultramarine blue by means of a chemical process equal in quality to the natural product, I quote the following from the same publication—

The problem was solved almost simultaneously by Guimet and by Christian Gmelin, then professor of chemistry in Tübingen. But while Guimet kept his process a secret (it has indeed never become known) Gmelin published his, and thus became the originator of an industry which flourishes to this day chiefly in Germany. There are very few ultramarine works in other countries, and none, as far as we know, in Great Britain.

The date of this book is 1888. I believe that an ultramarine factory has been started in Great Britain since then, but the cost of importing the article is so great that, in order to assist the Australian manufacturers of laundry blue, the Minister should not object to my request. Even the most pronounced protectionist cannot point to any portion of Australia where this mineral has been, or is likely to be, discovered. Why, then, impose this tax, which will operate only as a revenue duty?

Senator KEATING (Tasmania—Minister of Home Affairs) [9.27].—I cannot see my way to consent to Senator Needham's request. The proposal in the Tariff is to impose a duty of 5 per cent. on the foreign

article, and to make free what comes from the United Kingdom.

Senator NEEDHAM.—What amount comes from Great Britain?

Senator KEATING.—I cannot tell. Very little is imported, but it is included in the Customs returns with a number of other articles. A request to the same effect was preferred to the Government some months back. One gentleman interested in the manufacture of blue in the Commonwealth represented to the Minister of Trade and Customs the necessity of making ultramarine blue free, whether it came from the United Kingdom or elsewhere. After making inquiries, the Minister refused to accede to the request. An effort was made to free the article in another place, but was opposed by the Government, and was unsuccessful.

Senator NEEDHAM.—What reasons were advanced?

Senator KEATING.—The reason was that this was a preferential duty of 5 per cent., and ultramarine blue was being manufactured in Great Britain. In a circular issued by Messrs. Lewis and Whitty it is admitted that the article is made in the United Kingdom, but it is also stated that the price charged to them in Great Britain is higher than they have to pay in Germany. It is manufactured by Reckitt and Sons, who, observing an account in the press of the interview between the Minister and Messrs. Lewis and Whitty, wrote to the Minister as follows:—

We are glad to be able to indorse the view which, according to the paper, you evidently took of the statements then made. In confirmation of the same, as the largest manufacturers of ultramarine blue in Great Britain and the second largest in the world, we would submit that we have at present in Australia a stock of our own British-manufactured ultramarine of about 50 tons, out of which we shall be pleased to supply any local demand. With three months' notice we are prepared to supply up to 100 tons per month, which for quality and price will compete successfully with any manufactured in Germany.

I understand that Messrs. Reckitt and Sons also manufacture laundry blue in the Commonwealth. In the circumstances, there is no reason for leaving ultramarine blue out of this item. The article is manufactured in Great Britain, and if there is a disparity of price between that and the German product, 5 per cent. is a small duty to place on the latter, when it may be obtained from Great Britain free of duty.

Senator GIVENS (Queensland) [9.32].—I think I can show, in a few words, the

absolute hollowness of the Minister's contention. The only duty proposed is 5 per cent. (General Tariff), while the article, if it comes from Great Britain, is free. The quotations for ultramarine blue by German and English firms show that a preference of 5 per cent. will be absolutely useless, and can only result in imposing a tax upon the Australian manufacturers of laundry blue, without diverting the trade in any way to Great Britain. The lowest quotations for ultramarine blue are: English, £37 10s. per ton, freight and charges paid; German, £30 per ton, freight and charges paid. Five per cent. is 1s. in the pound, which will mean 30s. per ton, bringing the total price of the German article up to £31 10s., as against £37 10s., the lowest English quotation. That duty cannot possibly divert the trade to England. The Government are assuming an absolutely unfair position. Reckitt and Sons have, on account of the duty on laundry blue, started a factory in Australia. That is very satisfactory to protectionists. The English manufacturer, who formerly manufactured the article in England and exported it to Australia, has been induced by our protective Tariff to start a branch of his factory in Australia. But by this preferential duty we shall simply be compelling the other Australian manufacturers either to pay the tax or buy their raw material from their trade rivals, Messrs Reckitt and Sons. No fair-minded Committee should tolerate such a state of affairs. No manufacturer should be so placed at the mercy of his trade rival. For those reasons I favour ultramarine blue being made absolutely free. I do not think it necessary to remove ultramarine blue from this item, which includes the raw materials of many manufactures in Australia. These articles are not made in Australia now, and it is not contended that they are likely to be made here. In the previous Tariff they were absolutely free, and the protectionist section of the Commission recommended that they should remain so, whereas the free-trade section—though, as a fact, that section consisted of revenue Tariffists—suggested duties of 5 to 10 per cent., with a view to raising revenue. Under the circumstances, I urge that these commodities should be admitted free; and I shall certainly move to that effect, seeing that they are all in the same category. It appears that this pseudo-protectionist Government desire to follow the revenue-raising recommendations of the free-trade section of the

Commission, and, if that be so, they cannot expect protectionists to follow them.

Senator McGREGOR (South Australia) [9.38]. — I hope that Senator Needham will withdraw his request. It is true that the protectionist section of the Tariff Commission recommended that these various colours should be free; but we must remember that when the Commission was appointed, and the members of it received their instructions, there was no suggestion of preferential duties, and, under the circumstances, they were not in a position, or did not feel inclined, to recommend varying imposts. If the free-trade section recommended duties of 5 to 10 per cent., those duties were to operate against Great Britain and other countries. Senator Needham might as well decline to give a preference on all the other articles in the item as on the one immediately under discussion; and, if he is influenced by those who have been urging honorable senators to do away with preference, I think he is on the wrong tack. What have we done already? We have given substantial protection to the manufacturers of laundry blue.

Senator NEEDHAM.—What is the amount of preference given?

Senator McGREGOR.—It is 5 per cent.

Senator GIVENS.—This duty is only a tax.

Senator McGREGOR.—That does not matter; I am now referring to those people who have been writing to honorable senators in this connexion.

Senator NEEDHAM.—No one wrote to me.

Senator McGREGOR.—Those very people who on Mafeking days waved the Union Jack and sang *Rule Britannia* do not desire preference, because they have been obtaining their ultramarine blue from Germany at a cheaper rate.

Senator GIVENS.—Is it fair to compel people to purchase from trade rivals?

Senator McGREGOR.—It is open to any one, the same as to Reckitts, to manufacture ultramarine blue. I decline to make any concession to manufacturers who, calling themselves Britishers, are mean enough to deal with foreign countries for their own advantage.

Senator DORSON.—Do not call men mean because they buy where they can get goods cheapest.

Senator McGREGOR.—I am not calling them mean on that account, but, because, while professing to be Britishers, they betray the Old Country every time, like Judas

Iscariot, if they can make a profit. The preference ought to remain in regard to the whole item, and I am sure Senator Dobson will support that idea.

Senator DOBSON.—It is a shame to hear the honorable senator talk like that of people who cannot defend themselves!

Senator McGREGOR.—They are defending themselves every day, and I contend that people ought to live up to their professions. I am in favour of preference, and, like Senator Trenwith, will consider first Australia, secondly Great Britain, and afterwards other countries.

Question—That the House of Representatives be requested to amend item 239, "Blacks, &c.", by leaving out the words "Ultramarine Blue" (Senator NEEDHAM's request)—put. The Committee divided.

Ayes	...	...	...	7
Noes	...	...	...	18
				—
Majority	...	...	...	11

AYES.

de Largie, H.	Russell, E. J.
Givens, T.	Stewart, J. C.
Lynch P. J.	<i>Teller:</i>
Needham, E.	Findley, E.

NOES.

Cameron, Lt.-Colonel	Neild, Colonel
Chataway, T. D.	Pearce, G. F.
Dobson, H.	Russell, W.
Gray, I. P.	Sayers, R. J.
Henderson, G.	St. Ledger, A. J.
Keating J. H.	Trenwith, W. A.
McColl, J. H.	Turley, H.
McGregor, G.	<i>Teller:</i>
Millen, E. D.	Story, W. H.

PAIRS.

Symon, Sir Josiah	Best, R. W.
Clemons, J. S.	Guthrie, R. S.

Question so resolved in the negative.

Request negatived.

Request (by Senator KEATING) agreed to—

That the House of Representatives be requested to further amend item 239 by leaving out the word "Barytes."

Senator GIVENS (Queensland) [9.48].—As it has been decided by the Committee to leave ultramarine blue in the item, I have a request to propose which will include all the articles or substances enumerated therein. I move—

That the House of Representatives be requested to make item 239 (imports under General Tariff), free.

During the discussion on various items, honorable senators have professed them-

selves as having been very much concerned about not handicapping other trades and industries in Australia by imposing duties on articles necessary for the successful pursuit of them. They have even gone to the length of trying to reduce duties on articles which we can produce, and which they reckon ought to be made as free as possible to primary and other industries here. Item 239 includes a large number of articles which are not only necessary but essential to the carrying on of certain trades and callings. We do not produce the articles in Australia, nor is it contended that we are likely to do so for a considerable time, and the duty proposed is a purely revenue one. The protectionist section of the Tariff Commission recommended that all the articles contained in this item should be admitted free. On the other hand, the free-trade members of that body recommended the imposition of duties of from 5 to 10 per cent.—revenue duties of which they were always in favour. This evening Senator Sayers made a great song about poor painters being out of work, or having their raw materials taxed. Here is an item including a number of articles which can be made free for the poor painters.

Senator GRAY.—The honorable senator did not vote for the freeing of the articles.

Senator SAYERS.—No; he is in favour of protection.

Senator GIVENS.—I am in favour of imposing a protective duty on everything which we can produce, and I want everything which we cannot produce to be admitted free, so that in both cases the people shall be free from taxation. My object has always been to free the people from taxation, whereas the aim of Senator Sayers, and those who think with him, seems to be to pile upon them every tax they possibly can. I ask honorable senators to notice the articles enumerated in the item. It includes blacks, being lamp, ivory, bone, or vegetable. All these articles are used in painting. They are also essential to many of the metal trades. The item also includes London purple and Paris green—two articles which we do not produce here, and which are essential to a number of trades and callings. We handicap the people engaged therein by imposing a tax on their raw material. The item also includes prepared glazes for pottery. We have an infant pottery industry, and honorable senators opposite want to handicap it by imposing a duty of 5 per cent.

on a very necessary article to give a finish and an ornamentation to the product.

Senator MULCAHY.—That duty is proposed by the Government.

Senator GIVENS.—I do not care by whom the tax is imposed. It is the duty of the Committee to scrutinize every item and to amend the Tariff if they think that desirable. The item also includes sulphate of copper and ultramarine blue. I hold that the tax on the latter article is absolutely iniquitous. It compels the people who were engaged in the manufacture of laundry blue here before the imposition of the Federal duty, which induced Reckitt of England to establish a factory here, either to buy from that firm or to pay the duty, and to that extent they are at a disadvantage as compared with their trade rivals. It is an absolutely iniquitous tax, which should not be tolerated by any one who has a sense of fair play. The item also includes—ceramic colours; artists' colours; dyes, dry or in paste, in bulk for manufacturing purposes; vandykes; manganese; Paris white; vermilions; and crayons. A great many of these articles are used in the production of paints. Not long ago honorable senators on the other side were nearly fainting in their efforts to get paints admitted free, or at a reduced duty, but now we find them ready to vote for a higher duty.

Senator SAYERS.—How does the honorable senator know, when no one but himself has spoken?

Senator GIVENS.—We tested honorable senators on an item just now, and they voted in that way. That is how we know what they are ready to do. Their profession of free-trade is hypocrisy pure and simple, because they want to impose a tax on almost every item; the members of the free-trade section of the Tariff Commission recommended nothing but revenue duties. How can we have free-trade if we levy a duty on almost every article? Revenue duties will accomplish nothing in the way of inducing manufactures in Australia, but will merely take money out of the pockets of the people. They increase the price to the consumer, whereas protectionist duties reduce the price to the consumer. We have here one instance of the benefit of protection. Prior to the Tariff of 1902 the quantity of laundry blue imported was enormous, but what was the result of the passing of a protectionist duty on blue? The result was that the big English firm of Reckitt and Sons immediately estab-

lished a factory in Australia. That is the kind of thing that is accomplished by protectionist duties, and it is the kind of thing which anti-Australians like Senator Sayers would prevent for all time if they could. I am against revenue duties all the time, and I intend to give honorable senators an opportunity to vote against one on this item. I shall not labour the question further. I hope that those who do not believe in revenue duties will assist me by their votes to carry my request. I have found that some honorable senators who profess to be in favour of relieving the taxpayers of unnecessary burdens are prepared to vote for the highest revenue duties they can get.

Senator W. RUSSELL.—Surely a duty of 5 per cent. is not high?

Senator GIVENS.—The difficulty is that it is purely a revenue duty.

Senator SAYERS.—We must get revenue.

Senator GIVENS.—Of course, but there is a right and a wrong way to get it, and revenue duties are really an invention of wealthy people to shift their share of the burden of taxation on to the shoulders of the poorer people, and that is what Senator Sayers has always been doing.

Senator SAYERS.—Will the honorable senator tell the Committee how he would get revenue?

Senator GIVENS.—By putting the burden of taxation on to the shoulders of those best able to bear it.

Senator ST. LEDGER.—I suppose that is why honorable senators opposite imposed high duties on blankets and flannels.

Senator GIVENS.—We did that in order that blankets and flannels might be made in Australia, and that our people might thus be enabled to obtain them cheaply instead of having to go begging to the people at the other end of the world to manufacture them for us. If honorable senators opposite are consistent they will support my very reasonable request. It cannot be pretended that this is a protective duty, and I point out for the information of the Vice-President of the Executive Council that the protectionist section of the Tariff Commission recommended that all the articles enumerated under this item should be free.

Senator MILLEN.—They will be free if imported from the United Kingdom.

Senator GIVENS.—I know that, but I wish them to be admitted free from every part of the world. I have no wish that our people should be taxed for the benefit

of the people of the United Kingdom any more than for the benefit of the people of any other part of the world. If they are to be taxed at all it should be for the benefit of the people of Australia and not for the benefit of the people of the United Kingdom. Honorable senators oppose protective duties on the ground that they object to the imposition of an undue burden of taxation upon the people of Australia, but they are now apparently willing to impose such a burden for the benefit of the people of the United Kingdom. When the Government bring forward a conservative proposal, it is the conservative honorable senators on the other side who help them to carry it.

Senator GRAY.—I intend to vote with the honorable senator on this occasion.

Senator GIVENS.—I expect that the only vote I shall get from the other side will be that of Senator Gray, because he is the only honorable senator on that side who has been consistent. The free-trade professions of other honorable senators opposite are only so much hypocrisy. I hope the Committee will assist me to abolish this revenue duty, and at the same time remove a needless tax upon the raw materials of various industries in the Commonwealth.

Question—That the House of Representatives be requested to make item 239, "Blacks, &c.," free (Senator GIVENS' request)—put. The Committee divided.

Ayes	...	...	...	10
Noes	...	...	...	14
Majority	...	...	...	4

AYES.

de Largie, H.	Russell, E. J.
Givens, T.	Stewart, J. C.
Gray, J. P.	Story, W. H.
Lynch P. J.	
Needham, E.	
Pearce, G. F.	

NOES.

Chataway, T. D.	Mulcahy, E.
Dobson, H.	Neild, Colonel
Henderson, G.	Russell, W.
Keating J. H.	Sayers, R. J.
Macfarlane, J.	Trenwith, W. A.
McColl, J. H.	
McGregor, G.	
Millen, E. D.	

PAIRS.

Symon, Sir Josiah	Best, R. W.
Clemons, J. S.	Guthrie, R. S.

Question so resolved in the negative.  
Request negatived.

Division VIII.—Earthenware, Cement, China, Glass, and Stone.

Item 240 (Portland cement, &c.), item 241 (Chinaware, &c.), item 242 (Porcelain scientific apparatus), and item 243 (Earthenware, &c., n.e.i.), agreed to.

Item 244. Roofing Tiles, Flooring Tiles, and Tiles, n.e.i., of all materials, and Mosiac Flooring ad val. (General Tariff), 30 per cent.; (United Kingdom), 30 per cent., and on and after 3rd December, 1907, 25 per cent.

Request (by Senator KEATING) agreed to—

That the House of Representatives be requested to amend item 244 by inserting after the word "Flooring" the words "and Slabs and Tiles of fibro cement, Asbestos Cement and similar substances."

Senator KEATING (Tasmania—Minister of Home Affairs) [10.13].—I move—

That the House of Representatives be requested to make the duty on item 244 (imports under General Tariff), 35 per cent.

It is not proposed to increase the rate of duty on imports from the United Kingdom, the object of the request being to give a still larger preference to that country in respect to a class of goods which are largely manufactured in France and elsewhere in Europe, and seriously compete in the Australian market with British imports.

Senator MILLEN (New South Wales) [10.14].—The observation has frequently been made that the Government seeks to use preference as an excuse for increasing its revenue, and that is what has been done in this instance. The imports of the Commonwealth of asphalt and roofing tiles are valued at about £12,093, of which £11,512 worth comes from France. It is evident, therefore, that this is a commodity which England does not produce in considerable quantities. She will not produce such tiles as a result of this preference duty, because the small consumption in this country would not be sufficient inducement. The purpose of the request moved by the Minister appears to me to be to impose a high duty against France, under cover of granting a preferential duty to Great Britain. A little while ago I heard my honorable friend, Senator Givens, use a phrase which I think is applicable to present circumstances. He spoke of a proposal as a "hollow sham." If ever there was a hollow sham it is this. The Government, a little while ago, voted against a preferential duty which would have helped

Great Britain, but now they are endeavouring, under the guise of a high duty, to impose a rate of taxation which will be of no value.

Senator KEATING (Tasmania—Minister of Home Affairs) [10.17].—Perhaps the last speaker was taken somewhat "on the hop" when turning to statistics relating to this item. I find, on reference to the Trade and Customs returns for 1906—from which, I presume, the honorable senator was quoting—that under the heading of asphalt and roofing tiles the imports into Australia were of the value of £12,093, of which £11,512 came from France. But immediately following those particulars are figures in relation to tiles n.e.i., which are included in this item. I find that £15,000 worth came into Australia, of which £10,695 came from the United Kingdom. These figures clearly show that Great Britain exports a considerable quantity of tiles to Australia. The total imports into this country under the item as it stood before I moved the additional words were, in 1905, from Great Britain, £9,576; from other countries, £17,204; in 1906, from Great Britain, £10,716; from other countries, £16,381. So that Great Britain, so far from being unable to produce and export these goods to the Commonwealth, can, and does, produce and export a considerable proportion of them—certainly not one-half, but more than one-third. It is proposed to make a difference between 35 per cent. and 25 per cent., to allow of the balance of the trade being in favour of Great Britain.

Senator MACFARLANE (Tasmania) [10.20].—It ought not to be overlooked that the protectionist members of the Tariff Commission recommended a duty on asphalt tiles of only 15 per cent. Now the Government propose to make the duty 35 per cent., which is enormous.

Request agreed to.

Item 245 (Asphalt Mastic) and item 246 (Earthenware, &c.) agreed to.

Item 247. Fire and Glazed Bricks; Fire Lumps; Fibro Cement; Fireclay Manufactured n.e.i.; and Asphalt Tiles, ad val., 15 per cent.

Request (by Senator KEATING) agreed to—

That the House of Representatives be requested to amend item 247 by leaving out the words "Fibro Cement."

Senator LYNCH (Western Australia) [10.22].—I move—

That the House of Representatives be requested to make the duty on item 247, 20 per cent. ad val.

[299]—2

The statistics show that under a duty of 15 per cent. the imports of these goods amounted, in 1906, to £25,000. I consider that it is desirable to encourage the manufacture of fire-bricks in Australia. We can make them equal to any test.

Senator DOBSON.—Is not the natural protection enormous?

Senator LYNCH.—The cost of importing these goods from Europe is merely trifling. It does not amount to much more than 7s. or 7s. 6d. per ton brought out in ballast.

Senator MULCAHY.—I have known them to cost, when imported, 6d. and 8d. a-piece.

Senator McGREGOR.—They must have been sent by post.

Senator LYNCH.—The Committee has already requested an increase in the duty on tiles, and I see no earthly reason why we should not afford adequate protection to the industry of manufacturing fire-bricks. We can make them to stand any degree of heat. For the first time I am dealing with a matter affecting an industry in the State of which I am a representative. We are manufacturing in Western Australia fire-bricks which stand any degree of heat. The Clackline Firebrick Company in that State has supplied the Golden Belt and also the Ravensthorpe Smelting Company, in the Phillips district, with firebricks which have been subjected to the highest degree of heat in connexion with the reduction of ores, and have stood the test satisfactorily. I am satisfied that the eastern States can produce them with equal success.

Senator DOBSON.—But even if they can, why should we increase the duty? The natural protection is enormous.

Senator MACFARLANE.—The freight alone is equal to 200 per cent..

Senator LYNCH.—I am inclined to question that statement.

Senator MACFARLANE.—It appears in the report of the protectionist section of the Tariff Commission

Senator LYNCH.—Firebricks can be brought out as ballast at a cost of 5s. or 7s. a ton. Evidence was given before the Tariff Commission at all events that in some cases goods were brought out from Germany to Australia at a cost as low as 5s. per ton. It has been frequently asserted that we cannot produce in Australia certain articles of the required standard. Let me read the following testimonial as to

the quality of the firebricks manufactured by the Clackline Firebrick Company—

Fremantle, W.A.,  
28th June, 1906.

The Manager, Clackline Firebrick Coy.

Dear Sir,

In reply to your request for a report on the Clackline firebricks, I have much pleasure in stating that I have given the bricks a thorough test alongside of English firebricks in places where they have had to stand a great heat, viz., lining and lead wells of blast furnaces, lining muffle furnaces (assay offices), bridges of boilers, also fireboxes and doors of roasting furnaces, and in each case they have given entire satisfaction.—Yours faithfully, L. G. SUTHERLAND, General Manager Fremantle Smelter Ltd., London.

So much for the employment of these bricks in the Fremantle Smelting Works. Under the Federal Tariff of 1902 firebricks for reverberatory furnaces were free, because it was thought that we could not produce bricks refractory enough to stand the intense heat of a reverberatory furnace. The *West Australian Mining, Building, and Engineering Journal* of 8th inst. reports that Clackline firebricks are being used in a reverberatory furnace in Western Australia. The manager of the Ravensthorpe Copper and Gold Mining Company, when manager of the Perseverance mine, gave evidence before the Tariff Commission that we could not manufacture firebricks of the quality necessary for such furnaces; but since taking charge of the Ravensthorpe Company's operations he has sent a repeat order to the Clackline Firebrick Company for a supply of its bricks. It has been proved that we can manufacture the best class of firebricks. Even those who formerly opposed the use of the local production are now adopting them, and I think we may fairly give adequate encouragement to their manufacture. The following paragraph from the *Phillips River Times* appears in the *West Australian Mining, Building, and Engineering Journal* of 8th inst.—

The Phillips G. and C. M. Co. have commenced the erection of a reverberatory furnace. This furnace will not take the place of the present blast furnace, but will be worked as an adjunct to the latter. It will treat fully 30 tons of ore daily. It is the intention of the management to utilize the reverberatory furnace for the smelting and reduction of the finer ore and concentrates, thus relieving the blast furnace, which will be kept fully employed with the reduction of the larger ores for which the latter is specially adapted. It has also been decided to use West Australian-made firebricks. Orders have been placed for the necessary bricks to be supplied by the Clackline Firebrick Co.

Senator Lynch.

The local industry has enabled the public to obtain firebricks at a much lower price than prevailed before it commenced operations. We have in this case further proof of the advantages which flow from the establishment of even a small industry capable of keeping within reasonable bounds the price of the imported article, and we ought to give it the additional protection which it requires since it can supply the requirements of Australia with ease and satisfaction.

Senator MACFARLANE (Tasmania) [10.34].—The honorable senator has repeated *ad nauseam* the contention that a substantial duty is necessary. As a matter of fact, the industry already enjoys a natural protection of 200 per cent. In the report of the protectionist section of the Tariff Commission, it is stated that —

In Kalgoorlie the general manager of the Great Boulder Perseverance mine, Boulder, stated that in his opinion there should be no duty on firebricks and fireclay manufactures. The original f.o.b. cost of the bricks was £2 7s. per thousand, and the freight alone was £4 18s.—

That is more than 200 per cent.

Senator McGREGOR.—That was the freight up to Fremantle.

Senator MACFARLANE.—The report continues—

and if local industry could not compete against a competitor of that description it was not worth encouraging.

It is also stated that—

The imported firebricks cost from £8 to £10 per 1,000 by the time they reach Kalgoorlie, so that the mines did not use any more of them than was absolutely necessary.

The mining and smelting companies had to be careful in the use of these bricks, because of their cost, yet it is now proposed to injure these companies by means of a duty which will still further increase the price.

Senator ST. LEDGER (Queensland) [10.35].—I wish to point out that our annual importation of bricks, fire and glazed, is valued at only £3,047, and that the amount of duty collected under the old Tariff was only £504. It is clear, therefore, that either Western Australia or some of the other States have practically "collared" the whole of the firebrick trade of the Commonwealth. That being so, it seems to me that this is not a fitting time to ask for an increased duty. It is abundantly evident that under a 15 per cent. rate the industry is not in the slightest danger.

**Senator GIVENS.**—If we have captured the whole market in bricks, it will not matter if we levy a duty of 200 per cent. upon bricks.

**Senator ST. LEDGER.**—That is the logical conclusion. What is the reason for this increase? I can only assume that it is directed against the small importation of such bricks from Great Britain.

**Senator MULCAHY (Tasmania) [10.39].**—I had intended to submit a request that firebricks should be made free, but I will not do so, because a duty of 15 per cent. pales into insignificance when compared with the total cost of importation. If there be one article in the Tariff which enjoys an enormous natural protection it is that of firebricks. A thousand of these bricks which in England cost £2 10s. will weigh about 3½ tons. They form about the most awkward cargo that can be put into a ship's hold, and, at the same time, owing to their brittleness, they require very careful handling. Even then considerable loss is sustained. Consequently, the natural protection which they enjoy is enormous. I have seen accounts relating to firebricks which showed that they had cost from 6d. to 8d. a piece to land here. This particular class of bricks has to be used in connexion with smelting operations, which require every economic advantage. If there were in Australia any fire clay suitable for the manufacture of firebricks, I should defy any British or foreign brick to compete successfully with the locally made article. But, as a rule, the firebricks produced in Australia lack the quality which permits of their being cooled without breaking into fragments. I trust that the present duty will be retained.

**Senator LYNCH (Western Australia) [10.42].**—I would remind Senator Macfarlane, who was good enough to chide me for repeating myself, that he should be a little more honest in his quotations. He should have read the whole of the report of the protectionist section of the Tariff Commission bearing upon this subject, instead of merely quoting that portion which suited his own purpose. The report reads—

The imported firebricks cost from £8 to £10 per 1,000 by the time they reach Kalgoorlie, so that the mines did not use any more of them than was absolutely necessary, and any duty on them was a harassing tax on the mining industry. The Australian-made firebricks landed in Kalgoorlie cost from £5 to £6 per 1,000.

**Senator MILLEN.**—So the stupid mine managers pay £4 per 1,000 more than they have any need to do, merely for the privilege of using British firebricks?

**Senator LYNCH.**—The position must be judged from the stand-point of the price of these firebricks landed at Kalgoorlie. The evidence tendered to the Tariff Commission was that imported firebricks cost from £8 to £10 per 1,000, whilst the locally produced firebricks cost only from £5 to £6 per 1,000. Surely we ought to encourage the use of the cheaper and equally serviceable article. It is a very significant fact that Mr. Klug, to whom I referred earlier in the debate, despite his statement before the Tariff Commission that firebricks could not be made in Australia which would withstand a high temperature, has, now that he is in charge of the Ravensthorpe Gold and Copper Smelting Company, ordered a shipment of firebricks from Clackline for the reverberatory furnace upon his mine. Under the 15 per cent. duty in the previous Tariff the importations of these articles amounted to £25,880 worth. It is proposed now to continue the same rate of duty; but I as a protectionist am not satisfied with a rate that does not give sufficient protection to the local industry.

**Senator MULCAHY (Tasmania) [10.46].**—Senator Lynch's own argument tells against himself. He says that the imported brick costs £8 per 1,000, while the local article, which he claims is quite as good, can be purchased for £6 per 1,000. If the local production is as good it will be accepted at once, and, on the honorable senator's own showing there is no need for further or even for the existing protection. There is an enormous difference between an original cost of £2 7s. at Home and £8 at Kalgoorlie.

**Question**—That the House of Representatives be requested to make the duty on item 247, ad. val., 20 per cent. (Senator Lynch's request)—put. The Committee divided.

Ayes	...	...	...	12
Noes	...	...	...	13
Majority	...	...	...	1

## AVS.

Findley, E.	Russell, W.
Givens, T.	Stewart, J. C.
Henderson, G.	Story, W. H.
Lynch, P. J.	Turley, H.
McColl, J. H.	
McGregor, G.	Teller:
Needham, E.	de Largie, H.

## NOES.

Cameron, Lt.-Colonel	Neild, Colonel
Dobson, H.	Pearce, G. F.
Gould, Lt.-Colonel	Sayers, R. J.
Gray, J. P.	St. Ledger, A. J.
Keating J. H.	Tiepwith, W. A.
Millen, E. D.	<i>Teller.</i>
Mulcahy, E.	Macfarlane, J.

## PAIRS.

Russell, E. J.	Chataway, T. D.
Guthrie, R. S.	Clemons, J. S.

Question so resolved in the negative.

Request negatived.

Item 248. Roasting Dishes, Assay Furnaces and Crucibles, Scorifiers, and Muffles, free.

Senator McCOLL (Victoria) [10:51].—I desire to make crucibles, scorifiers and muffles dutiable at 25 per cent., while allowing roasting dishes and assay furnaces to remain free. I move—

That the House of Representatives be requested to amend item 248 by leaving out the words "and Crucibles, Scorifiers, and Muffles."

I propose afterwards to move a request for the insertion of a new paragraph as follows:—

"2488. Crucibles, Scorifiers and Muffles, ad val., 25 per cent."

Senator KEATING (Tasmania—Minister of Home Affairs) [10:52].—I see no objection to the request, but it will not be necessary to propose a new paragraph, since crucibles, scorifiers and muffles, if left out of this item, will fall automatically under item 243, and be dutiable at 25 per cent. (General Tariff) and 20 per cent. (United Kingdom). As the Tariff was first introduced these articles were dutiable at those rates, but another place, apparently under a misapprehension of the facts, included them in this item and so made them free. I understand that in South Australia they can be produced. The request is in consonance with what the Government first proposed when the Tariff was introduced.

Senator ST. LEDGER (Queensland) [10:54].—According to the Minister, another place must have made a most extraordinary mistake in freeing these articles.

Request agreed to.

Progress reported.