

LEGISLATIVE COUNCIL.

Tuesday, July 16, 1895.

Assent to Bills—Victorian Field Artillery—*The Queen v. The Bank of Victoria*—The Chairman of Committees—Electric Light and Power Bill—Width of Tires Bill—Friendly Societies Actuary's Bill—Sale of Goods Bill—Gaols Bill.

The PRESIDENT took the chair at twenty minutes to five o'clock p.m., and read the prayer.

ASSENT TO BILLS.

The Hon. H. CUTHBERT presented a message from the Acting Governor, intimating that His Excellency, at the New Law Courts, on July 10, gave his assent to the Juries Act Amendment Bill and the Supreme Court Act Further Amendment Bill.

VICTORIAN FIELD ARTILLERY.

The Hon. W. H. EMBLING called the attention of the Minister of Defence to the case of Mr. G. W. May, late a non-commissioned officer of the Victorian Field Artillery, and asked him if he would lay before the Council copies of all papers and correspondence in connexion with that gentleman's removal from the force? He said that May was a warrant officer in the field artillery, and resigned his warrant. He was informed that he would be allowed to retain his rank in the reserve, but for some reason or other that promise had not been carried out.

The Hon. W. McCULLOCH stated that he would have inquiries made into the matter. From the papers connected with the case, he concluded that it was recommended that Mr. May should be allowed to retain his rank on retiring from the force; but, unfortunately, some of the papers could not be traced in the absence of an officer who was on sick leave. The honorable member might see the papers that were in possession of the Defence department.

THE QUEEN *v.* THE BANK OF VICTORIA.

The Hon. N. LEVI drew the attention of the Solicitor-General to a report contained in the morning daily papers of the 29th June ult., of a judgment delivered by the Full Court in the case of *The Queen v. the Bank of Victoria*, and asked if it was the intention of the Crown to appeal to the Privy Council in the matter? He said that this was a question of very great importance to the general

community. For the past 30 years it had been the custom of the various departments of the public service that entered into contracts to require the tenderers for contracts to deposit money with the officers of the departments, and those deposits were lodged in the different banking institutions in the names of the officers of the departments. In the particular case in question a sum of £29,000 or £30,000 was lodged in the bank in the name of the Master-in-Equity, and although the money had been in the hands of the bank for over eighteen months, no interest had been paid to the owners. Judgment was recently delivered by the Supreme Court, and it was apparent that the Chief Justice was in favour of judgment for the Crown, but he was overruled by the majority—Justices Hodges and a'Beckett. The Bank of Victoria was quite willing to pay over the money, but legal objections had been raised in consequence of the reconstruction of the bank since the matter was put into the hands of the court. The late Government declined to take the deposit receipts of any of the financial or banking institutions, whether of English or colonial origin. He thought that there ought to be an appeal to the Privy Council in the case to which he had drawn attention, in order to see whether the Crown had not the right to obtain the money of those who had intrusted their funds to departments of the State. In this case great hardship had been inflicted.

The Hon. H. CUTHBERT said he had received from the Master-in-Equity the following communication on the subject:—

"I have had a conference with one of the beneficiaries, who holds powers of attorney from all the others except C. W. Chadwick, who is represented by Mr. Dickson (of Klingender and Co.), and with the managing clerk for Klingender and Co.; and, the beneficiary not desiring that the matter should be carried any further, it has been arranged that application be made to the court on consent of all parties for an order in the suit, directing the Master to take up the deposit receipts, sell a sufficient portion to pay off the encumbrances, and hand over the balance of cash and deposit receipts to the representatives of all the beneficiaries."

Under these circumstances, the Government did not think it would be proper to appeal against the decision of the Full Court.

The Hon. N. LEVI asked the Solicitor-General whether it was the intention of the Government to continue to refuse to accept the deposit receipts of the reconstructed banking institutions?

The Hon. H. CUTHBERT requested the honorable member to give notice of the question.

CHAIRMAN OF COMMITTEES.

The PRESIDENT.—I have received a letter from the Chairman of Committees, in which he states—

“On the 16th and 17th inst. I am compelled to carry through professional business at the County Courts at Wodonga and Wangaratta, which I had accepted before I was elected to the position of Chairman of Committees. Will you be good enough to apologize for my absence? I mentioned the matter to the Solicitor-General, as leader of the House, last night, but failed to see you. I may say that the Honorable James Bell has told me that he will willingly act in my absence, if agreeable to the House.”

The Hon. H. CUTHBERT moved that, during the absence of the Chairman of Committees, the Honorable James Bell act as Chairman.

The motion was agreed to.

ASSAULTS IN GAOLS.

The Hon. H. CUTHBERT, in compliance with an order of the House (dated July. 9), presented a return relating to assaults in gaols.

Sir FREDERICK SARGOOD stated that during the debate on the second reading of the Gaols Bill the Solicitor-General promised to furnish the original report presented when the Bill of 1892 was brought in.

The Hon. H. CUTHBERT said he had the report in his possession, and would lay it on the table of the Library.

ELECTRIC LIGHT AND POWER BILL.

The Hon. H. CUTHBERT moved for leave to introduce a Bill to facilitate and regulate the supply of electricity for lighting, and for other purposes.

The motion was agreed to.

The Bill was then brought in, and read a first time.

WIDTH OF TIRES BILL.

The House went into committee for the further consideration of this Bill—the Hon. J. Bell in the chair.

The Hon. H. CUTHBERT remarked that, in order to carry out the suggestion made by Mr. Service on Tuesday last, he had had a clause prepared, which he now begged to move as follows:—

“(1) The provisions of this Act shall not apply to any vehicle belonging to a person who

resides in any adjacent colony whilst being used either for bringing goods or passengers from such colony to the railway station in Victoria nearest to the point at which such vehicle last crossed the boundary of Victoria in coming from such adjacent colony, or in taking goods or passengers to such adjacent colony from such railway station or any place within 2 miles thereof to such point.

“(2) The onus of proof that any vehicle is being so used shall in all cases lie on the person in charge thereof.”

He believed that this clause would carry out as nearly as possible the idea which Mr. Service recommended to the consideration of the Government. He had inserted the words “within 2 miles” because he thought that that would be a reasonable distance. He hoped the clause would meet with the approval of the committee.

The Hon. J. BALFOUR stated that the clause well carried out the desire of the committee, but there was one point in it which he would like to see amended. He did not quite understand why any person travelling across the border with a vehicle to the nearest railway station, who had permission to carry back goods from a place within 2 miles of the station, should not be permitted to bring goods to within 2 miles of the station. (Mr. Grimwade—“That gives him an opportunity of getting back loading.”) The teamster ought to be able to take his goods to any place within 2 miles of the station. He begged to move the insertion, after the word “colony” (line 8), of the words “or to within 2 miles thereof.”

The Hon. J. SERVICE said he desired to recognise the value of the amendment that had just been moved; he thought it was really consequential upon the one which he himself had suggested. It was one of those things which would help to maintain and protect the trade between Victoria and Riverina, which had been almost destroyed by legislation on the part of Victoria—legislation which he regarded as being deplorable at the time, and which had been most deplorable in its results. This amendment would not only help to bring goods into the colony from the other colonies, but it would also lead to goods being sent to the other colonies in return.

The Hon. D. MELVILLE observed that in parts of the colony there was no railway station on the border. For instance, in the far east of Victoria there was no railway station. Teamsters might have to go 100 miles, and what would be done in that case? He was in the locality

he had just named not long ago, and he knew that there was a stretch of 100 miles of not very rich country to traverse. He was not quite clear that honorable members understood what they were doing. Was it proposed that a man living in New South Wales, and who was bringing wool to a station on the Victorian side of the border, was to have full liberty to cut up the roads on the way for a mile or two from the railway station, simply because he was living in New South Wales, while a Victorian was not to be allowed to do the same thing? If it was a special hardship to have to obtain new tires, why should an exemption be made in favour of anybody? This Bill should be not an optional measure, but one of universal application. For instance, if the shire of Seymour commanded that all drays passing through its territory should be under the provisions of the measure, then the whole of the north-eastern trade would be involved in this Seymour law. It appeared to him that if any shire required that the tires of waggons should be a certain width, the whole country was to be called upon to comply with the same provision. It would be better to make the law universal at once. A resident of South Australia had told him that nobody in that colony was aware that such a law was in existence there, and that it had been a dead letter to the people of the colony. He was further informed that the roads of South Australia were beautifully made, and that there had not been three cases in seven years of a violation of that law. There was a danger that difficulties would be thrown in the way of settlers in Riverina coming over to Victoria with their wool, and not knowing the Victorian law, but he would not give a carrier belonging to another colony the benefit of an exemption which was not given to Victorian carriers. He could not understand why one or two shires should be allowed to command the whole colony in a matter of this sort.

The Hon. J. H. ABBOTT stated that he was glad that Mr. Melville had brought this matter of the action of the various shires before the Council. People had spoken to him (Mr. Abbott) of market towns on the verge of four or five shires, some of which would adopt the law in regard to the width of tires. Would those shires be able to cause all the persons who attended their markets to be fined, while

the shires from which the drays started were not among those which came under the law? He thought that it should be thoroughly explained that this Bill was really wanted in the interests of the producers of the country; and, if that were so, should it not be made of universal application throughout the colony?

The Hon. S. AUSTIN said he quite concurred in the desirability of securing the trade outside the boundaries of Victoria, but he believed that the clause would lead to a good deal of unpleasantness among Victorian carriers. Long stretches of road might be cut up by carriers from outside the boundary of Victoria, and the carriers resident in the colony would be placed at a great disadvantage. The object of the Bill, as he understood it, was to prevent metalled roads from being cut up by carriers with heavy loads. It would be very unfair to pass a law which was favorable to carriers outside the colony and unjust to those within the colony. All carriers should be treated alike. He recognised the importance of securing the trade outside the boundaries of Victoria, but he believed that it would be a mistake to adopt the clause.

The Hon. J. SERVICE observed that there was safety in a multitude of counsellors. It would never do to allow carriers to cross over the Murray from another colony and travel over the roads of this colony under conditions which were not applied to the Victorian carriers. It would be an anomaly to allow what he might call foreign drays to travel 20, 30, or 50 miles and prevent the Victorian drays from travelling under the same conditions. But there never was such an intention. The original object of the clause, of which the committee approved, was to prevent the Bill throwing further obstacles in the way of bringing the Riverina traffic (which had hitherto come to the Victorian railways) into the Victorian railway system. If a limit of 2 miles or a greater distance from the stations was fixed, care ought to be taken that an advantage was not given to New South Wales carriers that was not enjoyed by Victorian carriers.

Sir FREDERICK SARGOOD stated that the crossing places on the Murray near to where there were railway stations would be within 2 miles of Swan Hill, Echuca, Corowa, Yarrowonga, and Wodonga. Then, again, there was Tocumwal, from which a

large traffic came. The effect of the clause would be that drays from a portion of Riverina would cross from Tocumwal, and then would have to unload, the goods being placed into other drays with wheels which conformed to the provisions of the Bill. There was a large traffic from Tocumwal, and that traffic would be considerably increased when the bridge was opened. The clause would not meet the case. On the whole, he thought it would be better not to make any exemptions at all. The clause would only meet the difficulty in cases where the railway stations were actually on the river. It would be useless to fix a limit of 2 miles from a crossing place.

The Hon. J. BUCHANAN remarked that he thought that the clause was of very little consequence, because hardly any persons in the country would come under the operations of the measure. An honorable member had referred to the state of things in South Australia, but how did that honorable member know that the people of that colony were under provisions like those of the present Bill? Hardly any of the vehicles used in Victoria would come under the provisions of the Bill.

The Hon. F. S. GRIMWADE said he thought that the effect of the Bill had been altogether exaggerated, because there would be very few vehicles to which it would apply at all. The weakest point in regard to the measure had been pointed out by Mr. Melville, namely, that it was optional with the shires to adopt it or not; but if one shire adopted it, the surrounding shires would be compelled to adopt it. That being so, it would be much better to make the Bill compulsory all through the colony. He believed it would be found that the wheels of waggons carrying ordinary loads would not be affected by the measure, though it might apply in some cases. He considered that in nine cases out of ten the provisions of the measure would not apply at all.

The Hon. S. FRASER observed that it would not do to make the Bill compulsory; it was certainly not necessary to do that. If the ratepayers in a particular shire were under a difficulty, that particular shire must look to it and adopt measures accordingly. The Bill was not going to create a revolution, because, if it passed, nine-tenths of the business of the country would go on in the future as it was going

on now. He believed that more than nine-tenths of the loads were under the stipulated weight. It was only exceptionally heavy traffic which would come under the provisions of the measure, and it was not necessary that its provisions should be made compulsory all over the colony, because that would put people in some shires to unnecessary expense. The greater part of the traffic which went from either side of the border was carried on by teams which left the Victorian side month after month, and came back again to this colony; those teams would be subject to the law of this colony. The wool traffic of New South Wales was largely carried on by teams not belonging to that colony.

The Hon. D. E. MCBRYDE remarked that too much had been made of this matter. Honorable members seemed to have gone away from the point at issue, which was the distance from the railway stations to which the Bill should apply. It ought to be recognised that men who made their livings by carrying knew exactly the width of tire which was required, and that they would be perfectly conversant with the law. The natural consequence that would follow would be that they would be supplied with the width of tire required. He considered that the distance from a railway station ought not to be limited to 2 miles, because in that case the carriers would be debarred from coming sufficiently far into Victoria, and the colony would lose the benefit of the wool and other produce which would otherwise be brought across from New South Wales. It would be desirable to permit the carriers to come into the colony a reasonable distance, particularly in cases where the railway was 20 or 30 miles away. It must not be forgotten that, in a great number of cases, teams travelled through districts in which there were no formed roads at all, but simply ordinary bush tracks.

The Hon. J. M. DAVIES observed that if it was desired to allow the teams to go to the nearest railway station only when the station was within a certain distance from the point of crossing, it would be easy to insert in the clause words to that effect.

The Hon. T. DOWLING stated that he had not the slightest objection to the clause and thought the committee might accept it. If carriers from the neighbouring colony were allowed to bring their loads to the nearest railway station in this colony he did not think that any difficulty would

arise, and certainly very little injury would be done to the roads. It would, at the same time, be a gracious act on the part of this colony. One honorable member had stated that the Bill was not compulsory, but it would practically be compulsory, because if one district was proclaimed as coming within the scope of the measure it would block the traffic from other districts, and they would be compelled also to comply with its provisions. The only further amendment that the Bill required was the omission of clause 2, which provided that at the request of the council of any municipal district the Governor in Council might, by proclamation, declare that the provisions of the Bill should apply to such district. There was no such section in the South Australian Act, and why it had been inserted in this Bill he did not know. The municipal associations of the colony were unanimous that the Bill should be general in its application. Clause 2 would be misleading and would be interpreted differently by different people. The council of one municipal district might be under the impression that if they did not get their district proclaimed they would be free so far as the Bill was concerned, but that would not be so. If any one district was proclaimed, all the traffic passing through it would be affected, and the adjacent districts would necessarily be compelled to comply with the provisions of the Bill.

The Hon. W. McCULLOCH observed that the Bill would only affect the traffic on the main roads of the colony, such as the road from Melbourne to Bendigo.

The Hon. D. E. McBRIDE remarked that the great majority of the teams that came across the border were Victorian teams, and the owners of those teams would see that they complied with the provisions of the Bill. There was, therefore, no occasion for the amendment.

The Hon. T. BRUNTON stated that he did not see the necessity for the Bill at all. If it had been a Bill to amend the Cruelty to Animals Act, and it had provided that no animal should carry more than a certain weight, he could have understood it. The object of the Bill was to prevent the heavy traffic which injured the main roads of the colony, and which contributed nothing to the revenue. But if the Bill passed it would be a cause of great inconvenience, particularly in Melbourne. (Sir Frederick Sargood — "It would not be proclaimed in Melbourne.")

How were they to know that? The South Australian Act was a dead letter.

Mr. Balfour's amendment, amended to read as follows:—"Or to any place within 2 miles of such railway station," was agreed to.

The clause, as amended, was agreed to.

The Bill was reported to the House with further amendments.

On the motion of the Hon. E. J. CROOKE, the Bill was recommitted for the consideration of clause 4.

The Hon. E. J. CROOKE called attention to sub-section (1) of clause 4, which was as follows:—

"No person shall in or by means of a vehicle carry on any public road a greater weight than the next mentioned (that is to say): for each wheel of any vehicle a total weight of 9 cwt. avoirdupois for each inch of width of bearing surface of the tire or felloe. The weight of the vehicle shall in all cases be reckoned as part of the weight which may be so carried."

He said that it had been pointed out to him that no provision had been made for the fractional parts of an inch. If a tire were $2\frac{3}{4}$ inches in width, only the weight allowed for a tire 2 inches in width could be carried, and that, he thought, would be unjust. The clause should be amended to allow a weight to be carried in proportion to the width of the tire. With that object in view, he begged to move the insertion, after "total weight," of the words "in the proportion."

Sir WILLIAM ZEAL remarked that the honorable member's objection might be met by the insertion after "inch" of the words "or fractional part of an inch."

The Hon. E. J. CROOKE said that he would accept the honorable member's suggestion.

The amendment was amended accordingly.

The Hon. T. D. WANLISS observed that if the committee attempted to deal with the fractional parts of an inch they would only cause confusion. He would therefore suggest that they should not go below a quarter of an inch.

The Hon. H. CUTHBERT said it would be very difficult indeed to make an alteration that would carry out Mr. Crooke's idea. It would be better to adhere to the precedent set in the South Australian Act, and in that way prevent disputes in regard to the width of wheels. It would not be wise to deal with the fractional parts of an inch in the subsection, as that would cause difficulty.

between the inspector and the carrier, and he hoped that the clause would be passed as it stood. (Mr. Melville—"If the width of the tire is $2\frac{3}{4}$ inches, what would happen?") The same weight would have to be carried as if the tire were only 2 inches in width. (Mr. Melville—"That does not appear to be just.") Carriers would take care that the width of the tire was in proportion to the weight they intended to carry.

The Hon. D. E. McBRYDE observed that the amendment appeared to him to be reasonable. The width of a tire might be $2\frac{7}{8}$ inches, and the weight carried should be in proportion to the measurement.

The Hon. J. BALFOUR stated that if the clause were amended as proposed by Mr. Crooke it would mean that a total weight of 9 cwt. avoirdupois could be carried for each fractional part of an inch of width of bearing surface.

The Hon. F. S. GRIMWADE remarked that the sub-section should be amended to provide that $4\frac{1}{2}$ cwt. avoirdupois could be carried for each half-inch of width. That would, to some extent, carry out the object Mr. Crooke had in view, and would meet the objections raised to the amendment.

The Hon. C. J. HAM said he hoped that the committee would pass the Bill as it stood. It was in force in South Australia, and it was supported by the Minister of Defence, who had a practical knowledge of the subject.

The Hon. T. BRUNTON stated that he also had a practical knowledge of the subject, and he thought that sub-section (1) of clause 4 should be amended by striking out the words "reckoned as part of," with a view to the substitution of the words "deducted from." He remarked that if the width of the tire of the wheels of a lorry was only 2 inches the net load that the lorry could carry with two horses, deducting 22 cwt. for the weight of the vehicle, would be 2 tons 12 cwt., whereas at the present time the average load that was carried by a lorry in Melbourne was about 5 tons. If the clause were passed as it stood it would do injury to the carriers and manufacturers of Melbourne.

The Hon. D. HAM remarked that there should be no difficulty in amending the clause in order to provide that the weight carried should be in proportion to the actual width of the tire.

The Hon. J. BALFOUR said he hoped that Mr. Crooke would accept the amendment suggested by Mr. Grimwade, which was quite clear and which would meet the difficulty.

The Hon. F. S. GRIMWADE moved the substitution of " $4\frac{1}{2}$ " for "9."

The Hon. E. J. CROOKE said that he would withdraw his amendment in favour of that of Mr. Grimwade.

The amendment was withdrawn accordingly.

Mr. Grimwade's amendment was agreed to.

The Hon. F. S. GRIMWADE moved the insertion, before "inch" (line 5), of "half."

The amendment was agreed to.

The Bill was reported to the House with further amendments.

FRIENDLY SOCIETIES ACTUARY'S BILL.

The House went into committee for the further consideration of this Bill.

On clause 2, providing that the appointment of the Actuary for Friendly Societies should be made from the public service, or from superannuated officers of the public service,

Sir FREDERICK SARGOOD said that when the committee last discussed this clause he called attention to the importance of the duties to be discharged by the actuary. The committee then appeared to agree with the suggestion made by him that every reasonable precaution should be taken that the gentleman appointed in the future should be fully qualified for the position. The practice in England, and also in Canada, was to appoint a fellow of one of the Institutes of Actuaries, and, since the necessary examinations had been established in Victoria, there would be no difficulty in public officers qualifying themselves not only as associates, but as fellows of either institute. There was not the slightest intention or wish to interfere with the present occupant of the position, who was an associate but not a fellow of the Institute of Actuaries. He begged to move the following addition to the clause:—

"After the first appointment under this Act of an Actuary for Friendly Societies no person shall be eligible to be appointed to such office unless he hold the qualification of Fellow of the Institute of Actuaries of Great Britain and Ireland or Fellow of the Faculty of Actuaries of Scotland."

Its effect would be to give fair warning to the public servants to qualify themselves; and the Government would thus have a much wider choice of suitable candidates for the position than at present.

The Hon. J. M. PRATT asked whether this amendment would exclude those gentlemen who had passed the actuarial examination held in this colony?

The Hon. J. BALFOUR remarked that the amendment would really give an opportunity to Victorians in the civil service to qualify themselves, seeing that the examination for fellowship was now allowed to be held here.

The Hon. H. CUTHBERT said he had been under the impression from what Sir Frederick Sargood had said that the fellows of the institutes in question had had to undergo a very strict examination. Sir Frederick Sargood must have been misinformed, for he (Mr. Cuthbert) knew from a very good source that 40 per cent. of the fellows had not passed any examination at all. On this point he would read the following memorandum:—

“Chief Secretary's Office,
“Melbourne, 16th July, 1895.

“Memorandum for the Hon. the Solicitor-General.—In reference to the remarks made by Sir Frederick Sargood in the debate on the Friendly Societies Actuary's Bill, in connexion with the present Actuary of Friendly Societies, and in regard to the qualification necessary for any future actuary, and to a proposed clause requiring such actuary to be a Fellow of the Institute or of the Faculty of Actuaries, I beg, by direction, to submit the following observations: The present actuary is an associate of the institute, and therefore possesses the same qualification as many of the actuaries of large insurance companies. It is also to be observed that the rank of fellow does not necessarily imply the passing of examinations, 40 per cent. of the present fellows (in 1894) having been admitted to that rank without passing the examination for the class of fellows, and two only of the six fellows resident in Australia having been admitted on examination. It is considered that the choice of an actuary would be unduly and needlessly restricted were the appointment to be made from fellows only. The qualification of associate would be amply sufficient to secure the necessary actuarial knowledge; this qualification, for instance, being the one possessed by the actuaries of the following institutions:—Citizens' Life Insurance Company, Sydney; New Zealand Government Life Insurance Company; New York Life Insurance Company, Melbourne; National Life Insurance Company, Melbourne; Victoria Life Insurance Company, Melbourne. It is therefore recommended that the qualification for any future actuary should be stated to be that he is a Fellow or Associate of the Institute of Actuaries or is a Fellow of

the Faculty of Actuaries (there is no association of the Faculty).”

He would support the addition to the clause if after the word “Fellow” the words “or Associate” were inserted. He begged to move that the amendment be amended accordingly.

Sir FREDERICK SARGOOD observed that until four years ago the obtaining of the grade of associate or fellow was, comparatively speaking, an easy matter, requiring simply a recommendation and the payment of a certain fee. Four years ago, however, that was altered, and since that time the obtaining of an association or a fellowship could only be the result of an examination, there being only a few exceptional cases—so exceptional that they need hardly be considered. The examinations were very stiff indeed, that for the fellowship showing that the associate was competent to practically apply his knowledge. It was perfectly true that at present there was a large number of both associates and fellows who had not passed any examination. The simple reason was that they received their positions before four years ago; and he did not think the committee need trouble themselves much on that point. The object of the Bill was, if possible, to obtain any future actuary from the public service. There were very few of associates even in the public service, and he hoped there would be plenty of time before a vacancy occurred for the public servants who wished to qualify themselves to obtain the higher grade to do so. This was so important a matter that he would urge the Solicitor-General not to press his amendment without further inquiry. The information which he (Sir Frederick Sargood) had obtained on this question was from reliable sources, and not from any person likely to want the position. It would hardly pay either an outside associate or actuary to take the work. In justice to those who intrusted their life-long savings to the friendly societies, and who might lose those savings unless all the calculations were properly carried out, he was anxious that there should be the highest efficiency on the part of the actuary, and, further, he was anxious to raise the public service as high as he could.

The Hon. J. BALFOUR asked whether the committee were really prepared to vote on this question, seeing that they had two distinct testimonies before them.

— one from Mr. Cuthbert, the other from Sir Frederick Sargood? There ought to be a thoroughly qualified officer to examine into the affairs of the friendly societies, and an officer from within the public service, if possible. It was quite true that a great many of the fellows of the Institute of Actuaries and of similar societies had not passed examinations. Very often a large number of fellows were admitted without any examination, and then, subsequently, an examination qualification was fixed. He would like a little more information on the points which were now before the committee, although he must say that if they could get a fellow instead of an associate for the office he would prefer it. What guided him very much was the fact that in England it was necessary to have a fellow to do this very work.

Sir FREDERICK SARGOOD said that he had seen a book containing the examination papers both for an associate and for a fellow, and the difference was very wide indeed. Undoubtedly the examination for a fellow was absolutely necessary in order to do full justice to those who intrusted their money to the care of the societies.

The Hon. J. M. PRATT remarked that he rather favoured the Solicitor-General's proposal to insert the words "or Associate." He thought that an associate and a fellow in this connexion were relatively much in the same position as a Member of the Royal College of Surgeons and a Fellow of the Royal College of Surgeons. It did not always follow that because a gentleman took a higher degree he had a greater amount of ability. It was possible that by confining the office to a fellow they would be drawing the line too hard and fast.

The Hon. S. FRASER said he was afraid that they might be making the position too difficult of attainment for the public service, and if he were compelled to vote now he would vote for the wider basis suggested by Mr. Cuthbert. It would perhaps be better under the circumstances to postpone the consideration of the clause.

The clause was postponed.

Progress was then reported.

SALE OF GOODS BILL.

On the order of the day for the consideration of the report of the committee on this Bill,

The Hon. H. CUTHBERT asked Mr. Ham if he still wished to have the Bill re-committed for the consideration of certain

provisions to which that honorable gentleman had taken exception?

The Hon. C. J. HAM remarked that the portion of the Bill which he suggested should be amended was sub-section (2) of clause 35, which was as follows:—

"Where the seller delivers to the buyer a quantity of goods larger than he contracted to sell the buyer may accept the goods included in the contract and reject the rest, or he may reject the whole. If the buyer accepts the whole of the goods so delivered he must pay for them at the contract rate."

Under such a provision, if a parcel of say 1,000 bags were ordered from a merchant, and that merchant sent 1,005 bags to a distant part of the colony, the purchaser might, because there was this small number over, send the whole back on the merchant's hands. There might easily be such a case, if between the order and the delivery there had been a fall in the price of bags in the market. He was told that this sub-section was qualified by the 4th sub-section, which provided—

"The provisions of this section are subject to any usage of trade, special agreement, or course of dealing between the parties."

This would give rise to a lot of inconvenience and the expenditure of money in litigation. It would be far better if the second sub-section were struck out, but the Solicitor-General, who had recently received a deputation of auctioneers on this Bill, might be able to afford the House further information.

The Hon. H. CUTHBERT stated that on the previous day he had received a deputation from the auctioneers of Melbourne, who particularly called his attention to clause 62, dealing with the question of auction sales. The deputation put a series of questions to him, and when he had answered these they went away perfectly satisfied that the clause was merely declaratory of the present state of the law in Victoria, of which they did not seek the slightest amendment. Some of the deputation were of opinion that it would have been just as well if public attention had not been called to the state of the law, but they were quite satisfied when he pointed out to them the great care that had been bestowed by the framers of the Bill, which embraced such a quantity of learning and of law as could only have been gathered by reading volumes of cases decided during the last 200 years. The principal objection of the deputation was to a

buyer having the right to withdraw his bid, they being of opinion that when the conditions of sale stated that the buyer would not be allowed to withdraw his bid, he, after that, had no right to do so. He pointed out to the deputation, however, that until the auctioneer knocked down the article there was no contract existing, and that it was open to the auctioneer to refuse to sell, or to the buyer to withdraw his bid. The deputation pressed their objections no further when satisfied on that point. As to clause 35, which dealt with the delivery of wrong quantities, there was here again no change in the law. People ought to be very careful as to what contracts they made, and the intention of the courts of justice was that contracts should be strictly carried out. (Mr. C. J. Ham—"What about a case where only a few articles more than have been ordered are sent?") That was generally provided for under the contract. In a recent contract concerning 10,000 bushels of wheat, there was a proviso that if the quantity was deficient by 5 per cent., or was in excess by 5 per cent., the contract was not thereby vitiated. It had been decided that where one man agreed to sell 35 tons of a particular article and only delivered 25 tons, that was not a compliance with the contract, and that the purchaser was not bound, although the contract stated "more or less," to complete the contract. It had been decided also that where a small quantity was in excess of the order the purchaser had an opportunity of saying that the quantity delivered was not in his contract, and that the vendor had no right to send more than was ordered. In short, the courts had held that under such circumstances the purchaser could say that was not the contract he had entered into, and that, therefore, he was not bound to accept the goods. He trusted that Mr. C. J. Ham would not insist on the Bill being recommitted.

The Hon. C. J. HAM said he still desired that the Bill should be recommitted for the further consideration of clauses 35 and 62, and he begged to move its recommittal accordingly.

The Hon. H. CUTHBERT remarked that as he promised the honorable member that he would agree to those clauses being recommitted, if it was so desired, he would offer no further objection.

The motion was agreed to, and the Bill was recommitted for the further consideration of clauses 35 and 62.

The Hon. C. J. HAM drew attention to sub-section (2) of clause 35, and moved that it be omitted from the clause. He said it was simply absurd to pass such a provision. If a man ordered 100 bags of flour, and 102 were sent to him, he was to be at liberty to reject the whole consignment under this provision. As illustrated in the *Age* the other day, a man might order 1,000 cornsacks, and if 1,005 were delivered he might reject the lot, simply because five more than he had ordered had been sent, probably by mistake. On the same principle a man who sent 1,001 bags of wheat to supply an order for 1,000 bags, would run the risk of having the whole consignment rejected if the market price had gone down in the meantime. They were told that sub-section (4) would meet such a case, but if a man went into the law courts to prove the usages of trade he got into very great difficulties and expense. He saw no objection to the other portions of the clause, but he hoped that sub-section (2) would be struck out.

The Hon. J. STERNBERG said it was surely never intended by the framers of this Bill that if a consignor sent five or ten extra bags of wheat in executing a Melbourne order for 1,000 bags the purchaser should be at liberty to reject the whole consignment, if it were to his interest to do so in consequence of a fall in the price of wheat.

The Hon. H. CUTHBERT expressed the hope that sub-section (2) would not be struck out. That provision was in the English Act, and it was very carefully considered by the most competent legal authorities in both Houses of the Imperial Parliament before it was passed into law. If Mr. Ham had confined his amendment to moving the omission of the words, "or he may reject the whole," there might not have been such a strong objection to his proposal. (Mr. C. J. Ham—"I will accept that suggestion.") But he (Mr. Cuthbert) was not prepared to go even to that length, because it would establish one law relating to contracts here, when there was another law on the same subject in England. (Mr. C. J. Ham—"That is the case with the Divorce Act and a lot of other laws.") He (Mr. Cuthbert) knew that in many instances the legislation of this colony was in advance of English legislation, and if in the working of this measure it was found to be desirable, in the interests of the mercantile community, to alter or amend it, it was within the power of the Parliament

of Victoria to do so. The provision to which Mr. Ham objected was in accordance with the decisions of the most eminent judicial authorities in England. (Mr. C. J. Ham—"I will agree to the words 'he may reject the rest.'") But he (Mr. Cuthbert) was not prepared to admit that the words "or he may reject the whole" should be struck out, because he did not admit that there was one line in the Bill framed on an improper basis. Newbolt, in his work on the Sale of Goods Act, passed by the Imperial Parliament in 1893, stated that—

"Where the seller delivers to the buyer a quantity of goods larger than he contracted to sell, the buyer may accept the goods included in the contract and reject the rest, or he may reject the whole. If the buyer accepts the whole of the goods so delivered he must pay for them at the contract rate."

Then the writer quoted a number of cases:—

"In *Reuter v. Sala* (25 tons black pepper, Penang), Lord Justice Thesiger stated the rule, 'subject to the moderate margin, the sellers cannot call upon the buyers to accept any greater or less quantity of the article bargained for than the specified quantity.'"

Newbolt gave the following example:—

"A. ordered two doz. of port and two doz. sherry from B. on approval. B. sent four doz. of each. A., who returned it nearly all, was only liable for the wine he actually kept. (*Hart v. Mills.*)"

Another case quoted by the same writer was as follows:—

"In *Cunliffe v. Harrison* (ten hogsheads of claret, Bordeaux), Baron Parke said, 'the delivery of fifteen hogsheads under contract to deliver ten is no performance of that contract, for the person to whom they are sent cannot tell which are the ten which are to be his, and it is no answer to the objection to say that he may choose which ten he likes, for that would be to force a new contract upon him.'"

The same authorities prevailed in Victoria and bound our courts. A contract was a specific thing, and what right had the vendor to go outside of it? He trusted that for these reasons the committee would not allow this important sub-section to be struck out.

The Hon. F. S. GRIMWADE said he thought that the Solicitor-General had given the committee ample reasons for agreeing to the clause as it stood. Honorable members had referred to contracts being vitiated when the quantity of goods delivered differed from that ordered, but it must be borne in mind that there was always a margin of 5 per cent. in wheat contracts. A copy of an Australian wheat contract which he held in his hand bore that out. An unscrupulous

contractor might want to take advantage of a falling or rising market, and deliver more or less than ordered, according to circumstances; but if the clause were agreed to as it stood the matter would be fixed, and there would be no doubt on the point.

The Hon. J. M. PRATT remarked that the clause seemed to be all in favour of the buyer, while the seller ought also to be considered. According to the first part of the clause, if the seller delivered to the buyer 990 bags of goods instead of 1,000, the buyer might reject the whole of the 990 bags, and surely that would not be right, especially as there might be fluctuations in the market in the interval. Sub-section (4) of the clause, which said that the provisions of that clause were subject to any usage of trade or special agreement, simply meant that, in case of dispute, reference must be made to the law courts. The provision in sub-section (2), that if the seller delivered to the buyer a quantity of goods larger than he contracted to sell the buyer might accept the goods included in the contract and reject the rest, or he might reject the whole, was surely all in favour of the buyer, and there was nothing inserted on behalf of the seller, who might have done his best to honestly carry out his contract. Sub-section (3) provided that if the seller delivered to the buyer the goods he contracted to sell mixed with goods of a different description not included in the contract, the buyer might accept the goods which were in accordance with the contract and reject the rest, which seemed to be fair and reasonable; but the sub-section concluded with the words—"or he may reject the whole," and those words ought to be omitted.

The Hon. J. M. DAVIES observed that the question for the committee to decide was whether, in dealing with a Bill codifying the law, they were going to codify and amend the law, because if honorable members made any alterations in the law they would have to alter the title of the Bill. *Leake*, one of the best authorities on the law of contracts, said—

"In contracts of sale of goods the seller does not perform his part of the contract by delivering a larger quantity which he insists upon the buyer accepting; or by delivering a larger quantity, leaving the buyer to select; or by delivering the goods mixed up with other goods, whether the buyer may or may not be able to separate them; and under such circumstances the buyer is in general entitled to refuse the

whole. So if the seller delivers a smaller quantity than contracted for he cannot claim the price under the contract, and the buyer may refuse acceptance. But if the buyer accepts or retains for his use the goods delivered, whether in excess or defect of the contract, or part of them, he becomes presumptively liable to pay for the goods which he in fact retains. Expressions may be used admitting a margin of quantity, as 'about,' or 'more or less,' within which the seller may deliver the goods according to the circumstances of each case. Where the goods are otherwise ascertained or identified such expressions are construed as an expectation or estimate only, and not as a warrant of quantity. The expression 'say not less than' a certain quantity was construed to impart an absolute undertaking to deliver at least that quantity. Evidence of usage is not in general admissible to explain these or the like terms in a contract, because they are terms of ordinary use and meaning. But under a contract to deliver a certain quantity of goods from a warehouse the giving of a delivery order for 'about' the quantity was held sufficient, according to evidence admitted of a local usage of warehousemen not to accept delivery orders in any other form."

Sir FREDERICK SARGOOD said he was very much surprised at the position taken up by Mr. C. J. Ham and Mr. Pratt, who were both well acquainted with commerce. Those honorable members ought to know that the law, as contained in the clause, was that which they had all been trading under for the last 40 years, and he was not aware that any serious difficulty had arisen in connexion with it. Surely until it was found that the existing law worked unsatisfactorily it was not necessary to alter it. He had also been struck with the fact that honorable members who had addressed themselves to the question had all spoken of wheat as though that was the only commodity that was dealt with by merchants. If that were the sole commodity in use, there might be good reason for the arguments which had been put forward; but there were all sorts of commodities to be considered, such as wool, for instance. There might be a contract for the supply of 50 bales of wool, under which 55 bales were delivered. Even in bales of wool there was a considerable difference. The buyer might accept 50 and reject five, and lay himself open to an action. In his own trade of textiles, not merely the fabric but the question of patterns came in. If a house sent a buyer 55 pieces with patterns when 50 were ordered, and the buyer rejected the extra five pieces, he would naturally reject the worst patterns, and he might throw himself open to an

action at law. He saw no reason whatever to alter the clause.

The Hon. D. MELVILLE observed that somebody once said that the law was "a hass." The community had got on very well so far without knowing the law, and it would give any amount of trouble if this kind of thing was permitted to be introduced. There was something in the Bill which was altogether opposed to the practice of the people. The custom was, if a man ordered so many tons of rice and the contractor delivered to him one hundred-weight beyond the amount ordered, the buyer refused to take the extra quantity. In dealing with large quantities of goods it was practically impossible to deliver the exact quantity agreed upon. It seemed to him that the committee were making the law entirely in favour of the man who received the goods, and without sufficient consideration for the man who was selling and doing his best to carry out his contract properly, though of course there were cases in which contractors were sharpers. If a man delivered 2 or 3 bags or 2 or 3 tons of goods beyond the amount contracted for, was his contract to be annulled? He (Mr. Melville) would be very sorry indeed if the clause were not amended so as to provide that in such cases there should be a margin, so that a man might reject the overplus and not pay for one ounce more of goods than the contract specified, but that he should not have the right of annulling the contract. The existing practice was that a man should pay for what he bought. One thousand bags of wheat might be bought, and the vendor might send to the purchaser a surplus of 20 or 30 bags. The surplus he might reject, but would it be right to allow him to reject the whole? The same difficulties would arise in connexion with a cargo of wheat. Very often truck-loads more than were ordered had to be sent to the ship. He did not suppose that there was any disposition on the part of vendors to take any improper advantage, but he did not want purchasers to have the extraordinary loop-hole of escape from a fair contract that would be given to them under this clause. If the clause was at present law, all that he could say was that it would be scoffed at in Collins-street, and he hoped that the Solicitor-General would agree to its amendment.

The Hon. J. M. DAVIES remarked that there was one other aspect of the question that he would like to bring under the

notice of the committee. Supposing that Mr. Melville bought 5 gallons of whisky—(Mr. Melville—"I never do that.") Supposing that he did, and that the vendor sent him 8 or 9 gallons in bulk, what would the honorable member do with the surplus quantity? If he was not permitted to reject the whole he would simply have to accept it and to pay for it.

The committee divided on the question that the words proposed to be omitted stand part of the clause—

Ayes ...	...	...	...	12
Noes ...	...	...	...	10

Majority against Mr. C. J. Ham's amendment	} 2

AYES.

Mr. Buchanan,	Mr. Morey,
„ Cooke,	Sir Fredk. Sargood,
„ Coutts,	Mr. Wallace.
„ Crooke,	
„ Cuthbert,	<i>Tellers.</i>
„ J. M. Davies,	Mr. Grimwade,
„ McCulloch,	„ Levi.

NOES.

Mr. Abbott,	Mr. Wanliss,
„ Dowling,	„ Winter-Irving.
Dr. Embling,	
Mr. C. J. Ham,	<i>Tellers.</i>
„ Melville,	Mr. Pratt,
„ Pitt,	„ Sternberg.

The Hon. C. J. HAM drew attention to clause 62, which was as follows:—

“In the case of a sale by auction—

“(1) Where goods are put up for sale by auction in lots, each lot is *primâ facie* deemed to be the subject of a separate contract of sale.

“(2) A sale by auction is complete when the auctioneer announces its completion by the fall of the hammer or in other customary manner. Until such announcement is made any bidder may retract his bid.

“(3) Where a sale by auction is not notified to be subject to a right to bid on behalf of the seller, it shall not be lawful for the seller to bid himself or to employ any person to bid at such sale, or for the auctioneer knowingly to take any bid from the seller or any such person. Any sale contravening this rule may be treated as fraudulent by the buyer.

“(4) A sale by auction may be notified to be subject to a reserved or upset price, and a right to bid may also be reserved expressly by or on behalf of the seller.

“(5) Where a right to bid is expressly reserved, but not otherwise, the seller or any one person on his behalf may bid at the auction.”

He said it was only in this clause that the Bill made any reference to auction sales. He understood that the clause practically stated the law as it was at present. He knew that Mr. Campbell intended to take some action in the matter, but the honorable member was absent from the House.

It was undesirable that a clause relating to sales by auction should be tacked on to this Bill, and it would be much better to strike out the clause altogether and to re-introduce it in a Bill relating to sales by auction. One would hardly think of looking for the law on the subject of sales by auction in a Sale of Goods Act. He trusted that the clause would be omitted.

The Hon. J. M. PRATT observed that Mr. Campbell's principal objection to the clause had reference to sub-section (2), in which the words occurred “until such announcement is made any bidder may retract his bid.” In the ordinary course of things the right of the bidder to retract his bid would not be a very serious matter; but, taking Mr. Campbell's own business, he frequently had a valuable horse to sell, the price for which ran up to hundreds of guineas, and if when the auctioneer was on the point of closing the bids some individual retracted his bid, confusion and annoyance would be caused. He admitted that there was a difficulty in amending the clause, and he could not see his way clear to make any suggestion. He had referred to horses, but the clause dealt with sales by auction generally. (Mr. C. J. Ham—"It mentions cattle.") Yes, and he presumed that cattle would include horses, and that a man would be permitted to retract his bid at any auction sale. He remembered the time when as much as 1,000 guineas was bid for a good bull, and it would have been exceedingly annoying, and it might be disastrous, to the vendor if the bidder had had the right to retract. (Mr. McCulloch—"He might discover something that he had not discovered before.") That was so; but on the other hand the bidder might retract for his own purposes. He might desire to start the bidding again at some ridiculous figure.

Sir FREDERICK SARGOOD stated that Mr. C. J. Ham had suggested that clause 62 should be re-introduced in a Bill to amend the Auction Sales Act. Probably the honorable member had not looked at that Act. If he had done so he would have seen that it dealt entirely with the issue of licences, and the penalties for conducting sales without licences. There was not a word in it with regard to the sale of goods.

The Hon. H. CUTHBERT remarked that the clause now before the committee was a very important part of the law relating to the sale of goods. It was only

right that the people should be made acquainted with the law on the subject. Many persons had been under the impression that when a bid had been made at an auction it could not be retracted. But what was a bid? It was an offer that was not even binding on the auctioneer himself. If the auctioneer had the power of saying that he would not accept an offer, why should not the other party, until the contract was completed, also have the right of withdrawing his bid. He was rather surprised that Mr. C. J. Ham should suggest that such a valuable provision should be omitted from the Bill. The eight or ten auctioneers of Melbourne who waited upon him discussed this clause with him. Reference was particularly made to sub-section (3), but as soon as he informed the deputation that an auctioneer might, so far as this point was concerned, make any conditions of sale he pleased, and might reserve the right of the auctioneer himself, or the vendor, or of any agent of the vendor, to attend the sale, and make not one but as many bids as he chose, their objection was at once withdrawn. All the sub-sections of the clause had met with the approval of the auctioneers of the city.

The Hon. J. STERNBERG said that Sir Frederick Sargood was not quite right in saying that the Auction Sales Act dealt only with the issue of licences, and the penalties for conducting sales without a licence. It also limited the time within which sales could be held. If this clause were necessary he thought that it should form a part of the law relating to auction sales, and not of a Bill dealing with the sale of goods. The Solicitor-General had stated that the gentlemen who waited upon him were unanimous in approving of the clause. He would read an extract from a letter which he had received from Mr. A. W. Fraser, a gentleman whose opinion on this subject was entitled to consideration. (Mr. Cuthbert—"What is the date of it?") It was dated the 6th of July. (Mr. Cuthbert—"I think Mr. Fraser was one of the gentlemen who waited on me yesterday; if so he has withdrawn that opinion.") He would read the extract, which was as follows:—

"This clause also introduces a most dangerous element into the business of public salesmen, and would be the means, to a very large extent, indeed, of seriously injuring the interests not only of those engaged therein, but also of all persons intrusting goods for realization. The effect of this clause would be to deprive the

auctioneer, who after all is only a representative, of any protecting power, when he seeks to dispose of publicly that which the vendor in his judgment will not or cannot offer for private sale. A very lengthened experience of the business justifies me in asserting that buyers are well able to take care of themselves, and that they do not require any legislation to increase the power which they enjoy, and which they are never slow or unwilling to exercise. I think that no legislation should be enacted which would deprive public salesmen from using all means to conserve and protect their clients' interests. If neither the seller nor any person whom the vendor employs is to be allowed to bid, what security, I would ask, has he that a combination such as I have mentioned may not agree to so far depreciate the value of the goods offered by bidding, say, one-fourth of their market value, and, as a consequence, he would be compelled to accept the price offered, and lose his money, or lay himself open to prosecution?"

An opportunity might arise during the session of amending the Auction Sales Act, and then if this clause were necessary it could be dealt with.

The Bill was reported to the House without further amendment, and the report was adopted.

On the motion of the Hon. H. CUTHBERT, the Bill was then read a third time and passed.

THEATRES ACT AMENDMENT BILL.

The Hon. H. CUTHBERT moved that the report of the committee on this Bill be adopted. He said he did not know whether Mr. Melville desired to see the police report on the subject of Sunday entertainments, the particulars of which he gave to the committee on the last day of meeting. He had the report with him and would lay it on the table.

The Hon. D. MELVILLE said he believed it was Mr. Levi who wanted the report. As the Solicitor-General had now brought the report to the House, he thought that honorable members should be afforded time to peruse it before any attempt was made to carry the Bill through its final stages.

The Hon. C. J. HAM stated that he was entirely in favour of the Bill, but he thought that, in ordinary courtesy, an opportunity should be afforded to the honorable member who had asked for the police report to peruse it before the Bill was finally dealt with.

The Hon. H. CUTHBERT remarked that if honorable members desired it, they could have a week for the perusal of the report.

The motion was withdrawn.

The order of the day for the consideration of the report of the committee on the Bill was postponed until the following Tuesday.

GAOLS BILL.

The House went into committee for the further consideration of this Bill.

The Hon. S. W. COOKE moved the following new clause, to follow clause 3:—

“(1) Where pursuant to the provisions of section 37 of the Gaols Act 1890 any prisoner is convicted of an assault upon or attempt to do any bodily injury to any officer of any gaol or hulk, by which in the opinion of the convicting justices bodily injury has been inflicted upon such officer, the convicting justices, in addition to any punishment to which they sentence such prisoner pursuant to the said section, may also direct that such prisoner, if a male of the age of sixteen years or upwards, be once or twice privately whipped.

“(2) The number of strokes shall not exceed 25 at each such whipping, and the justices in their sentence shall specify the number of strokes to be inflicted and the instrument to be used.

“(3) In no case shall such whipping take place after the expiration of six months from the date of the prisoner being so convicted.

“(4) In all cases where the punishment of whipping is inflicted under the authority of this section, the surgeon or medical officer of the gaol or hulk in which the prisoner is confined shall be present when the said punishment is inflicted.

“(5) If such surgeon or medical officer be of opinion that the prisoner is not at any time able to bear the whole or any part of the said punishment, he may from time to time order the infliction of the whole or any part of the said punishment to be postponed, and shall within seven days after the making of any such order send a report in writing stating his reasons for making such order to the Minister.

“(6) For the purposes of this and the said section the word ‘officer’ shall include and refer to the Inspector-General and any deputy or assistant inspector-general, and every governor, gaoler, keeper, or officer in charge of any gaol or hulk, and every medical officer, overseer, warder, storekeeper, matron, nurse, or person, whether permanently, temporarily, or occasionally employed in or about any gaol or hulk, and any member of the police force, and any person engaged in the conveyance of any persons or goods to or from any gaol or hulk, and any justice visiting any gaol or hulk.”

He said that this new clause carried out a principle which was approved of by the Council last year. For some years past it had been thought desirable to give power to visiting justices, in cases of assaults on gaolers or other officers of gaols, to inflict flogging on the offenders. This was recommended not only by the present Inspector-General, Captain Evans, but also by his predecessor, Mr. Brett, the recommendation of the latter gentleman being

made to the Government as far back as 1888. This principle had been approved of in all parts of the British dominions. In England the Inspector of Prisons had power, under the regulations, to impose this punishment, and in Queensland and New South Wales the visiting justices or other authorities had similar power. Under section 37 of the Gaols Act visiting justices had power to impose punishments of certain kinds, but they had no power to impose flogging; and it was proposed, under this new clause, to give this power to visiting justices in certain cases which were mentioned. Some people he knew had a sentimental objection to flogging. One could not help feeling that it was a degradation to a man to be flogged, but there was a class of people, small he hoped, whom it seemed to be impossible to deter from crime without physical punishment. Captain Evans, who was an old naval officer, was no lover of the system of flogging. From his experience in the navy he felt that in most cases it was not desirable to flog. Yet, in his opinion, there was a class of people on whom he thought this punishment had a beneficial effect. A more merciful Attorney-General than Sir Henry Wrixon they could scarcely have, and yet he, when he received a recommendation referred to from Mr. Brett, in favour of flogging under the circumstances set forth in the proposed clause, said that the Government of the day would take the matter up the following session. Subsequently the matter was taken up, and finally, last year, the principle of allowing visiting justices to inflict flogging in certain cases received the sanction of this House. With the exception of Mr. Pratt, he did not think there was any honorable member who disapproved of the clause. He found that the Solicitor-General himself did not oppose it or say that such a clause was undesirable. They found now that the Government had not included this clause in the Bill. (Mr. Cuthbert—“Hear, hear.”) But the Solicitor-General had not given any reasons why they should not follow on the lines of the other colonies and England, or why they should not act on the recommendations of the two Inspectors-General. These matters should be looked at from the point of view of those who had to take charge of the prisoners. It was all very well to say that flogging was degrading to the prisoner, but they had a number of serious assaults made on those in charge of the criminals.

If the whole criminal system were wrong let them seek to reform it, but the system being such as it was, it was surely the duty of Parliament to protect those who were placed in charge of prisoners. Some years ago violent assault cases in the gaols so increased in number that Mr. Brett was led to make the recommendation that flogging should be inflicted at the discretion of the justices. It was true that in the last two or three years these assaults had not increased in number, though in 1894 there was a most serious case, and the offender had to be brought to the Supreme Court for trial. (Mr. Cuthbert—"How was he punished?") He got ten years' imprisonment cumulative on the sentence he was then undergoing, twelve months in irons, and the first three days of every alternate month of the fourth, fifth, sixth, and seventh years in solitary confinement. The sentences given by the visiting justices in 1894 were very severe, but there was, of course, no flogging. It was argued that flogging would be such a deterrent as to render those severe sentences unnecessary, but that in the absence of flogging the justices had to resort to severe sentences.

The Hon. J. M. PRATT said he believed he stood in the unique position of being the only member of the Council who opposed this principle when it was before the House on a previous occasion. His position was quite misconceived by Mr. Cooke. He did not for one moment say that persons who committed violent assaults should not be made to suffer. What he desired were some safeguards in the interests of justice on both sides. To hear cases of this kind in a gaol with closed doors was not right to any one concerned. A prisoner ought to have the same right as other persons had who were charged with offences, namely, the right to have the case investigated in public. He (Mr. Pratt) did not contend there ought to be a crowded court. What he meant was that the press should be represented. There were warders and warders, and there were prisoners and prisoners. In private life they all knew persons with ungovernable tempers who said and did things they were afterwards sorry for, and there might be warders of aggravating disposition. All he desired was that the facts on both sides should be elicited in such a way that the public would be seised of the merits of the case. He also objected to

the system of continuing the same visiting justices month after month and year after year. It was highly desirable that there should be a change at reasonable intervals in order to prevent that prejudice which must arise when the visiting justices were the same men every time. The practice in Queensland, New South Wales, and England had been mentioned, but it was well known that at one time the convict system in those places was very severe. He admitted that his mind might, perhaps, be influenced a great deal by what he had read of the system of convictism which at one time prevailed in Tasmania. The system in Sydney was bad enough; and, as to Queensland, they had all heard of Captain Logan, of Moreton Bay, and the disclosures made in connexion with his administration by the Tasmanian chaplain, who brought the matter before a parliamentary committee at home. But for the investigations of that committee, and the disclosures made before it by the reverend gentleman he had mentioned—whose name he believed was Price—it would have been years before the system of transportation was altered. The disclosures of this chaplain as to the diabolical treatment of the unfortunate convicts caused a revulsion of public feeling, and steps were immediately taken to do some justice to those people. He noticed that the Bill provided that all male persons of the age of sixteen and upwards should be subject to this punishment of flogging. He could not approve of subjecting mere lads to this form of punishment, holding as he did that if they had to be physically punished it ought to be in the way of a whipping with a cane. He must again urge the desirability of publicity to the extent he had mentioned in the investigation of charges against prisoners. At a previous stage of this Bill Sir Frederick Sargood pointed out the probability that prisoners, if they had to be brought into court to answer such charges, would commit assaults in order to obtain that measure of change and publicity. Would any person run the risk of 25 or 30 lashes just for the sake of appearing in person in court? At any rate, all he suggested was that the court should be open to the press. If that were done, and provision made for a change in the visiting justices, he had nothing more to say against the clause. He might point out, however, the desirability of having a fuller House to deal with an important matter of this kind.

The Hon. D. MELVILLE expressed the hope that the Solicitor-General would give some intimation as to what he intended to do in regard to the clause. He was in hopes that the Solicitor-General would be able to show on some authority that there was no necessity for the clause at all. Tyranny could be practised in the gaol if the prisoners happened to have very hard task-masters. He had once or twice brought under the notice of the House what solitary confinement meant when under the control of unmerciful men in gaol. On one occasion he went to the Melbourne Gaol to see about some rabbit skins which had been dressed by the prisoners. He was asking questions, and the official, not knowing who he was, asked him if he would like to see some of the sights of the place. One of the sights was a boy fourteen years of age in a cell under solitary confinement. (Mr. Cooke—"That has nothing to do with this clause.") He was showing what officials in the gaol could do. In the case of this boy there was a grating and a peephole through the cell door. The warder opened one door, and disclosed another door to the cell, also grated, and in the middle of the floor in the cell stood the boy. In answer to questions the boy gave his name, but said he did not know how long he had been there. The gaoler, on being asked how long the lad had been there, looked at some papers, but there was a difficulty in getting the information. He asked whether the boy ever got out of the cell, and was told that he did get out to do exercise in the yard. He (Mr. Melville) was informed that the prisoner was a ship's boy, and that he had been found guilty on the evidence of the sailors of stealing ship's cargo. In answer to a further question the boy said that his parents resided in England. He brought this matter before the House, and it gave Mr. Brett at the time very great alarm. If they wanted to make wild beasts of humanity, certainly that was the way to begin. He had not so much faith in visiting justices as to leave to them the duty of inflicting such punishment. The history of the past showed that boys were sent to gaol for stealing out of Chinamen's baskets, and no one could tell what was done inside the gaols. Was Parliament going to give, inside the gaols, powers which it would not give to magistrates outside the gaol? He would be no party to allowing young people of sixteen years of age to be dealt with in

the way the clause proposed. He had seen how things were sometimes conducted in lunatic asylums, and had read accounts of the most arbitrary treatment of patients. They were not sure whether the circumstances of the places mentioned by Mr. Cooke as having adopted this system were on all-fours with the circumstances of Victoria. The fear here was that young people might be sent to gaol, and there be so demoralized by their companions as to become desperate. He thought the whole system of prison treatment was wrong. Very often officials, who were cited as authorities in these matters, were men who had become hardened. He noticed there was a great difference between the punishment for striking a fellow prisoner and the punishment for striking a warder. In the one case the punishment would probably be two days' imprisonment, and in the other case it might be an extra twelve months and solitary confinement for a month at a time. Surely that punishment was severe enough without any flogging. As to a prisoner wanting to get to the courts out of mere bravado, it was hard to imagine a man desiring to put himself in such a position without a barrister, solicitor, or anybody to say a word for him. He hoped that the House would not adopt this clause without ample reason. He did not want the House to go back to the dark ages. Many criminals were merely lunatics, who could not be cured by any punishment they could inflict. This was shown in the fact that many of them were not out of gaol 24 hours before they were back again for the same offence. What flogging could cure those men? If the committee did adopt this new clause, let them at least exempt young lads of from sixteen to eighteen years of age, who ought to be given some opportunity of developing into better men.

The Hon. J. M. DAVIES observed that he was somewhat inclined to agree with Mr. Pratt, that if this clause was passed the cases should certainly be heard publicly—that was, publicly in so far that the press representatives should be present. There was always a tendency to be arbitrary when judicial punishments could be administered in private. He noticed a great difference between the terms of the sentences passed by the Supreme Court and the terms of the sentences passed by visiting justices. In that very outrageous case which had been referred to of an assault upon a warder, the offender was

sentenced to the first three days of every alternate month of the fourth, fifth, sixth, and seventh years in solitary confinement. This solitary confinement was three days at a time. It had been said that solitary confinement sometimes had a very serious effect on the mind of the prisoner, but they found that in sentences passed by visiting justices it was not uncommon for a prisoner to get a month's solitary confinement at a time. In one case the sentence passed by the justices was the first, third, and fifth month in solitary confinement. That meant a month's solitary confinement with a break of a month, then another month's solitary confinement followed by another break, and then a third month's solitary confinement, the prisoner being fed on bread and water during those periods. That was not the only case of the kind. He did not think there were any cases where a Judge of the Supreme Court had sentenced a prisoner to one month's solitary confinement at one time. (Mr. Sachse—"Has solitary confinement to be served in darkness?") He could not say, but the prisoner was kept alone, and was not allowed to speak to any one. (Mr. Grimwade—"He is allowed books, I think.") He (Mr. Davies) did not think so. All the time a prisoner was kept in solitary confinement he was fed on bread and water. It was quite possible that floggings ordered by visiting justices might be too severe if the offenders were not tried in the light of public criticism. It did not seem quite consistent with the administration of British justice that even criminals who deserved severe punishment should be secretly sentenced, and that no one should know anything about it. There was a tendency towards injustice and tyranny if the light of public opinion was withheld. He made these remarks without desiring to reflect on those who had to deal with prisoners. If this clause was passed, he would be inclined to support Mr. Pratt's proposal that representatives of the press should be allowed to be present while prisoners were being tried for gaol offences.

The Hon. J. M. PRATT said he would like to know whether the Government approved of his proposal?

The Hon. H. CUTHBERT stated that when this Bill was introduced by a previous Government he took no part in the debate on the motion for the second reading. The measure was then known as a Bill for the Protection of Gaol Officials, and it was introduced on account of a

series of violent assaults that had been committed on gaol officials. When the Bill was in committee he (Mr. Cuthbert) expressed the opinion that the power proposed to be placed in the hands of visiting justices to inflict a flogging of 50 strokes was too great. That provision was altered to 25 strokes, and then he was not opposed to the Bill. The question now under consideration had been debated in Cabinet, and the majority came to the conclusion that it would be unwise to vest in the hands of visiting justices such a large power as the clause proposed, without having any proper control or supervision over them. Therefore this Bill did not contain any such clause. It was not the wish of the present Government to constitute a Star Chamber in Victoria. Looking over the list of prisoners who had been punished by visiting justices for gaol offences during 1894, he found there were seven assaults on officers during 1894, and nine assaults on prisoners. (Mr. Pratt—"And there are about 700 prisoners.") Yes, fully that number. (Mr. Pratt—"The number of assaults is not a large average.") The previous year the number of assaults on gaolers was larger. A prisoner who assaulted an officer on the 8th March, 1894, was sentenced by the visiting justices to eighteen months' imprisonment with hard labour, three months of which had to be spent in solitary confinement on bread and water. Another prisoner who assaulted an officer on the 9th June, 1894, was sentenced to twelve months' imprisonment with hard labour, the first three weeks of each three months to be spent in solitary confinement. The next in the list committed an assault on the 8th December, 1894, and got one month's solitary confinement. (Mr. Pratt—"Not a Judge in the land ever awarded that punishment.") No, he thought the longest period of solitary confinement to which a Judge of the Supreme Court had sentenced a prisoner was fourteen days. (Mr. Sachse—"It is enough to make lunatics of the prisoners.") Another prisoner, for resisting an officer in the execution of his duty, was sentenced to 21 days' solitary confinement, and two Chinamen, for similar misconduct, were sentenced, the first to seven days' solitary confinement, and the second to one month's imprisonment. One prisoner, who was tried before the Supreme Court for wounding with intent to do grievous bodily harm, a very serious case, was sentenced

to ten years' imprisonment with hard labour, the first twelve months in irons, and the first three days of every alternate month in the fourth, fifth, sixth, and seventh years in solitary confinement. It was, therefore, apparent that where grievous assaults were committed the law was quite sufficient to enable justice to be done. The prisoner in question was certainly punished very severely, but he deserved it. (Mr. Pratt—"The Judge had power to order him to be flogged, but he did not do so.") Contrasting the sentences which visiting justices inflicted on prisoners for assaults on officers of the gaols with the sentences inflicted on prisoners for assaults on fellow prisoners, honorable members would observe that there was a great difference. In one case a prisoner got two days' solitary confinement, in another three days' solitary confinement, and in a third one month's solitary confinement. (Mr. C. J. Ham—"That was long enough.") It was. In another case a prisoner was sentenced to nine months' imprisonment, another to six days' solitary confinement, and another to four days' solitary confinement. It would thus be seen that the visiting justices had very large powers under the present law. (Mr. Pratt—"Too large.") If, in addition, Parliament gave them the power contemplated by this clause, and the trials were held in secret, it would only be when a return was called for by one or other of the two branches of the Legislature that the public would get to know what was done within the prison walls. He (Mr. Cuthbert) would rather see the Bill carried in the form in which it was introduced, without this clause, but if the committee considered that the power to inflict floggings should be added to the other powers which visiting justices now possessed, it should be made conditional on their allowing representatives of the press to be present, although it might not be necessary, except in a few cases, to send the prisoners for trial in the criminal courts. But even if the clause was passed with that condition, he was disposed to think that another place would not accept that part of the Bill.

Sir FREDERICK SARGOOD remarked that honorable members generally must have been as much surprised as he was to learn what severe punishments were inflicted upon prisoners by visiting justices. Personally, he had not the slightest idea that the visiting justices had such large

powers of inflicting very serious punishment, and while he was still in favour of the flogging of prisoners in certain cases, he would also favour a considerable modification of the powers of visiting justices to award punishment. He, therefore, thought that Mr. Pratt should accept the assistance of the Solicitor-General to draft such amendments as would cause the trials of prisoners to be semi-public. He took it that the honorable member did not desire that the prisoners should be brought to the Supreme Court, but that the trials should be within the confines of the gaol, and yet conducted under such conditions that the general public would know what was going on. If Mr. Pratt would take that course he would support his amendment, and he would be glad if the Solicitor-General would take steps to modify the powers of visiting justices in accordance with the views of the committee. As there were so few members present, he thought it would be unwise for them to deal with this question one way or another on the present occasion, and he would suggest that progress be reported. If the consideration of the matter was postponed until Tuesday next they would be in a better position to deal with it.

The Hon. T. DOWLING said he approached this question with feelings of wretchedness. He was in favour of visiting condign punishment on prisoners who were guilty of acts of violence, but he felt that even prisoners were entitled to British justice. He could remember a time within his own experience when the cat was applied to prisoners who were guilty of petty thefts and trifling misdemeanours, when every little complaint, and even absence from work, was punished by floggings, of which no reports were published, and he knew that the tyranny of masters had frequently driven men to the gallows. He, therefore, felt that they should approach this matter with great caution. If the committee were determined to give visiting justices the power to inflict floggings it must be in the light of public opinion, and representatives of the press must be allowed to report the proceedings. It would be a very unsafe thing to give the visiting justices such a power on any other condition. Human nature was frail, and there was a tendency in mankind to abuse any power of punishment which could be exercised in secret. He certainly thought that prisoners under sixteen years of age should be exempted from floggings.

The Hon. S. W. COOKE observed that he had no objection to the postponement of the clause. At the same time, he desired to say that he did not enter on this question with a light heart. He felt that it was a very serious matter, and his only object in submitting the clause was to secure the protection of gaolers from the serious attacks which were made upon them from time to time. The punishments that had been meted out by visiting justices under the present law did seem to him outrageously heavy, although it was hard to judge without the whole facts of each case. The periods of solitary confinement seemed to him to be unduly long, and he ventured to think that the punishment he proposed to empower visiting justices to inflict—not more than two whippings of 25 lashes each—would be a far more lenient punishment than some of the punishments inflicted on prisoners under the present law. (Mr. Pratt—"But this clause will give them an additional power, and they will exercise both.") It might be an addition, but the argument in its favour was that the punishment of flogging might act as a deterrent and prevent assaults, which the other punishment did not seem to do. If Mr. Pratt would propose an amendment providing that some form of publicity should be given to the trials of prisoners held by visiting justices, and also lessen their powers, he (Mr. Cooke) would probably be inclined to support the amendment, but he was not prepared to say that floggings were improper in certain cases.

On the motion of the Hon. H. CUTHBERT, progress was reported.

The House adjourned at nine minutes to ten o'clock, until Tuesday, July 23.

LEGISLATIVE ASSEMBLY.

Tuesday, July 16, 1895.

Police—Yarra River Improvements—Income Tax Act—Railways Standing Committee—City of Melbourne Bank v. The Directors of the Creswick Working Miners Company—Agricultural Department—Personal Explanation: Mr. Lazarus—Revision of the Tariff: Candles.

The SPEAKER took the chair at half-past four o'clock p.m.

POLICE.

Mr. STAUGHTON asked the Chief Secretary what was the gross sum of money drawn by members of the police force under the overtime system from its

inception to its discontinuance? He remarked that he observed from a report that appeared in the *Herald*, that the police had themselves been drawing the money paid for special duties. He understood now that that practice had been discontinued. He wished to ascertain how much money the police had received under the overtime system.

Mr. PEACOCK said that the payments for overtime to the police were discontinued on the 30th of June last. These payments were not made by the Government, but by the sporting clubs, institutions, or by individuals to whom services were rendered. He found, on consultation with the Chief Commissioner, that no record had been kept of the amount paid in the country districts, and that only during the last five years had any record been kept of the amount paid in the metropolitan area. During the five years the amount paid averaged £616 per annum, or a total for the whole period of £3,080. The money was now paid into the revenue.

YARRA RIVER IMPROVEMENTS.

Mr. SANGSTER (in the absence of Dr. MALONEY) asked the Minister of Public Works the following questions:—

"1. What is the estimated cost of the proposed Yarra River improvement works?"

"2. What proportion of the works could be proceeded with at once?"

"3. What is the cause of the delay in proceeding with these works?"

Mr. TAVERNER stated that it was estimated that the improvement of the River Yarra, in accordance with the recommendations of the Yarra Floods Board, would cost altogether £108,000. If the proportions of the estimated expenditure to be borne by the several bodies interested were definitely settled, and the mode of making such sums legally available decided, about one-half of the whole work could at once be commenced, as it would consist mostly of dry earth excavation. The delay that had taken place was the result of non-agreement on the points referred to, which were at the present time the subjects of consideration by the municipalities interested.

INCOME TAX ACT.

Mr. T. SMITH asked the Premier whether he proposed to introduce, during the present session, a Bill to amend the Income Tax Act 1895, with the view of simplifying the forms or schedules under the Act, whereby taxpayers might

experience less difficulty in furnishing the information asked for? He remarked that when the schedules were sent out a great number of persons found it necessary to do what they should not be required to do—that was to consult their legal advisers as to the way in which these very intricate schedules were to be filled in. As no authoritative statement had been made by the Premier on the subject, he respectfully asked this question.

Mr. G. TURNER said that there was no necessity for the introduction of any Bill to deal with this matter. The forms, instructions, and other papers furnished to the taxpayers were prepared under regulations. The Commissioner of Taxes had now gained certain experience by his investigations, and he would, before the next returns were called for, draw up the schedules in a more simple form.

RAILWAYS STANDING COMMITTEE.

Mr. McCOLL asked the Minister of Railways when the Railways Standing Committee would pay the promised visits to the country districts, and what localities it was proposed they should visit?

Mr. H. R. WILLIAMS stated that the sittings of the committee, which had been interrupted owing to the transcription and printing of the evidence already taken in Melbourne having fallen considerably into arrears, would be resumed next week, and arrangements would then be made to visit certain country districts without delay. The whole of the localities to be visited had not been definitely decided upon, but information on the subject would be given in the press at as early a date as possible.

MINING LITIGATION.

Mr. GROSE asked the Minister of Mines whether his attention had been called to the case of the *City of Melbourne Bank v. The Directors of the Creswick Working Miners Company*, decided by Judge Chomley last week; and, if so, would he obtain a copy of the full text of the decision, to be laid upon the table of the House?

Mr. FOSTER said that his attention had been directed to the case referred to, and he would obtain a full copy of the judgment of Judge Chomley, so that it might be made available for honorable members.

AGRICULTURAL DEPARTMENT.

Mr. LANGDON (in the absence of Mr. LEVIEN) asked the Minister of Agriculture

whether he would take more effective means of circulating the pamphlets issued by the department of Agriculture upon the cultivation of sugar beet, flax, &c.?

Mr. TAVERNER stated that he could only give the same reply to the question as he gave last week, namely, that copies of the report were forwarded to all free libraries, agricultural societies, farmers whose names were supplied by Members of Parliament, and to other farmers on application to the department of Agriculture. If any more effective means of distribution could be suggested the matter would receive consideration.

PETITION.

A petition was presented by Mr. TUCKER, from residents of Melbourne and suburbs, against the selection of a site at Frankston for a metropolitan general cemetery.

BOORT TO QUAMBATOOK RAILWAY.

Mr. H. R. WILLIAMS, pursuant to an order of the House (dated July 2), presented a return relating to the Boort to Quambatook Railway.

PERSONAL EXPLANATION.

Mr. LAZARUS stated that he desired to offer a personal explanation. His attention had been drawn to a statement that appeared in *Hansard*. The *Hansard* reports were usually very correct. He did not read the particular report to which he referred; but, as he said, his attention had been drawn to it, and he now took the first opportunity of making a correction. He was reported as having stated, when speaking on the Tariff proposals of the Government, on 20th June—

“Why should the mining industry be taxed to that extent to keep up a fuse factory here, whose fuse very few deep mines in Bendigo will use?”

During the whole of his speech he did not refer to fuse, but only to explosives as the context would show, and the mistake was in the use of the word “fuse” instead of “explosives.” It would be an extremely foolish thing for him to say that very few deep mines in Bendigo would use the fuse, because it was in use in Bendigo, and he offered this explanation in justice to the local factory.

REVISION OF THE TARIFF.

The House went into committee for the further consideration of the proposals of the Government for the revision of the Tariff.

On the item—

“Candles, 1½d. per lb., from 1st July, 1896,”

Sir JOHN McINTYRE observed that he had not taken any part in the discussion of the items that had already been dealt with by the committee, although he had, of course, given his vote. The item of candles was one in which his constituency was very largely interested, and he felt it to be his duty to offer a few remarks in regard to it. If the Government would intimate their willingness to accept the recommendation of the Tariff Board in regard to candles he would say nothing further. If the duty were reduced to 1d. per lb. that would be a very fair reduction, and if the Government would agree to it a large amount of time would be saved. He did not desire to wipe out the duty altogether, but he thought that 1d. per lb. was ample. The duty of 2d. per lb. was imposed nearly 25 years ago, when candles were worth from 8d. to 10d. per lb. By reducing the duty to 1d. per lb. they would be maintaining it at about the original level, as it would bear about the same proportion to the price. Every industry in the colony, and, in fact, almost every individual in the colony, were more or less consumers of candles. There was no doubt a considerable amount of capital invested in the candle industry, but that industry had prospered fairly well. (Mr. Wilkins—“You have not any shares in it.”) He was sorry that the honorable member should impute a motive to him. The industry prospered for years under a protection of about 25 per cent., and it would not be affected now by a reduction of the duty to 25 per cent. No item that was dealt with by the Tariff Board received more careful attention than that of candles. The Tariff Board stated—

“We recognise that candle-making is a natural industry in Victoria, where tallow is one of our principal products; but we are at a loss to understand why candles should be dearer here than elsewhere, and why the public should be asked to carry any burden in support of an industry which is carried on under peculiarly advantageous circumstances. We further fail to see why any duty at all should be necessary to support a well-established business against the competition of foreign makers, who are handicapped already by having to pay the freight on their tallow to Europe and back again in the form of candles. The present duty is almost prohibitive, only 495,638 lbs. having been imported in 1894, and the importations have been fast declining.

“We are largely influenced in making our recommendation by the fact that, for years, Victorian consumers have paid for candles a

much higher price than has ruled in Europe, and so have been put to great sacrifice in supporting the industry. We are, further, of opinion that the public with a reduction of duty will be charged less for candles than they are at present, and that the industry will not be much affected.”

The Tariff Board made their recommendation after very careful inquiry indeed, and that recommendation was that the duty on candles should be reduced to 1d. per lb. The Government proposed that the duty should be 1½d. per lb. He was quite prepared to support the Tariff Board's recommendation. There were only 400 persons employed in the candle industry. (Mr. Bennett—“About 3,000 others depend upon it.”) If honorable members were going to look at the question from that point of view they might revive the saying of a famous Frenchman, that “the candle industry was the most important of all the industries.” It was only by going back to the sheep-grower and to the production of tallow and fat that they could say that 3,000 persons depended upon the industry, and he was leaving a margin when he said that the number actually employed was only 400. Almost everybody in the community was a consumer of candles, but the principal consumer of all was the miner. (Mr. Hancock—“The poor miner.”) The honorable member need not say “poor miner,” for this was simply a matter of justice. The mining industry, above all other industries, should receive exceptional consideration at the hands of the committee. The product of that industry could not possibly be protected. Honorable members would not give the miner £5 an ounce for his gold. If they could do that they might then place the mining industry in a position equal to that of the manufacturer. There were 29,000 men engaged in mining, and every one of them was getting fairly good wages, and particularly the gold-field miners. The honorable member for Collingwood (Mr. Wilkins) had made a remark implying that he (Sir John McIntyre) was interested in the candle industry. He was not, and he had always been identified with the mining industry. He held that if any industry needed consideration just now it was the mining industry. The miners had all along aided by their efforts the protective policy of the colony. He had no hesitation in saying that it was the desire of the miners to help it now, and that they were willing to help

it so far as the candle industry was concerned to the extent of a duty of 25 per cent., and candles was an article which they used very largely indeed. The honorable member for Carlton pointed out a short time ago how important it was that the public should be well guarded in connexion with an industry in which rings existed. The honorable member was reported as having said—

“There was undoubtedly a ring formed amongst the candle-makers. He had the authority of sworn evidence for saying so. He did not believe in monopolies. The local candle manufacturers kept up the prices, which would be a good thing if the workmen got any benefit from it. He considered it right to let it be known that there was a ring, so that the public might be guarded against extortion, and the interests of the workers not overlooked.”

Did honorable members desire to continue this state of affairs? They would continue it if they allowed the duty to be fixed at 1½d. per lb. The ring that existed in the candle industry was a powerful one. He was told by one of the largest consumers of candles in the colony, Mr. Lansell, of Bendigo, whose name was almost a household word throughout Victoria, that he could not go to the manufacturer to buy candles, but that they had to be got through a middleman. (Mr. Sangster—“That is not true.”) The statement was made to him by Mr. Lansell, and he would accept it. And was not this a further proof of the assertion made by the honorable member for Carlton that a ring existed? It showed the way in which the ring went to work. He would ask honorable members in all fairness to consider the fact that candles could now be bought at 4d. a lb., whereas formerly they were sold at 10d. a lb. If the duty was cut down to 1d., it would not be an immense reduction after all. It would still give the industry a protection of something like 25 per cent., and it should be remembered that candles were, to all intents and purposes, a raw material of another industry, the products of which could not be protected. The question of free-trade and protection had not been raised during the discussion on the Tariff. He denied that there was any disposition on the part of honorable members to introduce free-trade. Not a single motion had been submitted of a free-trade character. There was simply a desire on the part of honorable members to carry out the determination of the country by reducing the excessive duties which were imposed in 1889 and 1892,

Sir John McIntyre.

and that was all that was being asked for, and that was all that was being done. Surely no honorable member could say that 25 per cent. was a free-trade duty? It was a thoroughly protective duty. Where higher protection had been given it had not benefited the industries that had been established. Under these circumstances, he hoped that honorable members would throw aside any idea of protection and free-trade, and that they would deal with this question on its merits. Honorable members might say that they had evidence that loss would accrue to the candle-makers, and that the industry would, in fact, be destroyed if the duty were reduced to 1d. per lb. He said, unhesitatingly, that if he felt that any of the factories would be closed because of the further reduction of the duty by a paltry halfpenny, he would be the last to propose such a reduction or to vote for it. But they were accustomed to the cry that the industry would be destroyed. On a recent occasion, when certain duties were proposed, the factories closed their doors, and turned all their employes on to the streets. What was that done for? It was done to frighten honorable members, and it succeeded. But the country had seen through this kind of clamour, and would not listen to it. With a view to the duty being reduced to 1d., he begged to move the omission of “½d.”

Mr. BENNETT remarked that the question of the duty on candles was too serious a matter to be treated lightly. The candle industry was not in the same position as the axle industry. In the latter case the raw material was imported, whereas in the case of candles, the raw material was produced in the colony, and the industry was indigenous. The honorable member for Maldon had stated that the question of free-trade had not been raised in connexion with the Tariff; but, considering that the honorable member for Sandhurst (Mr. Lazarus) had given notice of a motion that candles should be free, that statement could not be said to be correct. It had been urged repeatedly that there was a ring in connexion with the candle industry. What were the facts? There were three firms of candle-makers. The firm of Kitchen and Sons had for a considerable time the whole run of the business. Two firms were subsequently established, and they had worked very hard to make their business a success. Even the honorable member for Hawthorn, some years

ago, lost money in connexion with the candle industry, when there was free-trade in candles. Since then a duty of 2d. a lb. had been imposed, and the two firms to which he had referred had been encouraged to enter upon the industry. During the last eighteen months one firm alone had expended £50,000. That was stated in the sworn evidence of Mr. Mowling, of Footscray. The other firms had, during the last two or three years, expended a large sum of money in machinery. He gave every honorable member who thought that candles should be admitted free credit for honesty of purpose. He would not say that any member was going to vote against his conscience, but he must point out that a duty of 1d. per lb. would mean 21 per cent. Surely no one wanted to go below 25 per cent. ? Even a duty of 2d. per lb. was only 42 per cent., and a duty of 1½d per lb. 31½ per cent. No complaints had been heard about colonial candles until lately. A gentleman from Germany, who nearly all his life had been in the candle industry, told him the other day that the candles made in this colony at the present time were equal to any in the world ; and surely no one could question the cheapness of the colonial candle. A monster petition had been spoken about, but anybody in public life knew that a petition for or against anything could be got up at any time. All the complaints as to colonial candles had arisen simply because free-trade and protection were burning questions now. It was not correct that miners could not buy candles direct, for the different companies had travellers at Bendigo and other places, from whom direct purchases could be made. Mine-owners like Mr. Lansell could buy candles at any time from Kitchen and Sons or from other manufacturers. He asserted that if ever perjury was committed, it was committed in the evidence given before the Tariff Board in reference to the candle business. Two of the witnesses were men who stated that they had been failures as candle manufacturers, and he believed on good authority that if one of those men made the same statements in the press as he did in his evidence before the board a prosecution would follow. The candle-makers were said to have a ring in connexion with the purchase of tallow. They had the sworn declaration by Mr. Kitchen that that was not true. Some few years ago, when tallow went up excessively high

in price, the candle-makers had an arrangement that they would not sell below a proper price. If that were wrong, then it might as well be said that bakers had a ring. Every trade had a ring, but a combination to keep up high prices in the way suggested could not be managed. All the different firms might meet one day and make an arrangement, but within three days the arrangement would be broken. There was very bitter ill-feeling between the candle firms, who only wished to keep up a certain price in order that they might be able to pay fair wages. If this candle business was such a wonderfully profitable one as had been represented, why was it that Kitchen and Sons' shares were selling at 25s. 6d. paid up to £4, and that other firms did not start ? The dividend on the shares was only 6 per cent. The fact that the three firms were purchasing tallow at sales very often sent the price up £1 and £1 10s. per ton. The honorable member for Shepparton would tell them that, in the matter of sheepskins, the presence of local buyers in the market sometimes raised the price 20 per cent. It would be a serious matter to close up such a big industry as that represented in the candle factories. The honorable member for Lowan had asked why it was that the statements now put forward on behalf of the candle manufacturers were not laid in evidence before the Tariff Board. In answer to that, he would read an affidavit sworn by Mr. G. P. Clarke, director of the Sydney Soap and Candle Company. The affidavit was as follows :—

“ I, George Payne Clarke, of Waratah, manufacturing director of the Sydney Soap and Candle Company, do hereby solemnly declare and affirm that in 1890 I was in Europe, and while there visited several large stearine candle factories. The export candle trade in Australia is in the hands of four companies. That the directors of one of the largest companies exporting to Australia, during an interview, pressed me to use all my influence with the boards of Sydney and Melbourne companies to get them to join the continental combination or ring, saying that we could then divide up the trade, and thus put an end to competition in Australia, enabling us all to get better prices and make large profits.

“ That he further said to me that their combination was a powerful one, embracing all the export candle-makers, and that in case of our refusal to join they would do their best to crush us out.

“ That I refused to advise my boards to join this ring, and that shortly afterwards I saw in London a circular from manufacturers, quoting stearine candles for export to Australia at a less price than to other parts of the world.

"That I have seen and read within the past year an article in the English journal *The Foreign and Colonial Importer*, giving the history of this combination or ring, with information as to its mode of working, and that I believe it was stated in this article that this combination had been in existence for eleven years.

"That it was a matter of common knowledge in London that such a ring existed.

"That the home price of candles was kept up by this ring, their surplus being exported at low rates, and that I paid in a town in Holland 11d. for a packet of candles similar to those retailed in Sydney at 8d.

"That I was informed in Holland that the same company whose director had pressed me to join their combination had paid a dividend in 1889 of 52½ per cent., and that I was also informed in Holland that the current rate of wages paid by this same company to its workmen was 2s. per day of twelve hours.

"That the removal of duties in Australia would leave the colonial manufacturers open to the unfair competition of this ring, who would use every effort to crush them out.

"That if the ring succeeded in doing this, and so regained possession of the colonial market, they would recoup themselves by charging a much higher price to the Australian consumer, who, after the ruin of colonial factories, would be entirely at the mercy of the ring.

"And I make this solemn declaration as to the matters aforesaid according to the law in this behalf made and subject to the punishment by law provided for any wilfully false statement in such declaration.

"GEORGE PAYNE CLARKE."

This industry had £200,000 invested in it, and another £200,000 one way and another would represent the annual expenditure. The local industry was not afraid of England, but of Germany and Russia, where the hours of labour were extraordinarily long, and the wages small. If they reduced the duty to 1d., they would be simply playing into the hands of a wealthy company like the Kitchens and crushing out two unfortunate men who had invested their money in the industry. Such a step would also play into the hands of the foreign manufacturer. Mr. Chamberlain they knew to be a great free-trade apostle, and he, speaking at the annual dinner of the Birmingham Jewellers' and Silversmiths' Association, said—

"There was much talk nowadays of depression in trade. He was afraid the gloomy anticipations were not altogether unreasonable. He thought in the coal, iron, and cotton trades, and above all in agriculture, the margin of profit had entirely disappeared. Up to the present wages had not fallen at all in proportion, but if the present state of things continued it was simply inevitable either that the wages would have to be considerably reduced or that works would be closed and would lie idle, and the numbers of unemployed would be largely increased. People would naturally be seeking

Mr. Bennett.

everywhere for remedies, and there were a large number of people—he thought an increasing number—who were coming to the conclusion that our free-trade policy had been a failure."

If their free-trade friends now closed up the factories he was afraid that in another couple of years they would have the honorable member for Hawthorn making a similar speech to that of Mr. Chamberlain.

Mr. LAZARUS observed that it was quite a novelty for him to be classed as a free-trader. If to be a free-trader meant to be a person who would take from the manufacturer a duty the benefit of which he alone had enjoyed for some years at the expense of the mining and general community, then he might be classed as a free-trader. The Tariff Board, after carefully weighing all the evidence they could possibly get with reference to the candle industry, reported as follows:—

"We recognise that candle-making is a natural industry in Victoria, where tallow is one of our principal products; but we are at a loss to understand why candles should be dearer here than elsewhere; and why the public should be asked to carry any burden in support of an industry which is carried on under peculiarly advantageous circumstances. We further fail to see why any duty at all should be necessary to support a well-established business against the competition of foreign makers, who are handicapped already by having to pay the freight on their tallow to Europe and back again in the form of candles. The present duty is almost prohibitive, only 495,638 lbs. having been imported in 1894, and the importations have been fast declining.

"We are largely influenced in making our recommendation by the fact that, for years, Victorian consumers have paid for candles a much higher price than has ruled in Europe, and have thus been put to great sacrifice in supporting the industry. We are further of opinion that the public with a reduction of duty will be charged less for candles than they are at present, and that the industry will not be much affected."

If the Tariff Board, with all the information before them, did not see the necessity for any duty at all upon candles, he might be pardoned if he advocated the abolition of that duty. It had been stated frequently that in this industry rings existed, and it had been stated just as frequently that rings did not exist. In this connexion they should look at the prices that candles had been quoted at lately. A reduction in the price had been brought about for two reasons. One reason was that the paraffine wax candle had lately come into competition with the alleged rings. This had induced makers of

ordinary stearine candles to reduce their price, with a view of crushing out the later development of the industry. Another reason was that during the inquiries of the Tariff Board it leaked out that a reduction of the duty on candles would be recommended. Even as late as February last, candles were quoted in Bendigo at about 17s. per 30-lb. box. At the present time a 30-lb. box of candles was quoted at 14s. 6d. This was owing, no doubt, to the knowledge that the Tariff Board would recommend a big reduction of the duty. If the duty were again made 2d. per lb., and the duty of 1d. per lb. on paraffine wax put on, as suggested by the Government, they would see at once a return to the price quoted in February last. One of the largest mine-owners in Bendigo, only some little time ago, induced a business man in that city—he was not a candle-maker or importer—to get candles from Sydney, and pay the Victorian duty on them. The mine-owner purchased the candles from that gentleman for use in all his mines, thus showing that he could import from Sydney more cheaply than he could buy Melbourne-made candles. (Mr. Hancock—"What did he give per lb.?"") He did not know, but the fact in itself showed that the price of candles in Melbourne must have been too high. (Mr. Trenwith—"Can you tell us the brand?") He could not give the brand, but the candles were of exactly the same quality as those made in Victoria. There was no necessity for a continuation of this duty now, whatever there might have been in the earlier days, when they wanted to build up this candle industry. Then it was no doubt necessary there should be some duty. But the factories had had the benefit of the duty for the last 25 years, and were now well established. They were indirectly protected to the extent of 1d. per lb. owing to the freightage on the raw material to London and back again in the shape of candles, and that ought to be enough for the local manufacturers. This was a question of the cost of an article used in mining. There were mines which could only put out a certain amount of gold, and if the price of the mining materials was too high it meant throwing a number of miners out of employment. If, on the other hand, the cost of the materials was kept within a reasonable limit these miners could be kept going. The cost of materials should be lessened as far as possible. About 200 boxes of

candles a week were used in Bendigo alone, so that the committee would see what a serious matter this was. He would not, however, speak of miners alone. He represented farmers and also poor people, who could not afford to have gas or kerosene, and whose only illuminant was candles. These people ought surely to be considered. To reduce the duty to the extent proposed would not mean the closing of the candle factories. It was easy to frighten members by a statement to the effect that to take off the duty would have that result. (Mr. Hancock—"Or, on the other hand, the closing of the mines.") He would rather close up the candle factories than close up the mines. The other day the Minister of Mines reported to the Minister of Customs in favour of a mining requisite being admitted free, and he (Mr. Lazarus) now asked the Minister of Mines to suggest to the Minister of Customs that to take off the duty on candles would not mean the closing up of the factories, but would be a direct benefit to miners and the people generally. His intention was to move that this item should be struck out.

The CHAIRMAN. — The honorable member for Maldon has moved the omission of " $\frac{1}{2}$ d." with a view of reducing the duty to "1d." per lb., and I understand that the honorable member for Sandhurst (Mr. Lazarus) desires to move the omission of " $1\frac{1}{2}$ d." The difficulty will be that if I put the amendment of the honorable member for Sandhurst (Mr. Lazarus) first, and it is negatived, the " $\frac{1}{2}$ d." will have to stand. The honorable member for Sandhurst would gain his point, if a majority of the committee support him, by voting for the omission of the " $\frac{1}{2}$ d." I shall then put it to the committee that the item as amended stand part of the schedule, and that question can be negatived if the majority so desire. I am given to understand, however, that the honorable member for Maldon is prepared to withdraw his amendment.

Sir JOHN MCINTYRE said that since he submitted his amendment he had observed the notice of motion given by the honorable member for Stawell to the effect that the duty should be 1d. per lb., and he did not desire to jump that honorable member's position. But if the omission of the figure " $\frac{1}{2}$ d." would meet the object the honorable member for Stawell had in view, it would be better, in order to avoid confusion, to adhere to his (Sir John McIntyre's) amendment.

Mr. BURTON expressed the opinion that the committee were likely to get into a tangle over the matter.

The CHAIRMAN.—I will endeavour to keep the committee free from any tangle. If the amendment of the honorable member for Maldon be carried the duty of 1d. will remain. I shall then proceed to put the question that the item as amended stand part of the schedule. That can be voted against and a blank thus made, and then the committee can, if they think fit, insert the word "free."

Mr. BEST remarked that it was well the committee should thoroughly understand this matter. If the item, as it appeared in the list, were negatived by the committee then the existing duty of 2d. per lb. would remain.

The CHAIRMAN.—I assume that if the Government find that a majority of the committee are in favour of the abolition of the duty on candles, they will deem it their duty to add candles to the free list.

Mr. G. TURNER stated that the proposition before the committee was practically to omit the " $\frac{1}{2}$ d.," and the result of carrying that proposition would be to make the duty on candles 1d. Then the Chairman would have to put from the Chair the question that the item as amended stand part of the proposal, and that, if carried, would make the duty 1d. per lb. He, therefore, did not see how those who desired that candles should be admitted free could gain their point if the course suggested by the Chairman were pursued.

The CHAIRMAN.—The committee can negative the "1d."

Mr. G. TURNER observed that in that case the committee would negative the item altogether. The fair way to test the question would be first of all to make a blank, which, if made, the Government would accept as an intimation either that the article should be admitted free or that the committee desired that "1d." should be inserted. The Government, and those who thought with them, would object to the striking out of the figures $1\frac{1}{2}$ d., and, of course, if these were not struck out the duty would be that proposed by the Government. If the committee thought " $1\frac{1}{2}$ d." too much—or, for the matter of that, too little—they could omit " $1\frac{1}{2}$ d.," and then it would be competent for any member to move that the word "free" be inserted. If the word "free" was inserted the Government would accept that as an

intimation from the committee, but if the amendment to insert the word "free" was negatived, then any honorable member could move that "1d." or " $\frac{1}{2}$ d." should be inserted. By that means a clear vote would be obtained showing the desire of the committee.

The CHAIRMAN.—I was about to ask the honorable member for Maldon whether he desired to withdraw his amendment.

Mr. McLELLAN expressed the hope that the honorable member for Maldon would not withdraw his amendment, because the amendment provided the only parliamentary way of putting this question correctly before the committee. If the " $\frac{1}{2}$ d." were omitted the duty would then stand in accordance with the wishes of a great many of the gold-field members. What the Premier had stated might be clear to himself, but it was far from being the parliamentary practice. If the honorable member for Maldon wished the duty on candles to be 1d. per lb., his clear duty was to move the omission of " $\frac{1}{2}$ d.," providing the honorable member for Sandhurst (Mr. Lazarus) withdrew his amendment. He (Mr. McLellan) believed that "1d." would be carried with a great majority of the gold-field members supporting it.

Mr. STERRY said he understood that the Premier suggested that the better course would be to strike out " $1\frac{1}{2}$ d."

Mr. G. TURNER stated that what he had endeavoured to impress on the committee was that those honorable members who wanted to make candles free of duty would lose their opportunity if they allowed "1d." to be kept in.

Mr. STERRY remarked that, as the representative of a mining constituency, he would at once go in for making candles duty free if he felt he would not be doing an injustice to the candle industry, but he was prepared to act towards that industry as towards all the other industries established under the system of protection, and he thought that the candle industry could be claimed to be one of the fair successes of the fiscal policy of the colony.

Mr. TRENWITH expressed the opinion that after " $\frac{1}{2}$ d." had been struck out any honorable member who desired that candles should be imported free of duty could move the omission of "1d." (Mr. G. Turner—"No, that would be going backwards.") But they could proceed from amendment to amendment.

The CHAIRMAN.—Not backwards.

Mr. TRENWITH observed that the view he had expressed was in accordance with the rule which the Chairman had laid down in the absence of a standing order as to the course of procedure.

The CHAIRMAN.—There is a standing order on the subject.

Mr. MURRAY SMITH said that it would simplify matters very much if the honorable member for Sandhurst (Mr. Lazarus) were to withdraw his proposal, which he had no chance of carrying, and which even he (Mr. Murray Smith) considered a rather drastic proposal. (Mr. Winter—"Then we are not going on to free-trade.") Whatever dreadful intentions might be ascribed to him (Mr. Murray Smith) he did not wish to ruin the candle industry. He thought the feeling of the committee was in favour of a reduction of the duty to 1d. per lb., as proposed by the honorable member for Maldon.

Mr. ZOx stated that he cordially agreed with the honorable member for Hawthorn in appealing to the honorable member for Sandhurst (Mr. Lazarus) to withdraw his proposal. He would like to see the duty fixed at 1d. per lb., because that would do justice to all the parties concerned. The candle industry came into existence under the protective policy of the colony, and it would be unfair to wipe out the duty altogether.

Mr. WINTER expressed the opinion that the standing orders would enable any honorable member who desired candles to be admitted free to move an amendment accordingly.

Mr. THOMSON remarked that he would like to vote for a duty of 1d. per lb. If the honorable member for Sandhurst (Mr. Lazarus) persisted in his proposal he might come out in a worse position, as a certain section of the committee did over the beer duties, than if he accepted the amendment in favour of fixing the duty on candles at 1d. per lb. He therefore hoped the honorable member would withdraw his proposal.

Mr. McCOLL observed that time would be saved by proceeding in accordance with the rule laid down last week by the Chairman, namely, taking the lowest proposal first. (Mr. G. Turner—"That is what I suggested, but they would not accept it.") That was the best way.

The CHAIRMAN.—When the revision of the Tariff commenced, a few weeks ago, I announced that I intended, following the

usual parliamentary practice, to put the smaller duty first. We have been in the habit of creating a blank, and then filling it up with a smaller amount than appeared in the Government proposals. The honorable member for Maldon has proposed the omission of " $\frac{1}{2}$ d.," leaving in "1d." The honorable member for Sandhurst (Mr. Lazarus) proposes the omission of the whole amount, with the object of having candles imported free. As that is a proposal below the amendment of the honorable member for Maldon, the better plan would be to put it first, if the honorable member for Maldon will withdraw his amendment. If he will not withdraw it, I cannot receive the amendment of the honorable member for Sandhurst.

Mr. BEST said he would appeal to the honorable member for Sandhurst (Mr. Lazarus), after the expressions from all parts of the chamber disapproving of his proposal, to withdraw it. The committee was in something like a knot, and confusion would be caused if the honorable member for Sandhurst persisted in his proposal. The fact that the amendment of the honorable member for Maldon would take precedence, if not temporarily withdrawn, was calculated to put some honorable members in a position of great difficulty. Seeing the fate that inevitably awaited the amendment of the honorable member for Sandhurst, he hoped the honorable member would be good enough to withdraw it.

Mr. A. ANDERSON stated that he was prepared to support the proposal of the honorable member for Sandhurst (Mr. Lazarus). Candle-making had been established in New South Wales under a policy of free-trade, and it ought to be established here. The quotations at Albury for candles from Kitchen and Sons were 1d. per lb. lower than their quotations for delivery on the Victorian side of the Murray.

Mr. LAZARUS observed that he would not have withdrawn from the position he took up at the outset of this discussion in consequence of the request of the honorable members for Hawthorn and Melbourne East (Mr. ZoX), but the Minister of Customs had put the matter in a somewhat different light, and he could see that the Minister's remarks had the concurrence of the leader of the Opposition. Feeling that the committee might get into some tangle if he persisted in his proposal, he had very reluctantly decided not to do so.

Mr. BURTON remarked that, immediately the Minister of Customs announced that it was the desire of the Government that honorable members should at once give notice of any amendments they intended to propose, he (Mr. Burton) notified his intention of moving that the duty on candles be reduced from 1½d. per lb., as proposed by the Government, to 1d. per lb., as proposed by the Tariff Board. The honorable member for Maldon had embraced the opportunity of submitting the same proposal, and he (Mr. Burton) now rose to support it. He was not one of those who would, by a covert attack, endeavour to destroy any of the colonial industries natural to the soil, and among those he reckoned the candle industry as one in the very foremost rank. He had no desire whatever to destroy the candle-making industry. On the contrary, he wished to save that industry from the grievous difficulty towards which it was drifting, as many of the colonial industries were drifting, namely, into the production of inferior articles. The candles manufactured in this colony years ago were superior to the candles now manufactured here, notwithstanding all allegations to the contrary contained in the circular that had been passed round the chamber. He made that assertion from his own practical knowledge and experience, and the miners, who used the candles most extensively, could bear out his statement. Twenty odd years ago there were two competing firms in Victoria—Kitchen and Sons and the Apollo Candle Company. Judging by appearances the Apollo candle would have been chosen by non-experts as the better of the two, but practical men knew that, although it was the best-looking candle of the two, it was inferior to the other. The petroline candle produced by Kitchen and Sons became the candle exclusively used by miners, while the Apollo candle did not. The Apollo Company therefore fell into arrears, and was eventually swallowed up by the other company. He would direct the attention of the committee to the report of the Tariff Board, in which the board stated—

“The public undoubtedly receive the greatest benefit when fair competition exists between the importer and the manufacturer; but in the case of some large industries, such as boot-making, the internal competition of a number of large and small factories is sufficient to guarantee the sale to the public at the lowest price which will yield the maker a fair profit. Where the duties are practically prohibitive,

and the local market affords scope for the operations of only a few manufacturers, the evidence points to the fact that the result is high prices to the public. The formation of rings is not confined to importers. They occur generally when the capital required for a manufactory is great, and less often when the business is in the hands of a large number of persons in a smaller way of business.”

The candle of commerce, the candle used by the miners, was now produced exclusively by three companies, and experience proved that the Tariff Board were justified in the statements he had just quoted from their report, applying it to the candle-making industry. The manufacture of candles had been confined to a few large firms, who had been able to put a considerable amount of capital in the business. On referring to the *Statistical Register* for 1894, he found that the candles imported in 1884 were valued at £45,905, and the candles imported in 1894 at only £12,018, thus showing that the effect of the Victorian candle-manufacturing industry had actually been to cause a falling-off to the extent of three-quarters in the importation of candles. Thus the very thing which the board set forth in the quotation he had just read to the committee had occurred in connexion with the candle-making industry. A few manufacturers in the colony had a monopoly of the local market, and that had resulted in the exclusion of the imported article. (Mr. Longmore—“No; only partially.”) (Mr. Gray—“And because they succeeded in making good candles here.”) The maximum value of candles imported in one year was £48,013, or 616 tons of candles, in 1887, and the minimum importation was in 1893, when only 138 tons, of the value of £7,561, were imported. The question as to the quality of the colonial-made candles in comparison with the imported candles could be ascertained by any unprejudiced person on reference to an appendix in the report of the Tariff Board, which showed that, according to an examination made by Professor Lyle, 21 of the best Victorian candles were equal to 20 imported candles, which proved that the high quality of the candles first produced in this colony had not been maintained. The petroline candle succeeded in the early days, first because it was as cheap as, or perhaps a little cheaper than, the imported candle, and next because it was superior in quality to the best imported candle. The establishment of a monopoly in candle-making

here, and of the local manufacturers having an extra 1d. per lb. advantage, had only resulted in an inferior article being placed on the market, with consequent loss to the mining community and those who used candles. The price of the best imported candle was, leaving out fractions, 5d. per lb. That candle could be supplied out of bond at 7d. per lb. The best Victorian-made candle was sold at 6d. per lb., and it was slightly inferior in quality, according to Professor Lyle, although not much inferior. (Mr. Longmore—"How much inferior?") As 21 was to 20. (Mr. Longmore—"The price is one-seventh less.") No injustice would be done to the locally-produced candle if the duty was reduced to 1d. per lb. Victorian-made and imported candles would then be placed on a level footing, and the competition would be a competition in quality and not in price. The Victorian candles would still be sold at 6d. per lb., and the imported candles could not be sold at a profit at that price, according to circulars which had been made public, the price having been cut down below what they could be sold at with a profit. Therefore the local manufacturers would be in the best position to compete successfully with the imported candles on equal terms. He believed that the result of that competition would be highly gratifying to all honorable members who had a warm heart for the working men of the colony, because it would result in more labour being employed in the Victorian candle-making industry, and it would also result in the production of a better article. More money would consequently be paid in wages. For these reasons he claimed the support of the honorable members who sat in the Ministerial corner, and were regarded as the special representatives of labour in Parliament. Taking hold of a petroline candle in the early days was like taking hold of a piece of marble, the warmth of one's hand not affecting it at all; but if any honorable member took hold of a petroline candle now, in a warm place, it would almost slip through his fingers, as though it were melting grease. That was accounted for by the difference in quality. He thought he had succeeded in showing the labour members that by adopting the amendment of the honorable member for Maldon they would cause more labour to be provided in the colony, and it would be to the advantage of all those who were

now engaged in the candle-making industry. If he thought it possible that any word of his would have the effect of throwing one single operative out of work, he would not say it, but he knew that he was advocating what would result in increased employment, and in the production of a superior article. It had been alleged that the price of tallow—the raw material of which candles were made—had not been reduced; but he would quote what Mr. Kitchen said in his evidence on this question:—

"You have the raw material on the spot?—Yes, but it is this way: the foreign manufacturers for some years past fixed a considerably lower price for Australia than for any other part of the world, simply to fight against Victorian manufacturers, and that is why we want this 2d. per lb. duty. If they maintained the same price here that they do in other parts of the world, we could now bear a slight reduction in the duty, but they are fighting hard against us. Our chemist was on the continent some two or three years ago, and he found it was confirmed very plainly that they had a different price—a cutting price for here. They charge a very considerably less price here for the candles than in any other part of the world, simply to try and sweep us out.

"By Mr. Bromley.—Do they receive any bonus from their Government?—I do not think so.

"By Mr. Trenwith.—When you commenced manufacturing candles, was the price the same as shortly after you had been manufacturing; did it make any material difference in the price?—Kitchen and Sons commenced making candles about 25 years ago. We commenced with a free port.

"By Mr. Thomson.—Do you not think that the fall in tallow had something to do with the cheapening of prices?—Something; at the same time the action of the European manufacturers affected it to a very considerable extent.

"Do you remember the price of tallow 25 years ago?—I could not say.

"Has tallow gone down 50 per cent. since then?—I should not think so much as that."

Thus, while first saying that there was not so much difference in the price, ultimately he had to admit that there had been a reduction in the price, and that fact was borne out by the men engaged in the sale of tallow. Mr. J. Mackie was examined before the Tariff Board as follows:—

"You do not know that the selling price of raisins would be 3½d. if there were no duty; you only know you are told that?—The evidence is plain on the face of it; common sense tells me that. I remember when we used to quote candles; we used to import stearine candles, but the price of tallow is much lower and the freights are lower. There are 50 reasons why the price of candles should be lower, apart from the Tariff altogether."

Later on the same witness' evidence proceeded—

"As to the railway rates from Swan Hill, Echuca, and Wodonga—for a truck for 100 sheep or nine cattle, Swan Hill—cattle, 14s. 10d., sheep, 1s. 4d.; Echuca—cattle, 10s. 4d., sheep, 11d.; Wodonga—cattle, 12s. 10d., sheep, 1s. 2d. We were doing a large export in meat before the imposition of the stock tax.

"As to candles; do you know the price before the duty was put on?—I have sold candles up to 2s. per lb., wholesale, in Melbourne.

"By Mr. Trenwith.—Do you remember what you paid for them?—I do not remember. The circumstances of the market have so changed; tallow is about one-half."

So that it was fair to conclude that it was undoubtedly true that the price of the raw material of this industry had been considerably reduced. The statement made by Mr. Kitchen must be taken with a slight pinch of salt, as coming from an interested person. He (Mr. Burton) discarded all that Mr. Kitchen had said in the pamphlet which he had circulated among honorable members, who should free themselves from the influence of all such statements in regard to the candle industry. The Minister of Customs said in his speech to the committee, on the 4th of June last—

"The Government have given very careful consideration to the subject, and have had no difficulty in coming to the conclusion that the candle-makers have made out a very strong case indeed."

He (Mr. Burton) was quite prepared to admit that that was so, but, unfortunately for the Minister of Customs, he had heard an *ex parte* statement, and he had not taken into consideration what the miners had to say on the subject. Although the honorable gentleman stated that he had given careful consideration to the matter, and that the candle-makers had made out a strong case, he must admit that there was something to be said on the other side. (Mr. Best—"I read Mr. Thompson's evidence, and the evidence of other miners.") Mr. Thompson did not appear as the representative of the miners or of any one else; he had never been chosen to represent the miners. It would have been only fair had the Minister of Customs consented to the recommendation of the Tariff Board and permitted the duty to be reduced to 1d. per lb. It had been stated that over 400 persons were employed in the manufacture of candles. That was of a piece with all the *ex parte* evidence which had been submitted, and

Mr. Burton.

he gave it a flat contradiction. That might seem astounding, but he would prove that the statement was inaccurate by a quotation from the statistics in the *Statistical Register* for 1893, which were the latest statistics available on the subject. The number of men employed in soap and candle works in 1893 was 414; but there were not 414 persons exclusively employed in making candles—they were engaged in the production of soap, glycerine, and other things. According to the same statistics the quantity of soap produced in 1893 was 16,466,892 lbs.; candles, 6,446,048 lbs.; and soda crystals, 1,740,480 lbs. The number of persons named as being employed in the manufacture of candles must therefore be discounted to a considerable extent, because they were engaged in the manufacture of things apart from candles. What did the taxing of candles mean to any large mine? He believed that one member of the Ministry could bear him out in the statement that a mine, in which about 600 persons were employed, used about 1,000 lbs. of candles weekly, on an average computation, and that was equal to an annual consumption of 52,000 lbs. A penny reduction in price would therefore mean a saving of £216 13s. 4d. per annum, or, on the price in bond on imported candles, £433 6s. 8d. at the present price, namely, 5d. per lb. It was a fair thing to say that the gold and coal miners used about one-third of the total output of stearine candles manufactured in the colony. Every farthing increase in price meant an added cost of over £2,000 per annum to the mining industry. The 2d. duty represented £16,666 per annum. Under these circumstances he felt justified in urging the Minister of Customs to consider the question from the mining point of view, accept the recommendation of the experts, who had made a most careful inquiry, and allow the duty to be fixed at 1d. per lb. A prohibitory duty must lead to a monopoly, which naturally led to extortion. The one thing followed the other as naturally as possible. To keep on an extra 1d. per lb. would also lead to deterioration. It was common knowledge on the gold-fields that the quality of the candles now sold was not equal to the quality of those which were sold some time ago. The local manufacturers had proved long ago that they were able to produce a candle which was equal to any that was made in the world, and why should they deteriorate in

the manufacture now? If part of the protective duty were taken away they would be placed in a fair position, and instead of the industry being destroyed it would be put on a firm footing, the manufacturers knowing that they would have to use their intelligence in order to compete against the imported article. It had been stated that the imported candles were made by people who received starvation wages. He had no intention of asking that the Victorian operatives should be put in that position. He maintained that the cost of transit of tallow to London or Belgium, together with 1d. per lb. duty on the imported candle, should be sufficient to give a fair margin of profit to the local producer and enable him to pay a fair rate of wage to his workmen. If a manufacturer did not do that it meant that his heart was not in the right place. Did the candle manufacturers ever consume one ton of colonial produce in their works? The chairman of the Coal Creek Company had informed him that they did not use one ton of colonial produce per annum; yet these were the men who were sneering at every colonial production except their own. If colonial manufacturers were forced to make a better article, they would be obliged to employ more labour; they would then be conferring a benefit on the working men, while the whole of the colony would also be benefited. He (Mr. Burton) submitted that the miner, in common with all other colonists, was quite willing to be taxed in any direction equally with other people who were taxed, but he was not willing that a special tax should be put upon the tools of his industry. When one of the representatives of Sandhurst said that 33 per cent. of the cost of working mines was involved in this matter, he told the truth. The cost of candles equalled 33 per cent. of the cost of working mines, notwithstanding the false information which had been circulated in pamphlet form in the committee.

Mr. LONGMORE observed that if he thought the vote which he proposed to give on that occasion would injure the candle industry, he would be the last man to give it. If he thought that the object in view was to help the candle manufacturers to rob the public, he certainly would not do it, but if he thought the fixing of the duty at 1d. per lb. would help them in competition with foreign manufacturers, as against the present rate of duty, he

certainly would vote for the proposed reduction to 1d. But up to the present his lights did not lead him to support the proposed reduction to 1d. He considered that the Government took a step in the wrong direction when they proposed to fix the duty at 1½d. It had been said that the Victorian-made candles were very much inferior to the imported article, but that was stated in regard to everything which was made in the colony. He was told recently of a lady who wanted an eider-down quilt; the tradesman to whom she applied did not happen to have an English one in his place of business, and she would not take a colonial one for the world. The shopkeeper ascertained from her the colours she desired the quilt to have, and got one made in the colony of the exact pattern she wished to secure. When the lady asked if the article was imported, and was answered in the affirmative, she took it; she was greatly pleased with it, and afterwards said that it was one of the best quilts she had ever seen. He (Mr. Longmore) was afraid that the same state of things prevailed in regard to candles. It had been said that the imported candles were greatly superior to the colonially-made candles, while there was only a difference of 1d. per lb. in favour of the colonially-made article. Honorable members ought to remember that they were fighting with the object of keeping the Victorian people employed, against those who wanted to make them a burden on good-natured people, who would have to feed or partially feed them. He believed that the free-traders would be willing to wipe out the industry next day in the interests of Flinders-lane. It had been represented that the best way to get a good article was to keep the price as near as possible at the point where the importer competed with the colonial article. The German steamer *Essen* came out to Melbourne not long ago and delivered 540 cases of candles while the duty was 2d. per lb., and it was now maintained that it would be no injury to the Victorian people to take 1d. per lb. off. He trusted that the committee would not allow the vote to go in the way it seemed likely to go by the influence of honorable members on the opposition side of the House. He was sorry that so many votes had been carried against honorable members on his (the Ministerial) side of the House, because the result would be that the Victorian industries would flag, and the

manufactories of the colony would be closed. The manufactory of Kitchen and Sons and the Apollo Company, of which so much was heard, had succeeded in gaining the advantage of a substantial duty. He objected to the people being robbed by the action of the free-traders and by the action of so-called protectionists—mud protectionists, who did not deserve the name of protectionists, and who ought to be spewed out of the mouth of all real protectionists. If genuine protectionists attended the sittings of the committee and did their duty such things could not be carried. The aim of certain honorable members on the opposition side of the House, with the aid of certain miserable protectionists on the Ministerial side of the chamber, was to do away with protection altogether as far as they could, and the duty of a true protectionist was to look after the industries of the colony. It was too plain that the industries of the colony were languishing, and why give the free-trader another opportunity of slaughtering an industry and of ruining three or four manufacturers?

Mr. McCOLL said that there was no item of the Tariff in regard to which he had felt it more difficult to make up his mind than the one now under consideration. He had gone through the whole of the evidence which was given before the Tariff Board upon this subject, and he must say that he rose from the perusal of it with his mind almost as undecided as when he began to read it. The whole of the witnesses examined were so strongly biased that it was necessary to receive the statements of both sides with a large amount of caution, and they were also animated by a great deal of personal feeling. Some of the statements made by the witnesses skirted perjury as near as could be imagined. One party stated that to reduce the duty on candles to 1d. per lb. would be to ruin the whole industry, while the other said the present manufacturers were making enormous profits. What were honorable members to decide as between the two parties? It was stated that there had been no combination, but the evidence distinctly asserted that there had been a combination. It seemed to him that there was a combination of some kind. He did not think there was a combination sealed, signed, and delivered, but he believed that there was an understanding between the three large factories that they would work together. The principal item in making good candles

was that of stearine. The manufacture of stearine required enormous capital, and where large capital was required the business must become more or less of a monopoly. He could quite understand the Minister of Customs when he said that it required very great consideration indeed on the part of the Government to enable them to arrive at a decision in regard to this question. It had been stated that there was a monopoly among the candle manufacturers. That was true, he believed, to a certain extent. When it was necessary to lay out an enormous amount of capital, as it was in this business, there would always be a tendency to monopoly. That was one of the things that they should set their faces very rigorously against; but, still, the very fact that a large amount of money had been expended in the establishment of the industry was a reason why they should be very careful how they dealt with it. He did not think there was any monopoly in reference to the price of the article, or that there was a ring. He had spoken to merchants in Bendigo who had business with the various candle manufacturers, and they had told him that the travellers who called upon them had cutting rates as against each other. There did not appear to be any combination for the purpose simply of keeping up prices, but the evidence went to show that there was a combination of another kind. The business had now got into the hands of three firms. In order to enable stearine to be converted into tallow an enormous outlay was required. It was said that Messrs. Kitchen and Sons had expended £50,000 on plant for the purpose of making stearine. So far as stearine was concerned these firms had a monopoly, and the result had been that the small candle-makers, both in Melbourne and throughout the colony, had been compelled to give up the making of candles of that kind simply because they were not able to get the stearine at a reasonable price. It was, therefore, a monopoly to that extent. It was also said in evidence that by reason of the candle industry being such a flourishing industry, and paying so well, the candle-makers who had entered upon the manufacture of soap were enabled to make the soap very cheaply, depending as they did upon the profits derived from the manufacture of candles. They were thus able to undersell the various other soap-makers of the colony, and in that way they were

tending towards a monopoly again; but, of course, honorable members had to look at the fact that this was really a native industry. The whole of the products used in the manufacture of candles were indigenous to the soil, and therefore the industry was deserving of much more encouragement than some of the other industries that had already been dealt with by the committee, such as the axle industry. Then they had to ask the question: How did this industry serve the people? It appeared that some 25 years ago the manufacture of candles was attempted under free-trade. It was then a failure. A duty was afterwards imposed upon candles and the industry then became a success. This was an instance in which protection could be pointed to as having been attended by good results, and as having led to the establishment of an industry. It had served the people well in this way also, that—unlike a number of industries which had had protection for a number of years, and which had not reduced prices at all—the price of candles had come down at least 50 per cent. There could be no question as to the quality of the candles. The industry employed labour in the colony, and the quality of the candles was fairly good. Merchants in Bendigo informed him that they were now getting excellent mining candles from the colonial manufacturers, and that they were perfectly satisfied with them. They also informed him that during the last ten or twelve years the price of candles had fallen from 9d. to 4½d. per lb., and from 1s. to 6½d. per lb. The miners were really the class of the community that was most interested in this question. All the other classes could afford to look at it with some degree of indifference, because they were not confined to the use of the one illuminant. The miner was confined almost entirely to this particular illuminant. He had to use candles of a certain quality, as common candles were of no use in underground workings where they were open to the wind, and they sputtered. Unless the candles were hard and good they were of no use for mining purposes. Yet the miners expressed no dissatisfaction at the price of candles, and there had not been throughout the colony any general outcry for a reduction of the duty as there had been in regard to the duties on some other commodities. Of course, every one liked to get his commodities as cheaply as

possible. That was human nature. (Mr. Lazarus—"What about the petition signed by thousands of miners that was presented to the House?") He would point out that the petition referred to did not relate simply to candles, but also to explosives, fuse, and other mining requisites. The miners expressed themselves as being very well satisfied with the candles with which they were now supplied. So far as the general community were concerned there was not much fear of any large monopoly in candles, or of very high prices being charged. If the prices of candles were high the general public could always fall back upon kerosene, which had become extremely cheap, owing to the discoveries that had been made in various places, and the price of which was not at all likely to be raised. Very handy lamps were also being made, and sold for 9d. and 1s., which could be filled with kerosene and used in place of the ordinary candlestick and candle. There was also another important factor that had to be taken into consideration, and that was paraffine wax, which was made from kerosene. Paraffine wax was now being imported into the colony, and it tended to cheapen the cost of candles. The honorable member for Sandhurst (Mr. Lazarus) asked what the poor people were to do. That was the answer. They had paraffine wax, and they also had kerosene which they could use, and which they were using largely to the exclusion of candles. The honorable member for Maldon stated that the manufacturers of candles would not deal directly with the purchaser; and, of course, that was the usual trade custom. But he would venture to say that if the honorable member would go to any of the factories and ask the price for 1,000 boxes of candles, he would be supplied with them without being required to go to any agent. If the honorable member would trust him (Mr. McColl) with a commission to purchase candles for him, he would undertake to get them at factory prices. (Sir John McIntyre—"Ask Mr. George Lansell.") Mr. George Lansell might not have gone himself to the factory. That gentleman did his business through other persons. If he would go to the factory with an order for 1,000 or 2,000 boxes of candles, he would be able to get a good reduction on the ordinary price. It had been stated that candles were a good deal cheaper in New South Wales than in Victoria. He did not know that they were much cheaper. They were a

little cheaper, and the evidence went to show that the reason of that was that there was more competition in New South Wales than in this colony. There was no doubt that a sort of happy-family combination existed amongst the candle manufacturers of Victoria which kept the price at a steady rate. There was one other fact that honorable members should not overlook, and that was that one of the largest proprietors of a candle factory in Victoria was also part proprietor of a factory in New South Wales, where candles were being sold more cheaply than in Victoria. That was certainly an argument for a reduction of duty to some extent. One of the witnesses, Von Mylius, made a somewhat extraordinary statement. He said that a person could go to Melbourne and buy a consignment of candles, and he could say that so many boxes were for Wodonga, and so many boxes were for Albury. He could take them up by the one train. He could put the Wodonga consignment off at Wodonga and carry the other consignment on to Albury. The Albury consignment he would get at 2d. per lb. less than the Wodonga consignment. (Mr. Bennett—"That took place ten years ago.") The statement was an extraordinary one, and it was received with some amount of incredulity by the Tariff Board. The witness was asked to substantiate his statement. He (Mr. McColl) looked through the appendix to the Tariff Board's report to see whether he had sent in any communication on the subject, but apparently he had not done so. He was therefore not inclined to attach much value to this evidence. The paraffine makers were strongly in favour of a reduction of the duty, but they also made another proposal. They said—"Let the duty remain as it is, and put 1d. a lb. excise on the candles." What would be the result to the consumer if that were done? The consumer would not benefit, because the one duty would simply counterbalance the other. The consumer would really be the person who would suffer. It was a pity that the committee had not dealt with the article of paraffine before taking up that of candles. The ground would then have been cleared. In the other colonies the duty on paraffine wax was as follows:—In South Australia, 1d. per lb.; in Queensland, 25 per cent.; in West Australia, 5 per cent.; and in New Zealand, 1½d. per lb.; whilst in Victoria, New South Wales, and Tasmania it was free. The

Mr. McColl.

duty on stearine in South Australia was 1d.; in Victoria, 2d.; in New South Wales, 1d.; in Queensland, 1½d.; and in New Zealand, 1½d. per lb. In West Australia and Tasmania stearine was free. The duty on candles in South Australia, Victoria, Queensland, West Australia, Tasmania, and New Zealand was 2d. per lb.; and in New South Wales, 1½d. per lb. The duty now proposed by the Government was 25 per cent. less than the duty in any of the other colonies, with the exception of New South Wales. With regard to the various contradictory statements that had been made in reference to candles, it was a pity that the Tariff Board did not probe them to the bottom. The Government might themselves have done that, and have been prepared to have given the committee some explanation of these matters. The information that honorable members required had not been given to them, and they had been left to form their own conclusions. There was no doubt that a reduction should be made, and the whole of the circumstances would be fairly met by reducing the duty to 1½d. per lb. up to the 1st of January, 1897, and to 1d. per lb. from and after that date. The industry was a large one, and he would not like to see it ruthlessly cut into at once. But he thought the proposal he had indicated would be a reasonable one. It would make the duty in this colony 25 per cent. less than the duty in all the other colonies except New South Wales, and it would bring the duty on to a level with that of New South Wales. The manufacturers would then recognise that Parliament had had the whole thing under review, and they would know what they would have to look forward to. If they did not continue the manufacture of candles they would be able to extend the manufacture of stearine, and to sell to the small makers. They could also enter into other branches of the industry. It was his intention to vote for the proposal of the Government, but to ask that the words "and on and after the 1st of January, 1897, 1d. per lb.," be added.

Mr. HANCOCK said it was quite refreshing to hear a speech like that which had just been delivered from the opposition benches. At last the truth seemed to have penetrated even into that quarter. The speech was doubly gratifying when it was remembered that the honorable member for Gunbower was Minister of Mines in the late Government. Although he did not agree with the honorable

member's whole policy, he had never heard a word said against his administration of the Mines department. He did not say this simply because the honorable member intended to vote for a proposal that he (Mr. Hancock) was in favour of. He was the more pleased to hear the honorable member's remarks, because the principal opposition to the proposal of the Government came from one of the members who was supposed to represent the mining industry. He was not at all surprised at the attitude assumed by the honorable member for Sandhurst (Mr. Lazarus). He would have been surprised if the honorable member had taken any other course. Any gentleman who was a mine-owner, or who made his money out of mining, would try to reduce his expenditure as much as he possibly could. That was only natural; but he was surprised to find the honorable member for Stawell (who he was under the impression was a member of the labour party, who he had always believed belonged to a party that was pledged to support a policy of protection, and above all things to endeavour to secure as much labour for the working classes as possible) recommending in an insidious way a policy which must end in the annihilation of a most important industry. It might be contended that so small a reduction of the duty would mean very little. It had, however, been frequently pointed out during the discussion that the competition among the candle manufacturers was so keen that there was a bare margin of profit left to them at the present time. But it now appeared that it was a crime—a newly invented sin—to invest money in any industry in this colony. A few years ago it was the rapacious and voracious working man who wanted to devour all the profits; now it was the monopolist—the man who by his enterprise had perhaps got an industry almost entirely under his own control. It was he who had committed the offence. In his (Mr. Hancock's) opinion any man who came to a country like this and invested his money in an industry should be protected right up to the hilt so long as protection was necessary. Honorable members were told that there was a ring among the candle manufacturers. The effect of the ring had been to lower the price of candles by 50 per cent. That was the offence. He had a very keen recollection of a number of gentlemen in Melbourne forming a coal ring. That was a ring of men

bound together to keep up the price of coal, and to prevent by all means, fair or foul, the development of the local coal industry. For years and years that ring held the people of Victoria in their clutches. By the development of the coal industry the price of coal had been brought down from £2 per ton to 14s. or 15s. per ton. The candle ring which honorable members heard so much about had had the effect of bringing down the price of candles by 50 per cent. (Mr. Carter—"How many years is it since coal was £2 per ton?") Coal was £2 per ton in 1890. (Mr. Carter—"That was at the time of the strike; and it has nothing to do with protection.") Coal was £2 per ton before the strike. A most extraordinary statement was made by the honorable member for Maldon. It was that the candle manufacturers did not deal directly with the consumers. Mr. Lansell's name was mentioned, and it was a singular thing that Mr. Lansell had dealt directly with the candle manufacturers. The invoices could be produced. At no time had it been impossible for any man who wanted to purchase a quantity of candles to go to one of the factories and obtain them. So far as the candle manufacturers were concerned, that had been the head and front of their offending, and the importers had complained because the manufacturers had not dealt directly with them. The importers had said—"The imported candle comes through us, and we make our profit on it; but you deal straight with the shopkeeper and the mine-owner, and the manufacturers generally." Honorable members could see now why the importers were so very anxious to crush out this industry and to make the public dependent entirely upon the supply of imported candles. The price of candles would then go up very rapidly. The mine-owners complained that the price of candles had been reduced since last February from 17s. to 14s. 6d. That was an offence. The honorable member for Sandhurst (Mr. Lazarus) said that if the duty were fixed at 1½d. per lb. candles would revert to their former price. There was no reason to suppose that that would be so, seeing that the imposition of the duty had had a downward tendency so far as the price was concerned. The honorable member for Stawell complained of the quality of the candles, and said that 21 of the best candles produced in Victoria had only the same illuminating power as twenty of the best imported candles. (Mr. Madden—

“That is a difference of 5 per cent.” If any proof was required of the excellence of the colonial article it was found in the fact that the manufacturers had been able to maintain so high a standard of quality. Although the industry had to compete against the best machinery and the capital of the old world, there was the fact that the Victorian candle stood in comparison with the imported candle as 21 to 20. The honorable member for Stawell did not mention the fact that there was a difference in price of 1d. per lb. in favour of the colonial manufacture. The mining industry and the poor miner had been dragged into this discussion again and again. This was not fair, seeing that the mining industry had received as much support as any industry in the country. No less than £100,000 a year had been devoted to the mining industry. He would have been very glad had the amount been £200,000, because that was a splendid industry. To unduly reduce or take away altogether the duty on candles would mean the throwing out of employment of something like 200 men, and such a state of affairs he could not contemplate without feeling a bit indignant. If the miners were really asking for the reduction in the candle duty he would certainly tell them at once that he considered they were very ungrateful. But the miners were not asking for the reduction. If they were to hold meetings throughout the mining centres they would not find the miners asking for cheap candles at the expense of starving out the candle-makers, unless, of course, they were packed meetings, and he knew it was difficult to pack any meeting in a mining centre. The miners had always been excellent protectionists, and were now, he believed, as ardent as ever in that direction. (Mr. Hamilton—“Oh, nonsense!”) He (Mr. Hancock) knew that not only in the mining districts, but in other parts of the country, certain gentlemen had tried to get into Parliament as single-taxers. When these gentlemen found they could not get in to Parliament as single-taxers they assumed the garb of protectionists, and, in some cases, even joined the labour party. Up to the present time, he was happy to say, he had received nothing but congratulations on the attitude assumed by the labour party; but he had never heard anything but condemnation of the attitude taken up by the renegade members of the labour party. (Mr. Hamilton—“Who are they?”) He

Mr. Hancock.

would leave that to be answered by the honorable member for Sandhurst (Mr. Hamilton), who knew to whom he referred. “Let the galled jade wince.” Above all things, the committee must be careful of the single-taxers in any shape or form. The single-taxer cropped up on both sides of the House, and there was no class of politician more unreliable. Single-taxers were found voting for free-trade and associated with men who would blush to be seen in their company when it became known what they really wanted, namely, the single tax and confiscation. Candle-making was a natural industry, and if the committee closed up the factories they took upon themselves a very serious responsibility. Time after time he had invited honorable members to visit the candle manufactories. If he were a native of Victoria he would be proud of the success of this industry. Honorable members on both sides of the House had visited some of the establishments, and, like himself, were astounded by their magnitude and completeness. There was the most modern machinery employed, and he felt perfectly sure that if there was an industry in this country that in a little while would be able to throw off protection altogether it was the candle industry. The costly machinery employed showed that money had been invested in the industry, and people ought not to be asked to so invest their money if unreasonable reductions in the duty were to be made. As to the ring which was alleged to exist, he had already mentioned in the House that on one occasion, when a party of gentlemen were visiting a candle factory, a rival manufacturer was not permitted to enter. This was not a theatrical affair. The party at last managed to get this rival manufacturer allowed a seat by the side of the fire at the gate of the factory. That incident would show the committee whether there was any friendliness amongst the manufacturers. Unanimity in the prices charged was no proof of the existence of a ring. To whatever line of business they turned they found one or two firms regulating the prices. Every now and then a firm attempted to cut prices down, and then came undercutting and internal competition, which, at the present time, had brought most disastrous results on some of our industries. He sincerely hoped the very moderate proposals of the Government would be accepted. The honorable member for Gunbower had pointed

out that the committee were being asked to adopt a lower rate than that existing in any other colony, and the committee had also heard the honorable member for Hawthorn appeal to the honorable member for Sandhurst (Mr. Lazarus) to withdraw the proposal to have candles admitted free. Surely that was sufficient testimony for any man who felt inclined to act in justice to the candle-making industry. It would be a monstrous thing to strike out the 1d. and ruin a large number of men who had interests in this country, and who were of the very class who ought to be coaxed to these shores. They wanted hundreds of men of that kind. To treat our manufacturers in the way suggested by the honorable member for Sandhurst (Mr. Lazarus) would prove one of the heaviest blows to the credit of this country. It was highly probable that members on the opposition side of the House would vote for the motion of which the honorable member for Gunbower had given notice, to the effect that at some future date the duty should be reduced to 1d. per lb. It was only fair that good notice should be given to the manufacturers, and if the honorable member fixed 1898 instead of 1897 as the date on which this further reduction should come into effect he would give the proposal his cordial support.

Mr. McLELLAN stated that impartial judges, who had been as long resident in the colony as himself, had declared to him that with a duty of 1d. per lb. the local candle manufacturers would not only thrive but make large fortunes in a very short time. If those large fortunes could be made elsewhere, why should they not be made in Victoria, where the raw material of the industry was so abundant and cheap? If the honorable member for Footscray was really anxious to assist the poorer classes of the colony and also the mining industry, he would not for a moment propose to put a high duty on candles. The mining members were generous to a fault in consenting to vote for the duty of 1d. per lb. on this article. The Tariff Board had declared that they saw no reason whatever why there should be any duty at all on candles. That evidence was all honorable members required, and the committee, if it desired to act fairly, would be guided by it. To tax the mining industry and the poorer classes throughout the country merely to make rapid fortunes for three

or four individuals was simply monstrous. He had nothing to say against the candle manufacturer or any manufacturer in the colony. It had been and still was his ambition to encourage manufacturers here, but in doing that let them do justice to all classes. On the gold-fields now a large number of men were following only a poor pursuit, and this item of candles was in itself of great concern to them. Why should the article be made dearer to them than there was any necessity for? If the local manufacturers were allowed a fair price, and were so far encouraged as to be able to compete with the foreign article, the committee had no right to impose any further taxation on the consumers. All that was desired was that the miner, the labourer, the shepherd, the farmer, and the consumer generally should have a fair article at a fair price. They were told that the manufacturers were monopolists to a great extent, but they must not believe everything they heard about men's characters in this country. There were opponents in business who would say anything in disparagement of a man's character, no matter how honest that man might be, or how sincere in carrying on his business to the advantage of the community. He would vote for the amendment of the honorable member for Stawell or for the amendment of the honorable member for Maldon. Honorable members in the Ministerial corner advocated the interests of monopolists on every occasion, and if there was a capitalist they could assist, they jumped to his assistance. They had no consideration for the miner or the poorer classes, all they seemed to desire being to enable three or four immensely rich men to make still more colossal fortunes. Honorable members should look to the working classes outside Melbourne. The men who walked down Bourke-street dressed in broadcloth were not working men, the real examples of which were to be found amongst those who, with their coats off, worked hard from morning till night in order to make a bare livelihood. All that he desired to do was to act fairly to the candle manufacturer and to the consumer alike.

Mr. BEAZLEY observed that if a statement which had just been made to him was correct—and he believed it was—as to the quantity of candles used by each miner per week, then the present discussion seemed to be a case of much

ado about nothing. He was informed that each miner used about 2 lbs. of candles per week, so that if the miner paid the whole of the extra halfpenny it would only mean 1d. per week. He did not believe, however, that the miner would pay the whole of the extra amount, but from his knowledge of the action of miners in the past, he believed that if they were consulted they would be quite willing, if necessary, to pay the difference, which was small, in order to help their fellow men to get work. What the committee had to consider was on what the Tariff Board based its recommendations, and what were the arguments used in that committee to either confirm or alter the recommendations made by the Government? The honorable member for Richmond (Mr. Bennett) had given a very clear statement as to the value of the evidence of the two gentlemen who influenced to a large extent the recommendations of the board. A startling statement was made by one witness that candles could be purchased 2d. per lb. cheaper in Albury than in Wodonga. The witness gave this statement as coming from a gentleman who knew what he was talking about. The gentleman who gave the information to the witness had been interviewed since, and he said that the statement he made was literally correct—that the difference between the price of candles in Albury and in Wodonga was at one time 2d. per lb.; but, he added, that was ten years ago. (An Honorable Member—"Thirteen years ago.") He was now informed that it was thirteen years ago, but that difference was immaterial. The two men who gave this evidence were unsuccessful and disappointed tradesmen themselves. They had attempted to make candles, and failed, and they gave this misleading evidence either wilfully or without knowing properly what was true. The honorable member for Maldon had made the statement that Mr. Lansell was not able to buy candles direct from the manufacturer. Now, he (Mr. Beazley) had in his hand a book which had been sent for and brought to the House since that statement was made by the honorable member for Maldon, and the book showed that there were dozens of mine-owners who were buying direct from the manufacturer. (Sir John McIntyre—"Do you see Mr. Lansell's name there?") He could see Mr. Lansell's name over and over again. Amongst the mines supplied direct from the manufacturer were

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Chalks No. 1, Chalks Freehold, Hustlers Royal No. 2, Confidence Extended, New Chum Railway, Princess Dagmar, Pearl, Shamrock, Lansell's Comet, Great Extended Hustlers, Lansell's 180 Mine, North Red White and Blue, Lansell's Sandhurst, and a number of others. The book he was quoting from was the ledger of one of the candle manufacturers who was thus, to a large extent, disclosing his business, but who thought it necessary, in the interests of fair play, that the information should be supplied to the committee. The book showed that the information on which members were supposed to base their votes was not always correct. (An Honorable Member—"Lay the book on the table.") It was unfair to ask that the book should be laid on the table, for it was the private ledger of a large manufacturer, but any member could look at the book if he so desired. The honorable member for Sandhurst (Mr. Lazarus) stated that in February this year the price of the candles supplied to the mines was 17s. per box, and that manufacturers, knowing there was to be a revision of the Tariff, reduced the price in order to influence the votes of members in their favour. The ledger he had in his hand showed that in February, 1895, the price of the candles supplied to the mine-owners direct was 16s. per box for ordinary quantities, and 16s. 3d. per box for smaller quantities, and off those prices 2½ per cent. was allowed. (Mr. Lazarus—"These are the prices of one candle factory.") The prices of candles supplied in very large quantities to a large number of mine-owners. The honorable member for Sandhurst (Mr. Lazarus), when he made the statement referred to, did not say there was any manufacturer supplying at less than 17s. per box. (Mr. Lazarus—"I spoke of the candles generally used.") If the names of the mines in this ledger were correct, the prices he (Mr. Beazley) had given were the prices of candles that were very generally used. This also refuted the statement that there was a ring in the candle trade. The honorable member for Sandhurst (Mr. Lazarus) now said that there was one manufacturer supplying candles at 16s. and 16s. 3d. per box, and others supplying candles at 17s. per box. If that were the case there could be no ring amongst the candle manufacturers. The 2½ per cent. allowed off the prices he had quoted brought down the price of candles another 5d. per box, which

further went to prove that the statements made in this connexion by certain honorable members were not correct. (Mr. Carter—"What is the price now?") The price now was about 15s. As to the statement that the locally-manufactured candles were inferior in quality, the honorable member for Gunbower, who had taken an active interest in mining, and knew exactly what he was talking about, told them that the price of the article was now 50 per cent. lower than it was before the duty was imposed, and that the quality of the articles was now first-class. The honorable member for Stawell told them that the quality was not first-class. (Mr. Burton—"Not so good as it used to be.") There were some candles in the chamber which mining members, who understood the matter, could see for themselves. He did not pretend to understand anything about them, but he was assured that the candles he referred to were equal to any that could be made in the world. The candle which he held in his hand was sold at 15s. per box in the market. (Mr. Carter—"Then the Tariff discussion appears to have reduced the price.") The Tariff discussion had not had that effect. It was the reduced price of tallow that had caused the reduction in the price of candles. (An Honorable Member—"But tallow has gone up in price.") The fact remained that they had the honorable member for Gunbower, who was deeply interested in the industry of mining, saying that the price had been reduced by 50 per cent.; and this bore out the statement supplied to him (Mr. Beazley), showing that the effect of the Tariff had been to gradually reduce the price of the article. And now they had direct and uncontradictable evidence that the article was really good. The principal argument used in favour of the reduction of other protective duties was that they had the effect of causing the manufacturers to make shoddy, and also that they led to the employment of cheap and sweated labour. But in the candle industry the article was first-class, and the price paid for labour was also first-class. If there was any industry that ought to have the very earnest support of every member of the House it was this particular industry. As he had said before, even supposing all this extra taxation came direct on the miner, it would only affect him to the extent of 1d. per week. (Sir John McIntyre—"That is 4s. a year.")

Even supposing it did mean 4s. a year, which it did not, he was sure that the miner would be quite willing to pay that amount rather than see starving men walking about the streets of Melbourne and the suburbs. He would go further than that. The miner had a fair amount of intelligence, and if any one asked him if he would be willing to pay 4s. a year in order to keep the candle-makers in work, he would say that he was quite willing that a duty should be imposed on imported candles, but that he knew he would not be called upon to pay anything extra whatever. He (Mr. Beazley) sincerely trusted that the committee would do justice to the people employed in this industry.

Mr. SANGSTER observed that there was one matter which he had not heard touched upon in the course of this discussion, and he would like to allude to it. It had been repeatedly stated that as the raw material of the candle-manufacturing industry was in the colony, the Victorian candle-makers should not require any protection—that the fact that the tallow had to be sent home to the old country, made into candles, and sent out here again ought to be quite sufficient protection. That was an argument which would hardly carry weight with intelligent men. If the workers of Victoria were prepared to work for the same wages as the people of the countries where candles were made it would be a fair argument, or if the Victorian candle manufacturers had a colonial market for the by-products got from the tallow in making the stearine it might be considered a fair argument; but those by-products were not saleable here, and consequently the Victorian candle manufacturers had to lose on the by-products to a very large extent. Honorable members, and especially country representatives, should remember that if candles were not made here they would, perhaps, not be made from tallow at all. To a very large extent palm oil was used instead of tallow for making stearine in European countries, because it produced more stearine to the ton than tallow, and it was about the same price in Europe as tallow was here, besides which the European candle manufacturers had a good market for their by-products. He was told that if he went to buy a 1-lb. packet of Russian Nevas, he would have to pay 15d. They were not one bit better than the candles made here. He went to

a shop and asked for 1 lb. of those candles, and was charged 1s. He had in his hand a packet of Mowling's stearine candles, and any honorable member could take one from each of those packets and ascertain for himself by actual experiment that he could get the same lighting power from Mowling's candle as he could get from the other, and that it would last as long as the other. (Mr. Murray Smith—"Then they don't need any protective duty.") That did not follow. He (Mr. Sangster) could not tell the difference between the two candles at sight, except that Mowling's candle was a little bit whiter than the other. Honorable members had been told that they should consider the miner, and that miners had to pay more for their candles nowadays, although every one knew that the miners of the colony were getting their candles 50 per cent. cheaper than they did before the candle factories were established here. The committee had been told by the honorable member for Ararat that as soon as any capitalist entered the field honorable members in the Ministerial corner rushed to his assistance. Well, they knew, unfortunately for themselves, that if a man who had invested his money in an industry was not getting some return for it he would very soon drop that industry, and consequently a number of men would be thrown out of employment. They also knew that the manufacturer who launched out in the way of building a new factory and putting in new machinery had to pay to the bank from which he borrowed money a far larger amount of interest than manufacturers had to pay in the old countries of Europe, probably twice as much. Therefore, the Victorian manufacturer was handicapped in every direction—he had to compete against the cheaper money, cheaper labour, and equally cheap material obtained by the manufacturers in the old country. The miner was not the only one who used candles. The whole community used candles more or less. A very much cheaper candle than either of the two he had exhibited to the committee was used in the households of the colony. He now held in his hand samples of candles obtainable at from 4d. to 6d. per lb., and the paraffine candle was cheaper still. Some honorable members had expressed great anxiety for the welfare of the working man, but what was the good of giving the working man a cheap candle if he had got

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nothing to buy it with. There were hundreds of men employed in consequence of the establishment of the candle-making industry here. The very cheap candles that the working people used were not imported, and could not be imported if there was no duty on candles at all, because those cheap candles were made so soft that they would melt in the course of the voyage from Europe, and would be almost useless when landed here. Therefore, even if they reduced the duty on candles they would be in the hands of the local manufacturers still, and if the local manufacturers could not make a profit on the higher-priced candles they would make it on the lower-priced candles. (Mr. Burton—"Tax the mining industry, and let all others go free.") The honorable member for Stawell knew very well that the miners were getting cheaper candles now than ever they got, but he stated that they were not so good as they used to be, whereas experts declared that they were as good as any candle that was made anywhere. The proof was in the use of the candles. He had heard many miners say that Victorian-made candles were just as good as any of the imported candles, and it was simply a question of whether candles should be manufactured here or imported from abroad. Were the people of this colony to manufacture the Victorian tallow into candles, or let the tallow fall in price, and let palm oil be manufactured into candles in Europe and sent out here? Honorable members in the Ministerial corner who claimed to be representatives of the working men were told that they could not possibly understand the working men, but the sympathy for working men of those who had criticised the labour representatives in Parliament did not extend beyond empty expressions of their sympathy when they were on the top of the hill looking down on the working men struggling in the gutter. (Mr. J. S. White—"And some try to keep the working men in the gutter when they are there.") He knew that very well, and some even tried to put the working men lower down still, and told them to their face, whenever the opportunity occurred, that they must go back. They had done it repeatedly in public and in private. Their great sympathy for the workers consisted in getting the workers in their power, and then tightening the yokes round their necks. (Mr. J. S. White—"You are talking to your constituents.")

No, he was addressing the committee. It had been urged that if the duty on candles was reduced by 1d. per lb., the miners would get their candles 1d. per lb. cheaper. But if that followed, the difference must of necessity come off the remuneration of the workers; and the question was whether they were to pay the workers of this colony to make candles out of the tallow produced here or send the money away to pay the cheaper labour in other countries to make candles out of palm oil.

Mr. TRENWITH said the question had been argued from two points of view. The principal objection to the present duty was that it was a tax upon the miners. That was the burden of the argument they had heard. Incidentally there had been a declaration that the duty was also a tax on the agriculturists. Those were the two strong reasons that were urged in favour of reducing the duty in the direction proposed. The honorable member for Stawell gave another reason, but disproved it himself. He stated that the locally-made candles were not so good as they used to be; and urged that something should be done to stimulate the Victorian candle manufacturers to make better candles than they did; also that the candles of twenty years ago were better than the candles of to-day, and that practical miners were aware of the fact. He (Mr. Trenwith) ventured to suggest that there might be a reason for the apparent difference in quality, namely, that the candles of twenty years ago were not burned in the very deep mines in which the candles now produced were burned, and that the ventilation in the shallower levels was better, the temperature very much cooler, and, therefore, it was highly probable that the candles would last longer in those days than candles did now. The honorable member for Stawell proved that there was no great difference between the candles made here and the best of the imported candles. He stated that the best imported candles were only as 1 in 21 better than the candles made in the colony, thus showing that the best candle in the world was not much better than the candle made here. Out of his own mouth, therefore, one of the honorable member's contentions had been disproved. The honorable member for Maldon said the miner could not be protected by any means that Parliament could devise, and yet he was taxed to support the local candle-making industry. With all due deference he (Mr. Trenwith) ventured to say that the

miner was and had been for many years protected very highly, and deservedly so, and he hoped that the miner would be similarly protected in the future. To start with there was a special law in this colony providing that the miner should not work underground more than eight hours a day. That protective legislation had enabled the miners to combine in a degree that no other labourers in the colony had been able to combine. Hence, miners' wages had been maintained in a way that the wages of other classes of workers had not been maintained. (Mr. Sterry—"No other section of the community works half so hard as the miners.") He admitted that the miners deserved protecting. He had pointed out one way in which they were protected from the cruel grinding competition of excessive hours of work which prevailed in other departments of labour. The eight hours law was made imperative in the case of miners. (Mr. Murray—"And cannot be evaded by the miners.") No, because it was an offence on the part of a miner to remain underground more than eight hours a day. That had enabled the miners more than anything else to keep up their compact and perfect trades union, of which he (Mr. Trenwith) was so proud. The mining industry had done an immense amount of good to the colony. That was indisputable; but the industry had been very largely maintained, particularly in recent years, by capital from sources outside the mining industry, and largely by the capital of people who worked in, and of persons who invested in and owned, the factories in the cities and towns of the colony. Therefore, protection to the candle-making industry and protection to other industries were incidentally protection to the mining industry, because it furnished the sinews of war by which mining could be more largely carried on and mines could be more successfully developed than would have been the case had the mining industry rested entirely on its own resources. Again, the mining industry had received immense sums of money out the general revenue. He was glad of that fact, and, as far as he was able, he would support all national efforts for the development and extension of the mining industry. He did not mention these things as things that ought not to have been done, but merely to show that the mining industry had been largely protected at the cost of the general taxpayer,

and, he believed, to the benefit of the general taxpayer. He was not saying that there was any harm in it. The duty on candles, however, was not a tax on the mining industry, and it had not been prejudicial to the mining interest. The general miner, the man who worked the long hours of which the honorable member for Ararat spoke, was as a rule a manly courageous generous-hearted fellow, and anxious to see other working men live as well as himself. If Parliament threw open the ports of this colony to the candle-makers of the world the candle-makers in this colony would have to compete with men who worked as many hours per day as they could keep at work, and he did not believe that the miner who enjoyed the protection of the eight hours law, and would like to see it extended to other working men, wanted to have the working men of this country thrown into competition with the long hours of workers in other parts of the world. And that would be the effect of making any reduction in the duty on candles calculated to lessen the local output. Honorable members who had been urging reductions of duties, and the journal which advocated their views, had repeatedly asserted that more revenue would be got from lower duties. (Mr. T. Smith — "What does that mean?") More revenue from lower duties must mean more importation, and more importation meant less employment in those particular avenues of local industry. Therefore, if lower duties were imposed, and the result was an increase of revenue from the Customs department, the reduced duties must injure the local industries. Now, he did not think the miner desired to see the importation of more candles from abroad. The honorable member for Stawell who, he was sure, was anxious to do what was right and fair was, in his opinion, in error in advocating a reduction of the duty on candles in the interests of the miners. His (Mr. Trenwith's) opinion was that the reduction of the duty would operate to the disadvantage of the miners. It would lead, in the first instance, to the miners getting worse and dearer candles, and also to the occupation of mining being rushed to a larger extent by people who would be crushed out of other avenues of industry, and the miners would have more difficulty in keeping up the relatively high standard of wages that they had been able to maintain. No standard would be high enough to compensate the miners for

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following such a laborious and dangerous occupation. It was therefore short-sighted policy to advocate a reduction of the duty on candles in the interests of the miners. With reference to the price of candles the honorable member for Sandhurst (Mr. Lazarus) had stated that candles quoted in February last at 17s. per box were now obtainable at 13s. (Mr. Lazarus—"No, 14s. 6d.") When he (Mr. Trenwith) asked the honorable member what brand of candles that applied to, he was not prepared to say. The honorable member's statement and recollection of the matter were utterly useless for the purposes of this discussion in the absence of information as to what particular candles he was referring to, because there were candles and candles. (Mr. Lazarus—"I spoke of the candle usually used by miners.") The honorable member's own confession proved that he did not know what sort of candles they were. Now, the facts in reference to the price of candles were as follows:—In 1885 candles were sold at 7·77d. per lb., in 1890 at 5·75d., in the early part of 1895 at 5·56d., and since then they had fallen to 5·17d. (Mr. Sterry—"What sort of candles were those?") They were the average candles. (Mr. Sterry—"That is what the honorable member for Sandhurst meant.") The honorable member for Sandhurst did not say he was alluding to average candles—he said he did not know what sort they were. In 1885 mining candles were sold at 8¼d. per lb., in 1890 at 6¾d., in the early part of 1895 at 5¾d., and at present they were 5½d. per lb. The cheapest household candles in 1885 were 6½d. per lb., in 1890 5½d., at the beginning of 1895 4¾d., and at the present time 4¼d. per lb. The honorable member for Sandhurst laboured to show that a specific reduction in the price of candles had taken place since the Tariff discussion commenced, but the figures he (Mr. Trenwith) had quoted clearly proved that the reductions had been regular over the periods named, and that they were continually taking place. Another point had been endeavoured to be made in connexion with this matter. It had been stated that there was a ring, and that statement was evidently based on the fact that there was a coincidence in the prices of candles from the various local manufactories. Surely that was not sufficient evidence to contradict the sworn statements of those who ought to know the facts. The people engaged in the candle

industry declared that there was no such ring. It might as well be alleged that there was a bakers' ring because the price of bread supplied by different bakers was the same. Prices were raised and lowered according to circumstances. For instance, if a baker in one street reduced the price of his bread from 5d. to 4½d. per loaf, another baker in a neighbouring street immediately reduced his bread to 4½d per loaf. Then there was a perfect coincidence in prices, but the reason was that one of the bakers was trying to take the other baker's trade. The fact that there was not a ring was proved by an interjection of the honorable member for Sandhurst (Mr. Lazarus), who, when the honorable member for Collingwood (Mr. Beazley) was quoting prices, exclaimed—"Aye, but that is only one manufacturer." Evidently the honorable member was off his guard when he made that interjection, which clearly showed that he did not believe there was any ring among the candle-makers, and that one candle-maker was selling cheaper than others. There was another strong point he desired to urge on country members—and here he might say that he exceedingly regretted the use of the terms country members and town members and gold-fields members. The honorable member for Ararat made a great parade of being a gold-fields representative. (Mr. McLellan—"I did not mention gold-fields.") Then he must have heard the honorable member inaccurately, and he apologized for mentioning him in this connexion. However, he thought it was a mistake that honorable members should speak of themselves as gold-fields members, country members, and town members. They were all Members of the Parliament of Victoria, and their first, highest, and only object should be the well-being of the whole community. The country members claimed that the duty on candles was a tax upon the agriculturists, but he was confident that they could not have thought of all the surroundings of the case or they would see that to strike out the duty on candles would impose an extremely heavy tax on the agriculturists. (Sir James Patterson—"How?") The agriculturists, graziers, and farmers depended, to a considerable extent, for their income on the sale of stock; and tallow, which was the prime factor in the production of candles, was part of their stock. It was essential to them, in order that a good market might be obtained for their stock, that

competition for their stock in every stage should be as keen as possible. One stage for one portion of their stock was the tallow market. There were very few buyers of tallow for export, and if there was no local competition those buyers could easily form a ring—arrange a knock-out, it was called—to get the tallow at their own price. (Mr. Murray Smith—"Nine-tenths of the tallow bought here is for export.") That was quite correct. The circumstance that there was local competition, although only to the amount of one-tenth, was one of the factors in keeping up the price of the tallow which the farmers and graziers had to sell. The farmers and graziers sold, in the first instance, to the butcher, who was actuated by considerations as to what the wool on the sheep would yield to him, or what amount of meat a beast would yield to him. If anything happened that reduced the cost of tallow, the price which the butcher could give to the farmer would be reduced in consequence; so that to knock off the duty in question or limit the output of Victorian-made candles would be a serious blow to the people who had stock for sale. It had been estimated by a person who was competent to form an opinion that if a fall of ½d. per lb. in the price of tallow took place the farmers and graziers of the colony would lose £75,000 per annum. Supposing a reduction of ¼d. per lb. took place, the loss would be over £30,000 a year. The tax which was paid on candles did not amount, at most, to more than £1 a week, and that was nothing like the loss which would accrue to them if this factor were removed. He would appeal to the leader of the Opposition and honorable members sitting on his side of the House, who claimed that Victoria should make her Tariff in accord with that of the other colonies to facilitate the accomplishment of federation. No person desired the advent of federation more than he did. He felt that this continent could never begin to achieve its proper destiny until the arbitrary lines by which it was divided were wiped out. The item under consideration was one which affected the federal argument, and he urged honorable members to make the duty as high as the Government proposed. There were seven colonies in Australia, including Tasmania, all of them having duties upon candles. The federal argument was that out of these seven colonies six had a duty of 2d. per lb.

on candles, while New South Wales—the seventh colony—had a duty of 1½d. per lb. (Mr. Murray Smith—“Then 2d. is the federal duty?”) Yes. People who said that they were protectionists, but not prohibitionists, maintained that it was desirable to reduce the duty to a smaller amount in Victoria than that which was collected in any other colony of the Australian group. (Mr. Burton—“That is a new light.”) At any rate, it had the advantage of being a true light. (Sir James Patterson—“Explain about the Tariff Board’s report.”) That report had been discredited in every quarter. Every member of the board had deserted it; therefore he hoped that nobody would lean upon the recommendations of the board’s report. He deserted it before it saw the light at all. He felt it to be a mere hotch-potch, and that its conclusions had been arrived at without regard to any principle, but as the result of a sort of tug-of-war between the two sides—one side trying to get as high duties as possible imposed, and the other as low duties as possible—while utterly disregarding the evidence given in connexion with the several questions. Under these circumstances it might be just as well to throw the board’s report away. The members who drew it up did not agree with it, and under the circumstances it was not worth mentioning as a factor in the argument now before the committee. The assertion that the Victorian-made candles were not good was disproved by the people who made it. The assertion that the miners were not protected was disproved by all the facts of the case, which showed that the miners were deservedly, but still highly, protected. The miners were protected, because protective duties had opened up avenues of employment for their children which they would not otherwise have had. (Sir John McIntyre—“The same thing has been done for the children of the people employed in other avocations.”) That was so, but it had not been urged that that had not been done for other people. (Sir John McIntyre—“The miners’ produce—gold—has improved in value, while the produce of the other people has not improved in value.”) The interest of the miner had been greatly enhanced, because opportunities of obtaining employment had been greatly extended by the assistance which was continually given by the rest of the community to the mining industry. He (Mr. Trenwith) was very

Mr. Trenwith.

proud that it was so, and he maintained that the people who were claiming on behalf of the miner that he should be specially exempted from taxation were not acting fairly, but were placing him in a position of meanness which he would resent if he had the opportunity of speaking. The point that the duties in the neighbouring colonies were higher than those proposed by the Victorian Government was one that ought not to be overlooked. There must be some reason why these duties were as high as they had been. Certain honorable members had declaimed against what they described as “polar bear” industries, tropical industries, or such industries as were not indigenous to this country. Those gentlemen said they did not mind protecting the natural industries, and that was urged as a reason why there should be no protective duty on axles, there being no iron mines in the colony of Victoria. If that was a valid reason for objecting to a protective duty on axles, it ought to be a reason for maintaining a protective duty on candles; because, if there was any industry under the sun which could properly be described as being indigenous to this colony, it was the candle industry, which from the start to the finish—from the grass which was grown for the cattle to the completion of the manufactured candle—was all colonial. The reason why the protective duty on candles should be maintained was that it led incidentally to the production of several other articles which were articles of export. It was the duty of the Government to provide avenues of production which would enable the people to send goods abroad. If they sent tallow abroad they sent a crude unmanufactured article, upon which little or no labour was employed; but in producing stearine, oiline, glycerine, pitch, and several other by-products which had to be exported in a highly manufactured state a large amount of labour was employed. That should weigh with those who were continually urging that it was of no use to rely upon Victorian markets, and that it was necessary to rely upon the markets of the world. In fostering the candle industry, while relying upon the Victorian markets, the people were enabled to send goods abroad and obtain money or other goods which could not be produced in the colony in return. He hoped that honorable members would bear these important points in mind, and that

they would remember that this candle-making industry employed an immense number of people. The honorable member for Stawell had quoted from the *Statistical Register* to show that the number of people employed in making soap and candles was 440, but the *Statistical Register* missed many people. Every one knew that ordinary soap was very slightly removed from crude tallow, and he (Mr. Trenwith) thought it highly probable that 40 men could make all the common soap which was manufactured in the colony. That would leave the number of men employed in the manufacture of candles at 400. (Mr. Carter—"If you shut out kerosene you can double the number.") The honorable member for Melbourne was resorting to a method of argument which was popular with people who found themselves gravelled for lack of matter, and wished to reduce things to an absurdity. If the gasworks were shut up there would be more candles still manufactured. (Mr. Carter—"The honorable member himself did that.") It was not true that he had any hand whatever in shutting up the gasworks; on the contrary, what influence he had he used against that course being followed. (Mr. Carter—"I withdraw.") He (Mr. Trenwith) was told that approximately the annual expenditure in connexion with the candle industry was between £200,000 and £250,000, and that 4,000 tons of locally-produced tallow was worked up into stearine, oiline, glycerine, and other things every year, while £40,000 per annum was paid in wages. A considerable amount of that sum of £40,000 went to the developing of the mining industry, and incidentally gave employment to a large number of men in other directions, such as engineers, wheelwrights, and people who must be employed in connexion with any large producing interest. Yet all these important interests were threatened by the proposal to reduce the amount of protection enjoyed in Victoria below that of any of the other Australian colonies, not excluding free-trade New South Wales. Surely honorable members who claimed to be protectionists could not reconcile that claim with the declaration that they would reduce duties below the amounts adopted in the surrounding colonies! It was now proposed to make the duty on candles what Mr. Reid, in introducing his Tariff in Sydney, declared to be the old free-trade duty. Mr. Reid, in speaking, some

short time back, of knocking down the duties stated that candles would in future be subjected to a duty of 1d. per lb., the old free-trade duty. Could the protectionists reconcile their position with the proposal to reduce this duty to the level of the old free-trade duty of New South Wales?

Mr. HAMILTON said it was not his intention to have spoken on this item at all, and that he should not have done so but for some of the remarks of the honorable member for Footscray. He did not intend to go through that honorable member's speech in detail, because it did not contain any arguments which were worth replying to. The remarks made in a sensible manner by the honorable member for Richmond (Mr. Trenwith) would carry weight with any intelligent person, but he regretted to say that the other remarks which he referred to would not. When the honorable member for Footscray said that the miners were as solidly protectionist as ever they were, he (Mr. Hamilton) interjected "Nonsense." He did that somewhat inadvertently, but he still maintained that it was nonsense for the honorable member for Footscray to make any such statement, for the all-sufficient reason that he knew nothing whatever about it. The honorable member might know something about printing, and he might have an intimate acquaintance with certain factories at Footscray which did not smell as they ought to, but he knew nothing whatever of mining. The honorable member for Footscray had referred to an honorable member as being a renegade of the labour party, and also as one who had presented himself at two elections as a single-taxer, and who had been returned as a protectionist, though he had deserted the labour members' platform as soon as he got into the House. That seemed to refer to him (Mr. Hamilton) because he contested two elections before he was returned. (Mr. Hancock—"I did not refer to you at all.") At any rate, it looked very suspicious. The inference was that the remark referred to him (Mr. Hamilton), because he stood twice before he was returned. The fact was he advocated the land tax more forcibly than anything else. As to being a renegade protectionist, in the whole of his political campaigns he never mentioned protection at all, so that he had absolutely a free hand in regard to that matter. The miners would all support common-sense

protection; but when they were asked to approve of a duty of £5 per ton on sulphuric acid, or idiotic things like that, they would not do it. He considered that the reduction in the duty on candles proposed by the Government was a fair one. He spoke as the representative of a gold-field; but his colleague and himself had been guided by the evidence which had been given to the Tariff Board. It had been a most severe and crushing blow to him to hear the honorable member for Richmond (Mr. Trenwith) say that every one must throw over the whole of the Tariff Board's report. In that case what had honorable members to guide them? They were like a ship at sea without a rudder. (Mr. T. Smith—"We had better give up discussing matters, and go on with the business.") The Tariff Board was appointed two or three years ago; it had taken voluminous evidence; it had held a vast number of sittings, and had recommended that certain duties should be kept on and that others should be taken off. After its report had been printed and circulated throughout the colony the committee was told by members of the board that the whole thing was worthless. In his first remarks in the Tariff discussion he expressed the opinion that the result of the whole affair would be utterly disappointing, and that would arise largely from the fact that the board's recommendations were entirely inconclusive. He felt very much lost now that he knew honorable members had got to throw the board's report over, because although he understood one trade there were many items in connexion with which he required to be guided by the evidence given. For instance, he knew nothing whatever about woollens as an expert, and that must be the case also with at least 89 other members of the committee. As the candle industry had grown up in their midst from natural products; as it employed a large number of men; as the prices now charged could not be considered excessive; and as the candles which were made in the colony were of excellent quality, he thought that honorable members ought to hesitate before reducing the duty to a degree which, according to the manufacturers, would cripple their operations. He thought that the duty ought to be reduced, but not to a serious extent. It was extremely difficult for honorable members who did not know much about these subjects to be able to give a conscientious vote.

Mr. Hamilton.

He would give a conscientious vote on every item; but he declined to be influenced by any such remarks as those which had been made by the honorable member for Footscray. He was determined that he would not be influenced by threats in regard to his having been pledged to a platform to which he never was pledged. Presently the committee would be dealing with the stock tax, and numbers of others, like himself, were pledged up to the hilt against it. He was not to be subjected to any insulting remarks from the honorable member for Footscray. He was an independent member. He obtained his seat without the support of the honorable member for Footscray, and he would be extremely sorry to be dependent for his seat on that honorable member's support.

Mr. OUTTRIM observed that it was hardly edifying to see two honorable members who were supposed to be bound together for the purpose of advocating a particular policy quarrelling like this. However, it was generally understood that a few high words spoken in the committee were forgotten next day, and he had not the slightest doubt that the committee would see those honorable members working together again, shoulder to shoulder, in the future. He desired to point out to the committee that the mining community had made no demand for a reduction of the duty on candles. He did not presume for a moment to represent the whole of the miners of the colony, but he did presume to say that he represented a certain section of them, and he felt that the protection which had been given to the candle industry had done so much for mining in the past that it would be very mean on the part of the mining community if they now demanded a reduction in the amount. Honorable members who had been connected with mining for many years past must surely know that previous to the duty being imposed miners had to pay 1s. and 14d. per lb. for candles. He was sure that the mining community had no right to complain if they could get the candle which suited their industry at anything like 6d. per lb. He objected to the candle industry being interfered with. Of course, honorable members well understood what petitions were worth. It was well known that interested parties could get up a very large petition at a moment's notice at very small cost, but it meant very little. The proposal of the Government was that

the duty on candles should be reduced by 25 per cent. The duty at present was 2d. per lb.. The Government desired to fix it at 1½d. per lb. The honorable member for Maldon desired to further reduce the duty to 1d. per lb. He (Mr. Outtrim) put on one side, as being absolutely valueless, the report of the Tariff Board. He would rather take the practical experience of any honorable member in connexion with any of these trades than a report of this kind, which, to his mind, meant very little. As the Government proposed a reduction of 25 per cent., and as the reduced duty would only amount to 30 per cent., he thought that honorable members should accept it without any grudging. He was a representative of a large and important mining constituency, and it was his intention to vote with the Government. He would not support any reduction of the duty below 1½d. per lb. He desired to say, on behalf of the mining community, that he believed they were thoroughly protectionist as heart. He did not know of any section of the community that was more thoroughly protectionist, not because they thought that they would get anything personally out of it, but that they believed that the establishment of industries throughout the country would afford opportunities for their children to lead a somewhat easier life than they were being compelled to lead themselves. Under the circumstances, he would appeal to honorable members, and especially to those who represented the mining community, not to do anything that would injure the candle industry, which was indigenous to the country, and which was deserving of support from every standpoint.

Mr. THOMSON stated that he desired to offer a few remarks in reply to what was said by the honorable member for Richmond (Mr. Trenwith) in reference to tallow. The honorable member sought to lead the committee to believe that the tallow market was ruled by the local consumers. That was not correct. There were many producers of tallow in this House who knew that if they were left to the local market the price would soon be very considerably reduced. It was to the markets of the world that they had to look for the maintenance of the value of tallow. There was in the colony a body of men who were always ready to export tallow at a certain price, and it was upon these buyers that the

tallow producers had to a large extent to depend. The tallow producers had enough common sense to know what facilities they had at their disposal. They knew what it would cost them to ship tallow, and if they did not get locally a price equal to that which was obtainable in the other markets of the world, with the freight added, they at once exported the tallow. It was, therefore, utter nonsense for the honorable member for Richmond to tell the committee that the candle-makers kept up the price of that product. (Mr. Wilkins—"That is so.") It was not so; he knew what he was talking about. (Mr. Trenwith—"You know that the farmer cannot ship his own tallow.") The farmers could ship any quantity of tallow. If they found that the local price was not satisfactory, they did ship their tallow. With reference to the remark that was made by the honorable member for Collingwood in regard to the reduction in the price of candles, he might point out to him that a paragraph appeared in the *Argus* announcing, after the Tariff Board's report had been published, that there was a reduction of ¼d. per lb. all round in candles. That showed that the proposal of the board for the reduction of the duty had had the desired effect in bringing down the price of the article to the consumer. (Mr. Wilkins—"There was a fall in prices all round at that time.") But the price of the raw material had increased, and instead of a fall there should have been a rise in the price of candles. He was pleased to hear the remarks that had been made by the honorable member for Richmond as to the desirability of assimilating the Tariff of Victoria with the Tariffs of the other colonies. He hoped to hear the honorable member express the same opinion when the committee came to deal with some of the other items, and that he would then endeavour to bring the duties into harmony with the duties imposed in the other colonies. He quite agreed with the honorable member in the statement he made regarding the Tariff Board. So far as a certain section of the board was concerned, they were prepared to fix the rate of duties as high as they possibly could in all instances; but the honorable member was wrong when he said that there was another section who were prepared to reduce the duties as much as possible. He supposed that what the honorable member meant was

that the High Tariff party, when they could not get prohibition, went in for sweeping away protection altogether. If so, he was correct; but he was not correct in saying that the moderate members of the Tariff Board were desirous of bringing the duties down as much as they possibly could. The committee had shown that they were prepared to go much lower than the moderate members of the Tariff Board. (Mr. Trenwith—"You voted for every low duty.") The honorable member was not correct. If the honorable member would take a trip into the country districts he would find that the producers of tallow would say that his (Mr. Thomson's) vote more clearly expressed their views than the vote of the honorable member for Richmond.

Mr. HARRIS remarked that he was sorry to hear the honorable member for Richmond (Mr. Trenwith) speak in the way he did about the Tariff Board. The honorable member was a member of that board, and he was a most conscientious, able, and consistent member. There were differences of opinion between the members of the board, as there must always be in connexion with any such body, but he thought that it had been admitted by the public and by the press that the report which was presented to Parliament was an exceedingly able one. With regard to the question now under consideration, he might point out that the proposal to reduce the duty on candles from 2d. per lb. to 1½d. per lb. was made on his motion at the Tariff Board. He felt then that it would be desirable to make some reduction of the duty, but he did not feel that he could at once go so far as to propose a reduction of the duty to 1d. per lb. Although there was a strong movement in the colony for a reduction of the duty to 1d. per lb., he could not see his way to support that proposition. It was his intention to vote for the proposal of the Government which he thought was fair and reasonable, but he would be prepared to agree to a further reduction of the duty after the 1st January, 1898. He had been in business for a great number of years, and he had found that the colonial candles had given general satisfaction. He denied the statement of the honorable member for Stawell that the colonial candles were not so good as they were formerly. During the great many years that he had been supplying colonial candles to the public he had scarcely heard of a single complaint from

a miner about their quality. There might be some persons who preferred the imported candle, but the difference, as had been pointed out by the honorable member for Richmond, was very slight indeed, and did not justify any condemnation of the colonial article. He was confident that had it not been for the establishment of the local industry the people would not now be getting candles at so low a price. The amendment to admit them free was one that he could not entertain for a moment, and he would be glad if it was withdrawn. He held in his hand a list showing the price of candles in various years. In 1875 the price was 11d. per lb.; in 1880 it was 9½d. per lb.; in 1885, 8d. per lb.; and at the present time it was 5½d. per lb. That was the wholesale price, and those figures to a large extent proved that the establishment of the local industry had had the effect of reducing prices. The honorable member for Sandhurst (Mr. Lazarus) fell into some very grave mistakes. The honorable member said that in February last the price of candles was 17s. a box at Bendigo, whereas the price was now 14s. 6d. a box. The fact was that the wholesale list price in February last was 5½d. per lb., whereas it was now 5½d. per lb. The difference was only about 7½d. or 8d. on the box of candles, and not 3s. or 4s. If there was any such difference it must have been caused by the retailers at Bendigo; it certainly did not exist in the wholesale trade. Some remarks were made by the honorable member for Stawell which were equally incorrect as to the cost of imported candles. The price of Schiedam candles was 4¼d. per lb., the freight was ½d. per lb., and the duty 2d. per lb., which brought the price up to 6¾d. per lb., landed here. This candle could be purchased here, he supposed, at about 7d. per lb., whereas the price of the colonial candle was 5½d. per lb. There was only a difference, therefore, of about 1d. per lb. between the cost of the two articles. The honorable member for Richmond (Mr. Bennett) said that if the committee reduced the duty to 1d. per lb., they would be playing into the hands of Messrs. Kitchen and Sons, of Melbourne. That honorable member could have scarcely been aware of the fact that Messrs. Kitchen and Sons were entirely opposed to the reduction of the duty to 1d., and supported the retention of the present duty. They were, however, willing to submit to a reduction to 1½d. per lb. The honorable member for Richmond

(Mr. Trenwith) stated that the miners received the protection of the limit of eight hours to their day's work, and that they should not wantonly seek to destroy any of the local industries. He did not think there was a miner who would be a party to destroying any of the local industries. If the miners had the protection of a limit of eight hours to their day's work (and they were justly entitled to it) it must be borne in mind that the avocation of a miner was quite dissimilar to that of persons employed in factories. It would be impossible for a miner to work as many hours underground as a man could work in an occupation of a more healthy character. Then the honorable member said that the outside public supported mining by contributing towards it, and asked why the miners should not contribute to the maintenance of the local industries. He (Mr. Harris) could only say that the miners had supported the industries in and around Melbourne to a much larger extent than the public of Melbourne had supported the miners.

Mr. DUFFUS observed that he rose to correct a statement that was made by the honorable member for Richmond (Mr. Trenwith). The honorable member argued that, from a federal stand-point, it was desirable that the committee should adhere to the duty of 2d. per lb., as that duty was in agreement with the duties in existence in the other colonies. He had a copy of the proposals recently submitted to the New South Wales Parliament. In regard to candles the proposal was that from the 1st July, 1895, the duty should be 1d. per lb.; from the 1st July, 1897, $\frac{1}{2}$ d. per lb.; and from the 1st July, 1898, free. (Mr. Prendergast—"That has not been carried.") That was the proposal that was submitted to the New South Wales Parliament, and he had no doubt that it would have been carried if Parliament had not been prorogued. The duty on candles had been in existence for about 25 years, and it was a fair proposal that it should now be reduced to 1d. If the present duty were retained, and in ten, fifteen, or twenty years it was then proposed to reduce it by 1d., he supposed that the very same objections would be raised. Having regard to the time for which the duty had been in force, the manufacturers should now be in a position to hold their own. No doubt, if the lower duties were adopted in New South Wales,

Victorian candles would be sold in New South Wales as against the imported candles. Considering all the circumstances, he thought that the recommendation of the Tariff Board should be adopted. During the last one or two months the manufacturers of candles had reduced their prices, and they could have done so for no other reason than that the Tariff Board had recommended a reduction of the duty. The price of tallow had not gone down; on the contrary, it had increased, and it was much higher now than it was three months ago.

Mr. STERRY stated that he was not in sympathy with those honorable members who had been decrying the quality of the colonially-manufactured candles. He had had a good deal of experience of the candles used in the mines, and he said, without hesitation, that the colonial candles were almost equal to the very best imported candles. They were, all round, of a fair quality, and, as a rule, they were of a better quality than the candles supplied some years ago. There was, of course, a cheaper candle made now than was made formerly, simply because a demand had sprung up for such an article, especially for household purposes. But he repeated that the colonial candles used in the mines were almost equal in quality to the best imported candles. He did not say that they were quite equal, but the price had to be taken into consideration, and the colonial candles were the cheaper of the two. When the duty was first imposed on candles the price was from 1s. to 1s. 3d. per lb. It must be remembered, however, that at that time the price of tallow was about double what it was at the present time, so that the difference was largely accounted for in that way. It was only right that the protection given to this industry should be reduced in proportion to the reductions made in the protection given to other industries. The candle industry had been established for 25 years, and it had had very fair encouragement. Taking the average price of a box of candles as 15s., the present duty was 5s. a box, or 33 per cent. It must be admitted that that was more than what the committee intended should be the measure of protection in the future. He did not think that the committee were prepared to give more than a very few industries such a high protective duty as 33 per cent. He looked upon the candle industry as one of the successes of

protection, and honorable members should be careful not to do anything that would injure it. Every section of the community, and more especially the poorer classes, were more or less concerned in the duty on candles; but the duty was not a very excessive one when they took into consideration the quantity of candles consumed in any household in a week. At the same time it was these small concessions that would be of assistance to the poorer classes of the community whose earnings had been reduced. The honorable member for Richmond (Mr. Trenwith) attempted to show that the miner had been protected. It was all nonsense for the honorable member to say that the miner had received any benefit from protection. The miner had always been a protectionist; he was still a moderate protectionist, and the reason was that he desired that industries should be established in which his children might find employment. Neither the miner nor the farmer wished that his sons should have to follow in his footsteps, and become either miners or farmers. That was the reason why they had always been protectionists; but they knew that they had had to pay very largely for those advantages. They were not prepared to maintain the duties at the high rates which had been imposed in the past, and in that way to support industries which were comparatively trifling compared with agriculture and mining. The honorable member for Richmond spoke about the wages of the miners; but what had protection to do with that? The eight hours' system was established in connexion with the miners long before the name of the honorable member was heard in the colony. Considering the arduous work that a miner had to perform, and the risks he ran, he was not paid sufficiently well; and he was not paid in proportion to other classes of labour in the colony. Honorable members who represented the labour party had no right to make remarks that were disparaging to the miners, who had done more to support the cause of labour than any other class. He trusted that the item now before the committee would be dealt with in the same spirit in which other items had been dealt with, and that no injustice would be done to any industry.

Mr. GRAY remarked that he hoped the committee in dealing with the duty on candles would take a reasonable course

and not go to any extreme. The reduction of the duty by one-half would certainly be an extreme. The duty was first imposed on candles in 1867. It was then 1d. per lb., and it was continued at that rate until 1871, when it was raised to 2d. per lb., at which rate it had remained until the present time. Seeing that in all the other colonies, with the exception of New South Wales, the duty was 2d. per lb., it certainly would not be fair to reduce the duty to 1d. per lb. The candle industry was natural to the colony, and it was admitted even by honorable members on the opposition side of the House that it had been a great success. There were two points to which the committee should give consideration. The locally-made candles were admitted to be almost everything that could be desired, and they were cheaper now than they had ever been before—whether they took the miners' candles or the candles supplied to those who wanted a low-priced article. A miner's candle of the quality of that which he held in his hand was sold for 5½d. per lb., less 7½ per cent. discount, and he did not think that the miners had ever complained, or were now complaining, of the price. There was no evidence in the Tariff Board's report that the miners themselves thought that they were being imposed upon by the candle manufacturers. It had been stated that candles were 2d. per lb. dearer in Victoria than in Sydney; but that was a fallacy that had been exploded long ago. He held in his hand a candle that was sold in this colony for 4¼d. per lb., less 7½ per cent. discount. If any honorable member could reasonably conceive it possible to sell this candle in Sydney at 2d. per lb. less than in Melbourne, he could only leave that honorable member to the belief. It had been stated that it was not possible for such men as Mr. Lansell to deal directly with the manufacturer. As a matter of fact, Mr. Lansell not long ago bought, through his agent, from one of the Melbourne manufacturers, 400 boxes of candles, and a little while afterwards he was told that if he purchased a larger quantity he could have them for a little less price. Mr. Lansell then purchased 1,000 boxes from another manufacturer. This disproved the assertion that a ring existed amongst the manufacturers, and also dispelled the idea that the manufacturer would not sell direct to the consumer. The miner did not desire a reduction of the duty. He

knew something about miners, for he was reared amongst them, and lived amongst them until nine or ten years ago. He represented the miners as one of the trustees of their association, and he was a business man amongst them, and associated with them in politics. Unless they had remarkably changed during the last nine years, they were the strongest protectionists he had been associated with in the colony. A reasonable thing to do now would be to reduce the duty to 1½d., and not go to extremes by reducing it to 1d.

Mr. MURRAY SMITH remarked that the committee were wearied with this discussion, and he only desired to adduce one or two reasons why, from a moderate protectionist's point of view, the motion of the honorable member for Stawell should be acceded to. In the first place, he did not think that the committee quite understood the full protection which was afforded to this industry by the passage of the raw material to Europe and the passage of the made candles back again. This protection was roughly put down at 1d. per lb., but, from a calculation made by a gentleman who thoroughly understood the trade, it came to at least 1¾d. per lb. That very large measure of protection was already enjoyed by the local manufacturer. A second reason why the committee should support the motion of the honorable member for Stawell was afforded in the continued fall in the price of the raw material; and the consequent continuous fall in the price of the finished article had made this duty a very much larger ad valorem duty than it ever was in the old times. Whereas a duty of 2d. per lb. when it was first imposed, in 1871, was a moderate ad valorem duty, a duty of 2d. per lb. with the present prices was a very large one indeed, and this ought to weigh very considerably with the committee in addressing themselves to the subject. There had been a general expression of opinion in favour of reducing duties to such a scale as would represent a moderate ad valorem protection. The reduction of this duty by one-half would not materially injure the industry. It must be recollected, as an honorable member had incidentally pointed out, that this industry had enjoyed a protection of 2d. per lb., which had been gradually increasing ad valorem for 24 years. If the industry had not succeeded in establishing itself during that time it could

not be called a genuine natural industry. He believed it had succeeded in establishing itself, and the quality of the candles, though perhaps not absolutely equal to the best European makes, at least approached that standard. But while the moderate protectionist might allow a moderate duty, it was not right that an industry of this sort, which had lasted for so long, should be sustained by so extravagant a protection as it received at present.

Mr. WHEELER said if those who were in favour of a 1½d. duty were prepared to make that duty 1d. on the 1st of January, 1898, he would support such a proposal. If not, he intended to vote for the reduction to 1d. When the present duty was put on 24 years ago candles were sold at from 11d. to 1s. 2d. per lb. There were candles in the chamber at the present moment which were sold at 5¾d., or less than half the price of 24 years ago, and, surely, bearing those prices in mind, a protective duty of 1d. was as good as a 2d. duty was then. Tallow was cheaper here than in any other part of the world, and the manufacturers were in a position to turn out an article at least as cheap as that produced in England. It was only just to the mining community especially that candles should be brought down to the lowest possible rate. He had no desire whatever to injure the industry, and had all along held that the proper way was to bring down the duties gradually. It had been said that the miners objected to the higher duty. The mining community had always been loyal protectionists, and if it were put to the mining community to-morrow whether the duty should be 1d. or 1½d., and the candle industry depended on the answer, he believed the mining community would support the higher duty. The compromise he had suggested would give the manufacturers a reasonable notice of two years.

Mr. T. SMITH observed that a moment or two ago the honorable member for Hawthorn stated that if this particular industry had not established itself by this time it should have done so, and that this duty should be taken off, or, at any rate, reduced. He (Mr. Smith) submitted that it was because the industry had established itself that they desired to protect it. If the whole of the protection were swept away this industry would be placed in the same position as it was twenty years ago. There was a very severe fight over the

question sixteen or seventeen years ago. He was reminded by the observations made by more than one honorable member on the opposition side of the House that since the Tariff Board's recommendation saw the light of day, and since the commencement of this discussion, the candle manufacturers of Melbourne had reduced their prices by one farthing per lb. When the great fight took place on this question sixteen or seventeen years ago, imported candles were rushed into the market at most ridiculous prices. Candles were sold at 1d., 1½d., 2d., and 2½d. less than the market price for some time immediately preceding, for no other purpose than to induce Members of Parliament to believe that candles could really be bought for those prices, and with the further idea, of course, of preventing a continuance of the candle-making industry in Victoria. The candle-making industry had then been introduced on a small scale, and but for protection could not possibly have become the success it now was. While the industry had been moderately successful, they could not truthfully say it had been a fortune to any one engaged in it. The shares of the alleged wealthy company were not at par. Honorable members were informed that while £4 had been paid upon the shares, the market price of them was only £1 5s. and the dividend amounted to the magnificent sum of 6 per cent. The honorable member for Stawell mentioned the firm of Messrs. Kitchen as having made £100,000, which they invested in land. There were a good many people in the community who knew that those gentleman did not make that large sum out of the candle industry, but out of other speculations, and, unfortunately for themselves, they lost their money. It was scarcely fair of the honorable member for Stawell to make a remark of that kind in reference to this firm, and he (Mr. Smith) believed that the honorable member was too fair a man to make the remark had he given the consideration he usually did to matters on which he spoke. It had been asserted over and over again, and was not contradicted, that this article was much cheaper than it was formerly, and, as it was not likely to become dearer, the reduction of 25 per cent. ought to be enough to satisfy honorable members. He doubted very much whether mining men themselves would approve of the industry being put in such a position that its

Mr. T. Smith.

future success would be very doubtful indeed.

Mr. IRVINE remarked that he would not have spoken at all had it not been for some of the very extraordinary claims that had been brought forward on behalf of the candle companies. Statements had been made on no authority whatever, except the unsworn testimony of gentlemen deeply interested in the companies, that enormous sums had been spent on machinery, and were spent annually in the working of the companies, and that only a narrow and limited profit was made. He was not going to contradict those statements, because he had not the means at his disposal to do so, but he should have liked very much to have had an opportunity of asking those gentlemen a few questions on those statements. It was a remarkable circumstance that those statements were made when the committee were in the thick of the discussion, and at the last moment, and that they should be made on the unsworn testimony of gentlemen who had not the courage to go before the Tariff Board. Though he was not now speaking as a lawyer, he would use an argument which was often used in courts of law, and say that testimony given under those circumstances was absolutely worthless. The committee had before them the evidence taken by the Tariff Board, and they had considered carefully the report made by the board on that evidence. From that report he would read one paragraph, and when he read it he would say it was a statement wrung from gentlemen whose sympathies were most strongly protectionist. At page 30 of the report, in speaking of the proposed reduction of the duty to 1d. per lb., the Tariff Board said—

“We are largely influenced in making our recommendation by the fact that, for years, Victorian consumers have paid for candles a much higher price than has ruled in Europe, and have so been put to great sacrifice in supporting the industry. We are, further, of opinion that the public with a reduction of duty will be charged less for candles than they are at present, and that the industry will not be much affected.”

When he read that extract, and when he found that honorable members like himself and others were approached from all sides by people deeply interested, who endeavoured to sway members' judgment and opinions in what could not be called a legitimate way, he held that the committee should stick to the facts sworn and proved

before them. When he heard honorable members representing mining constituencies assert that the miners had not demanded any reduction in the price of candles, he was amazed at the absurdity of the thing. There were very few of such members he was glad to say. What did miners know about the price of imported candles when admitted free? Miners knew the price they paid for candles, and how much they spent, and they knew no doubt that the price of candles had fallen largely in recent years. But they must remember also that the price of tallow and the cost of production had fallen enormously. Honorable members were there to discuss the question in all its aspects, and to see whether, under all the circumstances, it was a fair thing to make a substantial reduction in the duty on candles. When addressing himself to the general question he stated that there was what he called a ring amongst the candle-makers. That statement had been reiterated and denied. On that occasion he defined what he considered a ring, and stated that he did not think it was necessary in order to show the existence of a ring to do what was absolutely impossible, namely, to prove the existence of an actual definite signed agreement amongst manufacturers to sell candles at the same price. But at the same time he said that if it could be proved that the manufacturers had by some understanding or pre-arrangement altered their prices simultaneously and in the same proportion, it was quite sufficient evidence of a ring. He at the same time also mentioned a conversation that had taken place between himself and a representative of one of those candle factories, and stated that that representative said there was an agreed price list as between the factories. In justice to that gentleman he should say that he had since seen him (Mr. Irvine) and stated that the impression which was conveyed by what he (Mr. Irvine) said in the House was not what the gentleman desired to convey, although his (Mr. Irvine's) language was correct. The impression which the gentleman desired to convey was that, if the price list changed simultaneously, it was not because of any pre-arrangement, but by reason of competition. That seemed to him (Mr. Irvine) a very possible and plausible explanation, and, therefore, he thought it necessary to inform

the committee that that was the impression the gentleman intended to convey. He (Mr. Irvine) had since made further inquiries into the subject. He found that there had been simultaneous alterations in prices. There had been increases at a time when tallow increased in price, but there had been no decrease when tallow decreased in price. (Mr. Trenwith—"So with the bakers.") He was not there to disprove that there was no such thing as a bakers' ring, but he thought he could show conclusively that there was a ring amongst the candle-makers to keep up their prices, and that they had effectually kept up their prices above the level to which the ordinary laws of competition would bring them. He had in his possession three months' price lists of J. Kitchen and Sons and the Apollo Company Limited. In the list dated 1st April, 1892, he found petrolines, which were the candles most commonly used by miners, quoted at 6½d. per lb. The next list dated 1st March, 1893, was a remarkable one. It began with the statement—

"As the tallow market has been rising all the month, we were compelled to raise all candles ¼d. per lb. on the 17th ult., and pearls another ¼d. on the 27th."

He meant to show from Goldsbrough, Mort, and Co.'s weekly circulars that there was a phenomenal rise in tallow on the market of between £8 and £9 per ton, so that the candle company were perfectly right in saying that there had been a rise, and that as a result they were compelled to raise the price of their petroline candles to 7¼d. per lb. He had all the weekly circulars of Goldsbrough, Mort, and Co. from that date until the next price list of the candle company. All the circulars showed that this was a phenomenal rise in the price of tallow, and that it sunk almost immediately. The price of good mixed tallow, which he was informed was the quality used for making those petroline candles, had been £22 to £22 10s. a ton. The price went up to £29 and £30, but fell almost immediately to the former price, at which it remained during the whole of the period covered by those circulars. The next price list of the same candle company, issued on 2nd October, 1893, showed the price of petrolines to be still 7¼d. per lb., and other candles at similarly increased prices. It would be seen that though the rise in the price of tallow enabled them to raise the price of the

candles about 15 per cent., the fall in the price of tallow immediately afterwards did not compel them to lower their prices accordingly. The price lists of the other firms were similarly maintained; and, to his mind, this was evidence as clear as could be that the ordinary laws of competition were not working. Otherwise the very same influences which enabled them to raise prices would have enabled them to reduce them again. It was quite possible that an almost simultaneous reduction of prices might be the result, not of pre-arrangement, but of competition. He held in his hand a printed card signed by G. Mowling and Sons, as follows:—

“Dear Sir,—Please note we have decided to reduce the price of our stearine candles $\frac{1}{4}$ d. per lb. from this date.”

There was no date on the card, but the post-mark on it was May 21, 1895. In the *Argus* of the same date there appeared an advertisement as follows:—

“Reduction in the price of candles.—J. Kitchen and Sons, Apollo Company Limited, beg to intimate to the trade that they have this date reduced the price of candles by $\frac{1}{4}$ d. per lb.”

It was within the limits of possibility that Messrs. Mowling might have seen the advertisement between seven and eight o'clock in the morning, and have got those cards printed and posted in time to bear the post-mark of that day. He left it to honorable members to say whether this was likely. To any man of common sense and knowledge of business it must be clearly apparent that this protective duty of 2d. per lb. had enabled those few manufacturers to keep the price above what it ought to be, and it was not at all an unreasonable proposition to reduce it to 1d. per lb.

Mr. GURR said that, as one of the members of the Tariff Board who dissented from the finding of the board on the question of candles, he felt it necessary to say a few words. He believed that a reduction from 2d. to 1d. per lb. was too drastic. The Tariff Board on their first finding resolved that the duty should be reduced to $1\frac{1}{2}$ d., and subsequently, to his surprise, they recommended in the report that the duty should be 1d. per lb. The Government had carefully weighed the evidence put before the board, and also what evidence they could subsequently get, and had come to the conclusion that a duty of $1\frac{1}{2}$ d. per lb. represented a reasonable reduction. That fell in with his views as expressed on

the Tariff Board, and he intended to support that proposal. The evidence given before the board on the question of candles was very conflicting, and owing to this it was exceedingly difficult for the board to arrive at a decision. They found that one of the largest manufacturers was willing that the duty should be reduced to $1\frac{1}{2}$ d. per lb., but held that the effects would be disastrous if it were reduced to 1d. He (Mr. Gurr) thought that the committee would have had some very clear evidence from experts before it, so that some of the difficulties which had arisen might be cleared up. He had always understood that mine-owners paid for their candles, but some honorable members had stated that the miners had to pay for the candles. (An Honorable Member—“No.”) Then the miners did not have to pay for the candles. (An Honorable Member—“They pay for what they use themselves.”) If the mine-owners did not pay for the candles, why should they complain? It seemed to him that only a very small section of the mine-owners were asking that candles should be allowed to be on the free list, or that the duty should be reduced to 1d. per lb. It must be borne in mind that a very large proportion of the public were mine-owners, because the public had to pay calls on mining shares very frequently, and they kept the mines going by that means. The honorable member for Lowan had asked what did the miners know about candles? He (Mr. Gurr) thought that the miners did know something about the price of candles, and that they knew more about practical politics than the honorable member who had asked this question in such a disdainful manner. When the honorable member for Maryborough was speaking about the quality of the colonial candles, an honorable member interjected a remark indicating that the imported candles were the best; but from the evidence given before the Tariff Board, and the opinions expressed by honorable members generally, he (Mr. Gurr) thought it might be concluded that the quality of the colonial candles was quite equal to that of the imported. He would support the Government proposal.

Mr. GROSE said he had been waiting for an amendment from some honorable member in favour of a progressive reduction of the duty. He thought that the suggestion of the honorable member for Daylesford, that if the duty was to be fixed for the present at $1\frac{1}{2}$ d., it should be

reduced to 1d. from the 1st of January, 1898, was a reasonable one. He (Mr. Grose) would urge upon those honorable members who advocated the higher duty that they should consent to a proposal of that kind. He would have pleasure in voting for the reduction of the duty to 1½d. on the understanding that it should be reduced in the future to 1d.

The committee divided on the question that "1d." proposed to be omitted, stand part of the schedule—

Ayes	47
Noes	41

Majority against the amendment 6

AYES.

Mr. J. Anderson,	Mr. McLean,
„ Baker,	„ Murray,
„ Barrett,	„ O'Neill,
„ Bennett,	„ Outtrim,
„ Best,	„ Peacock,
„ Bromley,	„ Prendergast,
„ Cook,	„ Rogers,
„ Deakin,	„ Sangster,
„ Duffy,	„ T. Smith,
„ Duggan,	„ Styles,
„ Fink,	„ Taverner,
„ Foster,	„ Trenwith,
„ Gray,	„ Tucker,
„ Gurr,	„ G. Turner,
„ Hamilton,	„ G. J. Turner,
„ Hancock,	„ Vale,
„ Harris,	„ Webb,
„ Higgins,	„ J. S. White,
„ I. A. Isaacs,	„ Wilkins,
„ J. A. Isaacs,	„ E. D. Williams,
„ Kerr,	„ H. R. Williams.
„ Levien,	<i>Tellers.</i>
„ Longmore,	Mr. Beazley,
„ McColl,	„ Winter.

NOES.

Mr. A. Anderson,	Mr. McGregor,
„ W. Anderson,	Sir John McIntyre,
„ Bowser,	Mr. McKenzie,
„ Burton,	„ McLellan,
„ Cameron,	„ McLeod,
„ Carter,	„ Murphy,
„ Chirnside,	Sir James Patterson,
„ Craven,	Mr. Rawson,
„ Downward,	„ Reid,
„ Duffus,	„ Russell,
„ Dyer,	„ Salmon,
„ Graham,	Dr. Scott,
„ Grattan,	Mr. Murray Smith,
„ Graves,	„ Sterry,
„ Grose,	„ Thomson,
„ Irvine,	„ Wheeler,
„ Kennedy,	„ A. W. H. White,
„ Kirton,	„ Zox.
„ Langdon,	<i>Tellers.</i>
„ Lazarus,	Mr. Austin,
„ Madden,	„ Moule.

PAIR.

Dr. Maloney. | Mr. Brake.

Mr. THOMSON moved the addition of the words "and 1d. per lb. from the 1st January, 1897."

The committee divided on the amendment—

Ayes	45
Noes	43

Majority for the amendment ... 2

AYES.

Mr. A. Anderson,	Mr. Madden,
„ W. Anderson,	„ McGregor,
„ Austin,	Sir John McIntyre,
„ Bowser,	Mr. McKenzie,
„ Burton,	„ McLellan,
„ Cameron,	„ McLeod,
„ Carter,	„ Murphy,
„ Chirnside,	Sir James Patterson,
„ Downward,	Mr. Rawson,
„ Duffus,	„ Reid,
„ Dyer,	„ Russell,
„ Graham,	„ Salmon,
„ Grattan,	Dr. Scott,
„ Graves,	Mr. Murray Smith,
„ Grose,	„ Sterry,
„ Harris,	„ Thomson,
„ Irvine,	„ Webb,
„ J. A. Isaacs,	„ Wheeler,
„ Kennedy,	„ A. W. H. White,
„ Kirton,	„ Zox.
„ Langdon,	<i>Tellers.</i>
„ Lazarus,	Mr. Craven,
„ Levien,	„ Moule.

NOES.

Mr. J. Anderson,	Mr. Murray,
„ Baker,	„ O'Neill,
„ Barrett,	„ Outtrim,
„ Bennett,	„ Peacock,
„ Best,	„ Prendergast,
„ Bromley,	„ Rogers,
„ Cook,	„ Sangster,
„ Deakin,	„ T. Smith,
„ Duffy,	„ Styles,
„ Duggan,	„ Taverner,
„ Fink,	„ Trenwith,
„ Foster,	„ Tucker,
„ Gray,	„ G. Turner,
„ Gurr,	„ G. J. Turner,
„ Hamilton,	„ Vale,
„ Hancock,	„ J. S. White,
„ Higgins,	„ E. D. Williams,
„ I. A. Isaacs,	„ H. R. Williams,
„ Kerr,	„ Winter.
„ Longmore,	<i>Tellers.</i>
„ McColl,	Mr. Beazley,
„ McLean,	„ Wilkins.

PAIR.

Mr. Brake. | Dr. Maloney.

The item, as amended, was agreed to. Progress was then reported.

The House adjourned at five minutes to eleven o'clock.

LEGISLATIVE ASSEMBLY.

Wednesday, July 17, 1895.

Exportation of Butter—Railway Department: Bricklayers' Wages—Retrenchment in the Defence Force—Private Members' Business—Metropolitan General Cemetery Bill—Personal Explanation: Mr. Gurr—Revision of the Tariff: Carpeting and Floor Coverings: Clocks: Coffee: Confectionery: Drugs: Eggs: Portable Engines: Explosives.

The SPEAKER took the chair at half-past three o'clock p.m.

EXPORTATION OF BUTTER.

Mr. BROMLEY asked the Minister of Agriculture why the work of shipping butter, &c., was not let by public contract, instead of being carried out as at present by making private arrangements?

Mr. TAVERNER said the department had given this matter most careful consideration, and had arrived at the conclusion that special work of this kind should not be let by public tender, as its satisfactory performance entirely depended on the experience of those who were engaged upon it. It would also be impossible to define by specification the exact nature of the services required. He might add that a special meeting of the Cabinet would be held to consider the arrangements for the coming season.

RAILWAY DEPARTMENT.

Mr. HAMILTON asked the Minister of Railways if it was a fact that bricklayers working at the Job's Gully-bridge, Eaglehawk, were compelled to accept their wages with 5 per cent. written off every month; and, if so, why? He said there were some bricklayers working there at 7s. per day, and if they lost any time their wages were deducted. One of them last month was entitled to £5 10s. 9d., and he had nearly 6s. deducted. The men in question had to pay tram fares, and incur other expenses, and £5 5s. for a month's work was very small pay indeed.

Mr. H. R. WILLIAMS stated that the men referred to by the honorable member were paid 7s. per day, and, as that was at the rate of more than £100 per annum, their wages were subject to the percentage reduction in common with all other employés of the State under the Act of Parliament No. 1313, and the Ministry had no power to alter the arrangement.

Mr. HAMILTON expressed the opinion that it was very unjust.

RETRENCHMENT IN THE DEFENCE FORCE.

Mr. McCOLL asked the Premier if he would stay his hand with regard to retrenchments in the mounted rifles, militia, rangers, and other cavalry forces until the Assembly had had an opportunity of considering the question? He said this was really a matter of national importance, on which the House ought to be consulted, and on which it could be consulted without any loss of dignity to the Government. He did not wish to raise obstacles in any way or to interfere with the previous schemes of retrenchment.

Mr. G. TURNER said he saw no reason whatever to comply with the honorable member's request. The matter could be dealt with when the Estimates came on, and if honorable members did not approve of the action of the Government in respect to it they would then have an opportunity of saying so.

PRIVATE MEMBERS' BUSINESS.

Mr. G. TURNER moved—

"That the sessional order relating to general business be suspended for this evening, so as to allow Government business to be proceeded with during the whole of the sitting."

He remarked that the Government desired that the revision of the Tariff should proceed uninterruptedly until it was completed. That appeared to be the general wish of honorable members on Wednesday last, but he (Mr. Turner) had not given notice of motion for the suspension of the sessional order relating to general business, and one honorable member exercised his undoubted right of preventing him from submitting the motion. Later in the session he would take care to make up to private members whatever time they lost through giving way to the Government, by devoting a whole Wednesday to private members' business, instead of starting at half-past eight o'clock p.m., and he would ask honorable members to meet on that occasion at two o'clock instead of at half-past three, so that private members could have a good day's work before them.

Sir JAMES PATTERSON remarked that the proper course was to go on uninterruptedly with the work of Tariff revision, giving up as much time as possible to the Government, with the view of enabling the Treasurer to form an estimate of the revenue for the purposes of his Budget statement. He had, therefore,

much pleasure in supporting the Premier's proposal.

Dr. SCOTT asked the Premier to take care that the Local Government Act Further Amendment Bill, which would probably be reached that evening if private members' business was not postponed, should remain in its present position on the notice-paper.

Mr. G. TURNER stated that the Government had no control over the list of private members' business at all. They did not interfere with that list.

Mr. LONGMORE expressed the hope that the Premier would give honorable members an assurance that he would not require any further Wednesday evenings. (Mr. G. Turner—"We shall probably want next Wednesday, unless we finish the Tariff revision before then.") Well, they wanted to help the Government through the Tariff as fast as possible.

The motion was agreed to.

METROPOLITAN GENERAL CEMETERY BILL.

Mr. G. TURNER (in the absence of Mr. TAVERNER) moved for leave to introduce a Bill for the establishment and management of a Metropolitan General Cemetery and for other purposes.

The motion was agreed to.

The Bill was then brought in, and read a first time.

Sir JAMES PATTERSON asked the Premier if the Government had come to any determination as to the choice of a site for the new Metropolitan General Cemetery?

Mr. G. TURNER said that the Government had not definitely decided which site would be chosen.

PERSONAL EXPLANATION.

Mr. GURR stated that when he was speaking on the question of the woollen duties in committee, and showing that he had no interest in the woollen mills, nor was he pleading their case because of votes he received during the election, he said he did not receive the vote of a single manager or proprietor, and he also added "except a junior partner in one of the mills." There was some confusion at the time, and he could well excuse *Hansard* for not reporting the words in question.

REVISION OF THE TARIFF.

The House went into committee for the further consideration of the proposals of

the Government for the revision of the Tariff.

On the item—

"Carpeting and floor coverings:—Carpeting and druggeting, oil and other floor cloth, matting, and all descriptions of floor covering not otherwise enumerated (except felt—free; and coir and jute matting otherwise dutiable), mats made of carpet, and floor rugs, 15 per cent. ad valorem (from 1st January, 1896)."

Mr. MURRAY SMITH said he desired to move that the duty on coir and jute matting, now 35 per cent., be reduced to 25 per cent.

Mr. BEST stated that such a proposal would be out of place in the present item, and the honorable member should give notice of the motion he desired to submit, and move it when the Government proposals had been dealt with. He (Mr. Best) desired to make a few verbal alterations in the item for departmental reasons, so that it would read as follows:—

"Carpeting and floor coverings:—Carpeting and druggeting, oil and other floor cloth, matting, and all descriptions of floor covering not otherwise enumerated (except felt—free; and coir and jute matting otherwise dutiable), floor mats made of carpet, and floor rugs made of the above-described materials, 15 per cent. ad valorem (from 1st January, 1896)."

The object of the alterations was to render floor mats made of oilcloth or linoleum chargeable with the same rate of duty as oilcloth and linoleum. He begged to move that these amendments be agreed to.

Mr. GRAY remarked that a large number of mats were made of jute material, which was not manufactured in the colony. That material was sold at a very low price, in different widths, but it was always known as jute carpeting. Some of the mats were made abroad and sent here, and some were made here out of the imported jute carpeting. He was afraid that if the Tariff was worded as proposed, those goods would come under the 35 per cent. duty. (Mr. T. Smith—"I think jute carpeting is made in the colony.") He had never heard of any being made in the colony. If jute carpeting could be put under the 15 per cent. duty, mats would come in according to the wording proposed by the Minister of Customs. Jute mats were a different thing altogether. They were something like Brussels carpet, only considerably coarser, with a wool facing and a jute back. Small door mats were sold at 1s. 11d. each.

Mr. BEST expressed the opinion that the proper time for proposing the amendment desired by the honorable member for Prahran would be when the proposal of the honorable member for Hawthorn was submitted, or the honorable member could give notice of a substantive proposal. (Mr. Gray—"If you finish this 15 per cent. class now, how can we submit our proposals?") They referred to a different item in the present Tariff, and not to the item now under consideration.

Mr. LONGMORE remarked that the committee ought to be very careful in dealing with the duty affecting carpeting, which was often nothing in the world but coarse bagging. There were plenty of mills in the colony which could make such carpeting.

The amendment was agreed to.

Mr. RAWSON said he thought that the word "jute" should be omitted from the item, because jute matting was not made in the colony.

The CHAIRMAN.—The honorable member is too late to propose that.

Mr. ZOX said he desired to know if he would be in order in moving the omission of "jute"?

Sir JAMES PATTERSON stated that if the honorable member carried that amendment the effect would be to make the duty on jute matting 35 per cent.

The CHAIRMAN.—There is a rule of Parliament which precludes honorable members from going backwards—they must progress. On the report the honorable member for Melbourne East (Mr. Zox) can move the omission of the word he has named, but he would not be in order in moving its omission now.

The item, as amended, was adopted, as was also the item—

"Clocks and all parts thereof, whether wholly or partly made up, 15 per cent. ad valorem (from the 1st January, 1896)."

On the item—

"Coffee, raw, 1d. per lb.,"

Mr. GRAY said he believed in the principle of making the raw material as cheap as possible. It was not necessary to keep the duty of 1d. per lb. on raw coffee except as a revenue duty. (Mr. T. Smith—"Raw coffee is now free.") Then it ought to remain free. The effect of the duty now proposed would be to increase the price of coffee to the whole community. He would move the omission of "1d. per lb.," with the view of inserting the word "free."

The CHAIRMAN.—Honorable members can negative the item without any amendment being moved.

Mr. TRENWITH remarked that he certainly indorsed the observations of the honorable member for Prahran. In the present Tariff raw coffee was free, but there was a substantial duty upon roasted coffee, which gave the party which he represented what they desired. An article which could not be produced in the colony should be admitted absolutely free, and what it was necessary to do to the article to make it fit for use was compelled to be done in the colony by the present duty of 3d. per lb. on roasted coffee. The best course to follow would be to strike the item out, and leave the duty as it was at present. That would be doing something towards accomplishing a free breakfast table, though he did not think there was very much in that cry. As far as possible, the things which could not be produced in the colony, and which were required here, should be admitted free.

Sir JAMES PATTERSON observed that he would like the Chairman of the Tariff Board to explain the reason why it was proposed to put a duty of 1d. a lb. on raw coffee? When he (Sir James Patterson) was head of the Government it would have been more than he dared to do to propose a duty of 1d. a lb. on coffee. If the present Government could carry the proposal now before the committee they must be pretty strong.

Mr. BEST stated that he again felt in some embarrassment, because he had accepted the recommendation that the Tariff Board submitted in their report, which report had been agreed to by the members of the board after very careful investigation. On introducing the Tariff proposals he explained that the Government were endeavouring, as far as possible, to keep to the recommendations of the Tariff Board, and that, unless in cases in which the Government had some strong reasons for differing, they did not intend to depart from the recommendations of the board. In the present case, however, the board made a very strong report on the subject, as would be seen by the following paragraph:—

"The evidence leads us to believe that a duty on raw coffee or an excise duty on manufactured coffee would increase the price, and would consequently be paid by the consumers and not by the producers, but we do not think it consistent that tea should be dutiable and coffee free."

(An Honorable Member — “Knock the duty off tea.”) The report of the Tariff Board proceeded—

“Tea is probably more largely consumed by poor people than coffee, and we think the latter may be considered in some degree a luxury. We have also been influenced to some extent by the fact that the industry of coffee roasting and grinding was established at least as far back as the year 1853, and has existed and flourished during a long period, during which the rate on coffee beans and prepared coffee was the same. Our recommendation will partly do away with this inconsistency.”

Then the board recommended the imposition of a duty of 1d. per lb. upon the bean.

Mr. THOMSON observed that the Tariff Board did not see their way to taxing the poor man's tea while the rich man's coffee escaped. A large quantity of raw coffee came into the colony free, while the poor man's tea was charged a duty of 3d. a lb. Coffee was looked upon, to a very great extent, as a luxury, and numbers of people in the country very seldom got it. He could not understand why a tax which would fall heavily upon the poor should be proposed.

Mr. TRENWITH stated that, as the Minister of Customs seemed to indicate that he had acted upon his (Mr. Trenwith's) recommendations, he would again mention that he had declared, both in writing and verbally, that he did not agree with the report of the Tariff Board. As regarded the item under discussion, it was one of those in regard to which, above all others, he objected to the recommendations of the board. However, supposing, for argument's sake, that he had at one time been in favour of this duty, he thought differently now. The honorable member for Dundas stated that this duty was put on because a duty had been imposed on tea. But if it was wrong to have the duty on tea, that could not be set right by doing another wrong. He would like to assist the honorable member for Dundas to get the duty taken off tea. It seemed to him (Mr. Trenwith) to be unimportant whose drink was concerned—it was a question whether the article under consideration was one which the people required, and if it was an article which could not be produced in the colony the Legislature ought to remove all the barriers to the people obtaining it from abroad. The duty on tea ought to be abolished, because that article was very largely used by the poor, especially in the country,

where tea was a staple drink. It would be a great relief to the farmer if the duty on tea were removed, and he hoped that those who had had so much to say as to the misfortunes of the farmer would assist in giving him that relief.

Sir JAMES PATTERSON remarked that the committee were dealing with the revision of the Tariff, and that if the Treasurer required more money he could propose a duty on coffee, but the Tariff Board had to consider new duties and not matters of revenue; therefore this recommendation was altogether beyond their functions.

Mr. BROMLEY said he entirely concurred in the observations of the leader of the Opposition. It was a singular coincidence that these little errors in the Tariff Board's report should have got there at the instance of the free-trade members of the board. Acting in accordance with their usual inconsistency, they wished to destroy the colonial industries and tax everything that was a necessary of life. That had generally been the method of procedure on which they had gone as members of the Tariff Board. He would like to point out that that was the principal reason why so much confusion had arisen in regard to the board's report. Of course, the protectionist members of the board had entered their protest against several of the leading recommendations, and they reserved to themselves the right of protesting against items similar to the one now before the committee. He hoped that the committee would strike out that item.

Dr. SCOTT stated that he would support the proposed duty, for the one reason that if a small duty were imposed it would bring the article under the revision of the revenue officers, and pure coffee would thus be guaranteed to the community. At the same time, he thought that a smaller tax would meet the position. As regarded the report of the Tariff Board, the finishing touch seemed to have been given to it by the honorable member who had just spoken, and who was a member of it. The committee ought now to leave the report of that board alone altogether. He was astonished to hear the leader of the Opposition talk about his consideration for the poor man, considering that that honorable member when in office placed a duty of £3 a ton on sugar.

Mr. HIGGINS remarked that he was glad to find that the Government did not

attach very much weight to the proposal now before the committee. The only argument urged in its favour was that there was a duty upon tea. He considered that the duty on tea was one of the most unjust duties in the Tariff, and he would oppose the imposition of a duty on coffee. The honorable member for Villiers took the view that a duty on coffee would guarantee the purity of the article, but no complaint had been made in regard to the quality of the coffee coming into the colony, and the mere fact of there being a duty on the article would be no guarantee of its purity.

Mr. PRENDERGAST remarked that he would oppose the proposed duty on coffee. He also desired to accentuate the fact that the party which he belonged to held that no customs duty should be placed on anything that could not be grown or made in the colony. If the honorable members on the opposition side of the House who had professed their sympathy with the working man really desired to relieve him, they should vote for the abolition of this proposed duty. If no one else submitted such a proposition he would propose the entire abolition of the duty on tea, in order to test the sincerity of honorable members sitting opposite to him. (Mr. G. Turner—"That will mean a land tax.") Undoubtedly it would. The *Argus* of that morning said—

"The doctrine preached by the High Tariff party was—and is—that high duties kill revenue at the Customs, and that thus a land tax becomes a necessity. And this is true."

That was quite true, and that was the reason why he was a prohibitive protectionist. The *Argus* further stated—

"The doctrine of the Tariff Reformer is that light duties mean in Victoria, as elsewhere, a large revenue, and thus render any land tax fiscally unnecessary. And this also is true."

It was true, and that was the reason why all the big land-owners were supporting the item now before the committee.

Mr. ZOx observed that he was surprised to hear the honorable member for Melbourne North talk about exposing the tactics of honorable members on the opposition side of the House. How many members of the Tariff Board were supporting its recommendations? The chairman of the board sat in the House, but he rarely said a word in favour of his own recommendations. He (Mr. ZoX) could understand the difficulty of the Minister of Customs, because after indorsing

certain recommendations of the board he found that the honorable member for Richmond (Mr. Trenwith) and the honorable member for Carlton, who had attached their signatures to the report, were almost invariably opposed to their own recommendations. He (Mr. ZoX) would support the proposed duty of 1d. per lb. on coffee. Such a small duty would not cost 6d. a head to the population of the colony, while it would bring in much-needed revenue. (Mr. Prendergast—"It will cost the people £3,000 a year.") He believed that it would bring in £3,000 a year. It was a duty which would not be felt by any section of the community, and the same remark applied to the duty on tea.

Mr. SALMON said he belonged to the party which believed in doing the best it could for Victoria at the present time. One of the greatest beliefs of that party was that necessaries of life should be admitted free, and a contingent belief was that the people who used the luxuries of life should contribute something to the revenue. It was news to him to hear from the honorable member for Prahran that coffee was a necessary of life. He (Mr. Salmon) possessed a slight amount of medical training, but he had failed to discover that it was absolutely necessary for the people to have coffee. (Mr. Gray—"Is tea absolutely necessary?") He believed that tea was absolutely necessary. The price of coffee made an enormous difference in the use of it. It must not be forgotten that the people of this colony were very anxious that there should be no fresh taxation, and the proposed duty of 1d. per lb. on coffee meant fresh taxation, though it was taxing a luxury. He would only support the proposed duty on the condition that a relative remission was made in the amount of the duty on tea, which was a necessary of life.

The item was negatived.

On the item—

"Confectionery, comfits, succades, sweet-meats—on which the invoice value exceeds 1s. per lb., 25 per cent."

Mr. BEST stated that in connexion with this item he desired to make a departmental alteration by inserting, after "value," "including inside packages (if any)." The object was to make the inside packages liable to the duty. That was in accordance with the existing law, which, however, did not apply to fixed duties. The Act provided that for the purpose of calculating the amount of any ad valorem

duty the value of any inside case, cover, or material should be added to the value of such article, and the duty should be paid on the value of the article, and the value of such inside case, cover, or material. Confectionery was introduced in small jugs and in various forms of packages. The jugs in particular were already liable to duty, but they might be introduced free of duty by simply putting some cheap confectionery into them. The object of the department was to make it clear that jugs used in this way should be subject to the duty. (Mr. Carter—"Why do you increase the duty?") Confectionery which exceeded the value of 1s. per lb. was the most valuable class of confectionery, and it was introduced at the present time at a nominal duty of 2d. per lb. The same goods could be made here, and the alteration was proposed at the instance of a leading confectioner, who demonstrated most conclusively to the Tariff Board that he could manufacture them. It was thought that, as confectionery was a luxury, this would be a reasonable alteration to make. He begged to move the insertion, after "value," of the words "including the inside package (if any)."

Mr. MURRAY SMITH said that, although he was opposed to the increase of any of the protective duties, he recognised that this was not an important matter. He desired, however, to call the attention of the Minister of Customs to the fact that simplicity was a very valuable characteristic of the Tariff. It appeared to him that it would certainly be desirable to include the whole of confectionery under the ad valorem duty, and not to saddle the cheaper qualities with a heavy percentage of duty. Was there any reason why a difference should be made between the more valuable and the less valuable kinds of confectionery?

Mr. BEST remarked that there was only one reason so far as he was aware, and that was that the inferior class of confectionery was already made in the colony. It was thought that 25 per cent. would hardly be a sufficient protection against the cheap productions of the old country. The manufacture of confectionery was a very large industry, and the committee should hesitate before it interfered with a duty which was not irksome, and which did not increase the price of the article.

Mr. MURRAY SMITH stated that he did not want to trot out the poor man,

but it seemed to be unreasonable that the cheaper kinds of confectionery should be subject to a higher percentage of duty than the more valuable kinds. It would be more simple to make all confectionery subject to a 25 per cent. ad valorem duty.

Mr. MADDEN said he intended to move that the present duty on confectionery be adhered to. The industry was very well established. It had been stated that the leading local manufacturer started by making a few lollies in his bath-room, and that in 1894 he was employing 67 men. In addition to supplying the local market, he was exporting lollies and sweetmeats to the other colonies, and competing in markets in which confectionery was free. He did not see why the local confectioners should be advanced to the prejudice of the importers of excellent sweetmeats, who were at the present time unjustly treated by the Customs department. In addition to having to pay a duty on sweetmeats, they were called upon to pay a duty on the box and on the pictures—the gilt edgings, as the Americans would call them—with which they got up their goods. Another charge was made, the reason of which he did not know. If a London house had a branch establishment in the colony, the invoice from the London house had two additions of 10 per cent. made to it. One was the ordinary addition, which was made to every invoice in any case in which an ad valorem duty was imposed, but the other was made simply because it was a branch establishment. He held in his hand an invoice with the double addition made to it. His contention was that the proposed increase of duty was quite unnecessary. The local industry had been established, and was exporting its products to the other colonies. Therefore, from the protectionist point of view, everything that was necessary had been attained. There was another quality of sweetmeats containing chocolate, and in regard to that no protection was required, because the raw material—the cocoanut—was free. The question of inside packages was of some importance. The importer got his goods up in a very elaborate way, and he (Mr. Madden) did not think that he should be charged duty upon the inside package when there was merely an attractive little picture or a little box, such as those in which Cadbury's cocoa was packed. (Mr. Trenwith—"Or a jug.") He was not aware that a jug was an inside package.

(Mr. Best—"Yes, it is.") Of course, if peoplesought to evade the Customs, he had no desire to assist them, but he thought that manufacturers should be encouraged to get their goods up in a nice and attractive way, and that those who did so should not have to pay any extra duty.

Mr. CARTER stated that one of the largest manufacturers of confectionery in the colony had assured him that, as far as he was concerned, he did not require any duty whatever. The price of sugar here was so low that he was quite able to compete with the makers of sweetmeats in other parts of the world. The beautiful little packages in which sweetmeats were sometimes packed might almost be called works of art, and it would be a great pity to discourage the local manufacturers, by imposing a high duty, from learning how to get up their goods in the same attractive way. Any honorable member who desired to treat a person to a box of chocolates would have to pay 2s. 6d. for it, whereas he could probably buy the same article in England for about 1s.

Mr. T. SMITH remarked that he did not see how the imposition of a high duty could prevent the local manufacturers from making a superior article or from getting it up in an attractive way. (Mr. Carter—"The manufacturer wants no duty.") The largest manufacturer of confectionery in the colony had declared to him that he did want the duty, and he knew of another manufacturer in a small way who said that if any reduction was made in the duty it would mean the discharge of a number of his hands. This man was a truthful and most estimable citizen, and his assurance might be accepted. As a member of the Tasmanian Exhibition Commission he had to visit a number of the factories in which confectionery was made, and he could say that this industry was a very valuable one indeed, and that it employed hundreds of hands. Without a substantial duty the manufacturers could not continue to compete successfully with the imported article. On the previous evening, when another industry was being discussed, it was alleged that the local manufacturers did not use Victorian coal. In the confectionery industry several honorable members had had ocular proof that Victorian coal was used. So much for the patriotism of the local confectioners. He hoped that the committee would pause before doing anything that would cause injury to men who had

invested a large amount of capital in what was now a valuable industry.

Dr. SCOTT observed that he hoped that the proposal of the Government would be carried. Lollies were a luxury, and he thought that the imported lollies should be subject to a high duty, because it was the very pretty and highly-coloured lollies that most frequently contained deleterious matter injurious to the public health.

Mr. TUCKER remarked that confectionery was dealt with by the first Tariff Board, and not by the board over which he presided. The recommendation made was one in which the board was absolutely unanimous. It was pointed out by the manufacturers that all the protection granted to them was a duty of 2d. per lb., which on the higher class of confectionery was very little indeed. Even a duty of 25 per cent. on confectionery valued at over 1s. per lb. would be a somewhat inadequate duty. At the same time, the confectioners admitted that, if such an alteration were made, it would be a step in the right direction, and would enable them to manufacture the higher class of goods. He had not risen often during the discussion on the Tariff, but, if he was in order, he would like to refer to the division that was taken on the previous evening. In the first instance, the Tariff Board agreed to a duty of 1½d. per lb. on candles, and it was only after the report had been printed that the committee, by a majority of one, agreed to recommend a reduction to 1d. That was the reason why, on the previous evening, he supported the proposal of the Government. On confectionery there was absolutely no difference of opinion. The board visited the various factories, and came to the conclusion that a duty of 25 per cent. would be fair.

The amendment was agreed to.

Mr. CARTER moved the omission of "25 per cent.," with the view to the insertion of "2d. per lb." He said that his object was to retain the present duty.

The amendment was negatived, and the item, as amended, was agreed to.

On the item—

"Drugs, viz.:—Ammonia, liquid, ½d. per pint (from the 1st January, 1896)."

Mr. MURRAY SMITH asked whether there was any reason why drugs should be subject to a duty? If there was anything that was necessary or useful for the human frame, he supposed that it was drugs.

Mr. BEST stated that in the case of drugs a reduction of duty was made. The duty on nux vomica, morphia, strychnine, chlorodyne, and nitrate of silver had been abolished altogether, because those items were so small that they simply encumbered the Tariff. On liquid ammonia it was proposed to reduce the duty from 2d. to $\frac{3}{4}$ d. per pint. The high price at which liquid ammonia was sold had adversely affected a number of other industries, and the Tariff Board received communications from several owners of refrigerating machines asking for a reduction. It was urged by the Tariff Board that the duty on liquid ammonia should be the same as the duty on carbonate of ammonia, $\frac{3}{4}$ d. per pint, and the Government had accepted that recommendation.

Dr. SCOTT asked what was the amount of revenue derived from liquid ammonia?

Mr. TUCKER said that the amount of revenue derived from liquid ammonia last year was £8 10s. 4d.

Dr. SCOTT moved the omission of " $\frac{3}{4}$ d. per pint," and the substitution of "free." He stated that the manufacture of liquid ammonia was a monopoly in the hands of one firm. This was a drug that was used in many prescriptions, and used largely in hospitals for liniments and for other purposes.

The amendment was agreed to, and the item, as amended, was adopted, as was also the item—

"Drugs, viz.:—Glycerine, pure, $1\frac{1}{2}$ d. per lb.; glycerine, crude, $\frac{3}{4}$ d. per lb. (from the 1st January, 1896)."

On the item—

"Eggs, 10 per cent. ad valorem (from 1st January, 1896)."

Mr. WINTER stated that this was the only item in the proposals of the Government that might be said to affect a country industry. He would be glad if the Minister of Customs would explain the reason of the proposed alteration in the duty.

Mr. CARTER said he would like the Minister of Customs to explain why he proposed to alter this duty from a fixed duty of 2s. a gross to an ad valorem duty of 10 per cent. How were the Customs officers to tell the value of the eggs? A Customs officer could count 144 eggs and say that 2s. would have to be paid upon them, but he did not know how such an officer could tell the quality of a consignment of eggs. If the egg-shells contained

chickens, would they come in under the heading of preserved meat? There was an ad valorem duty on preserved meat. He would also like to know which was to be regarded as the higher duty-paying article—fresh eggs, or what he might call election eggs? This was a matter of great importance to Members of Parliament, and especially to those who contested districts bordering on the Murray.

Mr. TUCKER observed that in all the adjoining colonies there was an ad valorem duty on eggs. In New South Wales and in South Australia the duty was 10 per cent.; in Queensland, 25 per cent.; in West Australia, $12\frac{1}{2}$ per cent.; and in Tasmania, 15 per cent. Victoria stood in the proud position of having imposed a duty of 2d. per dozen upon eggs. This was done some years ago and it made the colony almost a laughing-stock. It was an absurd duty. The object of the board in recommending the alteration was to bring this colony into line with the two adjoining colonies of New South Wales and South Australia. Personally he would be glad if the duty were removed altogether. At the same time, this was a recommendation that was agreed to by the Tariff Board by four votes to three.

Mr. CARTER asked what was the revenue derived from eggs?

Mr. BEST stated that the revenue last year was £199.

Mr. LONGMORE said that he was a member of the House when the duty on eggs was imposed. It was imposed by Mr. Duncan Gillies. (Sir James Patterson—"No; I put it on, and I will help you to take it off.") The honorable member was in a very subordinate position at that time. When the duty was imposed there were large importations of eggs from South Australia. Under the circumstances it was thought to be advisable to put on a duty of 2d. per dozen, and that was done by a free-trade Government. He did not understand the strong objection that was now raised to a duty of 10 per cent. upon eggs. The present duty prevented the colony from being flooded with eggs at a time when the local supply of eggs was limited, and it enabled a fair price to be maintained.

Mr. FINK moved the omission of "10 per cent. ad valorem," with a view to the insertion of the word "free."

Mr. WINTER observed that this was one of the duties that had an inter-colonial bearing. It did not protect the

labour of the colony against the underpaid labour of the old world. In his opinion there should be the freest possible intercourse between colony and colony. The honorable member for Dandenong had stated that the duty was imposed to prevent the large importation of eggs from South Australia. There was an improved feeling between the colonies, and a possibility — not to say probability — of federation being brought about at an early date. Of course it was rather ridiculous to connect federation with eggs; but at the same time this was the first opportunity the committee had had of discriminating between protection which was designed to protect local labour against the underpaid labour of the old world, and protection which prevented the entrance into this colony of articles produced by their brothers on the borders of New South Wales or South Australia. The committee should have some explanation from the Government as to the reasons that prompted them in including this item amongst their proposals.

Mr. GRAY remarked that he believed in encouraging intercolonial free-trade wherever possible, and he regarded this as one of the items in which it was possible. The duty was really levied against South Australia and New South Wales, and the amount of revenue derived from it was very small, whilst it caused great irritation to the shop-keepers and others on the border. He thought that the committee should wipe it out altogether.

Mr. WEBB observed that, in his opinion, this duty carried out the full principle of protection. It had been argued that it was a duty that interfered with intercolonial free-trade, but honorable members must not forget that the other colonies prohibited the introduction of eggs by imposing a duty upon them. The present duty on eggs was 2d. a dozen, and it was now proposed to reduce it to 10 per cent. ad valorem. He contended that that reduction should not be made. Eggs were a commodity that were largely produced on the village settlements, and consequently this duty was a protection to the working men, because the village settlers were all working men. Eggs were largely imported from South Australia into this colony, and the price was consequently reduced very materially at certain times of the year. At other times eggs were plentiful here and scarce in the other colonies, but their entrance into those colonies

was prohibited. In all justice, therefore, this duty should be retained. He admitted that 10 per cent. was a fair duty, but it would certainly be an injustice to abolish the duty on eggs altogether.

Mr. STAUGHTON stated that the duty on eggs stood in the same category as the stock tax; but the stock tax was infinitely more irritating to the people of the other colonies than was this duty. The argument that had been used might be applied also to the duty on tweeds, in so far as it affected New Zealand tweeds. He was astonished to hear some of the honorable members who sat in the Ministerial corner opposing the duty on eggs. The honorable member for Prahran stated that this duty caused a great deal of irritation on the border, but the other colonies had imposed a similar duty. He could commend the Tariff Board for desiring to bring the duties into line with those imposed in the other colonies. If they had done that it would have been better for the country and for the present discussion, but in some instances it had not been done. If the duties were made to correspond as nearly as possible with those of the adjoining colonies, when federation did come it would be for the federated colonies to deal with the duties as a whole. The present duty yielded £200 per annum, and cost nothing to collect, and it did make this country look very small to be quarrelling about so trivial a matter.

Mr. McCOLL remarked that when he saw this item in the proposals of the Government he wondered, as was wondered about the fly in the amber, how the deuce it got there. On looking up to see who had hatched this particular item, he found that the manager for Swallow and Ariell's Biscuit Factory at Port Melbourne was the only witness who gave any evidence in regard to it before the Tariff Board. His evidence was in favour of the abolition of the duty. This duty was put on eggs, because in the year previous to its imposition the eggs imported into this colony from South Australia amounted in value to £18,000. At that time a feeling was growing that if protection was worth anything it ought to be given all round, and that this egg industry, though small, was of great importance to many households and ought to have that protection which was its due. He would be prepared to support a free border all round the colony if there could be intercolonial free-trade, but until that happy day came it would be unfair and

unjust to make a scapegoat of this industry. He intended to propose that the item be struck out, in order that the duty might remain as at present.

Mr. GRATTAN said he supported the duty because it afforded a certain amount of protection, and, being well under 25 per cent., was not a prohibitive duty. He objected to New South Wales being continually paraded as a free-trade colony when he knew that straw grown at Shepparton had to pay a duty of £10 per ton, which amounted to 33 per cent., on crossing over into New South Wales.

Mr. TRENWITH said the duty was an extremely good one. He did not believe in striking off duties in the hope of bringing about federation, for he was inclined to believe that maintaining the duties was a quicker way to bring that about. The effect of the duty had been to materially reduce the cost of eggs to Victorian consumers. Before the duty was imposed eggs became excessively dear during the winter months and at festive seasons, 3s. per dozen being a common price at those times. He had no recollection of eggs being at anything like that price since the imposition of the duty. It had certainly led to an increased development of poultry raising in this country, and to a more steady and regular supply than before. He hoped the item would be struck out, and that the duty would remain as it was. He did not believe in the wisdom of retaliation. He regretted the stand taken on behalf of the agricultural producer, as though he only was to be considered and the manufacturer was not worth considering at all, but he was not going to perpetrate a wrong by retaliation.

Mr. SALMON stated that he would vote for the Government proposal. The present duty was too high, and was a source of intercolonial irritation. The Government proposal brought the duty within almost exactly the same limits as those of the other colonies.

Mr. J. ANDERSON expressed the hope that the item would be struck out. The hens in Victoria went "on strike" at an earlier period than they did in South Australia, where fresh eggs could be procured much further into the winter. Confectioners, hotel-keepers, and others, who had to use eggs in the preparation of certain dishes, had to have recourse to a substitute for eggs when the real article was beyond a certain price. The health point of view alone afforded a strong reason

why the item should be struck out. Eggs were not a luxury, but a necessary of life. They were largely consumed by the poor people of the country. With all respect to the honorable member for Richmond (Mr. Trenwith), he did not think that the decrease in the price of eggs in winter was owing to protection. During last season eggs were, he believed, most plentiful in all the colonies, but in the winter months poor people could not afford to buy them. He himself had given as high as 2s. 6d. per dozen for eggs in the winter months. Biscuit manufacturers preserved eggs when they were 6d. and 7d. per dozen, and used them in the winter months in their business. If the item were struck out they would be better able to get fresh eggs in the winter season from South Australia.

Mr. THOMSON remarked that to strike out this item would mean an increase, and not a reduction of the duty. The protection of 10 per cent. suggested by the Tariff Board was a very fair one, and it might be assumed that the members of the board who represented country interests would see that those interests were protected as far as possible. He believed that country producers would be satisfied with a 10 per cent. duty, and seeing that our exports had gone ahead of our imports there could be no need for keeping the present duty on.

Mr. BURTON said the committee were making a great fuss about nothing. Eggs should be put on the free list. The official record of importation showed that there were only 23,844 dozen eggs imported last year, on which duty to the amount of £198 was paid. It was only a matter of exchange.

Mr. DUGGAN stated that the honorable member for Gunbower, who should be an authority on this question, had told them that in the year previous to the imposition of the duty eggs to the value of £18,000 were imported into this colony (An Honorable Member—"£35,000.") The original figures were now amended, and they were told that the amount was £35,000. (Mr. McColl—"That's right.") Last year the duty on imported eggs amounted to only £200, and indisputably the difference must have gone into the pockets of our own producers. Eggs had not increased in price so far as the consumers were concerned, and the effect of the duty altogether had been exactly what was desired. He

commended the honorable member for Richmond (Mr. Trenwith) for his declaration that he did not believe in retaliatory duties. To sweep this duty away, however, would mean retaliation by the Ministerial corner—excepting, of course, the honorable member for Richmond (Mr. Trenwith)—on the country members. The honorable members in the Ministerial corner regarded country members as having assisted in reducing high duties, and so far as those country members were concerned the vote on this item would be a test vote. There were several other amendments to follow on the Tariff proposals seriously affecting the interests of the producing classes of this country, and country members ought to be very careful how they cast their votes on the present item. From a federation standpoint, the proposal was to bring this duty down to the level of that of the other colonies, more particularly New South Wales and South Australia, in both of which colonies it was exactly 10 per cent. In Queensland the duty was 25 per cent., in Western Australia 12½ per cent., and in Tasmania 15 per cent. They would be doing no serious wrong if they adopted the proposition of the Tariff Board and the recommendation of the Government.

Mr. T. SMITH observed that this was a very small matter, but he would have liked to see the producers' representatives something like unanimous on the question, in order that the committee might understand what they wanted. He was disposed to forget, or at any rate to forgive, those representatives for the votes they had given during the last few evenings persistently against the industries of the country, and could only hope that later on they would have an opportunity of doing the proper thing. He wished that the remarks of the honorable member for Gunbower had been backed up by gentlemen representing similar constituencies; but they had the honorable member for Dundas, for instance, saying that the Government proposal was one that would suit the producers just as well as the present duty. Where there was such a conflict of opinion how was the committee to know which was the correct view? Eggs had been cheaper since the imposition of the duty, but he was not disposed to think that the duty had affected the price one way or the other. The less they interfered with duties

of this kind the better. When the present duty was proposed, in 1889 or 1890, it met with a good deal of opposition even from country members. If those country members had changed their opinions, and now felt this duty to be a necessary one, let them say so, in order that the committee should know how to vote.

Mr. G. J. TURNER (*Gippsland West*) expressed the opinion that the honorable member for Jolimont had moved his amendment merely in order that the gentlemen in the Ministerial corner might show their nobility of character and consistency. He could not think that the honorable member had any expectation of carrying his proposal. The existing duty was not 25 per cent., the average price of eggs being over 8d. a dozen. It was his (Mr. Turner's) intention to vote for the retention of the present duty of 2d. per dozen or 2s. per gross.

Mr. GROSE said he desired to commend the honorable member for Melbourne South for his remarks in favour of federation, but he could not agree with that honorable member in the reasons that he had been advancing in favour of the abolition of the duty on eggs. If he were to take the remarks made by the honorable member that day on this question together with the interjection by the honorable member for Carlton in regard to the vote taken on the item of candles, it would appear that the advocacy of federation at the present stage was connected with the lowering of the duty on candles, to which those honorable members objected. It would seem that the federal spirit was abroad. If federation was to be introduced in connexion with eggs, why had the honorable member allowed the item of confectionery to pass without raising the question? That was an item which affected our neighbours in New South Wales. In the country districts of Victoria no confectionery was manufactured. In Melbourne and the suburbs it was manufactured. It was only when the committee reached the item of eggs, which were produced in the country districts, that the federal idea was raised by the honorable member for Melbourne South. He (Mr. Grose) had no hesitation in expressing the belief that a large majority of honorable members would be disposed to consider it a mistake for Victoria to impose a duty on eggs sent here from New South Wales and South Australia, or for those colonies to charge a duty on eggs sent there from Victoria; but in view of the fact that the

other colonies had a duty of 10 per cent. on eggs at present, he saw no objection, under the circumstances, to this colony imposing a similar duty. By adopting the proposal of the Government the duty would be brought into line with those of the neighbouring colonies, and would thus far advance the cause of federation through the assimilation of the Tariffs. For that reason the Government proposal should be supported. He hoped that honorable members who had been ruffled by the vote on candles on the previous day would not allow themselves to be influenced so far as to retaliate in connexion with the present item.

Mr. HIGGINS said that this item was a very small matter, but it marked one of the most interesting parts of the debate. The position was also rather amusing. He hoped that two or three honorable members who thought the country had set its face in the direction of free-trade would consider deeply the real condition of affairs, and that they would understand, from the utterances of their supporters, that they were making a great mistake in their views and actions. The leader of what was called the labour party had been unanimous enough to say that he had no intention of indulging in any spirit of retaliation. He (Mr. Higgins) hoped that those who had been voting against violent changes right through this Tariff revision would continue to vote in the same direction, and without any regard to what had already been done, and, without any attempt or appearance of giving one duty in return for another, would vote for what they thought best for the country. This only appeared to be a very small item, but some very important principles had been raised in the course of the discussion. Although the occasion was one that eminently called for freedom from customs duty, still he did not intend to vote for the abolition of the duty on eggs. It was quite true that eggs were used very generally as ordinary food, and that persons had not to be apprenticed to learn the business, but at the same time a considerable amount of capital had been invested in the industry, and the proper course would be to leave the duty as at present.

Sir JAMES PATTERSON remarked that while it was perfectly true that Victoria might not be marching towards free-trade, it was unquestionably receding from prohibition, and the Government's

proposal to reduce the duty on eggs from 25 to 10 per cent. was fairly on that road. They were attempting as far as possible to impose more moderate customs duties. The proposed duty on eggs was only a very small affair. It was a purely revenue duty—10 per cent. Such a duty was no good for the purposes of protection. If they wanted to protect this industry they must impose a duty of something like 100 per cent. Should they look to eggs for a revenue duty? The duty yielded £198 last year, and it must have cost more than that to collect it. He (Sir James Patterson) was instrumental as a member of the Government in putting the duty on, and therefore he thought it was but right that he should help to take it off. He would join with the honorable member for Melbourne South on this question, and show honorable members the road to federation. (Mr. Trenwith—"You cannot hatch federation from eggs.") It was his intention to vote for the abolition of the duty on eggs.

Mr. DYER stated that he could not help admiring the manly attitude of the honorable member for Richmond (Mr. Trenwith), who was a consistent protectionist, for he not only desired protection for city industries but was prepared to give the people in the country districts a fair share of protection. He could not admire the attitude of some other honorable members, and especially those city members who were trying to laugh out of the chamber this duty on eggs as such a paltry affair. While it might be considered by city members to be a very trifling matter indeed, country members knew that it was a question of great importance to the poorer classes of farmers and the village settlers. Many of them were depending on the proceeds from the sale of eggs for their tea and sugar and other things, and but for eggs they would have had to go without such things, not having other money to buy them. In the better-class farmhouses the heads of the establishments depended on their egg supplies for ready cash, and more money was invested in poultry breeding in the colony than was invested in some of the industries about which there had been so much talk, and which were supported by duties of from 50 to 100 per cent. The present duty on eggs was equal to about 25 per cent. The Government proposed a paltry 10 per cent., and even that measure of protection some honorable members would deny to

the farmers. He was prepared to do a fair thing by city industries, and he hoped that the country industries would also be treated fairly. This was the first and only item which the Government proposed directly affecting country interests, and the vote on the question would be keenly watched by the country people throughout the colony.

Mr. SANGSTER observed that he was in favour of perfecting the policy of protection, and as the present proposal was merely a revenue duty, he would vote for retaining the present duty of 2s. per gross on eggs. This was not an insignificant matter, and he was surprised at the remarks of the honorable member for Creswick. He (Mr. Sangster) could not understand honorable members advocating particular proposals on the ground that they would bring Victoria in a line with the other colonies, after they had voted for bringing other duties below the line of the other colonies. He deprecated such a course of procedure. A great number of eggs were imported from South Australia, and some of them were very poor eggs indeed. The present duty had encouraged the breeding of fowls and the producing of eggs, and in this, as in other matters, he would vote for protecting the local producer.

Mr. DEAKIN remarked that there was one aspect of this question which appeared to make the vote somewhat significant. He was a colleague of the present leader of the Opposition in the Government which proposed the present duty on eggs, and, therefore, he must share with the honorable gentleman the responsibility of sitting on the penitent form. If his recollection of the matter was correct that Government proposed, in the duty on eggs, a duty absolutely novel in Australia, and he regretted to say that the bad example of Victoria had been followed by every other colony. If they now removed the duty there was reason to believe that their good example might also be followed by the other colonies. He would not admit that in abolishing the duty they would be doing any injustice to this infant industry, which had had some time to establish itself, and which had established itself to this extent, that last year the colony actually exported more eggs than were imported. As Victoria had now become an exporting country, there was no advantage to be gained by retaining this duty, and he very much doubted if it had ever

had very much effect beneficial to the poultry breeders of the colony. The imposition of the duty helped to arouse a feeling against Victoria which caused the duties on other Victorian products exported to other colonies to be increased. The country interests did not need such trumpety protection as a duty on eggs.

Mr. LEVIEN stated that the honorable member for Essendon was entirely wrong in stating that the duty on eggs imposed by the Government of which he was a member was a duty absolutely novel in Australia at that time, because there was a duty on eggs in each of the adjoining colonies, and in advocating its imposition here, he (Mr. Levien) said the farmer had all the protection it was possible to give him except on that one item of eggs. The honorable member for Essendon expressed the opinion that this duty had done no good, but country members knew that it had greatly stimulated the production of eggs, with the result that, instead of having to import eggs for the requirements of the colony, the farmers were able, at some seasons of the year, to export eggs. The present duty on eggs was 25 per cent., a very handsome measure of protection certainly, and in his judgment too much for any industry, but while other industries were protected to the tune of 100 or 200 per cent. and even more—and town members objected to the modification of those excessive duties, which were only recently imposed and which were admittedly great mistakes—he thought the country industries were entitled to share in the protective policy of the colony. It was the duty of honorable members to bring the Tariff within reasonable lines, and to oppose prohibitory duties. (Mr. Deakin—"The duty on raisins, for instance.") Yes, the duty on raisins was certainly very excessive indeed. It was eight times as much as the duty on eggs. What the farmers desired was moderate protection, and not prohibition, and he thought the present duty of 2s. per gross on eggs was not excessive. It would be unfair and unwise to strike out this item just now when the farmers were taking steps to become large exporters of eggs. He would be very sorry to see anything like country against town, or town against country. There was a feeling in favour of protection throughout the colony, although the country people were opposed to the imposition of prohibitive duties. He would prefer that the duty

on eggs should remain at 2s. per gross, as at present.

Dr. SCOTT expressed the opinion that if the duty on eggs was abolished they would find eggs imported from China at a lower price than they were now in winter time, the only time when the poorest people could make any money out of eggs. (Mr. Winter—"Are you speaking as a protectionist now?") He was speaking as a representative of the whole colony. Many poor widows and orphans in the country districts were enabled to provide themselves with little necessaries, as well as some of the luxuries of life, by means of the money they received from the sale of eggs and poultry. He hoped the committee would be chary about removing the duty on eggs. At the present time eggs were remarkably cheap in this colony, in consequence of so many people taking up village settlements and keeping fowls. Almost every selector's wife in the country depended more or less on the money received for the produce of her poultry, and fowls were much cheaper now than they used to be. He did not think it would affect the industry if the duty on eggs was removed, but, as a matter of principle, he thought it should be allowed to remain.

Mr. HANCOCK said he was prepared to support the farmers in this matter. Although representing a metropolitan constituency, he was sufficiently aware of the importance attached to this industry to be alive to the desirability of maintaining the duty on eggs. A large number of farmers' wives depended on the money they got for their eggs for the purchase of many articles. The honorable member for Essendon assisted the present leader of the Opposition in putting a duty on eggs at the wrong time, and he was now trying to urge the committee to take the duty off at the wrong time. When the duty was imposed he believed that it was a mistake, but he must now confess that it had undoubtedly benefited the industry, and he could see no reason for taking it off. He did not think there was the slightest strength in the argument that the abolition of this duty would bring them anywhere nearer to federation. Federation would be brought about by friction at the borders. (Mr. Staughton—"By a Chinese wall.") It would be brought about by people finding out that on crossing some imaginary line they had to pay very severely for it. If the Border Duties

were removed he did not believe there would be a desire for federation, but if Border Duties were made a sort of common annoyance to people living near the borders, he believed federation would be brought about. Although he recognised the fact that, up to the present moment, the free-traders and moderate protectionists had scored very heavily in this revision of the Tariff, he was not going to be trapped into an act of reprisal. He believed that the farmers and miners were protectionists, and he was not going to be seduced from that belief by two or three honorable members getting up and saying there was a complete revulsion of feeling throughout the country. There might be a complete revulsion of feeling in the quarters those honorable members frequented, but his own belief was based on a knowledge of a large number of legitimate farmers in the colony, and he was confident that there was just as much desire to foster the industries of the country as there had ever been. Protection would never have made any strides but for the farmers and the miners, and, therefore, he would be the last to vote against any protection for which the farmer was asking, and if the representatives of the agricultural, farming, or pastoral interests came forward and gave substantial reasons why they should be protected, not only against the neighbouring colonies but also, in the present instance, against China, he would vote for that protection. He sincerely hoped that every true protectionist in the chamber would vote for the duty on eggs remaining as at present.

Mr. WEBB remarked that, although this industry had been made light of by many honorable members, he held it to be a very important one. It would be impossible to arrive at the exact monetary value of the industry, but he estimated that its value was nearly £750,000 a year, so that it was a much more important industry in value than many industries which received protection to the extent of 25 per cent. and upwards. When the honorable member for Essendon addressed the committee they expected him to speak correctly, because his words, as a rule, had a great effect on the decisions of the committee; but the honorable member was incorrect in saying that when the duty on eggs was imposed in Victoria there was no duty on eggs in the other colonies. There was a duty in Queensland of 15 per cent., in South Australia of 10 per cent., and in

Western Australia of $12\frac{1}{2}$ per cent., and so on. Consequently, it was not an experiment as far as the other colonies were concerned, although it might have been an experiment so far as Victoria was concerned. The duty on eggs was based on the real principle of protection, because the industry employed a very large number of people, and it should be borne in mind that if the colony produced eggs for its own requirements, it prevented the importation of an enormous number of eggs, and kept a large sum of money in the colony that would otherwise be sent abroad. It had been stated that Victoria imported so many eggs, and exported so many eggs, but eggs were imported and passed through the colony in bond, and they were then reckoned in the statistics as exports. In reality very few eggs had been exported from Victoria, except a few to England, during the last year or two, as an experiment. It was not yet known whether that experiment would turn out a success, but it might do so. Even if Victoria was an exporter of eggs, the present duty ought to be retained. Manufactories in this colony which exported their products to New South Wales and elsewhere were protected, and would any one urge the fact that ploughs and agricultural implements made in Victoria were exported to other colonies as a reason why the duty on ploughs and agricultural implements imported into this colony should be removed? The soundest protectionist in the Legislative Assembly of Victoria was the honorable member for Richmond (Mr. Trenwith), who was always logical, always fair; and, as a farmer of some years' standing, he must say that, if the destinies of this country had to be placed in the hands of one particular section, he would rather place it in the hands of the section led by the honorable member for Richmond (Mr. Trenwith) than in the hands of the section of honorable members in the opposition corner, simply because the honorable member for Richmond and his friends acted on principle, and some honorable members in the opposition corner did not. (Mr. McKenzie.—“You ought to go and take your seat on the other side of the chamber.”) Well, something might happen that would induce him even to do that. Any honorable member who voted for the abolition of the duty on eggs could not claim to be a protectionist, and if the duty was removed from that and other products of the farmer, all the farmers

Mr. Webb.

of the colony would become free-traders in their own interests, because protection would then be partial, not extending to them as it extended to other producers in the colony.

Mr. DEAKIN stated that when he spoke a few minutes ago he spoke from memory, and it was quite clear that his recollection was wrong. He was very glad to learn from the honorable member for Rodney (Mr. Webb) that at the time the present duty on eggs was imposed there was more justification for it than he had remembered. As a matter of fact, however, he opposed the duty in Cabinet as a member of the Government, and he opposed it still.

Mr. GURR expressed the opinion that the committee were dealing with a very important industry, which should be dealt with very seriously in the interests of the people concerned. Honorable members should pause before voting for a reduction of the duty on eggs to 10 per cent. He certainly thought that 20 per cent. would not be too much protection for the local industry. A large number of persons got a living by raising poultry and selling eggs. He trusted that the present duty of 2s. per gross would be maintained.

Mr. E. D. WILLIAMS observed that he did not think that the reduction of the duty on eggs to 10 per cent., recommended by the Tariff Board and proposed by the Government, would make much difference to the farming community; but the present duty of 2s. per gross had helped them in the past as it would help them in the future, if retained. For 30 years past he had come into contact with the farming community almost every day of his life, as a buyer and seller, and he could say of his own knowledge that scores of housewives in the country districts depended for their pocket-money, and for the principal part of the funds with which they bought tea and sugar, on the proceeds of the sale of eggs. There were only about four months of the year when eggs had any chance of being imported into the colony, the price of eggs being so low that no country could afford to send them here. He would not for a moment think of doing anything against the interests of the country on account of the previous vote which had been arrived at by the committee, and he hoped that the committee would adopt the existing duty of 2s. per gross on eggs.

The amendment was negatived.

The committee divided on the question that the item stand part of the schedule—

Ayes	...	...	...	43
Noes	...	...	...	38

Majority for the Government	}	5
proposal		

AYES.

Mr. J. Anderson,	Sir John McIntyre,
„ W. Anderson,	Mr. McKenzie,
„ Austin,	„ McLeod,
„ Best,	Sir James Patterson,
„ Burton,	Mr. Peacock,
„ Chirnside,	„ Rawson,
„ Deakin,	„ Reid,
„ Duffus,	„ Russell,
„ Fink,	Dr. Scott,
„ Foster,	Mr. Taverner,
„ Gray,	„ Thomson,
„ Grose,	„ Tucker,
„ Hamilton,	„ G. Turner,
„ Higgins,	„ Vale,
„ I. A. Isaacs,	„ Wheeler,
„ J. A. Isaacs,	„ H. S. White,
„ Kennedy,	„ J. R. Williams,
„ Kerr,	„ Winter,
„ Langdon,	„ Zox.
„ Lazarus,	<i>Tellers.</i>
„ Madden,	Mr. Moule,
„ McGregor,	„ Salmon.

NOES.

Mr. A. Anderson,	Mr. McLellan,
„ Barrett,	„ Murphy,
„ Bennett,	„ O'Neill,
„ Bromley,	„ Outtrim,
„ Cameron,	„ Prendergast,
„ Carter,	„ Sangster,
„ Cook,	„ Murray Smith,
„ Craven,	„ Staughton,
„ Duggan,	„ Sterry,
„ Dyer,	„ Styles,
„ Graham,	„ Trenwith,
„ Grattan,	„ G. J. Turner,
„ Graves,	„ Webb,
„ Gurr,	„ A. W. H. White,
„ Hancock,	„ Wilkins,
„ Harris,	„ E. D. Williams.
„ Irvine,	<i>Tellers.</i>
„ Levien,	Mr. Beazley,
„ Longmore,	„ T. Smith.
„ McColl,	

PAIR.

Mr. Brake. | Mr. Baker.

The item was agreed to.

On the item—

“Engines, being portable engines, fixed on a locomotive boiler horizontally, and fitted up with wheels and shafts suitable for transport on an ordinary road, 15 per cent. ad valorem (from 1st January, 1896),”

Mr. GRAHAM moved the insertion, after the word “road” (line 4), of the words “or patent safety oil engines used as portable or stationary engines.” He said these engines were not made in the colony, and could not be made here; they were very largely in use, and at the present

time they were subject to a duty of 35 per cent. He wished them to be placed in the same category as portable engines.

The committee divided on the amendment—

Ayes	43
Noes	39

Majority for the amendment...	}	4
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AYES.

Mr. A. Anderson,	Mr. McColl,
„ W. Anderson,	Sir John McIntyre,
„ Cameron,	Mr. McKenzie,
„ Carter,	„ McLellan,
„ Chirnside,	„ McLeod,
„ Craven,	„ Murphy,
„ Duffus,	„ O'Neill,
„ Duggan,	„ Outtrim,
„ Dyer,	Sir James Patterson,
„ Fink,	Mr. Reid,
„ Graham,	„ Russell,
„ Grattan,	„ Salmon,
„ Graves,	Dr. Scott,
„ Grose,	Mr. Murray Smith,
„ Harris,	„ Staughton,
„ Irvine,	„ Webb,
„ J. A. Isaacs,	„ Wheeler,
„ Kennedy,	„ A. W. H. White,
„ Langdon,	„ Zox.
„ Lazarus,	<i>Tellers.</i>
„ Levien,	Mr. Austin,
„ Madden,	„ Moule.

NOES.

Mr. J. Anderson,	Mr. Peacock,
„ Barrett,	„ Prendergast,
„ Bennett,	„ Sangster,
„ Best,	„ Sterry,
„ Bromley,	„ Styles,
„ Burton,	„ Taverner,
„ Cook,	„ Thomson,
„ Deakin,	„ Trenwith,
„ Duffy,	„ Tucker,
„ Foster,	„ G. Turner,
„ Gray,	„ G. J. Turner,
„ Gurr,	„ Vale,
„ Hamilton,	„ J. S. White,
„ Hancock,	„ Wilkins,
„ Higgins,	„ E. D. Williams,
„ I. A. Isaacs,	„ H. R. Williams,
„ Kerr,	„ Winter.
„ Longmore,	<i>Tellers.</i>
„ McGregor,	Mr. Beazley,
„ McLean,	„ T. Smith.

PATR.

Mr. Baker. | Mr. Brake.

Mr. IRVINE stated that the amendment he had intended submitting was that “15 per cent. ad valorem” be omitted, with the view to the insertion of the word “free.” During the adjournment for dinner he had discussed the matter with certain honorable members, and there seemed to be a desire that the same principle should be adopted with regard to this item as had been adopted with regard to certain other items. He now begged to move the insertion, after “1st January, 1896,” of the words “on

and after the 1st of January, 1897, free." This was a question which, taken in itself, did not involve matters of very great importance to the revenue or to any section of the community. When he said that, he meant that during the last few years the importation of these articles had, from various causes, been extremely small. The principal cause, of course, had been the agricultural depression that had prevailed. Portable engines were principally—in fact, almost entirely—used by farmers. During the year 1894 the total amount of duty collected on portable engines was £310. If he had proposed that they should be admitted free at once, it would really have meant an extremely trifling and quite negligible quantity to the revenue. The farmers were not at the present time able to buy these machines in any large numbers, and this was, therefore, an opportune time for dealing with the question. Although, as he had said, the question was not of great moment when taken by itself, it was of the highest importance when considered as a part of a larger question, namely, the introduction of the whole of the implements and machinery used in agriculture free. Taken in connexion with that principle, it involved very important issues, on which he fully expected that there would be different views expressed. In regard to portable engines the principle could be asserted now with extremely little inconvenience, if any, to those who dealt in the article, and with practically no loss to the revenue. Portable engines were very well known to all honorable members who represented farming constituencies, as they were used very largely for farming purposes, and especially for working thrashing and other machines of that nature during the season. At other times they were occasionally used for traction purposes. They were a very important element in the working of a farm, and they became more and more important as time went on. Every one who knew anything about farming in this country would agree with him that it was becoming more and more necessary to lessen the cost of the production of farming products. The prices of farming products were just now improving, but there had been a long and steady decrease. In order to keep pace with other countries in the production of wheat, butter, and other commodities it was absolutely necessary that production should be made as easy as possible to the farmer. He would not take up the time of the committee by

Mr. Irvine.

going into figures to show the enormous fall that had taken place in the price of agricultural produce, and to point out the absolute necessity which existed for doing everything they could to lighten the burdens of the farmers. Taking the agricultural produce of the colony as a whole, he thought that he was not going too far when he said that within the last seven or eight years its value had fallen at least 40 per cent., and probably more. He desired now to say a few words on the general question of agricultural machinery and implements. Machinery of this kind had only been available to the richer class of farmers. The tendency was for it to become more and more used, as it meant an immense saving to the farmers, by enabling them to raise their products at a less cost. Even from the protectionist point of view he contended that the duties on agricultural machinery and implements should never have been imposed.

The CHAIRMAN.—I am sorry to have to interrupt the honorable member, but I would point out to him that we are simply now dealing with the question of portable engines. We shall hereafter deal with the item "Manufactures of metals," which includes engines and machinery of all kinds not otherwise enumerated.

Mr. IRVINE stated that he would accept the Chairman's ruling. Although this was perhaps not a matter of any very vital importance now, when many of the farmers could not afford to buy portable engines, they all hoped that in a very short time there would be a revival in the farming industry. If anything could be done that would help it, it was the lightening of the burdens on agricultural machinery of all kinds. He should have moved that portable engines be free from the 1st of January, 1896, but it was pointed out that that might work an injustice to persons who had stocks of these engines. (Mr. McColl—"They are nearly all in bond.") Most of them were in bond, but there were probably a few of them on which the duty had been paid, and at the present time many farmers were not in a position to purchase this expensive machinery. He did not think that any hardship would be caused by delaying the operation of his amendment for another year.

Mr. WHEELER observed that there was no doubt a great deal of force in the

contention of the honorable member for Lowan with regard to portable engines, which could not be made here. (Mr. T. Smith—"They can be made here.") The honorable member knew very well that they could not be made here profitably, and that nearly all the portable engines used in the colony were imported. Those engines were very largely used by the agricultural community and by the mining industry, but the committee must not overlook one fact, and that was that the Government, on the recommendation of the Tariff Board, had proposed a reduction of 10 per cent. in the duty. The board had gone on the principle that all these reductions should be made gradually. Duties had been reduced at the rate of about 10 per cent., and in this instance the committee might very fairly accept the proposal of the Government as an instalment. He quite agreed that the time would come when portable engines would have to be admitted free, but at present it would not be fair to go beyond the Government proposals.

Mr. T. SMITH remarked that it would be almost as well to admit portable engines free as to reduce the duty by 10 per cent. as the Government proposed. The duty on these engines was increased in the Tariff revision of 1889, at the instigation of those who stated that they were prepared to make portable engines. In 1892 an attempt was made to raise the duty from 25 per cent. to 35 per cent., but it failed. He knew that portable engines had been made at more than one foundry in the city of South Melbourne. It was true that very few of them had been made recently, but the reason was that there had been a very limited demand. If the demand increased a larger number of portable engines would no doubt be made if the duty of 25 per cent. was retained, but they could not be profitably made if the duty were reduced. He trusted, therefore, that the committee would not adopt either the amendment of the honorable member for Lowan or the proposal of the Government. Of course, if these engines could not be profitably made under a duty of 15 per cent. they might as well be admitted free, and the farmers be allowed to get the advantage of the 15 per cent.; but they had been and could be made here, and it would be unfair to destroy what was at present a small industry, but an industry which was capable of great growth.

Mr. MADDEN said that he agreed with the remark made by the honorable member for Daylesford, that he was quite willing to accept the proposal of the Government as an instalment. The committee were prepared so to accept it, and the amendment of the honorable member for Lowan was to grant a second instalment, by making portable engines free in eighteen months' time. In the report of the Tariff Board the following statement was made:—

"Some witnesses recommended a reduction of the duty of 25 per cent. on portable engines in the interests of thrashers and others. It was stated that not more than ten had been made in the colony, whilst one firm in England turned out 30 per week, and that an engine invoiced at £200 would cost a Victorian farmer £330. The secretary to the Amalgamated Society of Engineers, on the other hand, asked for an increase of the duty, to enable persons to start the manufacture in the colony.

"The duty is very much higher in Victoria than in the other colonies, and we would recommend a reduction."

It was well known by those who had any knowledge of farming that very few farmers owned portable engines, but that there was a worthy class of persons who went about from farm to farm among the smaller selectors, thrashing for them at so much a bag. It would be a great relief to them if the duty were abolished. In travelling over the rough roads of the colony the engines met with a great deal of ill-usage, and they did not last very long. The men who went about as what he might call professional thrashers had to replace their engines continually, and the cost fell on their clientèle. (Mr. Longmore—"At intervals of 20 or 30 years.") He would like to see the portable engine that would travel in the Heytesbury Forest for 20 years; it would look more elderly than the honorable member did himself.

Mr. STYLES observed that the honorable member for Daylesford had said that portable engines were not made here. (Mr. Wheeler—"I said that they could not be profitably made.") It was an extraordinary thing if they could make scores of locomotives in the colony, and could not make portable engines. He regretted that the Government should have thought fit to ask the committee to reduce the duty on portable engines. The duty on these engines had always been lower than the duty on stationary engines, and he could never understand the reason why. He felt quite certain that had the

duty on portable engines been 30 or 35 per cent. they would now have been obtainable in the colony cheaper than ever before. The honorable member for Eastern Suburbs read the following paragraph from the report of the Tariff Board—

“The duty is very much higher in Victoria than in the other colonies, and we would recommend a reduction.”

If the honorable member would turn to the next page of the report he would see that the duty in Queensland was as high as it was in this colony. He thought he might go as far as to say that portable engines could not be made in Queensland, South Australia, Western Australia, or Tasmania. (Mr. McColl—“Portable engines are free in Queensland.”) According to the Tariff Board's report there was a duty of 25 per cent. on them in Queensland. The report appeared to be wrong in every respect. There were only two colonies—New South Wales and Victoria—in which portable engines could be made. It would not pay the other colonies to make them, because only a few of them were in use there. Portable engines were not farming implements alone. Every honorable member who had been in the bush knew that they were used in 99 cases out of 100 to drive saw-mills. He had been a large owner of portable engines, and he had learnt a wrinkle which he thought he ought to communicate to the committee. Some years ago he desired to purchase a large portable engine, and he was recommended to go to one of the importers and to get a semi-portable engine. He saw a machine that could be drawn along a road it was true, but the under-carriage, the wheels, the axles, and the shaft were of such a flimsy nature that it would have been useless for the honorable member for Daylesford to attempt to draw it to one of his saw-mills. The engine was imported under the lower duty and yet it was nothing more nor less than a stationary engine. He had a catalogue in his hand in which the engine he was referring to was described as a semi-portable engine. It came in under the 25 per cent. duty instead of under the 35 per cent. duty. Any practical man looking at one of these engines would know that he could not take it anywhere in the bush, although it could be drawn very well along the streets of Melbourne. In fact, the makers themselves said that the engines were sent out fixed with brackets to which a set of

wheels and axles, &c., might be temporarily attached for facilitating transport. These engines had been coming into the colony for years as portable engines, and yet they were not in any sense portable engines. He did not wish to cast the slightest reflection on the Customs officers who were very diligent and did their work well. They had to go by the Act, and these engines were called “semi-portable engines.” He thought, however, that it was the duty of the committee to strike them out of the 25 or 15 per cent. list and to make them subject to the higher duty as stationary engines. At present the revenue was being defrauded. He regretted very much that the Government had not seen their way to impose such a duty as would have encouraged the making of portable engines in Victoria. The material was obtainable here; there were first-class workmen available; and if the industry were once started portable engines could be made within three years at a cheaper rate than they could be purchased at now.

Mr. LANGDON said that, as another practical man, he could inform the committee that portable engines were used not only for saw-mills, chaff-cutting, and thrashing, but were also used for pumping water, crushing grapes, wine making, and a variety of other purposes. They were used as travelling engines for thrashing purposes, but for this purpose they did not last more than eight years unless very carefully looked after. In a saw-mill, with proper looking after, they would last a good many years. It was the duty of Parliament to assist the farmer in every possible direction. As the representative of a company he had bought a plant for £760, and on this had paid over £100 duty. That company was desirous of thrashing the grain for the farmers as cheaply as possible; but, if they had to pay such a high price for the plant, they must charge the farmer so much more per 100 bushels. The manufacturers had had some 30 years of protection; but no factory of any standing had been established here. Surely that was a proof that these engines could not be constructed in the colony. There were not many of them imported just now as compared with a few years ago, when they were very extensively imported. But nowadays the engines used were fixed, and much larger and more powerful. He hoped the committee would support the

amendment of the honorable member for Lowan. The honorable member for Daylesford had said he was willing to support a gradual reduction of the duties generally. The amendment would not take effect until the 1st of January, 1897, and he hoped the honorable member for Daylesford would see his way to support it.

Dr. SCOTT observed that there was no implement of more importance to the advanced farmer than the steam-engine. It had been pointed out that these engines were generally in the hands of a few people, who travelled from district to district to do thrashing, but it would be readily understood, if the present low prices reigned, what a severe tax on the farmer was every 1d. in the bushel added to the cost of thrashing. If they had cheaper machinery they would have cheaper thrashing. The farmer had now to compete in a manner that he had never had to compete before with South Africa, India, and other places. Unless our farmers had the very best machinery a large area of this country would go out of cultivation, and this would mean the loss of a large amount of revenue to the country by the non-payment of rent. If these men were to be kept on the land it was by giving them cheap machinery and cheap transit from their farms to Melbourne. Farmers were no longer able to pay such a high price as 6d. per bushel for thrashing. And there was another field in which portable engines would very soon come into use. In Scotland and the north of Ireland portable engines were used to a very large extent instead of horses for ploughing, and no doubt in a little time these engines would come into immense demand in the mallee, where firewood was so cheap. It had been said that these engines might be manufactured in the colony, but he challenged any gentleman in the House to say that he ever saw a portable engine in this country that did not bear the name of a home manufacturer. If those engines were invariably imported, what was the use, from a protectionist point of view, of putting a duty on them? It was simply an absurdity.

Mr. LONGMORE remarked that he was not astonished at this discussion. When he saw that the amendment was supported by the opposition corner he knew that they intended to make the importation of portable engines free if possible. (Mr. Murray Smith—"Hear, hear.") He thanked the

honorable member for Hawthorn for being so straight. It was no use honorable members telling the committee that a farmer could not afford one of those engines. There was not one case in 50 in which a farmer wanted one. (Mr. G. J. Turner, *Gippsland West*—"They are a glut in the market, and can be bought now for less than the imported price.") That was so, and the market was kept glutted for the express purpose of keeping the people of this colony from building their own engines. What truth could there be in the assertion that we could not make portable engines when every day we were making locomotives equal to any in the world? In proposing a reduction of the duty to 15 per cent. the Government was very little else than *particeps criminis* in the matter. The old duty should be retained. (Mr. Best—"You can move that they remain at the old duty.") No doubt he could move that they remain at the old duty, but the Minister of Customs knew that the committee was strong enough to beat both him (Mr. Longmore) and the Government. The Minister of Customs was not leading the committee, but was allowing honorable members to wobble in whatever direction they liked, so long as he sat comfortably at the table. The farmers were not called upon to bear the cost of the portable engines. A man who had an engine and a thrashing machine went to 100 or 150 farmers in the season and thrashed their grain for them. If the farmers, through their representatives, destroyed the industries of the city, they would soon have no market for their own produce. (Mr. Murray Smith—"The making of portable engines is not an industry here—there have only been ten altogether made in the colony.") The reason that the making of portable engines was not an industry at the present time was because the town contained engines enough to serve the country for the next five or ten years. Under the circumstances, the local mechanics could not get an opportunity of making a single engine. If the engines were made here they would be cheaper than those imported, and, what was more, they would be more faithfully made. Imported articles were very often inferior in quality and did not suit the country. It had been said that portable engines would be used in the work of ploughing the land. They could not do the ploughing cheaper than it was done at the present moment.

No man could plough cheaper with an engine than with five or six horses and a five or six furrow plough. The motion was a deadly blow to the industries of the country, and, if carried, would mean sending many engineers on to the roads. The Government should not have brought down such a proposal, and he was not astonished at honorable members on the opposition side taking advantage of the position and asking for a further reduction. The motion, if carried, would work the greatest mischief that could be done to the country, because the protective Tariff had raised industries on every hand. When ploughs and implements were made in this country they were made to suit the soil and the farmers who used them, but the ploughs imported from home were fitted for a different kind of work. All those sorts of things should be made in the colony, and the people while making them should be kept in comfort. As it was now, many people were handing out the last shilling they had to spare in order to relieve the prevailing distress amongst the artisans. He would rather see the present Tariff proposals at the bottom of a well than that more important work, which was waiting, should be neglected by Parliament. If the Government had enabled him to vote for 25 per cent., without involving the absolute loss of all the duty, he would have done it, but now he could not go beyond the Government proposal.

The CHAIRMAN.—I have allowed the honorable member to exceed the limit to which he is entitled, and I must now ask him to confine his remarks to the amendment. The honorable member could have moved to increase the duty beyond 15 per cent. if he had thought fit, but he is too late to do so now.

Mr. LONGMORE remarked that he understood that they must strike out a Government proposal before they could move an increase.

The CHAIRMAN.—The honorable member might have moved to strike out the Government proposal absolutely. I will put the item to the committee by-and-by, when it may be carried or rejected. The honorable member can then vote against it, and if it be rejected the present duty can be retained.

Mr. LONGMORE observed that without the sanction of the House the Government had brought down the proposal to reduce this duty to 15 per cent., and the

Opposition, if strong enough, would wipe out the duty altogether. He declined to move such an amendment as the Chairman had suggested, because he knew the strength of the Opposition. If the Opposition were in a majority surely they ought to rule the House.

Sir JOHN McINTYRE said he wished to draw attention to a very important matter. A statement was made in the Tariff Board's report that the duty on portable engines in Queensland was 25 per cent. He had just learnt that that was a typographical error in the report, and that the true state of affairs was that in New South Wales the duty was 10 per cent., in South Australia 3 per cent., in Queensland 3 per cent., in West Australia 5 per cent., Tasmania $7\frac{1}{2}$ per cent., and New Zealand 3 per cent., as against 25 per cent. in Victoria. In spite of the fact that Victoria had had this high duty for so long, there were no engines to speak of manufactured here. In the report he found the following:—

"Some witnesses recommended a reduction of the duty of 25 per cent. on portable engines in the interests of thrashers and others. It was stated that not more than ten had been made in the colony, whilst one firm in England turned out 30 per week, and that an engine invoiced at £200 would cost a Victorian farmer £330."

Was such a state of things fair to the farmer? (Mr. Longmore—"Who has got the profit? The importers, of course.") The State had put 25 per cent. duty on this article, and yet no portable engines were manufactured here. The report went on to say—

"The secretary to the Amalgamated Society of Engineers, on the other hand, asked for an increase of the duty, to enable persons to start the manufacture in the colony. The duty is very much higher in Victoria than in the other colonies, and we would recommend a reduction."

He and others who thought with him had no desire to interfere with any established industry. For many years there had been a 25 per cent. duty on portable engines, and up to the present this appeared to have had no effect. How much duty did honorable members want in the face of the figures he had quoted from the Tariff Board's report? For some years past farmers had been encouraged in the promotion of the butter and kindred industries. These little portable engines were required in every direction, and if the duty were kept on, it would be like aiding the farmers with one hand and withdrawing the aid with the other. The Minister of Customs

could tell them that not more than £300 was received last year from the duty on those engines. Honorable members had given a great deal of consideration to the interests of those who tilled the soil, and he asked them to help the producers right through by removing all obstacles to their industry. For the last six years the country had been looking about in order to find a way out of its difficulties, and the only way out was through the products of the soil. The farmers were only asking to be placed in the same position as their fellows in Queensland and the other colonies. (Mr. Longmore—"Show your colours at once, and propose that portable engines be let in free.") He had done what he had never thought he would do in that chamber—he had voted for duties as high as 60 per cent. If that was not protectionist, he did not know what was. The question of free-trade and protection should not come up during the present discussion, for no honorable member had attempted to establish free-trade.

Mr. McLELLAN remarked that those who were interested in the agricultural, mining, saw-milling, wine-growing, and other industries of that class would be voting against the interests of their constituents if they opposed the admission of portable oil engines free. Not one portable oil engine had ever been made in the country, and it was a machine that exactly suited the requirements of a large majority of the industrial classes. The honorable member for Dandenong and those who acted with him wished to keep portable oil engines out of the country for all time. To do so would be to injure such industries as he had mentioned without forwarding the interest of any class in the country. The engine could be used for ploughing, churning, and several other farm purposes, and a child could manage it with perfect safety. All that had to be done was to put a quantity of oil or kerosene in a certain place, and the machine worked away with the greatest accuracy. No spark-catcher was required, and there was no danger of its setting crops, haystacks, or houses on fire. He was astonished that the honorable member for Dandenong did not see the advantages of a complete machine of that sort, because it was simply an iron horse made to suit the industrial classes who were engaged in producing the various products of the colony. It was a machine which was largely required here, and it would be madness to keep it out of

the country. If the honorable member for Lowan carried his amendment, he would deserve the gratitude of every man who had the welfare of Victoria at heart. He would be only too proud himself if he could assist in making the importation of these engines free of duty. There was not one of them in use in the country at the present time, although they were the very thing required. Why should honorable members keep them out any longer, seeing that no manufacturers had had enterprise enough to construct one of them? It was no benefit to any one to keep these engines out. It was said that they could be made here, but if so, why were they not made here? If honorable members could answer that question satisfactorily he would be content. Of course, anything could be made in this colony; but it did not pay to make some things here. The men who constructed these engines were experts, who understood their business, and they employed workmen who were trained to perfection, and who could do the work with advantage to themselves and with credit to their employers. He did not want to say anything against those who were anxious to encourage the local industries, but keeping out these engines would not encourage the industries of the colony to the extent of one single penny. The free importation of these engines would encourage the agriculturists, vignerons, saw-millers, and people who went out into the country districts prospecting for new gold-fields. It was a handy engine to go through the country with at a small expense, and it would enable men to develop the resources of the colony in a way that would not only enrich themselves, but would also yield a handsome revenue to the Treasury. That was what was wanted at the present time, and that was what honorable members seemed to be bent on destroying altogether. They did not encourage the producers of the colony one iota, although they encouraged a class of individuals around Melbourne who were too wealthy already, and who did not understand the requirements of the industrial classes in the country districts. He was perfectly well aware that there was a portable engine in the colony; but it was one of the most dangerous things in the world. The least carelessness on the part of the person in charge of the machine would result in a farmer's crop, and perhaps his homestead and that of his neighbour

being burnt to the ground, whereas the engines he desired to see imported were so complete that not even a spark could escape from them. It was sheer madness and perversity on the part of honorable members that kept such a valuable acquisition to the wealth-producing powers of the people outside the boundaries of the colony. He would do all he could to assist the industrial classes in the country districts. He felt that he had brought a curse on his own head, because he was a member of the Government that gave the suburban constituencies their representation, and from that day to this the whole of the power of the suburban constituencies had been devoted to the destruction of industries throughout the country. They had destroyed other districts so effectually that when one went out into them he saw them lying desolate—homesteads without tenants—and all because of that harsh and unjust usage which kept out of the colony such articles as the portable engines he had alluded to. If this were the last vote that he would ever give in the Legislative Assembly of Victoria he would vote for these portable engines being allowed to come into the colony free, because he was satisfied that they would prove to be the greatest blessing which the agriculturists in this country had ever received.

Mr. TUCKER stated that this recommendation of the Tariff Board was adopted by the unanimous vote of the board. The members of the board felt, from the evidence adduced, that the farmers of the colony were labouring under a great disability, with regard to certain machinery not produced in this country, in competing with the producers of the other colonies. If honorable members would turn to page 275 of the Tariff Board's report they would find the main evidence on which the recommendation of the board was based. That evidence was given by a gentleman who had had great experience in dealing in agricultural machinery, and he was examined as follows:—

“What complaint have you to make with regard to the Tariff?—As regards portable engines and thrashing machinery, it is agreed by both protectionists and free-traders that the future of the colony depends upon the development of its resources, and there is no more valuable tool than the portable engine in developing those resources. No portable engines have been made in the colony for fifteen years or eighteen years. About that time there was an experimental attempt at making those engines, which was abandoned, by Wright and

(Mr. T. Smith—“They have been made on the south bank of the Yarra.”) He was reading the evidence for what it was worth:—

“That is an engine that pays 25 per cent?—Yes. Those engines are very largely used by farmers, saw-millers, and squatters for driving shearing plant, and generally in developing the natural resources of the country. They are not made here, so that the removal or reduction of the duty will not be prejudicial to any established interests. The farmer is the principal one affected. His plant chiefly consists of an 8-horse portable steam engine, and a 5-ft. thrashing machine. On this plant the total cost is increased by the sum of £100, owing to the prime and duty charges levied here, together with the lighterage.”

Further on the same witness stated that there were 100 of these machines lying in bond in Melbourne at the present time, and that they would pass into general use throughout the colony if the duties were very much reduced or abolished altogether. He also asserted that the attempt to make the engines in Victoria had never been successful, and then he went on to give evidence as follows:—

“Was it owing to an imperfection in the make that the engine was returned?—It was not returned through imperfection. It was returned to be replaced by some other machinery. To turn out portable engines you require a specially-fitted shop and specially-skilled workmen. Many men spend their whole lives at one particular piece of machinery. At home they turn out hundreds of those engines in the year, consequently they can make them at a very low price. If a shop were fitted here it would supply the whole of Australia in three months, and the plant and men would then have to be idle or turn their attention to other work, for which they would not be so well fitted. If there had been a demand which would have warranted the making of the engines in the colony, some of those firms would have sent out people and established works here; but it would not do, because three months' work of one shop would supply the whole of Australia. It would also take a very large capital. I do not suppose any one could go into the manufacture of portable engines under £25,000.”

(Mr. Hancock—“Who is that witness?”)

A man named Dalrymple. The board felt, after hearing evidence of that sort, that they could not do otherwise than make the recommendation they had done. Seeing that matters had taken a rather peculiar turn with regard to the findings of the board, he (Mr. Tucker) had provided himself with a copy of the minutes of the proceedings of the board, which would be of interest to the committee. Honorable members would find from those minutes exactly how it was that sometimes honorable members apparently voted against the findings of the board. There

could be no excuse on the present occasion, because the finding of the board was absolutely unanimous. The minutes showed that a meeting of the board was held on Thursday, the 4th April, 1895; present, Mr. Tucker, Mr. Gurr, Mr. Austin, Mr. Duggan, Mr. Thomson, Mr. Dyer, Mr. Bromley, and Mr. Trenwith, and on page 44 of the minute-book the record read, "Portable engines—the proposals of the draft report were adopted." Those proposals were that the duty should be 15 per cent. There seemed to be no difference of opinion among the members of the board on that occasion. He remembered the discussion, and it was admitted all round that a case had been made out for reducing the duty on portable engines on the strong ground that they were not made in the colony, and that the farmers really ought to have the very best machinery placed at their disposal for their very hard task of developing the resources of the country. He thought he had shown good reasons why, at any rate, this proposal of the Tariff Board, which was adopted by the Government, should be agreed to by the committee.

Mr. ZOZ remarked that he had had the opportunity of consulting Mr. Thompson, who was formerly associated with the Langlands Foundry Company, and whom he considered one of the best experts in portable engines and machinery in Victoria. That gentlemen assured him that he did not know of a single engine of the description mentioned that had been manufactured in the colony. It would require a large amount of money to be expended in the erection of works and plant, and the demand for portable engines was so small that he was assured the manufacture in this colony could not become a successful industry. He was surprised that the honorable member for Dandenong did not consider his observations more carefully before making them. Was it to be supposed that the merchants of Melbourne were so silly as to have been accumulating a stock of engines for the last twenty years? Such a remark would not bear scrutiny, and yet the honorable member asserted that the importers had engines enough to last them for ten years more. (Mr. Longmore—"I can show you plenty of the engines in the yards in Melbourne.") Any one who brought out goods under such conditions showed a great lack of commercial experience, because if they were sold for what it cost to land them on the

market here, or a little over, they would be absolutely a loss to the importers, as the money could have been better invested at compound interest at 5 per cent. If he thought that the adoption of the proposal of the honorable member for Lowan would interfere with an industry in which a large amount of money had been expended in the erection of workshops and the bringing out of machinery to the colony for the purpose of making these engines, he would be prepared to enter into a compromise, and would not ruthlessly allow the industry to suffer. But the information from all quarters satisfied him that no injury or injustice would be done by allowing portable engines to come in free of duty. For twenty odd years the local manufacturers had had the opportunity of making these engines under the protective policy of the country, but they had not done so, and they were not likely to do so in future. If it could be shown that these engines had been made here, he might materially alter his views. Parliament should give the agriculturists of the colony every facility for obtaining such requisites as would enable them to compete with the producers of other countries in the world. The expense of bringing portable engines out from England was sufficient protection, if portable engines could be made here; but in spite of the heavy duty hitherto imposed in their favour, the local manufacturers had not been able to turn out portable engines. He sincerely hoped that the proposal of the honorable member for Lowan would be carried. The honorable member for Ararat had talked about members representing metropolitan constituencies fostering only town industries, but a country member had brought forward the proposal to make portable engines free, and he (Mr. Zoz) as a city member was supporting that proposal, which the common sense of the committee, he believed, would carry almost unanimously.

Mr. WINTER observed that as the discussions on the various proposals of the Government proceeded, it became more and more apparent that the report of the Tariff Board deserved all the discredit which had been thrown upon it, and he could apply that remark particularly to the evidence just read by the chairman of the board. Portable engines had been made here successfully, as the evidence showed, and in some cases at prices lower than the prices of the imported engines

The Chairman of the Tariff Board read to the committee evidence that a free-trader would give with a desire to influence the votes of honorable members—the evidence, not of a disinterested man, but of one thoroughly interested, the agent of Gibson, Battle, and Co., who had nothing to do but speak highly in favour of the imported article, and throw discredit on the manufactures of the colony. And yet the chairman of the board gave emphasis to that evidence, while keeping in the dark evidence of a more trustworthy character which pointed to the fact that portable engines had been made in the colony. (Mr. Tucker—“The evidence I quoted was published in the press, and it was never contradicted.”) He (Mr. Winter) maintained that these machines would have been made in the colony in the past to a much greater extent if a more effectual protective duty had been put upon them. The very reason that they were not made here was because they had only protection of the 25 per cent. standard, the result of which in this case was a strong argument against the adoption of 25 per cent. as the maximum protective duty. A few portable engines had been made under the 25 per cent. Tariff, but if the makers had been afforded the same protection as the makers of other machines and manufacturers of metals, a very much larger number of these machines would in all probability have been made here, and at a cost only about equal to, if not less than, the cost of the imported article. The man whose evidence he was about to quote knew exactly what he was talking about, for he had had every opportunity and facility to get information on the subject. If honorable members would turn to page 96 of the Tariff Board's report they would find the evidence of Mr. William Campbell, secretary of the Amalgamated Society of Engineers, a practical man himself, and a hard-headed Scotchman to boot. Speaking of portable engines, that witness gave evidence as follows:—

“The imported article is as cheap duty paid now as when they were free?—Yes. I will give a good instance of how the duty is affected by the importation of machinery. The Tramway Company, when they started to lay down their plant, first of all imported the engines that were necessary for the first of the lines. Their experience was that they got a very inferior article, and they had to send it in to some of the local factories in order to be made fit for use. Some of the firms here then said that they could manufacture a superior article at a less cost than the company had to pay for the imported

Mr. Winter.

article. The Tramway Company gave one of the firms the opportunity of making a pair of engines; the consequence was that they were so vastly superior to the imported article, and the cost was so much less, that the Tramway Company, who are not in favour of protection generally, I believe, found it was to their advantage to have all the machinery they required in future manufactured here instead of being imported.”

(Mr. Staughton—“What has that to do with portable engines?”) It was evidence in respect to portable engines. (Mr. Staughton—“But the Tramway Company does not use portable engines.”) In a good many cases portable engines were used as stationary engines. They were not of an intricate character, but were very simple machines; and when honorable members looked at the huge locomotives on the railways of the colony which were made at the Phoenix Foundry, Ballarat, they must admit that that foundry was quite equal to turning out the best engines extant. It was an insult to the intelligence of the community to say that portable engines could not be made here; and the only reason why they had not been made in the colony in large numbers, adequate to all requirements, was simply the want of sufficient protection. (Mr. Longmore—“A portable engine is a fixed engine on wheels.”) There was very little in the argument as to whether it was a portable engine or a stationary engine, because they both served similar purposes, and they both required about the same skill in their manufacture. Compared with other engines successfully made in the colony, the portable engines were somewhat inferior. If the proposal of the honorable member for Lowan was carried it would appear that protection, as far as town industries were concerned, was on its defence, because it would only be carried by a combination of the free-trade corner and those honorable members who were merely looking at the farming interests pure and simple. A death-blow was now being dealt at protection generally, and it required some little magnanimity on the part of honorable members who had espoused the cause of protection in the past to refrain from retaliating when they found such a combination on the part of country protectionists with the free-traders to deal these blows at town industries. Although the making of portable engines did not give employment to many people, it was one of a number of other machines the making of which, in the aggregate, gave employment

to a very large number, and in these times, when honorable members ought to do all they could as representatives of the interests of the whole people of Victoria, they should be loath to deal a blow at an industry which provided work for people who would be turned out into the streets if these industries were crippled. Portable engines could be made here, had been made here, and were made here; but simply because there had not been a sufficiently high duty they had not been made in large numbers. If the proposal of the honorable member for Lowan was carried it would simply mean that in the future Parliament was to discourage the making of an article which could be made here as well as it was made in any part of the world. There were a large number of highly-trained working men in Victoria, splendid brawny men, who put their brains into their work, who were anxious to do this skilled work, and who ought to be encouraged instead of discouraged, but they had the Chairman of the Tariff Board giving undue prominence to the representations of importers, whose interest it was to keep local manufactures in the background, and posing as an opponent of town industries, not only in this case but in pretty well every other case that had come before the committee. (Mr. Tucker—"Read the rest of the evidence given by Mr. Campbell.") It certainly did seem unfair to adopt such a course of procedure. If there was to be a system of protection maintained in this colony, it should be a national system, protecting town and country industries alike, for if they were to single out country as against town industries they would inevitably cause the downfall of a principle that had done a great deal to establish the colony of Victoria on a sound foundation. He sincerely hoped that the proposal of the honorable member for Lowan would not be carried; not only because it was designed to place these engines in the free list, but on account of the disposition shown for the first time, he believed, in the history of the House to bring about a hotch-potch system of applying the Tariff. There were three or four articles which were to be dutiable at a certain rate, or for a certain period, and then after that period had expired they were to be dutiable at another rate. Honorable members could not possibly answer for what future Parliaments would do. It might also happen that Parliament would receive a

dictum from the country at the next general election that protection was to be for the town as well as for the country, and that the town should not be subjected to all the iniquities which were liable to be practised. He (Mr. Winter) was a protectionist because he knew the conditions under which these articles were made in the old country. Honorable members had only got to read the literature of the day to discover the hard conditions under which men had to work in European countries, and he desired to maintain the standard which had been reached in this colony through the adoption of protection. If articles made here were to be allowed to be imported free, the working men of Victoria would be subjected to the worst evils that could exist, because competition was now keener than it had ever been before in the world's history. He did not wish the people of this colony to have to compete against articles made in the old country under conditions which were heartless and inhumane. It was iniquitous that such things should be at a time when men required the means to fill the mouths of their wives and children with bread in order to keep them alive.

The CHAIRMAN.—It appears to me that this discussion is now drifting into a general debate on free-trade and protection. I desire to call the attention of honorable members to one of our standing orders which provides that when any amendment is before the Chair the debate must be strictly confined to such amendment. I am anxious that we shall not drift into a general debate, and I notice that the honorable members who are tending that way are those who spoke longest on the question on a former occasion.

Mr. McKENZIE observed that if this proposition to abolish the duty upon portable engines simply involved the question of taking away the present protective duty from the manufacture of certain articles which admittedly were not made at present in the colony, he thought that the course to be followed by honorable members who sat near him would be very clear. But there was a question lying beyond that. It had been shown by the honorable member for Williamstown that, prior to the duty on portable engines being imposed, they were imported and used as stationary engines, but that after the duty was put on stationary engines supplanted portable ones. The quotation

used by the honorable member for Melbourne South from the evidence of Mr. Campbell was erroneous, because that gentleman was referring to stationary engines, and he was quoted as though he had referred to portable engines. If the honorable member for Melbourne South had read on further he would have found a statement which referred to portable engines, in which Mr. Campbell said that these engines had been used prior to the duty being placed on them for purposes for which stationary engines were used, and that since the duty had been placed on portable engines they were not used for those purposes, the persons referred to using stationary engines instead of them. He (Mr. McKenzie) thought that that was a clear statement of the case. Portable engines came into competition to some extent with stationary engines, and if the committee altogether abolished the duty upon portable engines and made them absolutely free, and imposed a duty of 30 per cent. or 35 per cent. on stationary engines (and he hoped they would not), it was clear that these portable engines would be used for purposes for which stationary engines would otherwise be used. He was aware that the position which he had taken up involved a question of protecting certain articles in order to prevent them from coming into competition with other articles which were also protected. The committee had an instance of that the other evening in the case of indiarubber belting. In regard to an article or manufacture such as an engine, the difference between portable engines and stationary engines was so slight in many respects that he did not think that that argument applied with full force in regard to this question. He considered that a drop from 25 per cent. to a blank was too great a change. He would be prepared to agree to a reduction to 10 per cent., but, failing that, he would support the Government proposal.

Mr. TRENWITH remarked that this discussion appeared to have elicited a desire to hit below the belt in some manner.

The CHAIRMAN.—I want the honorable member, if possible, to confine himself to the amendment.

Mr. TRENWITH said he proposed to discuss only the question before the Chair, but, incidentally, he must refer to the arguments which had been used in connexion with that question. The honorable member for Fitzroy (Mr. Tucker)

the Chairman of the Tariff Board, had urged that the duty in question recommended by the board should be adopted by the committee, because on this particular occasion the members of the board were unanimous. The fact was that he (Mr. Trenwith) was present at the meeting when this recommendation was agreed to, and he deprecated the reduction altogether; but his opinion upon the matter was so hopelessly in the minority that he did not force a division, and therefore the minutes showed no opposition; but it was not true that the members of the board were unanimous. As honorable members knew, it was his general disposition in the House when a division was hopeless to object to a division being called for. The minutes of the Tariff Board showed, not that the board was unanimous, but that there was no recorded opposition to the reduction recommended. In reference to the proposal of the honorable member for Lowan, he respectfully submitted that the duty upon portable engines and engines generally had had the effect of establishing in this colony iron-working, engineering, and machinery manufacturing industries far in excess of those of any of the other colonies. He was within the mark when he said that these industries established in Victoria were in excess of those established in all the other colonies put together. Honorable members should therefore be very cautious before they did anything which would prejudice an industry of such magnitude and importance as the one concerned in the present proposal. Unfortunately, recently, owing to the general depression, the works on the banks of the Yarra had not been going on so fully as was the case some years ago, and as he hoped would be the case again in the near future. He thought that the honorable member for Anglesey put this question with very great fairness and truth when he urged that even the portable engines had not been made largely in Victoria. There was unmistakable evidence that they were being made, though in small numbers it was true. Mr. Humble, of Geelong, produced indisputable evidence that he, in his establishment alone, had made several of them. The honorable member for Fitzroy (Mr. Tucker), in urging that this was a comparatively unimportant industry, quoted the evidence of a gentleman who said that a very few men could make all the engines that were required in this colony, and that it would not be worth while to establish the industry.

Then, with the peculiar want of logical faculty displayed generally by the free-trade section of this community, the witness proved that a very large number of these engines were required by stating that 100 of them were now in bond, and that they would be circulated at once if the duty were reduced. (Mr. Murray Smith—"Did he say 'at once'?"") The expression used was "soon," if not "at once." He (Mr. Trenwith) urged upon the honorable member for Lowan—who, although believing that all duties should be removed, was not anxious to violently wrench an industry which had been established—that this duty should not be wiped out altogether. He (Mr. Trenwith) believed that to reduce it to 15 per cent. would be to render it useless for the purpose of producing portable engines in the colony, while the admission of those engines absolutely free would lead to the substitution for them of stationary engines. It was said that portable engines could not be made in the colony. Surely a railway engine was a pretty fair specimen of a portable engine, and it was admitted that railway engines were excellently made in the colony. They were used entirely by the Victorian railways, and some had been made for the railways of neighbouring colonies. But the strong point was that portable engines could be and were being used as stationary engines. In some instances so completely had they been utilized as stationary engines that the wheels had been taken off them, and they had been bricked up, and absolutely formed into stationary engines. The honorable members who were thinking of removing this duty altogether would be acting unwisely and in a way in which he was sure they did not desire to act, if they persevered with their intention. (Mr. Longmore—"Indeed, they do desire to act in that way.") Of course, there were some people who honestly believed that it would be better for everybody if these engines were duty free, and he could sympathize with them, even if he did not agree with them. Some other people thought that the duty could be removed or considerably reduced without injuring local industry, and these persons would not consent to injure local industry. There was a serious danger that the local industry in regard to stationary engines would be prejudiced by the admission free, or nearly free, of portable engines. He asked the honorable member for

Anglesey not to support a duty of 10 per cent., but to adhere to the Government proposal and oppose the proposition of the honorable member for Lowan. As to reducing the duty at a subsequent stage, the Tariff question had been galvanized into life in a way which would not permit it to die. There could not be a doubt that both parties to the controversy would be active, energetic, and vigorous at the next general election. The question must be presented in a more distinct form at the next election than it had ever been before, and if the people were anxious for the change which the honorable member for Lowan desired should be adopted, it could be agreed to then. He would ask that honorable member not to press his proposal.

Mr. WEBB stated that it was nonsense to say that portable engines were not made in this colony, and made largely. There was one particular class of portable engine which went round with thrashing machines, and was used for saw-milling and other purposes, and that was not made here to any extent, because there was little demand for it. The honorable member for Fitzroy (Mr. Tucker) almost answered the question as to why portable engines were not made in this colony by quoting a witness who said they were imported too largely, and that, if the duty were reduced, 100 of them now in bond would come into use. In that case they would take the place of another engine which was also largely in use. As an experienced person, having bought more engines than any other member of the committee, he asserted that if the duty were removed next day the price of these engines would go up immediately. He had no hesitation in making that statement as the result of a large experience. When an honorable member was putting a case to the committee he ought to put it fairly. The honorable member for Lowan stated that portable engines were used as traction engines, but that was not correct, as traction engines were free of duty. The honorable member for Villiers also stated that portable engines were used very largely for ploughing, but the class of engines used for that purpose was free. There were other engines which came under the heading of portable engines. There was an engine which was imported under that heading that had merely temporary wheels and a temporary carriage. Cases had occurred in which the carriage

had been sent back to England, and had then been returned to this colony connected with another engine. That was what was called a semi-portable engine, and it was used largely in connexion with Victorian creameries, but it did not come under the classification of a portable engine as understood by honorable members. If the duty on imported engines in 1894 only amounted to £310, surely that was not going to ruin the farming industry. The farmers of this colony were not going to become free-traders, and they would not grumble at paying 15 per cent. upon an article merely because they made use of it. As a farmer, he said that the circumstance that the farmers largely made use of a particular article was no argument that the duty on it should be removed. If that argument applied at all, it would apply with increased strength to the stock tax. Stock was imported into the colony and it was the whole of the people of the colony who consumed it. The argument that a duty should be governed by the fact that it related to articles which were made use of by another section of the community could be applied to every article in the Tariff. As a farmer, he would vote for the proposal of the Government, which was a very moderate one. Perhaps he would prefer it to be made 20 per cent. A low duty would not encourage the local manufacture, and when the local manufacture was out of the market the price would go up. When certain classes of articles carried a small duty of 10 or 20 per cent., the margin of value between the imported and the home-made article was small as compared with the margin when the duties were large. He agreed with the honorable member for Richmond (Mr. Trenwith) that a fair duty had the effect of reducing the value rather than of increasing it. He hoped that honorable members would not cavil at a duty which was reasonable, and then expect to have a duty affecting their own particular interest, such as the stock tax, agreed to.

Mr. McCOLL remarked that the honorable member for Rodney (Mr. Webb) and the honorable member for Anglesey had, to some extent, elucidated this question, and seemed to point to the fact that an alteration was required in the description of the articles under consideration. The description now read—“Engines, being portable engines, fixed on a locomotive boiler horizontally, and fitted up with wheels and shafts, suitable for

transport on an ordinary road.” It was engines under that heading which the Government proposal related to, and which the proposition of the honorable member for Lowan referred to; but, as the honorable member for Rodney had said, there was another engine not named in that description which was made in Victoria, and which had been coming into the colony under that description. He (Mr. McColl) took strong objection to the language of the honorable member for Melbourne South, who said that a deliberate attempt was being made to strike a death-blow at Melbourne industries. That came with a bad grace from the honorable member. The remark of the honorable member for Richmond (Mr. Trenwith) in regard to hitting below the belt applied with full force to the observation of the honorable member for Melbourne South. The fact was that there was no other attempt to strike below the belt. No duty of less than 25 per cent. had been moved on the opposition side of the House. The honorable member for Melbourne South said that he was a protectionist, but when the question of the coal duty was under consideration he was a free-trader and wanted Newcastle coal to come into Victoria free, in order that the lumpers of South Melbourne might have employment. He (Mr. McColl) considered that the honorable member for Fitzroy (Mr. Tucker) was being most unjustly treated in this matter. When what he might term the second-reading speeches on the Tariff were made in committee there was scarcely an honorable member who addressed himself to the question who did not commend that honorable member for the excellence of his report, for the wonderful amount of information which it contained, and for the clear view which it presented of industries which were previously hazy. But that honorable member was now discredited, and the people who spoke so highly of his report said it was utter rubbish, and not worth paying attention to. The honorable member for Fitzroy might have made a little slip or two, but he had nevertheless acted a noble, manly, and honest part, and it was only fair justice to that honorable member to say so. With regard to the question of the portable engines, he would suggest to the Minister of Customs before the matter was finally dealt with to look carefully into it. It was not desirable that engines should come into the colony at too low a rate of duty if they were made in the

colony. He would recommend the Minister of Customs to ascertain what engines were coming into the colony under this heading, and if he found that the engines coming in were competing with those made in the colony he ought to alter the heading. As to portable engines used in saw-mills, for pumping, and in connexion with thrashing machines, there was no disputing the fact that they were not made in Victoria. The secretary of the Amalgamated Society of Engineers stated that himself in his evidence before the Tariff Board. If the honorable member for Melbourne South had been honest he would have read the whole instead of part of that evidence. The examination of the secretary of the Amalgamated Society of Engineers contained the following paragraphs:—

“By the Chairman.—Then your position is this—you wish a duty to be levied on all machinery without exception at all?—Yes.

“And that that duty should be so high as to be practically prohibitive?—Yes.

“By Mr. Harris.—What are the colonial-made portable engines sold for?—There are a few portable engines made in the colony. There have only been about a dozen or two. I cannot give the price of them just now; but the use of them has been done away with to a large extent, owing to the firms preferring the stationary engines instead.”

This witness said that the engines were not generally made in the colony, only a little over a dozen of them having been manufactured here. (Mr. Trenwith—“You have not read all the evidence, though you say that the honorable member for Melbourne South was dishonest enough not to do so.”) If the honorable member for Richmond would have patience he would read it all. The examination proceeded as follows:—

“By Mr. Harris.—Do you know why Wright and Edwards abandoned making them?—I have it on good authority that the first engine they made was one made to order, and it was shortly afterwards returned to them. Having gone into the making of those engines they made two more from the patterns, and they found they could not make them at the price. If they made three engines eighteen years ago and no one has made them since, the deduction is that they could not make them at a profitable price.”

Mr. WINTER rose to a point of order. He did not think that the honorable member for Gunbower desired to mislead the committee; but he believed that the honorable member's last quotation was from

the evidence given by Mr. Dalrymple on behalf of the importers.

Mr. McCOLL said the quotation was handed to him, and he understood it was a portion of Mr. Campbell's evidence. He was very sorry for the mistake. This particular portable engine was an article that should be used by almost every agriculturist, and would be used if the price was reasonable. There were very few men in the colony on 320-acre farms who would not, under such circumstances, have one of them, as there was nothing that he could use in its place. The honorable member for Richmond (Mr. Trenwith) had stated that portable engines were used as stationary engines, and that that was a reason why they should be charged the higher duty. It was true that a portable engine could be used as a stationary engine; but, unfortunately, the farmer had nothing that he could substitute for a portable engine. If the argument of the honorable member was to hold good (and he did not reason in the same way always) the committee should put a duty on cotton as against wool, and on kerosene as against candles. Every farmer should have a portable engine, as they were used for saw-milling, chaff-cutting, corn-crushing, and for various other purposes. The complaint that was made generally throughout the colony was that the price was so high that the ordinary farmer could not afford to purchase them. He wrote to Messrs. McLean Brothers and Rigg for a quotation for a portable engine. The following was the reply that he received:—

“Your esteemed favour of 15th inst. duly to hand this morning. As requested, we have the pleasure in quoting for Marshall's latest improved portable engines, fitted with extra large fire-box, as under:—3 horse-power, £170; 4 horse-power, £200; 6 horse-power, £250; 7 horse-power, £275; 8 horse-power, £290; 8 horse-power with brake, £295; 10 horse-power, single cylinder, £355; 10 horse-power, double cylinder, £380; 12 horse-power, double cylinder, £425. Not having any 2 horse-power portable engines we quote for this size vertical, and also for 3 horse-power, at £120 and £145 respectively.”

He also wrote to Sydney to get the importers' prices there, because he desired to deal with this question fairly, both as regarded the industry and the farming community. He obtained the catalogue of Messrs. John Fowler and Company, of Leeds, who were recognised as a good firm. They offered a 9 horse-power single cylinder

high-pressure portable engine for £210, as against £290, which was the price in Melbourne for an 8 horse-power engine. There were certain extras such as packing for shipment, link motion and reversing gear, fire-boxes and screw-brake gear, which brought the price up to £245. The price of a 12 horse-power engine, as given in the catalogue, was £240, as against £355, which was the Melbourne price for a 10 horse-power single cylinder engine. In this case the price, with extras, was £280. (Mr. Webb—"The makers are not the same.") They were good makers. He was giving the best information that he had been able to obtain. (Mr. Trenwith—"It is valueless.") He wrote to a friend in Sydney asking him to go to the importers and to obtain a catalogue for him. He had not seen the engines himself, but he believed that the firm of John Fowler and Company was a good one. A 14 horse-power engine in Sydney cost £280, as against a 10 horse-power single cylinder engine in Melbourne £355. He was quoting these figures to show why the dissatisfaction existed at the prices charged for portable engines, and they certainly justified to a certain extent the action taken by the honorable member for Lowan in moving his amendment. The portable engines of the kind to which he had referred were not made in the colony, and there was nothing which the farmer could use as a substitute for them excepting horses, which was a slow and poor way of working. Something must be done to make portable engines cheaper. It had been said that locomotives were being made in the colony. That was true. He could not understand why the firms who were making locomotives did not start this other industry. They must have all the plant that was necessary, and there was now a large market available to them, especially since the establishment of the creameries. The duty of 25 per cent. had been imposed for over twenty years, and yet no one had attempted to establish the industry. Was it not reasonable that the people who used portable engines should say that if no one attempted to make them locally they should be afforded an opportunity of getting them as cheaply as possible. He would suggest to the Premier that it would be almost as well to postpone the item, or to deal with it on the report, and in the meantime to make inquiries as to the various classes of machinery that

were brought in under the item, so that they might discriminate between those that were made in the colony and those that were not made here. Honorable members would then be able to deal fairly with the question.

Mr. HARRIS remarked that the committee had listened to a very able address from the honorable member for Rodney (Mr. Webb). It was an address that was calculated to do more good than many of the speeches which had been delivered on the Tariff, and which had taken up a much longer time. He rose especially for the purpose of indorsing the remarks that had been made by the honorable member for Richmond (Mr. Trenwith) with regard to the position he had taken up at the Tariff Board. He was quite in accord with everything the honorable member had said. During the debate on the Tariff some most able addresses had been delivered, but none stood out more conspicuously for their brilliancy and fairness than those of the honorable member for Richmond. Every honorable member, no matter on which side of the House he sat, must be particularly gratified with that honorable member's utterances, although they might not be able to agree with him entirely. He could not indorse the statement made by the honorable member for Melbourne South that there were some honorable members who were desirous of annihilating protection. He was certain that there was not an honorable member who was a protectionist at all who wished to adopt such a course. He had always warmly supported protectionist principles; but, at the same time, he could not see his way always to go as far as some other honorable members in regard to protectionist duties. He would not be a party to the reduction of a duty to so low a point that it would have the effect of destroying any industry. It did not come with good grace from the honorable member for Melbourne South to make such remarks concerning other members who were desirous of giving the protective system of the colony every possible support, but who could not see their way to go to extremes. They wished to be moderate, and to give a discriminating support to protective duties generally. It had been stated that the report of the Tariff Board was not altogether reliable. If the evidence taken by the Tariff Board was not as reliable as honorable members might wish it to be, the fault certainly did

not lie with the board. The board endeavoured in every possible way to get the most complete and exhaustive evidence, but many gentlemen in the city of Melbourne declined to come forward and give evidence concerning this business. In some cases the board was compelled to summon witnesses before they could get them to give evidence. With regard to the question that was now under discussion, he would say that the farmers of the colony expected protection themselves and were prepared to extend protection to others. He could not see his way to depart from the proposal of the Government, which was in accordance with the recommendation of the Tariff Board that the duty on portable engines should be 15 per cent., nor could he support the amendment of the honorable member for Lowan that the duty should be abolished altogether after the 1st of January, 1897. The latter was, in his opinion, an unfair proposal. The duty of 15 per cent. was a reasonable one, and the majority of the committee would agree to it.

Mr. A. ANDERSON said that it was his intention to support the amendment of the honorable member for Lowan. The case of the farming community had been put, but he would point out that portable engines were also used very largely in mining. Prospecting was being carried on now to a great extent, and it was necessary in prospecting that the miners should have portable engines, as they had to test the ground at different places. Fixed engines could not be used until the mines were properly developed, and, in the interests of the miners as well as of the farmers, it was desirable that portable engines should be obtainable at as low a price as possible. On the previous evening he said that candles were admitted free in New South Wales. He ascertained afterwards that he had made a mistake, and he wished to take the first opportunity of expressing his regret for it.

Mr. W. ANDERSON remarked that his own firm bought two portable engines that were made in the Union Foundry at Ballarat, and they were as good as any engines could possibly be. (Mr. Irvine—"When was that?") It was about ten years ago. Portable engines were manufactured at the Union Foundry constantly, and whenever they were ordered they could be made. It was right, therefore, that they should be subjected to a duty if

it was only as a safety-valve. It was not advisable to give the importers a monopoly, and honorable members knew that whenever the importers had the opportunity they established monopolies. Locomotive engines were being made very extensively in the colony, and they had proved to be equal to any of the engines imported from the old country. Honorable members should be careful not to do anything that would discourage those who could make portable engines whenever they were required. He desired that the manufacturer and the importer should be placed in such a position that there would be a good wholesome competition between them. The consumer would then get the advantage. The Government had made a very fair proposal in reducing the duty by 10 per cent. Traction engines, as had been stated by the honorable member for Rodney (Mr. Webb), were admitted free of duty. He did not think that the committee knew that fact before. Traction engines were used mostly by farmers, and as they were admitted free the farmer was placed in a fairly good position. If the duty on portable engines were removed an injury would be done to an industry which, if it were once established, could compete successfully against the world.

Mr. MURRAY SMITH stated that he rose partly to acknowledge the justice with which the honorable member for Richmond (Mr. Trenwith) had treated those who thought as he (Mr. Murray Smith) did—a justice, which he was bound to say, some of the honorable member's neighbours did not mete out to them at any time. Free-trader as he was, he looked at the colonial industries not with dislike, but with an expectation, which grew fainter every year, that they would in some way justify what he remembered were the hopes of their original founders, and that at some period or another they would be enabled to compete on fair terms with the rest of the world. And, moreover, he was very powerfully impressed by the argument brought forward by the honorable member for Anglesey, and which was pressed home by the honorable member for Richmond, that they might possibly do injury to an already established industry, and one that was suffering from depression at the present time. But after hearing what he considered to be the absolutely convincing and unanswerable speech of the honorable member for Gunbower he no longer had any misgiving on the

subject. This duty could not in any way be regarded as a protectionist duty. Whether engines of the kind had been made here or not, and he presumed they had been made here, the industry obviously had no real existence, and honorable members must address themselves to this solely as a revenue duty. The honorable member for Gunbower had pointed out that in consequence of it the farmers of the colony were placed at a disadvantage as compared with their neighbours in the other colonies. (Mr. Webb—"He gave no proof of that.") He remembered that on one occasion the manager of a large industry here told him that on the same day two farmers—one from the Goulburn Valley, and the other from the Riverina—came into his place for the same article. The man from the Goulburn Valley had to pay £70 more for the article than the other man. That was a palpable instance of the tremendous disadvantage that was suffered by the Victorian, as against the inhabitant of an adjacent colony. Being looked at strictly as a revenue duty, whatever reduction was made in it would benefit the producing interest of the country, and would enable it to compete on more equal terms with the producing interests in the other colonies. It was for this reason that he supported the abolition of the duty. He would be disposed to vote for the abolition of the duty at once, because he did not think that it affected any industry—it was a revenue duty—but he would accept the proposition of the honorable member for Lowan that within eighteen months these useful implements should be admitted free.

Mr. MURPHY observed that he was pledged against the high protective duties. No doubt the honorable member for Lowan had submitted his amendment in the interests of the farmers, believing that locomotives were not manufactured here. (Mr. Irvine—"Portable engines.") Locomotives had been manufactured at the Phoenix Foundry, Ballarat, for years past, and they had proved to be second to none in the world. Whilst he was as anxious as any honorable member to do everything that was possible to assist the farming interest, still, if there was any prospect of the manufacture of portable engines being established successfully, as he believed there was, he would not consent to the withdrawal of the duty. It would not be prudent to strangle a young industry in that way. The Government had submitted a very fair

proposal in reducing the duty from 25 to 15 per cent., and the committee should be satisfied with that. He trusted that the honorable member for Lowan would withdraw his amendment.

Mr. THOMSON stated that he was as much concerned about the interests of the farmer as the honorable member for Lowan, but he failed to see how the removal of this small duty would be of any great benefit to him. As had been pointed out by the honorable member for Rodney (Mr. Webb), the revenue from the duty only amounted to £310 per annum, and that, when distributed over the whole of the farmers of the colony, would come to a very trifling amount. It had been pointed out by the honorable member for Anglesey, that these engines entered into competition with other engines, and he (Mr. Thomson) did not think that it would be advisable to remove the duty entirely. He trusted that honorable members would be prepared to give the farmers some relief when more important matters had to be dealt with. For instance, there was the question of the £600,000 or £700,000 of arrears of rent, and with regard to that subject the farmers must have some real relief before very long. When any matters affecting particular interests were about to be dealt with in the House, lobbying was carried on to an extent that was intolerable. It was almost impossible for an honorable member who had voted against what were conceived to be the interests of particular parties to go from the chamber into any of the lobbies without having shot at him remarks which were certainly not complimentary. He had intended calling the attention of the House to this subject as a matter of privilege, but he was dissuaded from doing so. This practice of button-holing honorable members, and of making offensive remarks to them as they passed, was exceedingly objectionable, and some steps would have to be taken to prevent it. He understood that some action would be taken which would free honorable members from this sort of annoyance. He hoped that after the expression of opinion that had fallen from the committee the honorable member for Lowan would withdraw his amendment.

Mr. DUFFUS said he trusted that the honorable member for Lowan would take a division on his amendment. He was prepared to vote for the admission free of all implements and machinery that were used by the farmers of the colony. It was the

duty of the committee to grant every possible relief to the farming community at the present time. Honorable members all knew how the farmers had to struggle to make both ends meet, and in the case of agricultural machinery it was quite a sufficient tax on them to have to pay for freight without also having to pay an excessive duty. If the amendment of the honorable member for Lowan were not agreed to, he (Mr. Duffus) presumed that the duty would be fixed at 15 per cent. If they were not manufacturing portable engines under the duty of 25 per cent., he did not think it was likely they would manufacture them under a duty of 15 per cent., and there was nothing to be gained, therefore, by imposing even the latter duty. Under the circumstances it would be better to adopt the proposal of the honorable member for Lowan, and to admit them free. Traction engines were admitted free, and portable engines were much more largely used than traction engines. There were, probably, twenty portable engines in use for every one traction engine. The Minister of Agriculture was at present taking active steps to induce the farmers to enter upon the cultivation of flax and sugar beet, and their production would necessitate the use of a still larger number of portable engines. It would, therefore, be a very great advantage to the farmers if portable engines were admitted free.

Mr. IRVINE stated that he would not have claimed the right of reply if it had not been for one argument, which had been made a great deal of, against his amendment. That was the argument which was first raised by the honorable member for Anglesey, that because portable engines, if admitted free, would to some small extent—and it could only be to a small extent—come into competition with stationary engines that were made here, the farmers throughout the colony who desired to purchase portable engines should be required to pay £50, £60, or £100 more for them. Honorable members had heard a good deal about protection run mad. If that term was applicable to anything, it was applicable to this argument. It reminded him of an argument that was brought forward in all seriousness by one of the witnesses before the Tariff Board—a gentleman who cultivated fruit at Lilydale or Healesville. This witness strongly advocated the imposition of a larger duty upon bananas and upon pineapples, and when

he was asked whether he grew bananas or pineapples, he replied—"No; but if people were prevented from eating bananas and pineapples, they would eat my strawberries and apples." That was precisely the same argument, and if it was to prevail at all, then, as the honorable member for Gunbower had said, they ought to put a tax on kerosene in order to help the candle manufacturers. The honorable member for Windermere had said that the farmers could use traction engines, and that they did not want portable engines. He supposed that the farmers were the best judges of what they wanted. (Mr. Webb—"It does not appear so.") They wanted portable engines, and they had them in a far larger proportion than traction engines, and they had to pay for them a very much increased price owing to the duty. He sincerely hoped the committee would not be moved by arguments of that sort.

Mr. McCOLL suggested, with a view to meeting the objection raised by the honorable member for Richmond (Mr. Trenwith), and also to meeting the view of the honorable member for Lowan, that there should be inserted in the amendment, after "1897," the words "engines of 10 horsepower and under, free." No engines of 10 horsepower were used as stationary engines, and he did not think any farmer in the country used an engine of greater power.

Mr. IRVINE said he thought that the suggestion of the honorable member for Gunbower would have the effect desired. He therefore would accept the suggestion, and, with the leave of the committee, he would alter his amendment accordingly.

Sir JAMES PATTERSON observed that the proposal of the Government to reduce this duty from 25 to 15 per cent. was, to his mind, substantial and satisfactory. He would not attempt in any way to tinker with the proposal, but would support it.

Mr. WEBB remarked that it was not often the honorable member for Gunbower was unfair in his quotations, but, without knowing it, he had been unfair that evening. The honorable member had quoted 10 horse or 8 horse power engines in Sydney as against 10 horse or 8 horse power engines in Melbourne. It must be remembered, however, that the engines referred to by the honorable member as sold in Sydney were scarcely sold in this colony at all. The two engines differed in value

to a great extent. One engine could be bought nearly 50 per cent. cheaper than the other. To get a fair comparison the same class of engines or engines by the same maker should be taken. For instance, there were 10 horse-power engines with double cylinders, and these were of considerably more value than a 10 horse-power engine with a single cylinder.

Mr. Irvine's amendment was negatived. The item, as amended, was agreed to.

On the item—

“Explosives (other than fine meal powder, not sporting, in bulk and in packages of not less than 25 lbs. each—free; and powder, sporting and blasting, gelatine, and gelatine dynamite otherwise dutiable), 3d. per lb. (from 1st January, 1896),”

Mr. BURTON said that under the head of “Explosives,” blasting powder was at the present time charged 1d. per lb. He could find no record of blasting powder ever having been made in this colony, and he wished to move the omission of the words “blasting powder” from this list, with a view of putting the article on the free list. The powder was very largely used in mining operations and other occupations in which the breaking of hard ground was necessary, and he failed to see any reason for continuing the duty. In the year 1894 there was imported, principally from Great Britain, 502,544 lbs. of this blasting powder, which was valued at £9,196, and on which a duty of £1,500 was paid. This was not a protective duty but simply a tax on a tool of trade of the quarryman and the miner.

Mr. BEST remarked that, so far as he could gather from the amendment circulated by the honorable member for Stawell, he desired that only sporting powder should be chargeable with duty. If that were the honorable member's desire his proper course would be to move that everything after the word “explosives” should be struck out and the words “sporting powder” inserted. At the same time he (Mr. Best) must say that the Government could not consent to a proposal of that kind.

Sir JOHN McINTYRE said he understood the honorable member for Stawell to desire that blasting powder should be free.

Mr. G. TURNER stated that the duty on blasting powder was not affected by the Government proposals, and if honorable members desired to deal with it they

must wait until the general Tariff came before the committee.

Mr. BURTON observed that he would be satisfied if at a later period he had an opportunity of moving in the matter.

Mr. LAZARUS remarked that some time ago he gave notice of his intention to move that explosives other than sporting powder should be admitted free, but he had since ascertained that blasting powder, gelatine, and gelatine dynamite could not be dealt with at present by the committee. There were, however, “other explosives,” which could be dealt with that night. The duty on those “other explosives” was at present 4d. per lb., while the Tariff Board and the Government recommended a duty of 3d. If he were right in his idea that these “other explosives” could be dealt with that night he wished to move that “3d.” be struck out, with a view of putting them on the free list.

Mr. BEST said that the amendment proposed by the honorable member for Sandhurst (Mr. Lazarus) would not attain his desire, namely, that sporting powder only should be subject to the duty of 3d. The honorable member could move to omit everything after the word “explosives,” with a view of inserting “sporting powder,” which would then remain at 3d. It appeared to him (Mr. Best) that the amendment of the honorable member for Stawell and that of the honorable member for Sandhurst (Mr. Lazarus) were exactly the same.

Sir JOHN McINTYRE expressed the opinion that all industrial explosives should be put on a level with gelatine explosives, and pay 1d. per lb. Inventions in the matter of explosives should be encouraged. A man should not be brought face to face with a duty of 3d. per lb. immediately he proved a new explosive a success.

Mr. LAZARUS remarked that it was his intention to move that explosives generally should be admitted free. But as gelatine and gelatine dynamite could not be dealt with that night, it would not be fair to make the proposal in reference to “other explosives,” which might then be placed in an advantageous position as compared with gelatine explosives.

Sir JOHN McINTYRE moved that “3d.” be omitted, with a view of inserting “1d.”

Mr. LONGMORE stated that a gentleman connected with a mercantile house, which was at present importing an explosive called bellona, had called upon

him and requested that this compound should be placed on the same footing as other explosives. It was very hard that this firm should have to pay a duty of 3d. or 4d. per lb. on bellona whilst other explosives were only charged at the rate of 1d. per lb.

Mr. BEST said that the amendment moved by the honorable member for Maldon would cover the explosive mentioned by the honorable member for Dandenong.

Mr. H. R. WILLIAMS observed that the proposition of the Government was to make all mining explosives subject to a duty of 1d. per lb. "Other explosives" meant detonators and appliances of a valuable description, on which 3d. per lb. would be a very slight tax. The supervision entailed by the importation and storage of powder caused a great deal of expense to the Customs department. The inspector received £600 or £700 a year, and he had a staff of officers engaged in preventing the importation of inferior or dangerous explosives, which might endanger the lives of the miners. There must be a duty of 1d. per lb. in order to meet the expenses of this proper supervision, and this was a charge to which the mining community could surely not object.

Mr. STAUGHTON remarked that the committee appeared to be scarcely seized of the facts in connexion with this question of explosives. Many years ago there was a factory established here for the purpose of making explosives. Dynamite was then the principal explosive, but subsequently gelatine dynamite became the more important article. The proposition of the honorable member for Stawell would carry out to some extent the idea of the Government, by making such explosives as he had mentioned subject to the duty of 1d. per lb. The "other explosives," he supposed, meant detonating caps, bellona, and substances of that kind, which would still be subject to a duty of 3d. per lb. In 1889 or 1890 the late Mr. Burrowes, who represented Sandhurst, got Parliament by a chance vote to reduce the duty on gelatine dynamite to 1d. per lb., on the ground that it was an article which could not be made in the colony. Dynamite was left at 4d. because it was an article which could be made in the colony. As a matter of fact, within two or three months after that decision was come to by Parliament, the

patent rights in gelatine dynamite lapsed, and local manufacturers were enabled to make it. The factory in which it was made started some twenty years ago, and many thousands of pounds had been spent in promoting the industry. He had authority for saying that the local manufacturers were now making dynamite equal to any that was imported, and that half the mines in Bendigo were using the local article. This industry was at present only protected to the extent of 1d. per lb., or something like 5 per cent. on the cost of manufacture, and his object in addressing the committee was to see whether in equity this protection could not be increased to 10 per cent. (An Honorable Member—"Make the duty 3d. all round.") But that would be 15 per cent. He hoped that the Tariff Board were pretty well agreed that this duty should be made 3d. per lb. However, the Government saw fit to retain the present duty, and not adopt the recommendations of the Tariff Board. He (Mr. Staughton) thought that 15 per cent. was too much, and he asked the committee to reduce it to 10 per cent. Mr. Hake, who supervised explosives at the cost of a large sum to the country, reported favorably of the dynamite manufactured in the colony. (Mr. H. R. Williams—"Mr. Hake is worth all the money the country pays him.") Yes, his recommendation with regard to kerosene-laden ships had been proved to be worth all the money his services had cost the colony. He hoped the committee would negative the proposal of the honorable member for Maldon, because in the interest of the explosive manufactory at Braybrook he (Mr. Staughton) desired the duty to be made 2d. instead of 1d. per lb. (Mr. Best—"You will have to circulate your amendment, and submit it after our proposals are dealt with.") Very well.

Mr. W. ANDERSON observed that the difficulty in this matter, to his mind, was that explosives were going through a process of evolution. At one time the miners thought blasting powder was the best explosive, then dynamite, then rack-a-rock, and now they had got the various compounds of gelatine, the most powerful of which, gelignite, was not mentioned in the Tariff. In a year or two other compounds of a more powerful and less dangerous character might be made, and as they could not be mentioned in the Tariff now, the mention of other explosives by name would land the miners in considerable

difficulty then. While he thought sporting powder should be liable to a duty of 3d. per lb., he held that all other explosives should be admitted to the colony on payment of 1d. per lb. That would be better than mentioning the particular kinds of explosives in detail, having an eye to the future.

Mr. McLELLAN expressed the opinion that the honorable member for Stawell was being led astray, and would find, if the Government's proposal was carried, that, instead of miners' explosives being imported free, there would be a heavy duty upon them. Blasting powder was largely used by quartz reefers throughout the colony, and especially in the Stawell district, and it ought to be admitted free. It was absurd, for the sake of subsidizing a paltry industry in the district of the honorable member for Bourke West, that Parliament should levy a tax on the whole mining population of Victoria.

Mr. CARTER said he quite agreed with the Government that in consequence of the expense attached to the supervision of explosives it was desirable that a small duty should be charged on imported explosives, but the danger of passing the resolution as proposed was that, while it would admit gelatine and gelatine dynamite at 1d. per lb., it would impose a duty of 3d. per lb. on all other explosives used for mining purposes. (Mr. H. R. Williams—"No.") The Premier and the Minister of Customs disagreed with the Minister of Railways on this question. As the honorable member for Maldon had said, this was an age of progress, and every year saw some fresh discovery of more powerful explosives. What would be the result if the committee passed this proposal of the Government in its present form? Why, if a better explosive was invented, and the miners desired to use it, they would have to pay a duty of 3d. per lb. on importing it into the colony. Surely that was not desirable. He was informed that the explosive mentioned by the honorable member for Dandenong was such a superior article that the Swedish Government allowed it to be carried on the railways without special care, because it could only be exploded by means of a detonating cap, and there were no fumes from it, so that the miners could use it with perfect safety and comfort. Under the item of the Tariff now proposed, that article would be charged a duty of 3d. per lb., while gelatine dynamite would be charged only 1d. per lb.

What the honorable member for Sandhurst (Mr. Lazarus) and the honorable member for Maldon wanted was that all the articles in question should be put on one basis—that they should either be admitted free or be made subject to a duty of 1d. per lb. He could not see why the committee could not do that now.

Mr. BEST remarked that he did not say that the committee could not do that now.

Mr. DUGGAN observed that the honorable member for Windermere had put the case fairly and in a nutshell. If the recommendation of that honorable member were adopted it would simplify matters, bringing all explosives under one heading with the exception of sporting powder, which should be admitted under a specific duty. That would enable blasting powder to be dealt with under a separate heading by making it free. If that were done it would meet the views of all the mining members.

Mr. ZOX stated that if explosives came into the colony which were not mentioned among those that had been enumerated great injustice would be done, because of the difficulty the Customs officers would have in deciding between one kind and another. All explosives ought to be subject either to a duty of 1d. per lb. or be made free.

Mr. GROSE said he would not have spoken but for the statement of the Minister of Customs to the effect that the Government was not disposed to support the proposal to reduce the duty on explosives. There was a time when the mining industry was very substantially assisted by the State, but that period had gone by, and at present the industry was not receiving that assistance from the State which its importance demanded and justified. The Government now had an opportunity of assisting that large and national industry. He believed that a majority of the committee would be disposed to treat the country just as well as the town, but he (Mr. Grose) made no apology for saying that it was the duty of every country representative to see that country interests were not made subservient to city interests, which was only another way of saying that country members should see that fair play was meted out to country industries. He desired to impress upon the Minister of Customs the desirability of reducing this duty. He thought that if 1d. per lb. were charged on all explosives it might be left to the discrimination of the miners to decide

which one was the best to use. He trusted that the Government would consent to reduce the duty on explosives to 1d. per lb.

Mr. PRENDERGAST remarked that he hoped that the Government would follow the advice which had been tendered by the honorable member for Bourke West, with whom he (Mr. Prendergast) was glad to be in accord again. It seemed to him that there must be a dynamite factory in that honorable member's electorate. The honorable member for Bourke West would find he was also in accord with the honorable member for Footscray in this matter, which was a most remarkable thing. He (Mr. Prendergast) hoped that the Government would maintain the duty on gelatine and gelatine dynamite at 3d. per lb., because those compounds were made in the colony. A circular issued by the Australian Explosives and Chemical Company, Limited contained the following paragraph:—

“The only reason that we wish a duty imposed has relation to this matter. We do not intend to put prices up, whatever duty may be imposed, and have made a public promise to that effect in the *Age*. We want, however, to be in a position to stand a siege. If a powerful and wealthy dynamite convention chooses to send to Victoria its surplus stocks for realization at any price whatever, in order to effect sales, we feel that without a protective duty we are not in a position to sell for long in competition with such a body at non-paying prices.”

It was advisable that the explosives should be manufactured as far as possible in the colony, and it would be especially necessary in the event of war breaking out that every one of them should be made in the colony for the protection of the people. Another reason why the duty should be maintained at 3d. was that a very high average rate of wages obtained in this factory, which disbursed £6,000 annually among 60 hands—making an average of £2 per man per week. (Mr. Carter—“The company pays 12½ per cent. dividends.”) If the company with which the honorable member for Melbourne was associated had not paid such high dividends in the past, they would be in a better position than they occupied at the present time. The circular from which he had quoted further said—

“We do not ask for a total restitution of the old duties, of which we were wrongfully deprived. We recognise that we are able to stand the assaults of wealthy European exporters better now than we were in 1889. We do, however, maintain that if other manufacturers are to continue to have a measure of protection, so

should we. We employ other manufacturers' goods as material and tools of trade, being large consumers of lead, cast and wrought iron, earthenware, strawboard, and glycerine.”

He maintained that, considering that a distinct promise had been made by this company that it would not charge extra prices for its products, it should be placed in a position to compete with other manufactories in different parts of the world, which would otherwise flood Victoria with the same articles at a less price than they cost for production, with the object of crushing the colonial industry.

Mr. STAUGHTON observed that the manufacture of the articles in question was governed in Europe by a very large trust with a capital of about £3,000,000, and outside of Europe the Victorian factory which had been referred to was the only one of the kind established. If the local industry were stamped out it would result in a great injury to the miners, because they would then be at the mercy of a huge trust that held control of the gelatine and gelatine-dynamite supply of the world. It must also be borne in mind that these explosives were necessary for purposes of defence, while there was no powder factory in Victoria, and no means of making powder in the colony. The basis of powder was charcoal, and Victoria did not grow the right kind of trees to produce charcoal for powder, so that the colony was liable to be at the mercy of foreign countries in case of war.

Mr. E. D. WILLIAMS said he would like to point out the risk which the colony would run if the committee reduced the duty on these articles to such an extent as to crush out the local manufacture. He remembered the time when gelatine dynamite was retailed in the colony at £7 per case. He had sold hundreds of cases at that price before the article was manufactured in the colony. The result of the establishment of the local industry had been to bring the price down to £4 10s. per case, and that was the price at which it was now sold in Bendigo and Castlemaine to the miners. If the local industry was stamped out he believed that in a very short time the price would go up again to £6 or £7 per case.

The committee divided on the question that “3d.” stand part of the item—

Ayes ...	...	...	...	40
Noes ...	...	...	...	40

AYES.

Mr. J. Anderson,	Mr. Peacock,
„ Austin,	„ Prendergast,
„ Barrett,	„ Rogers,
„ Bennett,	„ Sangster,
„ Best,	„ Staughton,
„ Bromley,	„ Styles,
„ Cook,	„ Taverner,
„ Deakin,	„ Thomson,
„ Duffy,	„ Trenwith,
„ Duggan,	„ G. Turner,
„ Dyer,	„ G. J. Turner,
„ Foster,	„ Vale,
„ Gray,	„ J. S. White,
„ Gurr,	„ Wilkins,
„ Higgins,	„ E. D. Williams,
„ I. A. Isaacs,	„ H. R. Williams,
„ Kerr,	„ Winter.
„ McGregor,	
„ McLean,	<i>Tellers.</i>
„ O'Neill,	Mr. Beazley,
„ Outtrim,	„ T. Smith.

NOES.

Mr. A. Anderson,	Mr. Madden,
„ W. Anderson,	„ McColl,
„ Bowser,	Sir John McIntyre,
„ Burton,	Mr. McKenzie,
„ Cameron,	„ McLellan,
„ Carter,	„ Murphy,
„ Chirnside,	Sir James Patterson,
„ Duffus,	Mr. Rawson,
„ Fink,	„ Russell,
„ Graham,	„ Salmon,
„ Grattan,	Dr. Scott,
„ Graves,	Mr. Murray Smith,
„ Grose,	„ Sterry,
„ Hamilton,	„ Webb,
„ Harris,	„ Wheeler,
„ Irvine,	„ A. W. H. White,
„ J. A. Isaacs,	„ Zox.
„ Kennedy,	
„ Langdon,	<i>Tellers.</i>
„ Lazarus,	Mr. Craven,
„ Levien,	„ Moule.

PAIRS.

Mr. Longmore,	Mr. Reid,
Dr. Maloney.	„ McLeod.

The CHAIRMAN.—I am called upon now to give my casting vote in connexion with this matter. Although the Chairman or the Speaker of the House is entitled to give his vote according to his own conscience, yet I feel that I should give my vote in such a way as not to deprive the committee of the right of reducing the duty at a future stage if they desire to do so. If I give my vote with the “Ayes” the duty will remain at 3d. per lb., as proposed by the Government, and when the vote is reported the honorable member for Maldon or any other honorable member will have an opportunity of moving for a reduction. On the schedule of the Bill which will have to be introduced the same opportunity will arise. I shall, therefore, give my casting vote with

the “Ayes,” and I declare that the “Ayes” have it.

The amendment was therefore negatived. Progress was then reported.

The House adjourned at twelve minutes past eleven o'clock.

LEGISLATIVE ASSEMBLY.

Thursday, July 18, 1895.

Casual Employment in Public Departments—Exportation of Butter—Revision of the Tariff : Explosives : Gun Cartridges, Filled : Fuse : Glass and Glassware : Bottles for Aerated Waters : Antifriction Grease : Hats.

The SPEAKER took the chair at two o'clock p.m.

CASUAL EMPLOYMENT IN PUBLIC DEPARTMENTS.

Mr. PRENDERGAST moved—

“That there be laid before this House a return showing—1. The number of men employed since December last by the Railways department on regrading lines, or on casual work of any kind, particularizing works, and the number of men on each ; 2. The wages paid to different classes of workmen on the different works ; 3. The number of men employed, and the wages paid to each class of workmen on all classes of casual or relief work or permanent works started since last December in the Public Works or Mines departments.”

Mr. T. SMITH seconded the motion, which was agreed to.

EXPORTATION OF BUTTER.

Mr. BROMLEY moved—

“That there be laid before this House a return showing, in regard to the shipping of butter under Government supervision—1. The amount of commission paid on disbursements ; 2. The amount paid to Customs agents ; 3. The total amount paid by the Government for the year 1894 ; 4. The names of the agents employed by the Government.”

Mr. STYLES seconded the motion, which was agreed to.

REVISION OF THE TARIFF.

The House went into committee for the further consideration of the proposals of the Government for the revision of the Tariff.

The item—

“Explosives (other than fine meal powder, not sporting, in bulk and in packages of not less than 25 lbs. each—free ; and powder, sporting and blasting, gelatine, and gelatine dynamite otherwise dutiable) 3d. per lb. (from 1st January, 1896),”

was agreed to.

On the item—

“Gun cartridges, filled, 20 per cent. ad valorem (from 1st January, 1896),”

Mr. CARTER asked the Minister of Customs why he proposed to put this new duty on cartridges? He (Mr. Carter) had a letter from one of the champion shots—he did not know that he could say in the world, but certainly one of the champion shots in Australia—who wanted to know the reason why the Government made this proposal. The price of Eley's cartridges in England, he stated, was 10s. 6d. per hundred, but here they cost 16s. per hundred. The colonial-filled cartridge was sold at 15s. per hundred, and therefore the writer of the letter asked why it was proposed to give additional protection to the colonial cartridge, which was at present underselling the English cartridge here. He added—

“If I could obtain Eley's cartridges I would rather pay extra for them, entirely on account of their being regularly and more carefully filled.”

What he (Mr. Carter) and his friends so much dreaded was that colonial workmen did not attempt to beat the foreign producer in quality, instead of coming to Parliament and saying—“Give us more protection.” Instead of making a better article than the imported article, their idea seemed to be—“Never mind about the quality, let us get protection from Parliament, and then we can sell an article inferior to the imported article at a higher price.” (Mr. G. Turner—“Now, is that so?”) He (Mr. Carter) certainly believed that was the case. The writer of the letter from which he had quoted, finding his colonially-filled cartridges unsatisfactory—one of the wads being wedged in edgeways—went to the place to inquire into the matter, and saw a boy of about thirteen years of age filling cartridges while talking to another boy beside him. Why was it that Eley's cartridges were sought for all over the world? Simply because they were evenly filled, the proportions of powder and shot being exactly the same in each. If the colonial manufacturers allowed boys of thirteen to fill the cartridges, and put wads in edgeways, no one could rely on them, and why should Parliament put on an additional duty and make it more difficult for people to get cartridges on which they could rely? Such a course of procedure would be highly imprudent; there would be no sense in it. As the English cartridges already cost

more than the colonial cartridges, why not leave the duty as at present? Duty was now charged on the value of the powder and shot put in the cartridges, and it amounted, he understood, to about 2s. 1d. per hundred. If a higher duty was imposed, those who used the most cartridges would have to pay extra taxation merely to induce people to make bad cartridges, or at all events to be careless in filling them.

Mr. BEST expressed the opinion that the committee should hesitate before accepting the *ex parte* statement of the gentleman whose letter the honorable member for Melbourne had quoted. He (Mr. Best) was not aware that the colonial cartridges were of the inferior character mentioned, neither did he think that to be the case. (Mr. Carter—“As the English cartridges are dearer, there is no need for further protection.”) But the chief reason which actuated the board in making this recommendation was that the present awkward and unsatisfactory system should be discontinued. That was certainly the reason, as far as the Customs department was concerned. Honorable members would be aware that the system was to charge on the powder and shot which was put in the cartridges. There was about $1\frac{1}{4}$ lbs. of powder and $7\frac{1}{2}$ to 8 lbs. of shot in each 100 cartridges, and the present duty was equal to from $12\frac{1}{2}$ to 16 per cent. ad valorem, 7s. 3d. per 100 for Eley's, and 5s. 9d. for the American cartridges. The board proposed that an even ad valorem duty of 20 per cent. should be substituted for the present duty. That would be very slightly more than the existing duty, and it would offer greater facilities to the department and give a very reasonable protection to the local industry. If an inferior cartridge was made in the colony, which he did not admit, the increased duty would encourage the local manufacturer to make a superior article, which he could then better afford to make. This proposal was a recommendation of the Tariff Board, and it was so reasonable that he ventured to submit that it could not be fairly objected to.

Mr. MURRAY SMITH asked the Minister of Customs whether his experience induced him to believe that the imposition of an extra duty led to the manufacture of a superior article in the colony? It was the first time he had ever heard of it.

Mr. BEST said he was amazed at the honorable member for Hawthorn having

only learnt such a well-established fact as that so late in his career. He (Mr. Best) thought he endeavoured to establish it beyond doubt so far as tobacco was concerned, and he considered that the figures and facts proved it to demonstration. (Mr. Murray Smith—"Neither figures nor facts can possibly prove it.") They certainly did prove it. (Mr. Murray Smith—"Give us some figures and facts to prove it.") When the proper time came the honorable member for Hawthorn could give to the committee his own opinions on the subject.

Mr. STAUGHTON remarked that he used a great many colonial-made cartridges, and got them from one man, whose name he would not mention, but he must bear testimony to the excellence of the colonial cartridge. There was a distinct advantage in getting cartridges filled here, namely, that one could get just as much powder and shot as one wanted, put in the cartridge. Eley's cartridge contained $3\frac{1}{2}$ drachms of powder and $1\frac{1}{2}$ ounces of shot, but that was too heavy a charge for some guns, as it caused concussion. It ought also to be borne in mind that by introducing a quantity of powder which was not manufactured in the colony, they were always keeping a reserve of powder, which might be very useful at a future time, in view of the fact that there were no means of manufacturing powder in the colony. It was, therefore, necessary to encourage the local manufacturer of cartridges. As to whether it was necessary to put on a duty of 20 per cent. ad valorem instead of 16 per cent., he did not know if that would encourage the manufacture of cartridges in the colony. (Mr. Best—"The Tariff Board say it will.") If he thought that the imposition of a higher duty would yield more revenue he would support it.

Mr. MADDEN said he objected to the item under consideration, because it introduced a new subject for taxation. Gun cartridges at present came in free. (Mr. Best—"No, they are liable to a duty of 16 per cent.") He was under the impression that the cartridge cases came in free. (Mr. Best—"Yes, that is so.") The cartridge cases were not made in Victoria. If they were to be taxed at the rate of 20 per cent. ad valorem when they were filled with the powder and shot, that would be introducing a new item of taxation. Cartridge cases were largely used in Victoria. It was not right to bring this

tax in by a side-wind. He begged to move the omission of "20 per cent.," with a view to the insertion of a smaller figure.

Dr. MALONEY asked if it was not a fact that the raw material of the industry in question paid a duty of 16 per cent. ? (Mr. Best—"Shot and powder pay 16 per cent.") Then there was a duty of 16 per cent. on the raw material, and the Government proposed to make it 20 per cent., which would only be a paltry gain of 4 per cent. protection. (Mr. Best—"The present duty on shot and powder amounts to an ad valorem duty of about 16 per cent., and it is proposed to increase that to 20 per cent. on the whole cartridge.") That was if the whole cartridge was brought in manufactured? (Mr. Best—"Yes.") He might be rather dense, but he could only see a difference of 4 per cent. (Mr. Best—"It is an increase of 4 per cent.") Was it not the case that the only difference made between the duty on the raw material and on the manufactured article was 4 per cent. ? (Mr. Best—"That would practically be so.") Then it was simply a 4 per cent. duty. (An Honorable Member—"No.") The raw material of manufactured cartridges would pay 16 per cent., and fully-charged cartridges introduced into the colony would pay 20 per cent. ; therefore there was only a difference of 4 per cent. between the raw material and the manufactured article. In his opinion that was not protection—it was absolute rubbish.

Mr. H. R. WILLIAMS stated that there had never been any tax on the empty cartridge case. The present proposal meant a tax of 20 per cent. on the manufactured cartridge unfilled. There was a 16 per cent. ad valorem duty on powder and shot, the things with which the empty cartridge had to be filled, and the whole would be charged 20 per cent.

Dr. MALONEY observed that the statement of the Minister of Railways was in favour of what he had been saying. The Government had now a splendid opportunity of taking over a monopoly. They had before them the example of every civilized Government, which made the manufacture of guns and ammunition a governmental concern. The Krupp establishment was indirectly a governmental concern. Surely it was desirable that the material necessary for the defence of the colony should be manufactured in the colony. The 4 per cent. extra duty now proposed was not worthy the name of protection;

the duty of 20 per cent. would be simply a revenue duty.

Mr. WHEELER said he wished to point out, in regard to the duty on powder and shot, that the local manufacturer had to pay exactly the same amount that was paid on the imported article, the fact being that there was really no encouragement given to the colonial manufacturer. It was well known that a large quantity of American cartridges came into Victoria. They were of the commonest and worst kind. Though they were landed in the colony at 4s. to 5s. per hundred, they were sold here retail at from 11s. to 12s. per hundred. There was a cartridge factory in Victoria which turned out as good an article as could be obtained anywhere, and that industry ought to receive some reasonable encouragement. The proprietors of that factory were induced to establish it some years ago, and a reasonable protective duty ought to be given them, especially as it was desirable to enable them to compete against such unsafe articles as were being imported into the colony. Every sportsman made his own cartridges as a rule, and he made them better than the imported article. Those who did not do that should have the opportunity of buying a really good cartridge. He did not consider that 20 per cent. was a high duty, and he thought that the industry referred to should have been allowed the advantage of a larger duty when it started. Why should not cartridge making in the colony be encouraged? The factories now in their midst employed about 100 hands. Of course he was aware that the work that they did was for military as well as sporting purposes, but the Government would only be doing justice if they gave the local industry a substantial duty. Empty cartridges were admitted free, and he considered that they ought to be charged a small duty. He would not regard a fixed duty of 1s. 6d. or 2s. per hundred on cartridges as being out of the way.

Mr. BROMLEY stated that he presumed it was the intention of the Government to allow empty cartridge cases to come in free? (Mr. Best—"Yes.") He thought that that was the wrong way to go about protecting this industry. The statement of the honorable member for Eastern Suburbs that cartridge cases were not made in Victoria was incorrect, because they were made in the colony in great numbers. If it was designed to give efficient protection to this industry, there

ought to be a duty on the unfilled as well as on the filled cases, otherwise the arrangement would not be satisfactory to the cartridge manufacturers here. He quite indorsed the statement of the honorable member for Daylesford that this industry gave employment to a very large number of hands. At Footscray there was a well-equipped manufactory, employing a large number of hands, and he was sure that if honorable members inspected it they would be inclined to give some reasonable protection to this industry. It had been pointed out on previous occasions that it was desirable to establish industries of this character in the community, because the time might arrive when it would be impossible to obtain ammunition from abroad. In a matter of this kind the colony ought to be in a position to rely entirely on its own resources. In order to develop the industry he would favour a duty not only on filled cartridges, but also on unfilled cartridges, which were made in the colony of as good quality as any of those which were imported.

Dr. SCOTT observed that there was nothing more dangerous and annoying to the sportsman than a bad cartridge, and the colony was full of bad cartridges. With some cartridges in use, one out of three missed when the gun was fired, and they were a source of great danger to a man handling a gun. Any duty which would induce the manufacture of good cartridges here ought to be supported.

The amendment was negatived.

The item was then agreed to.

On the item—

"Fuse, 1d. per coil of 24 feet or less, and in proportion for any greater quantity (from the 1st January, 1896)."

Mr. GRAVES remarked that, whilst he would assist in reducing all excessive duties, he would not be a party to interfering, either directly or indirectly, with any industry that had been established under the protective policy of the colony. In consequence of a circular that he received—he did not know from whom it came—he had made inquiries into the question of the manufacture of fuse. The fuse factory in Bendigo was established many years ago, and the business was afterwards purchased by the firm of Bickford, Smith, and Company, which had a world-wide reputation. The duty on fuse was imposed in October, 1874, and it was a duty of under 25 per cent. At present

prices the duty was equal to about 20 per cent. The actual duty was 1½d. a coil of 24 feet. The Government proposed to make a reduction of 1d., and it would puzzle a Philadelphia lawyer to learn what was the reason for that alteration. The Tariff Board, in their report, stated—

“In 1892, 73,743 coils of fuse were imported, whilst in 1893 the quantity was 28,544 coils. We were informed that nine-tenths of the fuse used is of local manufacture. Although a mining manager objected to the duty, we were credibly informed that fuse is cheaper now than at any previous time.”

The industry had apparently almost the entire command of the local market. Under the present duty the industry had developed to an extent that would, he thought, surprise some honorable members. He had obtained certain figures from the Customs department. It appeared that 61,994 coils of fuse were exported from Victoria in 1890, and 56,740 coils in 1894. The Government proposed to reduce the duty by ½d. The ½d. really represented the protection that the operatives in the factory at Bendigo had, and if it were withdrawn Messrs. Bickford, Smith, and Company would find it convenient to import their fuse from the factories in the old country. It was admitted generally that the fuse made by this firm was among the very best. (Mr. Duggan—“It is the best.”) He knew that it was used in the Wood’s Point district and in his own district. The point that honorable members had to consider was that 56,740 coils of Victorian-made fuse were exported in 1894; and if the present duty were reduced this large trade would be carried on from the old country, and the local industry would be destroyed. It was upon the faith of a 20 per cent. duty imposed in 1874 that the industry was established, and in his judgment there would be no justification for reducing the duty as proposed by the Tariff Board and by the Government. The committee should not, without a very strong reason, interfere with any industry that had been established under the protective system of the colony.

Mr. BURTON observed that the manufacture of fuse was another colonial industry the initiation of which had been assisted by protection, and of which they might all be proud. He was simply giving the opinion of the whole of the miners of Victoria, and perhaps he might add of the

miners of the adjacent colonies, when he said that the Victorian fuse was the very best fuse that was put on the colonial market. The honorable member for Delatite was in error in saying that the industry would be injured by the adoption of the proposal of the Government. The very fact that there was a large exportation of fuse from Victoria to the neighbouring colonies showed that the industry could prosper under the reduced duty, and, in fact, that it did not require this protection at all, as it was able to compete in the markets of the world. The figures the honorable member quoted were not complete, and he (Mr. Burton) would make an addition to them. The honorable member gave the quantity of fuse imported during 1892–3, and he argued that the duty could be regarded as prohibitive, but the figures for 1894, which the honorable member did not quote, showed that the duty was not prohibitive. In 1894 the quantity of fuse imported was 74,104 coils. A larger quantity of fuse was imported last year than in either of the years to which the honorable member alluded. The reference made by the Tariff Board to this subject was very brief, and he need not deal with it further than to say that he heartily concurred in the recommendations the board made. The Bickford Fuse Company in England were the largest manufacturers of fuse in the world. That company was induced by the protective policy of the colony to transfer the making of fuse from England to Victoria, and that was one of the achievements of protection of which they had a right to be proud. (Mr. Graves—“Why do you desire that the duty should be taken off?”) He was prepared to support the proposal of the Government. There was no necessity for the duty, and the company did not require it. What did the fact that the company was exporting such an immense quantity of fuse indicate? Did it not show clearly that they could command other markets? And, if so, it certainly was not necessary to impose a higher duty on fuse in this colony. (Mr. H. R. Williams—“They have to pay 60 per cent. more for labour.”) Was the Minister for Railways going to vote against the Government proposal? (Mr. H. R. Williams—“I am stating a fact; you are arguing against the industry.”) He would be very sorry indeed to argue against the industry. On account of the establishment of the local industry,

the manufacturers were able to place on the market an article of superior quality, and if he had said anything to injure the industry he would like the honorable gentleman to point it out. All that he said was that it was not necessary that there should be any higher duty than was proposed by the Tariff Board and by the Government, and that was proved by the fact that the company were exporting to the other colonies. Under the protective policy of the colony an industry had been established, which could not only supply the wants of Victoria, but also of the whole of Australasia. (Mr. Graves—"And you want to destroy it?") The honorable member for Delatite was wilfully blind to the force of his argument. He would join with the honorable member very heartily in doing anything that would prevent the fuse factory from being closed up, but he was quite sure that the proposed reduction would have no such effect. He remembered the time when all the fuse used in the colony was imported. The long sea voyage caused a deterioration of quality, and large quantities of the fuse had to be taken away and destroyed. If he thought that the proposed reduction of duty would lead to fuse being again imported in large quantities, he would not vote for it, but he contended that the industry would not suffer.

Mr. H. R. WILLIAMS said that, as he happened to know the history of this factory perhaps better than any other member in the Chamber, he might be allowed to detail the circumstances under which it was established. During the years 1871 to 1874, two gentlemen of the name of Perry and Hunter struggled very hard indeed to establish a fuse factory in Bendigo, knowing the large demand there was for fuse there. They met with the greatest possible adversity, and it was proved beyond all doubt, taking into account the price of labour and the importation of similar materials, that it was impossible to establish the industry without some protection or encouragement from the State. That encouragement was given in 1874, and the factory then started on a career of success which was perhaps unprecedented in the manufacturing history of the colony. Before the factory was established miners were paying from 11d. to 1s. 1d. per coil of fuse, but in a few years after the establishment of the factory the price was brought down to 7½d. or 7¼d. per coil, while the fuse produced

was far superior to any that had been formerly imported. Fuse was a commodity which, when carried over sea and land, and handled here and there, was likely to be very considerably deteriorated, and if not properly filled might, by shaking about in transit, be rendered dangerous to the lives of multitudes of miners. The local fuse had attained such an ascendancy that it absolutely commanded the market of the whole colony. Under the terms of the transfer of the factory to its present proprietors, Bickford, Smith, and Co., it was stipulated that the price of the fuse to the miners should not be increased, so that, although this industry was practically a monopoly, the price of the fuse was no higher than that which had been determined by healthy competition. (Mr. Murray Smith—"What is the price?") The price was 7½d. per coil, while before the factory was established the price was never less than 11d. per coil. Formerly most of the accidents in mining were attributable to defective fuse, but now, owing to the perfection which had been attained in the manufacture of this article, accidents of that kind were scarcely heard of. If ever there was an industry in which the greatest care and supervision should be exercised, and from which unhealthy, cheap, and nasty competition should be kept out, it was in this industry. If ever a monopoly was justified this monopoly was, having due regard to the safety of the lives of the miners and other persons concerned. This factory was the pride and glory of the Bendigo district. (Mr. Moule—"What duty do you say should be put on?") The Government were simply carrying out the recommendations of the Tariff Board, and the honorable member for Brighton could judge for himself as to his (Mr. Williams') position in the matter. There was no demand on the part of the miners for any reduction at all. The article was looked upon as being as cheap as it was possible to make it under the present conditions, and it was the very kind of article that should be manufactured in the country if possible.

Mr. LONGMORE observed that he claimed to know a little bit about fuse. Long before this factory was established, and before any duty was put on the foreign fuse, he was connected with a factory which made as good a fuse as had ever been made in the colony except, perhaps, by the factory at Bendigo. The

proposed reduction of the duty was one of the most unsafe proceedings that protectionists could be guilty of. The extra halfpenny of duty did not increase the price of the article. The people of the colony ought to be employed in making good articles, which they were thoroughly capable of producing. It was time the determination to have nothing but imported articles in the market was abandoned, and it was time the Government saw they had been led astray by the discredited report of the Tariff Board.

Sir JOHN MCINTYRE remarked that he must really compliment the Government on the way in which they had allowed honorable members a free hand all round on this question of the Tariff, and he would ask them now to allow members of the Government to have a free hand. In matters of this kind there must be differences of opinion. The locally-manufactured fuse was really a first-class article, and the industry was a most successful one, able to compete with all the world. The people connected with the industry were very well-to-do in the world, and the reduction in the duty would give a little cheaper article to the miner. Honorable members ought not to view this in the light of an ordinary protective duty. The object of the duty had been gained in the successful establishment of the industry. Did honorable members assert that the high duties were to last for ever? (Mr. Longmore—"Yes, so long as this is a protectionist country.") If that were so, then they might abandon all hope of complying with the demand of the people of the country who had said that high duties should be reduced, without, of course, interfering prejudicially with existing industries. The reduction of this duty was of importance to the mining industry, and would not do the slightest injury to the persons who were manufacturing the fuse. Honorable members in the Ministerial corner stated that they abominated monopolies, but if they continued the duty in this instance they would be supporting a monopoly. The Government were in agreement with the report of the Tariff Board, and he was prepared to support the Government.

Mr. STERRY stated that he had a knowledge of the history of the fuse factory at Bendigo from beginning to end. The only rival to this factory was a German company, and the whole of the fuse

sold in the colony was either Bickford's make or the make of the German company he had referred to. No doubt these people had what was practically a monopoly, the competition they had to meet being very slight. The exact sum received by the Customs last year for fuse was £433, which accounted for some 55,000 coils. The local industry had enjoyed a protective duty of 1s. 6d. per coil for twenty odd years past, and every article they used was cheaper now than when the duty was originally imposed. The yarn from which the fuse was mainly manufactured was admitted duty free, and the local fuse-makers had every possible advantage because of the cost of sending fuse to this country from abroad, and the injury it was liable to sustain in transit. That of itself was a considerable protection. He would be sorry to do anything that would tend to injure this industry, especially as it was established in the district where he had resided and which he had been connected with for 40 odd years, but he was surprised to hear the honorable member for Delatite stand up in support of a matter of this kind, which he could have known very little about until to-day, or perhaps the previous day. The fuse company were in a position to accept the small reduction of duty proposed by the Government without injury to themselves, and therefore he hoped that in regard to this article, as in regard to all articles that had enjoyed the privileges of protection for so many years, the committee would make a fair and reasonable reduction. Without doubt the fuse was superior to the fuse miners had to use years ago, but manufactures of all kinds had improved. The Victorian-made fuse was used all over the colony, and the fact that the company were very large exporters of fuse showed that they had not only got the Victorian market, but had also command of the markets of the other colonies. Therefore there would be no injustice in adopting the Government's proposal.

Mr. MURRAY SMITH observed that it was refreshing that the long silence of the Ministry in regard to the Tariff had at last been broken by a violent speech from one of their members against one of their own proposals. (Mr. H. R. Williams—"That is not so.") A plain man, endeavouring to address himself to this subject in the light of common sense, must be very much puzzled at the attitude which the honorable member for Delatite had

assumed. On the one hand that honorable member told the committee—what was no doubt true—that the fuse made in Victoria had no superior, and was so good that it was able to compete with imported fuse in the other colonies without any protection at all; and yet he also told the committee that the Victorian factory would be utterly crushed unless it was protected by a duty of 25 per cent. on the spot where the fuse was made. That was an absolute contradiction in terms. If the Victorian fuse could compete with English importations in Sydney and Brisbane, how could the Victorian fuse factory be ruined by a slight reduction of the present protective duty? He did not suppose that this matter was one of very great importance, and he was quite certain that the reduction of duty now proposed by the Government would not affect the fuse factory at Bendigo in the slightest degree, while there was a possibility that the price of fuse might be somewhat lowered to the miner. That could be the only result of reducing the duty, and for that reason he would cheerfully vote for the Government's proposal.

Mr. BURTON said he desired to make a personal explanation. The Minister of Railways stated that no miners had asked for any reductions of these duties, but he (Mr. Burton) held in his hand a petition which he presented to the Assembly, and which was a complete refutation of that statement. If the honorable gentleman had listened to or read the speeches made in this chamber since the Tariff question arose, he would never have ventured to make such an interjection, which he (Mr. Burton) took as a personal insult, as he presented that petition, which was accepted by the House, and referred to this committee. He would draw the attention of honorable members to the wording of the petition, and to the names of some of the persons by whom it was signed. It stated that the miners felt these duties to be an injustice to the mining industry, and prayed for certain relief. The first four signatures on the petition were Thomas Kinsella, President of the Mine-owners' Association, Stawell; Peter Galbraith, Secretary of the Mine-owners' Association, Stawell, both of whom were authorized to sign on behalf of the association; William Burt, President of the Amalgamated Miners' Association; and W. H. Jones, Secretary of the Amalgamated Miners' Association, both of whom were authorized by the association to sign on its behalf. The

petition contained the names of over 400 persons, and petitions of a similar character had come from all parts of the gold-fields in the colony. (Mr. Duggan—"Has that petition reference to the duty on fuse?") It was in regard to explosives, mining machinery, &c. (Sir John McIntyre—"It covers fuse also?") Yes. (Mr. H. R. Williams—"Read us the part about fuse.") The petition was at the disposal of the Minister of Railways, if he desired to read it. He would only say further that it came with bad taste from a Minister of the Crown to attack an honorable member while he was supporting the Government's proposal.

Mr. LAZARUS observed that he had consistently supported reductions on all materials used for mining purposes, in the hope that the prices of those materials would consequently be reduced. The best protection that the fuse factory in Bendigo enjoyed was the reputation which the quality of its fuse had gained throughout the colonies. Whether the duty on fuse was abolished or made absolutely prohibitive was virtually immaterial, he believed, to that fuse factory. It had been established for a number of years, and the miners practically used no other fuse. Since the present duty was imposed fuse had been reduced in price, but he thought that if a reduction of $\frac{1}{2}$ d. were made in the duty it might result in a still further reduction in the price of fuse to the miners, not only in Victoria but throughout Australasia. That being so, he was prepared to vote for the proposed reduction. Fuse-making must be a very profitable industry. The Bendigo Fuse Factory paid fair wages to the men employed there, and the company employed a number of girls and, he believed, a number of youths. The factory was an exceptional factory, the fuse made there was an exceptional fuse, and, although the company had had protection to a fair extent, they had never taken any undue advantage of it, the price of their fuse having always been a fair price. The miners could say that it was an absolutely perfect fuse. He did not believe that even the abolition of the duty would involve the closing of the fuse factory in Bendigo. In fact, he felt confident it would not. He could safely say, from his knowledge of the fuse and the miners' experience of it, that no other fuse but that of Bickford, Smith, and Co. would be used in the Bendigo district, and in

the deep mines there, so that the factory would remain in Bendigo and continue to do the good it was doing for the benefit of the mining industry throughout Australasia. For these reasons, and at the express wish of those who gave him a petition to present to the Assembly, signed by 4,000 members of the Bendigo District Mine-owners, Mine Managers, and Miners' Associations, he would vote for the Government's proposal. The best protection of the fuse made at the Bendigo factory was its absolute good quality.

Mr. HAMILTON stated that the great bulk of the account of the fuse factory at Bendigo which the Minister of Railways gave to the committee was correct. There was, however, one fact in its history which should not be overlooked, and it bore with very great importance on the remarks of the honorable member for Delatite. The honorable member said that the fuse factory was established under a protective duty, and that it had been the means of creating a large export trade, but the honorable member overlooked a fact that had not yet been mentioned in the committee, that the duty was put on to protect two manufacturers—Perry and Hunter—partly from an inferior fuse imported from England and other countries, and partly in order that they might make a perfect fuse for this colony. It had that effect. The proprietors of the factory learnt the secret of making fuse, and there was a great secret in its manufacture. The fuse factory at Bendigo was kept under strict lock and key, and he doubted if any honorable member could get the smallest bit of the secret of fuse making from the company. Perry and Hunter made a better fuse than the imported article, and it came into active competition with the imported fuse, which was Bickford, Smith, and Co.'s. Now came the peculiar part of the history. Bickford, Smith, and Co. found that their trade was being destroyed by the local article, not only in Victoria but also in Queensland and New South Wales; and, discovering that such a powerful competitor was rising in Victoria, they had to do something to check the competition. They consequently went to Messrs. Perry and Hunter, and offered them a price for their business, which they, knowing that there was a fortune in the fuse if they could have their own way, declined for some time to take. The company owned by Messrs. Bickford, Smith, and Company had a world-wide repute.

It represented a million of money, and was a gigantic monopoly, extending throughout the world. He believed that there were only two fuse firms in the whole world, and that Bickford, Smith, and Company had a number of factories in different countries. It was impossible for Messrs. Perry and Hunter to attempt to compete with Bickford, Smith, and Company, and they sold their business to that company, which held it still. The export of fuse had continued, because the company produced a superior article. As he had stated on a former occasion, the duty was practically inoperative. (Mr. Burton—"It was protection against themselves.") Yes. The effect of the duty was to protect Bickford, Smith, and Company in Victoria against Bickford, Smith, and Company in Europe. As the duty was inoperative, he was indifferent as to whether the amount were reduced to 1d. or wiped out altogether, and he would vote for the Government proposal. The local factory employed three men, who were paid very good wages. The remainder of the work was done by machinery, and by boys and girls—the latter also receiving very good wages. (Mr. Graves—"How many boys and girls are employed?") He could not answer that question. The bulk of the work was done by a machine, which turned out the goods as cheaply in Victoria as in any other part of the world. If the duty were going to do an immense amount of good, he would certainly vote for it, but, as far as its protective nature was concerned, the necessity disappeared when Messrs. Bickford, Smith, and Company bought up the firm of Perry and Hunter.

Mr. GRAVES observed that it was his intention, after making the remarks which he addressed to the committee on this item, to move the omission of the proposed duty. After the statements which had been made by honorable members representing mining districts, who were more interested in the matter than he was, he would not move in the matter, leaving the responsibility to rest on the honorable members for Sandhurst. He thought that the remarks which had been made by the honorable member for Stavell were very unfair. (Mr. Burton—"I withdraw.") Honorable members had plenty of dirt thrown at them from outside the chamber, and it was especially injurious when it came from their own nest.

Mr. J. A. ISAACS (*Ovens*) said he would support the Government proposal. It had

been frequently stated that protection had no firmer adherents or more loyal supporters than the miners of the colony, but the miners did not favour monopoly. He was very much surprised to hear a vigorous speech in favour of monopoly from the Minister of Railways. He (Mr. Isaacs) was in favour of giving this industry a reasonable amount of protection, but he was opposed to monopoly, and the industry in question was undoubtedly a monopoly in Victoria at the present time. The object of protection, as he understood it, was to break down the monopoly of importers and encourage the people of the colony to establish industries. If people were enabled to erect monopolies, in the colony, that would be just as great an evil as permitting a monopoly of importers to exist. The report of the Tariff Board stated distinctly that the duty in question was prohibitive rather than protective, and the board recommended a reduction in order to assimilate the Tariff of Victoria with the Tariffs of the other colonies. Honorable members ought to assist the miner in every possible way. The present occasion gave honorable members in the Ministerial corner an opportunity of assisting the miner as an act of grace, if not as a matter of right, so as to enable him to get one of his tools of trade at as cheap a rate as possible, and prosecute his industry with advantage.

Mr. GRAY stated that the debate, as far as it had gone, clearly proved that protection, in the instance under discussion, had benefited the country immensely, and more especially the mining industry. The miners unanimously said that the fuse was better since the imposition of the duty. The committee also had clear evidence that the fuse was cheaper than it was before the imposition of the duty. The honorable member for Hawthorn had asked why, if a large quantity of Victorian fuse was exported, it was necessary to have any duty on the article at all? The answer to that was clear enough—the larger the quantity of any article manufactured, the cheaper the rate at which it could be manufactured. The argument that because an article could be exported it did not require a duty might just as well be applied to the case of America, which exported to other countries. The effect of the duty was to enable the manufacturer to increase the amount of his manufactures, and thereby produce more cheaply, and that enabled him to export to other countries. He had obtained a return from the

Customs department showing not only the number of coils of fuse imported into Victoria but the number on which duty was paid when the goods were taken out of bond. In 1892, the number was 73,743; and in 1893, 28,544. Basing its decision upon that, the Tariff Board came to the conclusion that because the importation between 1892 and 1893 had decreased by 45,000 coils, it was a proof that the manufacture was becoming a monopoly and was stopping the importation of the article. Last year the number of coils imported went back to 74,104, and 69,352 of those had duty paid on them on being taken out of bond. It was thus apparent that the quantity that was imported justified the present duty being retained. According to honorable members on the opposition side of the House, they were all elected to obey the mandate of the country to bring down the enormously high duties. The present duty, however, did not come under that category, because it was only about 19 per cent. or 20 per cent., or about $1\frac{1}{2}$ d. on $7\frac{1}{4}$ d. That, it must be remembered, was not on the invoice price, but on the price to be charged to the consumer. He desired to remind the committee that if the present duty was brought down to 1d. that would be equivalent to reducing it to the low amount of about 12 per cent. ad valorem. He really thought that when the committee came down to an ad valorem duty as low as that it was only a revenue duty, which might as well be taken off. He did not believe in prohibitive duties, but in true protective duties, which would bring the local manufacturer into fair competition with the importer. It was said that the duty in question was protecting Messrs. Bickford, Smith, and Company in Victoria against Messrs. Bickford, Smith, and Company in Europe; but although that was so, the duty undoubtedly compelled Messrs. Bickford, Smith, and Company to establish a manufactory in the colony, which gave employment to three men and a large number of boys and girls, who received £550 per annum in wages. Then, in addition to that, the firm purchased a large quantity of the raw material in Victoria, and the honorable member for Melbourne West had contended again and again that when an industry was established in the colony which employed 100 men, it incidentally gave employment to another 300 or 400 men. (Dr. Maloney—"But I do not want to have sweating,

or to see children employed.") It was right for children to be so employed, as long as they were above the school age. It must be borne in mind that when children were employed in factories they were not only learning a trade, but were greatly benefiting their fathers and mothers. Were it not for the circumstance that a large number of youths in Melbourne and the suburbs were enabled to earn money for the support of their parents, the present distress would be much worse than it was. An industry of the kind in question deserved every consideration, and he trusted that as the duty was not excessive, being only 20 per cent., it would be maintained.

Mr. KIRTON said that although he represented a mining district he had not felt it necessary to say much on behalf of the miners' cause, as it was in very good hands in the committee. He saw that there was every desire on the part of honorable members generally to do the miners justice. All that he wished to say in reference to the item now before the committee was that a factory had been established, and that an article was made by it that was used almost universally. The local fuse was very cheap, and a large quantity of it was exported. The mining community was entirely satisfied with the fuse. It was his intention to vote for the reduction of the duty to 1d., and if a reduction to a still lower amount had been proposed he would have supported it, as he thought that it would have been generally acceptable.

Dr. MALONEY remarked that the honorable member for Prahran had spoken very eloquently about the wonderful factory that employed three men and a number of boys and girls. Surely, as a protectionist, the honorable member did not advocate boy labour? Boys should be at school. It was a curious fact that the amount paid in wages in connexion with this industry was about £550 per year; whereas the actual revenue received from the duty on fuse was £433. What was the explanation of the honorable member's advocacy of the interest of the fuse factory? Was it a matter that concerned any of his constituents, or was the manager of the factory a personal friend? It would be better for the Government to manufacture the fuse themselves. Men would then be employed in the industry, and boy labour would be done away with.

The item was agreed to.

On the item—

"Glass, viz. :—

Bent	...	...
Bevelled	...	...
Heraldic	...	...
Silvered	...	...
Corners—Cut, bevelled or engraved	...	} 30 per cent. ad val. (1st January, 1896.)
Panes, Prisms, and all other framed with metal	...	
Sandblasted, enamelled, embossed, etched, cut	...	} 30 per cent. ad val.,"

Mr. MURRAY SMITH asked why it was proposed that glass—sandblasted, enamelled, embossed, etched, and cut, which had hitherto been free, should now be subject to a duty of 30 per cent. ad valorem?

Mr. BEST stated that so far as bent, bevelled, heraldic, silvered, and other glass enumerated in the Tariff was concerned, the present duty was 35 per cent., and the proposal of the Government was to reduce it to 30 per cent. It was true that it was also proposed to make glass—sandblasted, enamelled, embossed, etched, and cut, which was at present free, subject to a duty of 30 per cent., and the object was to make these kinds of glass subject to the same percentage of duty as the other kinds of glass that were enumerated. It was an anomaly that glass of these descriptions had not been charged the same duty as the bent, bevelled, and heraldic glass. The Tariff Board went into this matter very fully, and satisfied themselves that glass could be sandblasted, enamelled, embossed, etched, and cut here, and they came to the conclusion that it was desirable that duties should be imposed upon glass of this description. The Tariff Board said in their report—

"Glass decorators wished to have a duty placed on sandblasted, enamelled, embossed, etched, and cut glass equal to that now imposed on bent, bevelled, silvered glass, &c., viz., 35 per cent. ad valorem. They say that the kinds mentioned are the only ones not protected; that they imported machinery, and went to considerable expense, believing that they would be able to obtain a protective duty; and that if their request is granted they would be able to extend their industry. The firm from which the application emanated employs generally from fifteen to twenty hands; they do nearly all the embossing for the colony, and are the only persons that sandblast, but other firms effect other kinds of decoration. They do not think that they could compete with any less duty than 35 per cent. ad valorem.

"There is as much reason for protecting the kinds of glass mentioned as those already protected, but in view of the fact that such a high duty will severely affect the building and other industries we think the rate asked for too high."

Then the board recommended that a duty of 30 per cent. should be imposed.

Mr. MURRAY SMITH moved the omission of "30," with the view to the substitution of "25."

The amendment was negatived, and the item was agreed to.

On the item—

"Glassware, including packing (measuring outside the package as imported), being—

Globes for lights,
Chimneys for lights,
Fish globes,
Confectionery glasses,
Cake glasses,
Propagating glasses,
Bird-seed boxes and cups,
Fly traps,
Telegraph glassware,
Bottles (except for aerated waters) and flasks,

Jars, fruit and preserving,

"(When cut, embossed, engraved, etched, frosted, ground, or sandblasted)—2s. 6d. per cubic foot,

"(When not cut, embossed, engraved, etched, frosted, ground, or sandblasted)—1s. per cubic foot,"

Mr. BENNETT moved the insertion of "jam," after the word "jars."

The amendment was agreed to.

Mr. MURRAY SMITH stated that he desired to call the attention of the committee to the fact that the Tariff Board had made a special recommendation which appeared to him to be reasonable. They had recommended that the kinds of glass not made in the colony should be subject to a duty of 25 per cent. ad valorem. He did not know how the Customs officers could distinguish between glass made in the colony and the glass not made in the colony. The fixed duties, which if the public understood them they would not consent to at all, pressed very heavily on all the cheaper kinds of glassware, and it would surely be advisable to substitute for them an all-round ad valorem duty. The cheaper kinds of glassware were very bulky, and cost a great deal to import, which was alone a large protection to the local manufacturers. It would be more reasonable to impose a moderate ad valorem duty on all kinds of glass than to subject the cheaper kinds to what really was a very heavy fixed duty indeed. He begged to move the omission of "2s. 6d. per cubic foot" and "1s. per cubic foot," with the view to the substitution of "25 per cent. ad valorem."

Mr. BEST observed that after very great difficulty the Government had succeeded in accurately carrying out the

recommendation of the Tariff Board in the item which was now submitted to the committee. The board set to work to ascertain what kinds of glass were made locally, and those kinds were put down at the old rates of 2s. 6d. and 1s. per cubic foot. The Government, pursuant to the recommendation of the Tariff Board, had made the duty on all kinds that were not made in the colony 25 per cent. ad valorem. On the importations of 1894 the fixed duty of 2s. 6d. per cubic foot amounted to something like 33 per cent., and the duty of 1s. per cubic foot to 27 per cent. On the gross importations therefore it did not appear that the fixed duties were very excessive. (Mr. Murray Smith—"That is the average; it does not answer my objection.") He was aware of that. There were lines on which the duty was very much higher; but there were also lines on which it was much lower than the average.

Mr. MURRAY SMITH remarked that the statement of the Minister of Customs was not the slightest answer to his argument that the duty as imposed at present on measurement fell most heavily on all the cheapest qualities of glassware. (Mr. Best—"I admit that.") Yes, but the honorable gentleman urged as an argument why 25 per cent. ad valorem should not be adopted the fact that the average duty on measurement was about 30 per cent. But the cheaper qualities of glassware paid under the present Tariff a much higher duty than 30 per cent.; and it was to relieve them from that impost that he proposed that glassware should be subject to an all-round ad valorem duty of 25 per cent. That, he thought, was a reasonable suggestion.

Mr. LONGMORE said that the reply given by the Minister of Customs to the honorable member for Hawthorn was, in his opinion, complete. The reason why the fixed duties were imposed was that certain articles were made in the colony. It was the desire of the people that their glassware should be made in the colony, and glassware was now manufactured here that was as good as any that was imported. The committee should endeavour to help forward Victorian industries by every possible means.

Mr. MCKENZIE remarked that this question of glassware came before the Tariff Board of which he was a member, and according to the evidence obtained, and the calculations that were made by the members of the board, the fixed

duties which were charged on the measurement of the outside of the case in which the goods were packed operated most unfairly in regard to the consumers. The measurement of the case was taken, but the case might contain the very best dinner set that could be sent from the old country, or it might contain the most inferior class of goods. The duty, however, was all the same. According to calculations made, the duties worked out at not more than 10 per cent. on the best classes of goods, and up to 70 per cent. on the goods that were used by the working sections of the community. (Mr. Longmore—"Are those goods made in the colony?") He would accept the challenge thrown down by the honorable member for Dandenong. If this glassware were made in the country, a duty of 60 or 70 per cent. would only cause more than a proper price to be charged for it. To impose such duties was to run the risk of creating monopolies in this country, and thereby raising prices beyond what they would be if there was fair competition from abroad. He believed in protection which created a fair competition between the importer and the local manufacturer. The present system of imposing the duty on glassware was a very unfair one, and he hoped that ad valorem duties would be adopted. These latter might involve some additional trouble to the Custom-house, but such additional trouble ought not to be considered. A 25 per cent. ad valorem duty would operate fairly all round. It would increase the duty on the best classes of goods, and reduce the duty considerably on inferior classes of goods. According to the Minister of Customs, a 25 per cent. ad valorem duty would mean very little less than the present duty, but the charges would be equalized.

Mr. E. D. WILLIAMS said he desired to remind the honorable member for Anglesey that the committee were now dealing with glassware exclusively, and on such were the duties as proposed by the Government did not come to 15 per cent. The prices of the class of goods with which the committee were now dealing were so high that 2s. 6d. per cubic foot when added to the cost of the article was very often below 15 per cent. He was speaking on the authority of dealers and importers in this business, who were perfectly satisfied with the proposals of the Government.

Mr. MADDEN remarked that the honorable member for Anglesey had rather

understated the case, and it would be as well to have the report of the Tariff Board before the committee. On page 11 of that report the board said—

"The manufacture of a few kinds of earthenware and glassware has been established, but the latter industry appears to be in a languishing condition. The manufacturers are naturally anxious for the maintenance of the duty, without which they think their business cannot be carried on profitably.

"The duty on glassware and earthenware is by measurement. This principle leads to great inequalities in the rate, rendering some articles liable to the extremely heavy rate of 140 per cent. on the invoice value, and others to only a moderate duty."

The cost of bringing those goods here by measurement would be another 50 per cent., so that the duty really amounted to 190 per cent. on some classes of these goods. It seemed really an absurdity, under those circumstances, to impose the duty proposed.

Mr. BOWSER stated that his inquiries into this question had led him to conclusions directly opposite to those arrived at by the honorable member for Castlemaine (Mr. Williams). The effect of a fixed duty on glassware was to very greatly increase the price of the article to the poor people, and to allow those who bought luxuries in glassware to escape comparatively free. The present duty ranged from 80 to, in some cases, 110 per cent., including all charges. On an article which cost 50 per cent. to import the duty was the same as on an article which cost only 10 per cent. to import. The honorable member for Castlemaine (Mr. Williams) had stated that the duty was only 15 per cent. on the cheaper kind of article. But butter dishes, sugar basins, and ware of that kind came under the very high duty, taking up, as they did, just as much room as the more expensive articles. The duty fell very heavily indeed on the articles used by the working people, and prevented them from introducing glassware of an æsthetic kind to brighten their homes. This was a point worthy the consideration of the committee, and more especially of the labour members.

Mr. ZOZ expressed the opinion that the arguments used by the honorable member for Hawthorn and the honorable member for Wangaratta were absolutely correct. The idea that the more they raised the duties the more revenue was obtained should have been exploded long ago. The poorer classes had to pay for their glassware far in excess of what the richer classes had to pay, and an ad valorem duty

would be the true way of settling the anomalies. In 1891, with a duty of 6d. on moulded glass and 1s. 6d. on cut glass, the importation of glassware amounted to £49,983. The duty paid on that glassware was £6,860, or equal to 13½ per cent. upon the gross amount of the importations. In 1894, with an increased duty on moulded glass of 100 per cent., and on cut glass of 66⅔ per cent., the revenue collected was only £6,008, or £852 less than the sum collected in the former year. When they increased the duty on such articles they put it out of the power of the great bulk of the people to purchase them at ordinary prices.

The committee divided on the question that the words "2s. 6d. per cubic foot" proposed to be omitted stand part of the item—

Ayes	37
Noes	35

Majority against the amendment 2

AYES.

Mr. J. Anderson,	Mr. Peacock,
" W. Anderson,	" Prendergast,
" Baker,	" Rogers,
" Barrett,	" Sangster,
" Beazley,	" Styles,
" Best,	" Taverner,
" Bromley,	" Trenwith,
" Burton,	" G. Turner,
" Duffy,	" G. J. Turner,
" Duggan,	" Vale,
" Foster,	" Webb,
" Gray,	" Wheeler,
" Gurr,	" Wilkins,
" Hamilton,	" E. D. Williams,
" Harris,	" H. R. Williams,
" Kerr,	" Winter,
" Longmore,	<i>Tellers.</i>
" McLean,	Mr. Bennett,
" Outtrim,	" Cook.

NOES.

Mr. A. Anderson,	Mr. McKenzie,
" Austin,	" McLellan,
" Bowser,	" McLeod,
" Chirnside,	Sir James Patterson,
" Craven,	Mr. Rawson,
" Duffus,	" Reid,
" Fink,	" Russell,
" Graham,	" Salmon,
" Grattan,	" Murray Smith,
" Graves,	" Staughton,
" Grose,	" Thomson,
" J. A. Isaacs,	" Tucker,
" Kennedy,	" A. W. H. White,
" Langdon,	" J. S. White,
" Levien,	" Zox.
" Madden,	<i>Tellers.</i>
" McColl,	Mr. Lazarus,
Sir John McIntyre,	" Moule.

PAIRS.

Mr. Higgins,	Mr. Brake,
" I. A. Isaacs,	" Carter,
" Murray,	Dr. Scott,
" O'Neill.	Mr. Sterry.

The item, as amended, was agreed to, as were also the items—

" Bottles for aerated waters, 6d. per cubic foot.

" All other glassware (except locket, brooch, watch-glasses, and optical, surgical, and scientific instruments, and photographic materials, and syphon bottles for aerated waters—free), 25 per cent. ad valorem."

On the item—

"Grease (antifriction—in tins), £4 per ton,"

Sir JOHN McINTYRE said it would be unfair to increase the duty on antifriction grease by £1 per ton. It would be an additional burden on the mining industry. Would the Minister of Customs explain what was the object of this proposal?

Mr. BEST stated that the Government had been guided in this matter by the advice of the Tariff Board. (Mr. McKenzie—"Why did you not act on their advice on the last item?") So the Government did. The Tariff Board stated that—

"The present duty of £3 per ton has had the effect of preventing the importation of antifriction grease in bulk, but it is still imported in small quantities, principally from the United States, in tins. The manufacturers ask for an increase of the duty on tinned grease of £1 or £2. There are less than 25 hands employed in grease making, and the output of the principal factory is 60 tons per year. The total for the colony is probably about 200 tons, but we have no certain information upon this point. The makers claim that the local manufacture has reduced the price of bulk grease, and anticipate that an increase of duty on tinned grease would have the same effect. We recommend that the duty on antifriction grease should be—In tins, £4 per ton; other, £3 per ton."

The object was to give workmen in the colony the advantage of tinning this antifriction grease. Having regard to the principle established by various other items in the Tariff, that seemed to be a fair and reasonable ground for proposing an increase of the present duty to £4 per ton on antifriction grease imported in tins.

Sir JOHN McINTYRE asked the Minister of Customs why the Government did not endeavour to get advice from the mining community on this question, seeing that antifriction grease was so largely used in the mining industry? It was bought by mining companies in tins, and not in barrels; and to encourage one industry the Government were going to injure another and more important industry, which was doing good work for the colony. He begged to move that the figure "4" be struck out, with a view to

the insertion of the figure "3," so as to leave the duty as at present.

Mr. MADDEN remarked that this was not a very big matter, but it was one that was well worth looking into, with a view to ascertain the grounds on which the recommendation of the Tariff Board, which the Government had adopted, was made. He had gone through the evidence, and he found that Mr. John Taylor, who was the largest manufacturer of grease, and who made the 60 tons the Minister of Customs quoted, was the person who asked for this extra duty. He said he was doing very well, and employed five men and boys, paying in wages £6 10s. per week. One man, his foreman it was to be presumed, got £2 10s. per week, so that the other four men employed had only £4 a week to divide among them. That was not a very wonderful native industry to encourage. The product was 60 tons per annum, and its value, at the retail price, was £720. Mr. Taylor stated that he also made pitch, to the value of £600 or £700 per annum, with the five hands to whom he paid £6 10s. per week, and he then asked a modest 25 per cent. ad valorem duty on a total output of the value of £3,000. He stated that if he could supply pitch in the same proportion as grease he would employ three or four hands more than he did, so that, to enable him to employ three or four hands at an average of £1 per week each, he wanted the public to pay him £750 a year. Mr. Taylor honestly stated that the duty would not decrease the price, and therein was not like some other protectionists, but he thought that some slight reduction might be made, although it would not make up anything like the difference. (Mr. Trenwith—"Read his statements correctly.") He was putting Mr. Taylor's statements to the committee as he took them from the evidence. (Mr. Trenwith—"Did Mr. Taylor say those very words?") No, he did not think Mr. Taylor did, because he did not say that he told the Tariff Board "honestly" that the imposition of the increased duty he asked would not decrease the price. He (Mr. Madden) put in that word for the man's benefit, believing that he deserved to have the fact mentioned in that way. There was another man also in the trade, a Mr. Adams, and he said that the people here preferred the English grease because it was better, although it was £1 a ton dearer.

Therefore, the Government proposal would amount to this—that they would make the public pay £1 per ton more for a worse article. He did not think that the Government intended that, and he hoped that the recommendation of the Tariff Board now proposed by the Minister of Customs would not be adopted.

Mr. GRAY said he desired to make a personal explanation. In speaking on the duty on fuse, he inadvertently did an injustice to the fuse factory of Messrs. Bickford, Smith, and Company, by stating that they only paid £550 in wages. His attention had been called to the fact that the company paid £1,500, and that the sum of £550 was wages paid to the men only. He felt that it was only fair that he should make that explanation.

Mr. TRENWITH expressed the opinion that the honorable member for Eastern Suburbs had wrongly stated the evidence of Mr. Taylor. His (Mr. Trenwith's) recollection of the matter was clear, namely, that Mr. Taylor said, first of all, that the price of grease had been very materially reduced, and that if he had a larger business he could afford to sell grease cheaper still. The honorable member was also wrong in saying that the public would have to pay £700 a year more for this antifriction grease if the duty now proposed were adopted. He understood the honorable member to state, in the first instance, that the total product of Mr. Taylor was only worth £700 a year. (Mr. Madden—"No, I said £3,000 in all.") However, he knew that both the honorable member's contentions were wrong. He would ask the honorable member for Maldon to cudgel his memory on this point, because the honorable member must know that the price of antifriction grease to the miners had gone down at least £8 per ton. (Sir John McIntyre—"And what amount has the price of tallow gone down?") Not £8 per ton, at any rate; not £5 per ton. (Sir John McIntyre—"Yes, fully that.") Not since the present duty was imposed. (Sir John McIntyre—"How much has the price of tallow gone down since then?") Tallow had not fallen within recent years more than £2 or £3 per ton. The fact was that antifriction grease in American tins was not largely used by miners. The miners bought chiefly in bulk, and there were Australian tins to be had. The American tins nominally contained 2 lbs., but actually much less,

and the people were thus deceived. The imposition of the duty had the effect of reducing the price from £14 a ton to £12 a ton. Assuming that the article was worth £12 a ton in bulk, the duty was not a high one, because packed in tins it would be worth £14 or £16 a ton, which made the amount of duty which it was intended to impose only 25 per cent. The proposed increase was simply on antifriction grease packed in small tins, and there were reasons why the increase should be agreed to. First of all, the industry was one which was very largely indigenous. Antifriction grease was made largely from tallow, and the initiation of the industry in Victoria had had the effect of benefiting the users of the article. The honorable member for Eastern Suburbs had ridiculed the small number of men employed in the industry. He (Mr. Trenwith) took it that if six, eight, or ten men could make the article in Victoria, the same number of men could make it in any other part of the world; therefore, to admit the article free would not be to give a large amount of employment anywhere. It was always well to keep a colonial industry, if it employed only one man, provided that it did not injure any one else. It was probable that this industry was carried on in the colony with one man and some boys, and the wages would not be ridiculous if it was remembered that it was chiefly boys who were paid. It was a good thing to encourage even a small industry, so as to keep in the country money which would otherwise be sent out, while at the same time no additional expenditure was entailed upon the people who used its products. What he was now asking for was an extremely moderate protectionist duty of 25 per cent. Unless it could be shown that the duty had increased the price there was not sufficient argument for making a reduction in the present case. The fact was that the price of the article had materially decreased since the imposition of the duty.

Mr. MURRAY SMITH stated that the honorable member for Richmond (Mr. Trenwith) was in error. He (Mr. Murray Smith) did not understand how the honorable member arrived at the conclusion that the duty was a 25 per cent. duty in the face of the evidence which was given before the Tariff Board. Antifriction grease could be landed in Victoria for about £7 per ton, so that a duty of £3 a ton was more like a 50 per cent. than a

25 per cent. duty. The witness, Alfred Adams, was examined before the Tariff Board as follows:—

“What is the price of antifriction grease?—I think about £9 a ton for the colonial. The English is about £10 a ton.

“Do you think the production of the colonial article has had the effect of reducing the price of the imported?—Yes.

“Have you personally had many complaints about the colonial antifriction grease?—They all say they prefer the English. It is a better-made article.”

Another witness, John Taylor, admitted that his company had been operating for fourteen years; therefore, he was making antifriction grease for nine years before he had the advantage of a duty at all. He (Mr. Murray Smith) presumed that Mr. Taylor had carried on his business with reasonable success, or he would not have continued it, yet he managed to get a duty of £3 a ton imposed in its favour five years ago. The English article cost £10 a ton duty paid, and it had fallen rather more in price than the colonial article. Here again it was the raw material of another industry which was in question. For these reasons the Government were wrong in endeavouring to enhance the very extravagant duty now in force.

Mr. DUGGAN observed that he wished to controvert the statement of the honorable member for Maldon, who said that the mining members in committee would vote against this duty in the interests of the mining industry. As far as the mining industry was concerned, antifriction grease was not bought except in casks. It was not bought by the mining community in tins, which it was the intention of the Tariff Board to tax. (Sir John McIntyre—“It is sent in tins in most cases.”) He would meet the objection of the honorable member by moving the addition of certain words to the item. The intention of the Tariff Board was to have antifriction grease put up in 2-lb. or 3-lb. tins in Victoria. If the objection came from carriers, carters, or vanmen, he could quite understand it. The view which prevailed with the Tariff Board was shown by the evidence of John Taylor, who was examined as follows:—

“By Mr. Duggan.—Do you put any of your manufacture up in tins?—Yes, we have 2-lb. tins. The American measure is 1½ lbs., though they call them 2-lb. tins. I do not know how the duty is paid. The duty is £3 a ton, but I do not know how they reckon the tins when they import them.

“How do you find the consumption of the tinned grease?—I think there is more of the American sold than ours.

"You think if an additional duty of £1 or £2 per ton were placed upon the tinned grease it would help to build up your industry in the same way that it has done with the bulk grease?—Yes, I think so.

"Before the duty was put on this bulk grease was retailed at £16 a ton, and now it is retailed at £12 a ton?—Yes."

Antifriction grease was sometimes put up in tins of 14 lbs. and 28 lbs. each, and that might affect small mining companies. If the maximum weight per tin were fixed at 4 lbs. that difficulty would be avoided. He therefore begged to move the insertion, after the word "tins," of the words "of not less than 4 lbs."

Mr. MADDEN stated that it would be unfair for the committee to agree to such an amendment without consideration. It was not only the miner who had to be considered, but every farmer, cabman, carrier, and carter throughout the country. (Mr. Duggan—"They can buy 1 lb. of antifriction grease from any storekeeper in the country.") It was most convenient to keep the grease in tins, and he had almost invariably seen it in tins. It would be a pity to adopt the amendment.

Mr. TRENWITH remarked that the evidence given before the Tariff Board showed that the effect of the duty was to reduce the cost of the article, whether it was imported or colonially made. He would increase the duty if he could, to compel as much work being done as it was possible to have done here. At present only a very small number of men were engaged in making this antifriction grease, and it would not be a bad thing to endeavour to induce the employment of some more. It would, undoubtedly, have the effect of inducing the importers to bring in the grease under the heading of the £3 per ton duty, and to have it packed in tins in the colony instead of in America. That was the main reason that was urged by the honorable member for Dunolly, and it was a strong reason. The duty would not be increased at all if the importers chose to have the grease packed here. There was also the other reason, that the farmers and the public generally were being deceived by what he might term the "shoddy-in-weight-tins" that were sent to them from abroad.

Mr. Duggan's amendment was negatived.

Sir JOHN MCINTYRE moved that "4" be omitted, with the view to the substitution of "3."

The committee divided on the question that "4" stand part of the item—

Ayes ...	...	...	...	62
Noes ...	...	...	...	17

Majority against the amendment 45

AYES.

Mr. J. Anderson,	Dr. Maloney,
„ W. Anderson,	Mr. McColl,
„ Austin,	„ McLean,
„ Baker,	„ McLellan,
„ Barrett,	„ O'Neill,
„ Beazley,	„ Outtrim,
„ Bennett,	Sir James Patterson,
„ Best,	Mr. Peacock,
„ Bowser,	„ Prendergast,
„ Bromley,	„ Rawson,
„ Burton,	„ Rogers,
„ Chirnside,	„ Sangster,
„ Craven,	„ T. Smith,
„ Downward,	„ Staughton,
„ Duffy,	„ Sterry,
„ Duggan,	„ Styles,
„ Fink,	„ Taverner,
„ Foster,	„ Thomson,
„ Graham,	„ Trenwith,
„ Grattan,	„ Tucker,
„ Graves,	„ G. Turner,
„ Gray,	„ G. J. Turner,
„ Grose,	„ Vale,
„ Gurr,	„ Webb,
„ Hamilton,	„ Wheeler,
„ Hancock,	„ Wilkins,
„ Harris,	„ E. D. Williams,
„ I. A. Isaacs,	„ H. R. Williams.
„ J. A. Isaacs,	
„ Kennedy,	<i>Tellers.</i>
„ Kerr,	Mr. Cook,
„ Longmore,	„ Winter.

NOES.

Mr. A. Anderson,	Mr. Russell,
„ Duffus,	„ Salmon,
„ Irvine,	„ Murray Smith,
„ Langdon,	„ A. W. H. White,
„ Madden,	„ J. S. White,
Sir John McIntyre,	„ Zox.
Mr. McKenzie,	<i>Tellers.</i>
„ McLeod,	Mr. Lazarus,
„ Reid,	„ Moule.

PAIRS.

Mr. Higgins,	Mr. Brake,
„ Murray.	Dr. Scott.

The item was agreed to.

On the item—

"Hats, straw, 4s. 6d. per dozen,"

Mr. BEST said he desired to amend the item by inserting the word "untrimmed" after "straw." If such an amendment were not made valuable hats, worth two, three, and four guineas, would come in at a nominal duty of a few pence.

The amendment was agreed to.

Sir JAMES PATTERSON observed that he did not regard the alteration of the duty from 25 per cent. to a duty of 4s. 6d. per dozen as a desirable one. Some

of the hats imported cost no more than 3½d. or 4d. each, and the duty now proposed by the Government would mean 100 per cent. in those cases. He was not aware that any manufacturer was making hats of this description in the colony, and it seemed unreasonable to put the same duty on a child's hat worth 6d. as on a Panama hat worth 15s. The hat he held in his hand was imported for 2½d., and a second hat (which he exhibited) was worth 3½d. or 3¾d. This latter hat was trimmed, and was affected to that extent by the amendment which had just been carried. He held another hat in his hand which was worth 4s. or 5s., and yet the duty on it would be the same as on the cheaper hats he had shown the committee. Straw hats involved a totally different question to that of felt hats, for he was disposed to think we had established a splendid felt hat factory here. Straw hats were not being made here, and the duty would fall very heavily on poor people, and the children of poor people. The present duty of 25 per cent. ad valorem was altogether preferable to a duty of 4s. 6d. per dozen. He begged to move that "4s. 6d." be omitted, with a view of allowing the duty to remain as at present.

Mr. BEST stated that the only object the Government had in proposing this duty of 4s. 6d. per dozen was to carry out the recommendation of the Tariff Board, who were satisfied by straw hat manufacturers that this would prove the most effective manner of protecting the industry. One straw hat manufacturer informed the Tariff Board that he employed something like 150 hands, and that there were some twelve manufacturers in the business. Another witness, however, stated that the number of men employed was about 50 or 60. It was the custom for warehousemen to purchase large job lots of hats in foreign markets. These were brought wholesale into the local market at from 9d. to 1s., whereas the retail price of the hats was 2s., 3s., and 4s. The duty of 4s. 6d. per dozen was thought to be the most effective means of preventing injury to the hat manufacturers here by the importation of those job lots. He (Mr. Best) admitted that the duty of 4s. 6d. per dozen was open to the objection suggested by the honorable member for Castlemaine (Sir James Patterson), but the whole of the evidence was to the effect that 25 per cent. was insufficient to continue the straw hat industry here.

Sir JAMES PATTERSON said that he would have no objection to the ad valorem duty being raised to 35 per cent. It was absurd that a Panama hat worth 15s. should pay the same duty as a child's hat worth 3d. He would alter his amendment so as to omit 4s. 6d., with a view of inserting "35 per cent. ad valorem."

Mr. BEST said that the Government would accept this amendment of the honorable member for Castlemaine (Sir James Patterson).

Mr. ZOx remarked that the Government were quite right to accept the amendment of the honorable member for Castlemaine (Sir James Patterson). He held in his hand a hat invoiced from England at 3s 9d. per doz. The raw material of the straw hats manufactured here had all to be brought from England. The freight on the hat he held in his hand amounted to 20 per cent., the casing to 10 per cent., and the primage duty to 1 per cent. These percentages amounted to 1s. 2d. per doz., which, with a duty of 4s. 6d. per dozen, would make the landed cost of the hats 9s. 5d. per dozen. If they added an importer's profit of 20 per cent., or 1s. 10½d., and took the retailers' cost price at 11s. 3½d., and the retailers' profit at 50 per cent., or 5s. 7¼d., they found that the cost to the consumer was 16s. 11¼d. per dozen, which was equal to an advance on the English invoice of 350 per cent.

Mr. GRAY stated that he would support the proposal to make the duty 35 per cent. ad valorem as against a duty of 4s. 6d. per dozen. In fact, he had intended to give notice of an amendment to the same effect. A large number of the hats regularly introduced into this colony ranged from 2s. 9d. to 3s. and 3s. 6d. per dozen, so that 4s. 6d. would mean an enormous duty which no honorable member would care to impose. About 50 per cent. of the total number of straw hats imported into the colony were invoiced at 6s. per dozen and under, and a very large proportion of these were at 4s. 6d. and under. These hats were worn entirely by the poorer classes of the community. A straw hat manufacturer or his representative had informed him (Mr. Gray) that if it should be impossible to get a duty of 4s. 6d. per dozen, he believed he would be able to carry on his manufactory on a duty of 35 per cent.

Mr. RAWSON said he desired to call attention to the character of the straw hat industry, which it was being endeavoured to establish in the colony. In

his judgment the proposal to protect this manufacture to the extent suggested was calculated to bring into contempt the whole system of fostering native industries. This was no more a native industry than was a polar bear industry. If ever there was a two-boys-and-a-man industry in the country this was certainly one. He did not agree with the proposal to have a 35 per cent. ad valorem duty, although he would prefer that to a fixed duty. He had taken a good deal of trouble during the last two or three months to inquire into this industry, and he found that it was an industry which, in his judgment, it was not desirable to prop up in the way proposed. For this reason: the manufacturers, as they called themselves, were people who took the plait that was imported not by themselves, generally, but by the warehousemen in Flinders-lane, and they gave the plait out to a few people who were employed in the industry. He would read one or two items from the evidence given to the Tariff Board to show the absurdity of fostering an industry of this kind. William Wingrave was sworn and examined as follows:—

“*By the Chairman.*—What business do you carry on?—Straw hat manufacturer, 287 Napier-street, Fitzroy. I have been seven years engaged in the business out here, and all my lifetime previously in the old country.

“How many hands do you employ?—Ten for the last twelve months; the twelve months before that I employed fourteen. The trade has fallen away, so that I cannot employ so many.”

Another witness, Albert Edward Philpott, gave evidence as follows:—

“*By the Chairman.*—“What are you?—Straw hat manufacturer. My place of business is 46 Johnston-street, Fitzroy. Up to the present time I have been employing only three hands, working for about seven months in the year.”

(Mr. Murray Smith—“An average of one and a half.”) The witness was further asked—

“Where did you learn your business?—In Luton, in the old country. I and my wife work at it, and one girl besides.”

That man had his wife, himself, and his girl working. Those were really fair specimens of the general character of this industry as regarded its extent. But there was another point he wanted to impress on honorable members, namely, the statement that those who were engaged in this industry were employed for only six or seven months in the year. There were two distinct seasons, and between

those seasons the straw hat factories, as honorable members called them in politeness, must be closed. Assuming that by some improper indefensible imposition of high duties the number of people engaged in straw hat making was increased, it was evident that for four or five months of the year the work-people engaged in that industry would be thrown on the streets of Melbourne, idle, and have to find other methods of living, the particular trade to which they had been brought up not being available to them during that period. He would leave honorable members to suggest to their own minds the impropriety of fostering an industry which found employment for only seven months in the year for a lot of girls and youths. It was a mistake to encourage an industry of that kind. In the evidence given to the board it was suggested that the straw might be grown here, and that the daughters of the village settlers should plait the straw, so that at some future time, perhaps in another thousand years, the local straw hat factories would be able to do without importing plait. He also observed in the evidence that one of the workers stated that there was not a sufficient number employed in this industry to induce sweating—that sweating had not yet commenced in the industry—but he (Mr. Rawson) simply based his objection to this proposal to put on a high duty on the ground that it was a twopenny-halfpenny industry, and that it stood entirely on a different basis to an industry which worked up natural products of Victoria, and gave employment to a large number of people. The straw hat industry worked up the product of China. The plait was made in that country and imported here, and only a handful of people were employed in the local industry. When the opportunity presented itself he would move that the duty remain as at present, 25 per cent.

Mr. T. SMITH remarked that with much of what the honorable member for Kyneton had said he agreed, especially with the statement that the industry could not possibly engage the employes more than six or seven months of the year. However, this was a question on which they need not waste much time. He did not think it was worth spending much time upon. As a matter of fact, many of the articles exhibited in the committee were not made in the colony, and would not be made here for many years to come. For

instance, the Panama hat was a speciality of one part of the world. It had ever been so, and it was likely to continue so. There was another hat, a cheap straw, invoiced at 10s. per dozen, a hat which could not by any possibility be made in Victoria. Parliament could never induce any one to make such hats here, because the industry was not indigenous to the colony—the stuff was not produced here, and never would be. The men who wore these hats were draymen, cabmen, milkmen, butcher boys, and bakers; and thousands of the hats were worn here year by year. Why should the wearers of these hats be called upon to pay 4½d. more for an article that could not by any possibility be made in the colony? Such a proposal was a little too much for even him, although on some points he was prepared to be regarded as an extremist. It would be a very fair thing to impose a duty on sewn straw hats, but not on straw hats that were not sewn, like the two he had just exhibited. However, as they could not go into that question for want of time, he thought a very fair compromise would be the imposition of a duty of 35 per cent., which was an increase of 10 per cent. on the present duty. The Government were quite willing to accept that compromise, and the leader of the Opposition had proposed it, so that he thought the committee might adopt it with perfect fairness.

Mr. TRENWITH said the honorable member for Kyneton had referred to straw hat making in this colony as a twopenny-halfpenny industry. The evidence went to show that the industry employed a number of people, varying, according to different witnesses, from 60 to 150; but even taking the figures the honorable member for Kyneton gave, namely, that there were sixteen employed in the industry, those sixteen, and a number of other sixteens in other industries, went to make up a great number of workers; and if they were to refuse to protect any industry because it was comparatively small, they would have to stamp out a large number of small industries which in the aggregate employed a great many people. It was out of relatively small industries that the whole country was made up, because the largest industry in the colony was a very small industry in relation to all the others. It was the aggregation of small industries and varied interests that went to make up the sum total of the industries and interests of the whole country. It was quite

true that straw hat making was a season's trade; but so were almost all trades in connexion with apparel. The boot trade, to which he belonged, was essentially a season's trade. There was not a time of absolute cessation in that trade, nor was there in connexion with the hat trade; but even in the busiest years there were parts of each year during which a number of bootmakers were only partially employed, because it was largely a season's trade. There was the winter season, and the summer season, and an intermediate time when none of the clothing trades were actively in operation. This very argument which was urged against straw hat making could be urged with even greater force against wool-growing, because the shearers were employed for only a brief season each year. (Mr. Madden—"The shearers does not grow any wool.") But he took it off. (Mr. Madden—"And everything else he can get.") But not nearly so much as was taken off him. However, if it was a sufficient argument against straw hat making that it was an intermittent industry, providing employment during a portion of the year only, the same argument would apply against quite a number of industries, and against almost all in connexion with the clothing of the human frame. The tailoring trade, in the same way, was largely intermittent. There were extremely busy seasons when the operatives were working full time, and there were dull seasons when many of them were not working at all. (Mr. Madden—"That applies to Parliament also.") It did, and the honorable member had furnished him with another argument. (Mr. G. Turner—"I am afraid it won't apply to Parliament if we are to go on at this rate.") It only applied to some Members of Parliament. There were Members of Parliament who, in the discharge of their duty to the country, were working all the year round, fitting themselves to legislate in the best interests of the colony. The discussion on this industry would do a great deal of good. He had been delighted to hear the low prices at which straw hats were imported. He had never been able to see any straw hats offered for sale within miles of the prices at which they were said to be imported, and therefore the discussion had thrown a useful light on the huge profits of the importers. The honorable member for Prahran talked of straw hats that were imported at 3s. and 4s. per dozen, which, of course, was 3d. or 4d. each.

(Mr. Rawson—"And they are sold at those prices.") He could not say what was done in Kyneton, but he rarely if ever had seen hats ticketed up in Melbourne and the suburbs at less than 1s. each. He had sometimes seen a bundle of soiled and stained hats thrown into a box and ticketed 6d. each. Although personally he would prefer a fixed duty—because fixed duties were better than ad valorem duties for protective purposes—he would strongly urge that the duty be made 35 per cent. ad valorem, as there appeared to be a general feeling in the committee that that would be more suitable than a fixed duty. The fact that the industry was small was rather an argument for increasing the duty, because straw hats were so largely used that the industry could be greatly extended. It was stated that a part of the material used in the straw-hat industry was brought from abroad. (Mr. Rawson—"The whole of it.") So was a part of the material used in making clothes, and yet no one would say that tailoring was not an indigenous pursuit in Victoria because some of the raw material of the tailor was obtained from abroad. There might come a time when plaits, the raw material of the straw hat industry, would be made here.

Mr. J. ANDERSON stated that he intended to support the amendment of the leader of the Opposition. A manufacturer of the article in question explained to him (Mr. Anderson) that he at present employed twenty hands, and that he had machinery on the road which would enable him to employ 30 or 40 more hands if a duty of 35 per cent. was imposed. It was evidently a small industry at present, but it had been encouraged in the past, and even those honorable members who were opposed to protection had declared that they would not do anything to injure any industry that had been established and encouraged by the protective policy of the country.

The amendment to omit "4s. 6d. per dozen" was agreed to.

Mr. RAWSON proposed that the blank be filled by the insertion of "25 per cent. ad valorem."

The committee divided on Mr. Rawson's amendment—

Ayes	...	...	...	20
Noes	...	...	...	59
				—

Majority against the amendment 39

AYES.

Mr. A. Anderson,	Mr. Reid,
" Carter,	" Russell,
" Duffus,	" Salmon,
" Fink,	" Murray Smith,
" Grattan,	" Sterry,
" Irvine,	" A. W. H. White,
" McKenzie,	" J. S. White.
" McLellan,	
" McLeod,	<i>Tellers.</i>
" Moule,	Mr. Madden,
" Rawson,	" Lazarus.

NOES.

Mr. J. Anderson,	Mr. McColl,
" W. Anderson,	" McGregor,
" Baker,	Sir John McIntyre,
" Barrett,	Mr. McLean,
" Beazley,	" O'Neill,
" Bennett,	" Outtrim,
" Best,	Sir James Patterson,
" Bowser,	Mr. Peacock,
" Bromley,	" Prendergast,
" Burton,	" Rogers,
" Cook,	" Sangster,
" Craven,	" T. Smith,
" Duffy,	" Staughton,
" Duggan,	" Styles,
" Foster,	" Taverner,
" Graham,	" Thomson,
" Graves,	" Trenwith,
" Gray,	" Tucker,
" Grose,	" G. Turner,
" Gurr,	" Vale,
" Hamilton,	" Webb,
" Hancock,	" Wheeler,
" Harris,	" Wilkins,
" Higgins,	" E. D. Williams,
" I. A. Isaacs,	" H. R. Williams,
" J. A. Isaacs,	" Winter,
" Kennedy,	" Zox.
" Kerr,	<i>Tellers.</i>
" Kirton,	Mr. Austin,
" Longmore,	" G. J. Turner.

PAIRS.

Mr. Brake,	Dr. Maloney,
Dr. Scott.	Mr. Murray.

Sir JAMES PATTERSON moved that the blank be filled by the insertion of "35 per cent. ad valorem."

The amendment was agreed to, and the item, as amended, was adopted.

On the item—

"Hats, children's, boys', men's, or women's felt; boys' and men's, with a calico or other foundation or frame, and covered with any material, £1 10s. per dozen (from 1st January, 1896)."

Mr. T. SMITH proposed the insertion, after the word "material," of "(all others, 12s.)."

Mr. BEST said the honorable member was proposing a new duty, and it would be necessary for him to give notice of it.

Mr. T. SMITH remarked that he would prefer to move his amendment at that stage if he were in order. He held in his hand some articles in miniature which would serve to illustrate his argument.

The contention was that the material of which the hats were made was charged a percentage at the Customs ranging from 25 per cent. to 40 per cent., whereas the hat which was made up had only been paying 25 per cent., which was not sufficient to make the manufacture a success. The largest manufacturer of these hats had assured him of that, but he added that with 12s. a dozen he believed he could increase his trade, while if a smaller duty were imposed his manufacture would continue to be a comparative failure.

Mr. BEST asked the honorable member for Emerald Hill to withdraw his amendment and move it later on. (Mr. T. Smith—"Very well.") That would be the better course.

The amendment was withdrawn.

Mr. RAWSON moved that "£1 10s. per dozen" be omitted, with the view of inserting other figures. He would ask honorable members to support him in this proposal on the ground that the proposed duty, which was only a little lower than the existing one, was simply a prohibitive duty; in fact, it was the most prohibitive duty he was acquainted with. During the general debate on the Tariff proposals of the Government, he remarked that high duties sometimes led to prohibition, as was the case in the hat industry. An honorable member sitting on the opposite side of the House interjected—"Prove it," and he replied that he would endeavour to do so when the right time came. That time had now arrived, and he had no desire at present or at any other time to make a statement which he did not at least believe to be true. He maintained that, if ever there was an industry in the colony which had justified protection it was the hat industry. For years he had felt that the high protective duty placed upon hats must lead, in the near future, to such an expansion of the business in Victoria that he and other honorable members who had supported the imposition of high duties on these articles could hope that they had reached a stage at which the amounts of these duties could be reduced; and he thought the time had now arrived when these duties might be brought down in the interests of the public. The present duty of £1 16s. a dozen, or 3s. per hat, was prohibitory. The expenses incident to bringing out hard hats and low-priced hats to the colony amounted to about 25 per cent. The profit of the importer with the duty paid of

3s. per hat and the profit which the retailer made on the price he had to pay to the importer brought the cost up to 6s. 6d. each, which was simply prohibition. As the vast majority of hats worn in the country ranged in price from 2s. to 6s. each, this duty meant that any hat which was imported could not be sold at any price between those two figures. Certainly no imported hat could be sold at a price between 2s. and 7s. He had a feeling of regard for this industry, because it had undoubtedly succeeded. The principal cause of its success was the fact that all the materials used, wool and fur, were the natural products of the colony. Another cause of the success of the industry was the excellent management of the Denton Hat Mills, which was the principal establishment devoted to the production of hats. Some of the gentlemen connected with the management of those mills had been friends of his for more than half a life-time, and they had been frequently and unfairly attacked because they and their friends were connected with Flinders-lane. It was partly owing to that fact that the industry had achieved the dimensions it had attained, and the success which had followed its operations. He felt when he was supporting the high duties in 1892, that for protection purposes the increased duty on hats was absolutely unnecessary, but the proposal to increase the duties at that time was not made for purposes of protection, but ostensibly in order to increase the revenue. For that reason he supported the increased duties at that time, although he expressed the belief that they would not secure the object in view. He remembered that when the increased duties were attacked by honorable members on the opposition side of the House he felt that the attack on the hat industry was one the discussion of which would lead the committee to believe that the industry should be supported, because some time in the near future these high duties could be removed or materially reduced. He urged honorable members to agree to his amendment, because the existing duty was simply prohibition. Even the duty of £1 10s. per dozen proposed by the Government would be prohibition also. The Denton Hat Mills was the only establishment devoted to this industry which the outside public had an opportunity of knowing much about. There were other small establishments, but people had not got the opportunity of going behind the scenes in regard to them. It was very

satisfactory to him to know that the financial position of the Denton Mills, as well as that of the other factories, was extremely good. Before 1890 the duty on hats was only 15s. a dozen, and up to that period regular dividends had been declared by the Denton Mills. The duty was increased in 1890 to 20s. a dozen, and after that dividends of 7½ per cent. or 10 per cent. (chiefly 10 per cent.) continued to be declared. The increase of the duty from 20s. a dozen to 36s. a dozen was most unjustifiable and unnecessary, and why that increase had been made had always been an enigma to him. The capital invested in the Denton Mills amounted to between £23,000 and £24,000. The usual writing off for depreciation of the property and machinery took place year after year until, by a gradual process of reduction, the amount of capital was brought down to about £15,000. Instead of making the ordinary reduction last year the directors brought down the amount of the capital in one sweep from £15,000 to £10,000. Thus, really one-third of the whole capital, as represented by machinery and buildings, was written off. Why that was done was known only to the directors. The suggestion which presented itself to his mind, and which would present itself to the minds of 99 people out of 100, was that this was done with the desire to improperly and nominally make away with profits, in order that the outside world might be under the impression that they were not doing so well as in the past. However, the machinery as well as the buildings were always kept up to date. Any one who visited the mill must see that the establishment was simply in the pink of condition; the machinery was also excellent. According to the evidence of those witnesses who were connected with the mill its condition must be excellent, because the directors were continually importing new machinery, which took the place of the older and decayed machinery. As the directors removed systematically the obsolete machinery year after year there was no need to write down the capital in the extraordinary manner in which they had done. Notwithstanding the large amount expended in this way the company continued to pay 10 per cent. dividends. In addition to that, so much profit was secured last year that the directors actually made a new departure of a most remarkable kind by establishing what was called an insurance

fund. They took £1,000 out of the profits and placed the amount as the nucleus of an insurance fund. That meant that they were not satisfied with paying the usual insurance bonuses which warehouses of ten times the magnitude of their establishment paid. Notwithstanding the existing depression, the company was in a position to continue to pay 10 per cent. dividends, write down the capital, and put away £1,000 as a nucleus for an insurance fund. (Mr. Hancock—"And pay excellent wages.") He did not wish to deny that; but he submitted to honorable members that if the company made such extraordinary profits it was time for them to inquire whether it any longer needed this prohibitive protection. He did not ask the committee to reduce the duty to 10 or even 20 per cent. He wanted to place the Denton Mill in a position in which it would not be injuriously affected, but at the same time in such a position as would oblige the directors to produce articles as good as those which they now produced, and at lower prices. (Mr. Rogers—"Are no hats of the kind you are referring to imported?") No. (Mr. Bromley—"They are imported.") He did not want to throw dust in anybody's eyes, but it was clear that imported hats could not be sold at 7s. 6d., because the duty, plus expenses of the importer, brought the price up to 7s. As the vast bulk of the people of the colony wore hats which they bought for 7s. 6d. and less the duty amounted to prohibition. (Mr. Prendergast—"Prohibition of the English hats?") No hats were imported except very high-class hats. No men's or boys' felt hats were imported and sold at 7s. 6d. and under. He had seen, within the last few days, samples of hats sent into Victoria from the neighbouring colonies, but those were not imported hats within his meaning of the term. Although there were seven or eight hat mills in Victoria, the prices of all of them were very much the same. It was impossible for any one to obtain in Flinders-lane the low-priced hats which were sold at 1s. 11d. A man might go into all the warehouses in that lane and be unable to purchase a single dozen of those hats. If he inquired for them he would be informed that the mills were not making them, because they were too busily employed in turning out other descriptions of hats. The fact was that, comparatively speaking, there was

very little profit on those low-priced hats, and, therefore, the mills allowed the unfortunate working man to wait until they could supply him at their own convenience, and meanwhile they were engaged in making an article which he could not afford to buy. (Mr. T. Smith—"That is very funny.") It was simply the fact. (Mr. T. Smith—"I will make a statutory declaration that it is not.") He was quite clear that what he had stated was absolutely true, and honorable members could test it any day in the week by going into Flinders-lane. Men frequently went into Flinders-lane and were unable to purchase a single low-priced hat of the sort which working men required. (Mr. Wilkins—"That may not have been the fault of the mill-owners, who may never have received an order.") The answer commonly given in Flinders-lane to such an inquiry was that the mills were too busy doing better work, which meant more profitable work. The poor working men, whose interests were so continuously and carefully looked after by certain honorable members, might wait until the mills produced a low-priced article that they were able to purchase. (Mr. Hancock—"Better get them from England, and wait a little longer.") He was not an advocate of getting these articles from England; but he was an advocate for compelling the mills to work all the year round, instead of closing for six weeks or two months, as they did at present, thereby indirectly reducing wages. (Mr. Trenwith—"Do the mills in England work all the year round?") He had not been in England recently. The local mills stopped regularly every year, for some plausible reason, for six weeks or two months, and some of them for longer. The ostensible reason was to enable the machinery to be overhauled; but all the work that was necessary could be done in a fourth of the time. It appeared to him that the real reason why they did not work full time was—(Mr. Wilkins—"Because they have not got the necessary orders.") That was the reason, and that was what he was going to say. They had not got the necessary orders, and they allowed their capital, as represented in the machinery and buildings, to lie idle, instead of making medium-class hats, keeping the people employed at the mills, and exporting the hats, and selling them in outside markets, as they could do even against English importations. He was convinced that he was correct when he said that

there were certain classes of hats made here—medium felt hats and low-class fur hats—not the venerated hat, which could be sent to New South Wales, and to the other colonies, and sold at as low a price as the English hat of the same quality. But the mills did not do this, because it would very soon get abroad that the hats were being sold here at a much higher price than in the other colonies, and the result would inevitably be that the prices would come down, and the profits would be less. (Mr. T. Smith—"Do you really believe it?") He was not in the habit of making statements he did not believe. (Mr. Prendergast—"Do you not think that it would affect wages?") No; it would be a real advantage. At the present time the wages of the employés were reduced indirectly by the closing of the mills to the extent of 20 per cent. There would be a fearful outcry against the mill-owners if they made a reduction in wages of 20 or even 10 per cent.; but, under the circumstances, there was no outcry, although the result was just the same. (Mr. Trenwith—"It is the same in every hat mill everywhere.") The honorable member knew the condition of every hat mill everywhere, and he would accept his statement with a small reservation. It afforded him very sincere pleasure indeed to find that the men who were pocketing the vast majority of the dividends paid by the hat mills were now being supported by honorable members in the Ministerial corner. It showed the existence of a good feeling that had been remarkably absent in the past between the labour party and the Flinders-street importers. (Mr. Trenwith—"We were opposed to them before because they were doing wrong; now they are doing right.") The point he would urge was this: that the duty should not be made so high as to enable the manufacturers to have a monopoly, and that it should not be made so low as to enable the importers to have a monopoly. The honorable member for Geelong (Mr. Higgins) made a statement during the debate on the Tariff which he thoroughly indorsed. The duty on hats was so high that it had created a monopoly, which had resulted in excessive profits, that were distributed to a few wealthy people at an immense cost to the people as a whole. (Mr. Wilkins—"You can buy shares at 15s., and become a part owner of a wealthy concern.") He knew more about the shares than the honorable member; but the price at which they

could be bought was no criterion. If honorable members would refer to the balance-sheets they would see that substantially what he had said was the fact. He held that the mills could produce hats at much lower prices, but the public, being compelled by the prohibitive duties to buy their productions, they could simply charge any price they liked. He would ask honorable members to create a little of that competitive protection which was advocated by the honorable member for Geelong and by other honorable members. There were very few strong prohibitionists in the House. The honorable member for Richmond (Mr. Trenwith) had been consistent as a prohibitionist, but few approved of such a policy. A large number of honorable members on the Ministerial side of the House had during the debate expressed their desire to support what was called competitive protection, that was protection that would create fair and proper competition between the importers and the manufacturers. An opportunity was now afforded to them in the amendment which he submitted. The fixed duty was not justifiable. It pressed unfairly and improperly, as all fixed duties did, on the poorer classes of the community, and he was really surprised at honorable members in the Ministerial corner supporting this duty, which so seriously affected the class of the community that they especially represented. (Mr. Trenwith—"We know better.") He was quite prepared to accept a duty high enough to give ample protection to the hat industry, but let it be an *ad valorem* duty. The only argument that was ever raised in favour of fixed duties was that there could be no fraud under them. (Mr. Trenwith—"There are many other reasons.") He denied that there were any other reasons. He objected so strongly to the fixed duty on hats because it dealt most unfairly and unevenly with the lower classes of goods and the poorer classes of the community, and therefore in the interests of the workers, and in the interests of justice, he would ask honorable members to support his amendment. (Mr. Deakin—"What is it?") His amendment was to omit "£1 10s. per dozen," with a view to the insertion of "30 per cent. *ad valorem*."

Mr. BEAZLEY said he desired to congratulate the honorable member for Kyneton on the splendid arguments he had used. He understood that the honorable member was engaged in the distribution of

hats, as well as of other articles of clothing, and he ought to know what he was talking about. He had shown very clearly by his arguments that he did not know much about manufactures and management, although he did understand something about the quality and price of hats. The honorable member's arguments proved that the protective policy of the colony had enabled the hat manufacturers to make a first-class article and sell it at a very fair price. The honorable member had stated that the duty on high-class hats was not prohibitive, but that the duty on the lower-class hats was prohibitive. It could not be denied that this was one of the most important industries which had been established in the colony. The honorable member for Kyneton said as much, and it was admitted all round. The raw material of the industry was, with one small exception, all produced in the colony. Everything used in the manufacture of hats, from the fur and the wool—the very foundation of the hat—was produced here. Not only so, but the principal raw material of hats was a staple product of the colony. It was really a question for the farmers to consider whether, by encouraging this industry, and helping their own people in the destruction of rabbits and the consumption of the fur, they were not doing something to assist themselves as well as to assist those in the city. The same remark applied to wool as well as to fur. Some very peculiar arguments had been used against the hat industry. The startling statement had been made, and made with the greatest emphasis, that the gentlemen who conducted the leading mills in the colony—the Denton Mills—were actually making a profit of 10 per cent. on their investment. He would ask any honorable member, whether he was a free-trader or a protectionist, whether he would be willing to put his capital into a protected industry and be satisfied with less than 10 per cent., when he had to run the risk of the duties being swept away and of losing his capital? Any man who helped on the industries of the colony, and took the risk of failure, deserved a return of 10 per cent. upon his money if he happened to succeed. The honorable member for Kyneton stated that the mill-owners were making more than 10 per cent., because they wrote off so much of their capital. At the same time the honorable member was good enough to say that they got the latest

and very best machinery. They had also to get the latest shapes, frames, and patterns of all sorts. Fashions came in, and in some cases large sums of money were spent on frames and patterns. The mill-owners after making some hats from these patterns might find that they did not take on with the public. The whole of their expenditure in that direction would then have been wasted. Even when the new patterns did take many of them did not command a sale for more than a season. If the company were not to write off money so spent, the articles purchased being useless after a certain time, they would very soon find themselves in the Insolvency Court. If they were to continue the payment of large dividends they would be actually living on their capital and paying the dividends at the expense of material which was absolutely useless. He thought the honorable member for Kyneton would see that he was in error when he stated that the company was paying a larger dividend than 10 per cent. From the information which he had received, and which he believed was correct, it appeared that at the present time, although the company had written down the value so largely, the property and machinery were really of a much less value than was shown by the balance-sheet, so that they had not written down their capital excessively. The first Tariff Board made no recommendation at all with regard to hats. He was told by a member of the board that they considered the present Tariff to be satisfactory, and that it did not require alteration. The second Tariff Board said, on the first occasion on which they considered the question, that they would not interfere with the present duty of 36s. per dozen; but after giving the matter some consideration they finally resolved to recommend a reduction of 6s., although they recognised that the industry was a valuable one and was deserving of the very highest protection. The Government, after inquiry, accepted the recommendation of the Tariff Board, and he believed that the protectionist members of the House, and the manufacturers themselves—although they might desire the higher duty—were also prepared to accept it. Under the circumstances it was not very fair for any gentleman who had not had an opportunity of going fully into the matter to attack the industry and to endeavour to break it down. That was what the

proposal now made would really mean. He could assure honorable members that if the duty were altered as suggested by the honorable member for Kyneton a large number of men in the hat mills would be thrown out of employment, as they could not be engaged in the making of the better class of hats. (Mr. Rawson—"Why?") The honorable member himself had given the reason. The honorable member stated that the better class of hats were as cheap and as good as they could be expected to be. (Mr. Rawson—"I did not say that they were as good and as cheap as they could be expected to be, and I did not intend to convey that meaning.") The honorable member, at any rate, said that the duty on the lower-priced hats was prohibitive. (Mr. Rawson—"Yes; up to about 7s. 6d.") Any one would infer from that that on hats above 7s. 6d. in price the duty was not prohibitive. The effect, therefore, of reducing the duty would be a larger importation of the better class of hats. These were the only hats that would be affected by the reduction, and they were the hats that gave the most employment to the workmen. The people who purchased them could best afford to pay the difference in price, if there was any, and he contended that there was no difference. He understood the honorable member for Kyneton to say that £1,000 had been paid to the insurance fund. That statement gave the impression that £1,000 was paid and shown in one balance-sheet as having been transferred to the insurance fund during the period which that balance-sheet covered. He (Mr. Beazley) was in a position to say that that was not correct. The fact was that the Denton Mills Company had not been able to insure the whole of their property. Part of their business was of a risky nature, and the insurance company refused to insure the portion of the building in which that risky business was carried on, and charged a very high premium on the insurance of the other portions of the building. For this reason the company was compelled to take one-third of the risk, and this £1,000 was the accumulation of money which otherwise would have been paid in premiums on the portion of the buildings in which the risky business was carried on. In order that any new board of directors might not take advantage of this accumulated money, it was reserved to a special insurance fund. The manager of the factory, on a recent trip to England, obtained

some information in regard to premiums on insurance, which made the directors here think it wise in order to secure themselves against risks to gradually accumulate this fund. The *Argus* of the previous day had made a statement which, if uncontradicted, might have a serious influence on the votes of the committee. The article, which was written by somebody who travelled under the name of "Searchlight," stated that in this industry there was produced what was called shoddy. If there was anything offensive to the members of the Assembly and to the people of the colony it was the name of "shoddy." Every man desired that people should have an opportunity of getting exactly what they intended to buy. The writer of the article said that in the hat trade there was a "veneering" or "dusting" process. That meant that the commoner classes of wool hats were veneered over with fur, and that the consumer thus got shoddy for his money. The statement was absolutely untrue. It was true that hats were veneered, but unlike the making of shoddy which depreciated the value of the article, and gave the purchaser something worse than he expected, this veneering actually improved the quality of the article. It so improved the article that the distributor was prepared to pay more for it. The manufacturer charged 6d. per hat more because of this veneering, the simple effect of which was to put a better finish on the wool hat. No one would be bold enough to say that by this system of veneering a hat was made inferior, and no one would contend that such hats were shoddy. He was prepared to go further, and say that if the committee had an idea that manufacturers desired to foist an inferior article on the public by means of misrepresentation, the manufacturers were as anxious as any member could be, or as the public could be, that every article turned out of their establishment should be so branded as to exactly show of what it was made. In yesterday's *Argus* a much more serious statement was made. It was stated by that paper that wages were very high in England, and that the secretary of the Hat Manufacturers' Association of Manchester, as quoted in the *Hatters' Gazette*, had said that the rate of wages paid to hat operatives in that district were as follows:—

"In a week of 50 hours blockers earn 45s. to 50s.; finishers, 40s. to 45s.; shapers, 50s. to 60s.; trimmers, 17s. to 30s.; while some shapers have earned as much as £4 per week."

Mr. Beazley.

That was a point which would weigh very considerably with the committee, every member of which desired that the people of this country should not be sweated, but should be protected against cheap labour. If that statement in the *Argus* were true there was no necessity to be anxious as to competition, with cheap labour in England or other places. But what was the fact? He had in his hand the price list of the Amalgamated Society of Journeymen Felt Hatters, and Trimmers and Wool Formers Associations, in the Hyde district, England. He supposed that this association was a trades union. From that price list it would be seen that the men who were paid by the week never earned more than 32s. for a week of 56 hours. The date of the price list was 1891, but there was no reason to suppose that wages had been increased since then. In the piece price list he found that in England the rate for blocking round crowns was 9d. to 10d. per dozen, according to the quality, and for square crowns 11d. to 1s. per dozen. The price paid in Victoria was 2s. 3d. per dozen. Many of the hat operatives out here were the best English workmen, and it might be supposed that with the prices paid in Victoria they would be able to make enormous wages. The fact remained that they did not make enormous wages, and this proved conclusively, taking that price list as a basis, that while 32s. was a fair wage at home, 2s. 3d. per dozen was a fair wage in Victoria. They were told that the effect of all duties was to bring about lower wages. The honorable member for Kyneton had informed them that the mill-owners closed their factories at a certain portion of the year and thus threw their employes out of work. The fact was that, like other business men, the mill-owners closed their factories every year for a short time in order to take stock and have a fresh start. That was a proceeding he was sure the honorable member for Kyneton, who was a draper and storekeeper himself, adopted every year. The Denton mill-owners did the very same thing. Although the men were out of work for that short time each year the wages earned by the men, taken all the year round, averaged £2 5s. per week per man. Considering the glutted state of the labour market at the present time, it could not be said that these people were being sweated to a very great extent. In the price list to which he had referred he

found that the price paid in this colony for hand planking was 7s. 6d. per dozen as against 2s. 6d. per dozen paid in England. The same thing applied to finishing. In England the finishing of hard hats of the lowest quality with round crowns was paid for at the rate of 1s. 2d. per dozen as against 3s. per dozen here; square crowns were 1s. 4d. per dozen in England as against 4s. 4d. here. Then in shaping the prices paid here were 1s. 8d. to 2s. 4d., as against from 10d. downwards in England. These figures proved that the statement made in the *Argus* as to the relative wages in England and in Victoria was altogether misleading. The Victorian prices he had quoted he obtained from the wage books of the men themselves. There were members of that committee who had worn colonial hats over and over again, and found them to be of the very best quality. There were some men prejudiced against the colonial industries, who insisted on having what they considered to be an English hat at a bigger price. Over and over again such men had been told that the hats they were wearing were from the Denton Mills, and they found to their great surprise that such was the fact. The *Argus* also stated that the price of hats in England went as low as 6d., while the lowest-priced hat in the colony was 1s. 11d. The *Argus* was in the habit of quoting the manufacturer's price for the English hat, and the retailer's price for the colonial-made hat, and the committee would quite understand that under these circumstances the comparison was unfair. If this 6d. hat were imported into the colony duty free, there was not a man here would wear it, were he ever so poor. That hat, he was informed, was really a shoddy article. It was made from torn-up rags, and in order to stiffen the material and give it the appearance of a hat it was filled with flour; so that a man who was unfortunate enough to have to wear one, and who went out in a shower of rain, found nothing but rags and paste on his head. The people of England had too much sense to wear such hats, which, as a rule, were sent out through missionaries to the savages of South Africa. It was very unfair to compare a shoddy article of that class with colonial manufacture. It was said that the duty was unfair, because the workman's hat was taxed to the same extent as the rich man's hat. That would lead them to suppose that the poor man was paying considerably more duty on his hat than

the rich man. If that were true it would be very unfair, but the *Argus* article itself said that the lowest-priced hat sold in the colony was 1s. 11d. If the duty were 3s., and the lowest-priced hat was 1s. 11d., how did the working man pay the extra duty? The Government proposed a 30s. duty, and in this connexion he would read a statement made by Mr. T. J. Howard, manager of the hat department of Messrs. Stevenson and Son. That gentleman giving evidence before the Victorian Chamber of Commerce in 1892, said—

“He thought that the present duty of 20s. per dozen on felt hats was not nearly sufficient. There should be another 15s. imposed at least, because it was the better class of colonial goods that suffered chiefly. A better hat, colonial made, could be sold for 12s. 6d. than the imported article now sold at 14s. 6d. The reason why people bought the imported article was that there was a prejudice against the colonial goods. There was some of the best machinery and the most skilful workmen in the world here, as well as plenty of raw material.” It would be seen from this statement that the consumer under the duty could buy a better hat for less money. That was the evidence of a gentleman who had no connexion with the hat mills, and had nothing to gain by making such a statement. The only reason imported hats were bought was the prejudice of people against colonial goods. It had been said that the distributors received too much of the profit. That argument was irrelevant to the subject under discussion. If the article were imported, the distribution must take place in the same way. It was not true that it was impossible to get hats direct from the manufacturer. It was true that from one or two of the manufacturers hats could not be bought direct, but in regard to two of the factories at least he could say positively that they had been in the habit of selling direct to the retailers. Nobody desired more than he did to see the profits of the middleman cut down. He would like to see that brought about, but it was surely evident that the Flinders-lane men could distribute hats cheaper than the manufacturers could. A Flinders-lane man had a variety of goods to sell, and he sent out to the different retailers one traveller who got orders for quantities of different articles. If the hat mills had to send out their own traveller, he would get an order for hats only, so that the cost to the consumer would be actually increased through the increased cost of distribution direct from the mills. Still, the

fact remained that the statement that it was impossible to get hats direct from the factories was not true, as regarded two of the factories, at all events. Again, they were told that the hat manufacturers were getting large profits, giving one the idea that the consumer was paying very much more for his hat than he ought to do; but the hat manufacturer was able to make a living because he had got such a large purchasing public to serve, a good market almost to himself, and was therefore able to turn out great quantities of hats. It was said that the profit on each hat was only about 2d., and surely no one would begrudge the manufacturer that profit, seeing that the workmen got good wages and were kept in good work, which was a most important consideration. Another fact in connexion with the industry which ought to impress honorable members was that out of £44,000 per annum of a turnover, somewhere about £30,000 was paid in wages. The Denton Hat Mills alone paid £22,000 per annum in wages to their employés. In addition to that they paid box-makers, printers, gold stampers, indiarubber manufacturers, ironfounders, and furriers, as well as a large amount of money to the trappers who trapped the rabbits. Therefore, the industry not only employed people in the hat factories, but also supported a number of minor industries. For these reasons it deserved the earnest support of honorable members, and he trusted that it would be saved from any unnecessary cutting down. The Government proposal was a reduction of the present duty, and although the hat manufacturers thought that the present duty should be maintained, they were quite prepared to accept what the Tariff Board and the Government offered them, if on investigation it was considered a proper thing to recommend Parliament to adopt. So many people were engaged in the industry, and so many thousands of pounds were paid in wages every year, whilst so many thousands of people were out of employment, that it was desirable not to do anything that would throw any of the employés of the hat factories out of work.

Mr. ROGERS expressed the opinion that the question, which had so far been considered more particularly from the importers' and manufacturers' points of view, should be regarded from the consumers' stand-point in the public interest. Before doing that, however, he would like

to say a few words with regard to a term which came up on nearly every item, namely, "shoddy." He did not know that there was any country in the world that could surpass England in manufactures. England could manufacture the very best and the very worst things, and that the English manufacturers went in very extensively for turning out shoddy, he thought, they might take for granted, judging from an English paper which he bought at the railway station, and read in the train the other day. The paper in question was called *Tit-Bits*, and a very good paper it was. The second item on the first page was as follows:—

"Sign in front of a clothing store in England.—'Owing to the low price of cotton, all-wool suits marked down to 30s.'"

(Mr. Salmon—"What is the application of that?") Honorable members could digest it for themselves. No explanation was needed. Speaking from his own observation and experience he ventured to say that one could get, in protectionist Melbourne, as good a hat for a price not exceeding the price of a hat of equal quality in London. (Mr. Murray Smith—"What's that?") Hats in Melbourne were as cheap as hats in London. (Mr. Murray Smith—"Then the Melbourne hat manufacturers don't need 400 per cent. duty.") He would come to that point presently. He was speaking from personal experience. He passed a year in London not very long ago, and found on his return to Melbourne that the hats for which he paid 14s. 6d. each in London he could get equally good, made in Melbourne, for 12s. 6d. each. A hat for which he paid a guinea here was of exactly the same value as the guinea hat in London. The shoes which he got made to order here he paid a guinea a pair for, but he had to pay 30s. a pair for similar shoes made to order in London. (Mr. Salmon—"You must have gone to a very dear place.") Well, London was the capital of a free-trade country. He thought it was a pity that honorable members should be divided to a certain extent into two sides—only to a certain extent, he was glad to say—and that one side should be engaged in a tug-of-war with the other, the importing interest being at one end of the rope and the manufacturing interest at the other. Such, unfortunately, was the case. There was one thing of which he would like to remind the free-traders and

moderate protectionists, so called. He would bring under the notice of the honorable member for Hawthorn a consideration which was not to be found in Adam Smith, who did not live in Victoria, and who had no knowledge of its circumstances. This point was well worth considering. If the people in this colony manufactured £1,000,000 worth of goods or utensils they added £1,000,000 worth of wealth to the national account, less the cost of the material used, which, in the case of hats, would be only about 20 per cent. (Mr. Hamilton — "Why 'less the cost of the material used'?") Because the material was already here. The brain and muscle of the people applied to the manufacture of that £1,000,000 worth of goods brought enormous additional wealth, whereas if the people of the colony imported £1,000,000 worth of goods they had to export £1,000,000 of money or its equivalent of wealth, and the only benefit they got was in the exchange. That was a very serious consideration. They were greatly indebted to the honorable member for Kyneton for bringing under their notice the fact that there was a firm left in Victoria that paid 15 or 20 per cent. dividends. He (Mr. Rogers) would delight to see every company in Victoria paying similarly good dividends. When the country made a sacrifice and taxed the people to establish and maintain protected industries they should bear in mind that they were creating a great deal of wealth in the country that would otherwise not exist, and having done that in the case of the hat manufacturing industry they ought to hesitate very much before doing anything to weaken the support which the State gave to that industry. He believed that the effort to reduce this duty unduly would not be successful. It was a pity that the reductions that were being made in various items of the Tariff were being made without any definite principle. If the principle which really ought to guide protectionists in their action were in vogue, honorable members would then have a simple line to go by. Customs duties should not be imposed for the purpose of protecting any industry unless it needed protection. All other duties of customs should be swept away. He would like the honorable member for Hawthorn to reflect a little on the point he had brought under his notice, because he was convinced that when he came to consider it, as a fair-minded man, which he

believed the honorable member to be, he would see that there was something in protection that did not enter into the mind of Adam Smith.

Mr. THOMSON said he agreed with the recommendation of the Tariff Board that there ought to be an ad valorem duty on hats, but he could not agree with the amendment before the Chair, and although he intended to vote in favour of creating a blank in the item, he did not intend to support the proposal for filling it up with such a low duty as had been suggested. He would be one of the last men in the chamber to strike a blow at any of the established industries of the colony. The Victorian hat industry was one that every Member of Parliament and every colonist might well be proud of, and he believed that that industry would continue to flourish, even if it received a much less rate of protection than it received at the present time. He hoped that honorable members who felt disposed to vote for an ad valorem duty on hats would take care that the duty was of such an amount as to be of assistance to the industry. He intended, at the proper time, to move that the duty be 50 per cent. ad valorem. Any industry ought to be able to succeed with the aid of a 50 per cent. duty, and yet it would be better to impose a duty of 50 per cent. ad valorem on hats than to let the local hat industry cease. If it could not continue with the aid of a duty of 50 per cent. it ought to cease.

Mr. MURRAY SMITH remarked that the honorable member for South Yarra had appealed to him, but he would pass by the honorable member's criticism for the present, and address himself briefly to the question before the Chair. He would like the honorable member for Collingwood (Mr. Beazley) to understand that he took an entirely wrong view of the attitude of the free-traders in the Assembly. It seemed to be assumed when they objected to an imposition, however extravagant, they were dedicating themselves to the destruction of the protected industry. No more unfounded charge could possibly be made. All honorable members were glad to see any industry flourish in this colony. The only difference between them was their theories as to the foundations on which that industry should rest. The dispute between them was not as to whether the industry should succeed, but as to whether it should succeed, as he thought, on thoroughly legitimate

foundations, or whether it should be supported by an extravagant protection, which those who agreed with him believed injured the industry as well as the consumers who bought the goods it produced. He would like to point out once more that the statement by which the protectionists supported their case involved a contradiction in terms, because on the one hand honorable members were asked to believe that the hat industry, which was successful, had established itself so thoroughly that it was able to supply consumers with a good article, quite as good as the importation, at a cheaper price than the importer could supply it, even, as he understood, without the duty. That was to say, a hat which cost 12s. to import here, without duty, could be manufactured and sold here at a less price, although of equal quality. That was one of the propositions used by the honorable member for Collingwood (Mr. Beazley). As he understood the protectionists, they said the Denton or other local hat mills could supply an article of equal or better quality at the same or a lower price than the imported article without the duty. Well, if that was the case, was it possible to believe, as they were told, on the other hand, that if this protective duty was reduced to moderate dimensions the industry would be ruined? How in the name of common sense could both those propositions be true? Either of them might be true, but both could not. If an industry was so exotic that it could not subsist here except supported by heavy customs duties—and on the cheaper kinds of goods, he was informed by the honorable member for Kyneton and others who had practical knowledge, the hat duties ranged to nearly 400 per cent.—it was an industry which inflicted such a tremendous injury on the consumers in the colony that it was not worth supporting. If, on the other hand, it was so successful an industry that it could hold its own with the importers, then he was perfectly willing to grant it, if required, a moderate rate of protection for a reasonable space of time. But the two propositions laid down by the honorable member for Collingwood (Mr. Beazley) could not possibly be both correct; in fact, they contradicted one another. If the hat industry required protection at the present time, which its advocates said it did not, let it at all events enjoy protection in moderation. With every advantage

Mr. Murray Smith.

in its favour—splendid raw material, excellent machinery, and some of the best and most skilled workmen in the world, they were told—surely it did not require a protective duty of nearly 400 per cent. to enable it to succeed? If it did, it was obvious there must be some very serious fault in the manufacture. But he did not believe that the industry required high protective duties to support it. He believed that the Denton Hat Mills and others were very fairly successful. He had looked over the balance-sheet of the Denton Mills, and he did not think that 10 per cent. was a very extravagant dividend to pay to the shareholders of such a trading company, especially as their property, machinery, buildings, &c., must be gradually deteriorating, and they had only made a reasonable allowance on that account. If they could compete with the importers in the way that had been described, the hat mills did not need—and some of their representatives said they did not want—anything like the extravagant and preposterous duty that now existed. The amount of that duty—he did not say the industry—was the greatest scandal on our whole protective Tariff; it pressed with special weight on the lower classes of goods. It was not a reasonable provision of the Tariff that it should press with peculiar heaviness on the lower classes of goods, and he believed that if they reduced the protection on hats to an ad valorem duty of a reasonable amount, the mills would be able to compete on fair terms with their English competitors, and eventually to do without the duty at all. In the first place, however, they should prepare themselves for a moderation of this extreme duty. It was not a friendly act to the hat industry to ask for the present enormous duty to be retained, because it would lead to the manufacture of inferior goods, and to excessive competition within a very limited area of trade. Therefore a more friendly act to the hat industry would be to gradually accustom the hat mills to the free light of competition, rather than to maintain extravagant duties, which were without a parallel even in our present extravagant Tariff. He congratulated honorable members in the Ministerial corner on the success with which they had advocated the claims and interests of one of the most perfect importers' monopolies in the colony, because he was informed that nearly all the shares in the Denton Hat Mills were held by Flinders-lane

firms. Therefore the industry was practically in the hands of the wholesale importers, whose very valuable business qualities had enabled them to conduct one of these hat factories, at all events, to a successful position. He trusted honorable members opposite would see that, after all, the importing monopoly, as they had described it, was not without its benefits.

Mr. TRENWITH observed that the honorable member for Hawthorn rose specially to point out that if it was true that the Victorian hats could be sold as good and as cheap as the imported hats were sold, then the duty was not required. He thought he would be able to adduce figures, with which the honorable member for Hawthorn would be perfectly well acquainted, to show him that his view was entirely fallacious. Woodrow's hats, before any hat duties of a protective character were imposed at all, were sold at 16s. each in Melbourne. He was told that those hats could be bought in London for 5s. 9d. each, and the difference, less the cost of transit, went into the pockets of the exchangers. That showed a large amount of profit, but as there was no local competition that was their price. The imposition of a protective duty of 3s. each on hats induced the making here of hats somewhat similar to the hats of that celebrated and excellent firm. Some people said that the local hats were not so good in quality, and he would not urge that they were for the purposes of this argument, although he believed that they were. The locally-made hat was sold at 10s. 6d., and that led to Woodrow's hat, which was sold at 16s. in Melbourne before the duty of 3s. was put on, being sold for 14s., after paying that 3s. duty, proving the truth of one statement in the Tariff Board's report that the price goods could be sold at was no guide as to the price goods would be sold at, if it were not for the local competition. Therefore, it was not merely in the interests of the hat-makers, but of the honorable member for Hawthorn, and all other people who wore hats, that protective duties should be imposed, in order to induce local competition, so that the people might not be robbed of the inordinate profits of the exchangers. (Mr. Murray Smith—"Where is the monopoly; it is open to the world?") Whether a hat monopoly existed here or not that was their experience in connexion with hats, and it could be shown to be their experience in regard to

almost everything that was imported. There was nothing in connexion with which a monopoly could be more easily initiated than in connexion with importing. Almost any fairly intelligent tradesman might become a manufacturer, but an extremely high and varied talent was required to become a successful importer. It required that a man must possess large technical knowledge, because importers were usually importers of many lines of goods made in different industries, and it required large financial knowledge and skill to manage and finance a successful importing business. In addition to that it required an extensive geographical knowledge in order that the importer might know every part of the world where the particular commodities he required to import might be most cheaply or effectively purchased. All those qualities had to be rolled up into one individual to make a successful importer, and there were very few men who possessed all the qualities necessary to make a successful importer. First of all, large capital; secondly, large financial knowledge; thirdly, large technical knowledge; and fourthly, large geographical knowledge—all these things were absolutely essential to the equipment of a successful importer; and the consequence was there were very few successful importers in the world. If nine-tenths of the community were each given half-a-million of money to invest in importing, the probabilities were that they would lose it for want of those special qualifications. Whenever the assertion was made that the locally-produced article was as good and as cheap as the imported one, the honorable member for Hawthorn continually interjected—"Then it does not need a protective duty." He (Mr. Trenwith) would submit to the attention of the honorable member another well-known commercial axiom, that the larger the business the more profitably and cheaply it could be conducted. If the people of this colony considered Victoria—as they had certainly a right to consider it—a large manufacturing country, it was important that they should have the largest possible market over which to spread their productions. It was essential—as they could not extend their market beyond their own borders—that they should at least obtain complete control of the local market, so that it might be as large as possible. (Mr. Murray Smith—"Look at the risk of internal competition.") He recognised that there

was a risk of internal monopoly, just as there was a risk of monopoly in connexion with imports from abroad. The internal competition of course was inevitable, but if half-a-dozen people competed for the trade of half-a-million people, surely that competition was more keen than if the same persons competed for the trade of a million people. It was desirable that this manufacturing firm of Victoria, as the colony might be called, should have its market as large as it was possible to make it, and that it should be as large as the limits of the colony. Assuming, for argument's sake, that goods could be produced in the colony to be sold as cheaply as the imported goods, a duty would still be required, because as the importer was usually a dealer in a number of lines he could easily afford to sell at unprofitable prices, and even at a positive loss on a single line, until the producer of that line was crushed out. It was therefore necessary to erect a barrier of protection between the importer (who was no doubt acting legitimately when he deliberately set himself to crush out a local industry in order to obtain the trade he wanted) and the colonial producer. It was not contended that as a rule the colonially-made articles could be sold as cheap as those which were imported, though in some lines the local product was as cheap as the imported. Although in the latter case a duty would not be required, he went the length of saying that the imposition of a duty would do no harm. Before the committee was called upon to remove duties it was necessary to prove that they were calculated to do harm. It was unnecessary labour to remove something which was doing no harm and the removal of which would do no good. It ought to be shown that duties were acting injuriously before it was argued that they should not be imposed. If a duty benefited the manufacturer and did no good to the consumer, if it did no harm to the consumer it would be desirable to retain it. And if this duty on hats benefited the manufacturers, led to a large amount of money being retained in the colony which would otherwise be sent away, gave the consumer good and cheap commodities, and enabled the manufacturer to pay fair wages, it ought to be retained. The honorable member for Kyneton had spoken at length and well on this question, but, unfortunately, the facts which he had adduced

in favour of his contention were all wrong. If the honorable member had been endeavouring to prove that the duty should be maintained, he would have made a most excellent speech, because all his facts were in favour of the duty. He began by saying that these industries had proved profitable, not merely in the ordinary sense, but had proved to be abnormally profitable. Well, the country was at present suffering because investors could not see any direction in which they could invest their money with profit. The hat industry was a case where, through the operation of a protective duty, an eminently profitable industry had been developed, and surely that was a desirable thing to bring about. There were also a number of other industries which were in the same position. In the case of the Denton Hat Mills, the honorable member for Kyneton had stated that the directors not only made a profit but they wrote off very large sums from their plant and buildings account. He (Mr. Trenwith) took the liberty of saying that the present position of Victoria was largely owing to the fact that other institutions had not done the same thing. In the boom time prices were run up in the cases of institutions dealing with the funds of the people. Those institutions went on writing up their plant and buildings to prices which did not in the least agree with the altered circumstances of the country, with the result that they came tottering about the ears of the people like a house of cards, and the present depression was owing to the circumstance that they continued to pay high dividends on falsely-assessed profits, because they failed to write off deteriorated property which was held as assets. The Denton Mills were established some years ago in a small way, and under the developing influence of protection they grew into a larger concern. In the height of the boom the company had to make an immense addition to the buildings, the cost of bricks then being 50s. a thousand, while now they could be obtained for £1 a thousand. Property had immensely deteriorated, not in intrinsic value but in exchangeable value, because of the altered circumstances of the country; and if the directors of the Denton Mills had not written down the capital they would have been deceiving the public. Seeing that property had deteriorated in all directions, that the cost of bricks was now much smaller, and that, instead of paying

labourers 10s. or 12s. a day, they paid them 8s., the directors very properly wrote off an immense amount of the original cost. It was a prudent and honest business transaction, and to decry it showed a mental obliquity of a very singular character. Honorable members ought to be proud that there were some business people in the colony who desired to present themselves to the public in an honest and truthful aspect. The machinery of the Denton Mills, the honorable member for Kyneton said, was continually being renewed and kept up to date. The machinery in connexion with the hat industry, he (Mr. Trenwith) would point out, was changing more rapidly than the machinery used in most other businesses. The fur hat, which was now so largely worn, was comparatively a new thing, and it had only been made in recent years. Fur hats had almost entirely taken the place of pull-over hats, and their production necessitated the employment of entirely new machinery. The machinery which was good enough for the old class of hat-making had had to be thrown away as utterly useless old iron. If the directors of the Denton Hat Mills had not entirely written off the amount represented by this machinery, they would have been adopting a course which the committee would do right to deprecate. It had frequently been mentioned that this industry was in the hands of Flinders-lane. He admitted at once that that was an objection, but he wanted to know how any one was going to take it out of the hands of Flinders-lane by killing the local industry, and compelling the community to rely upon Flinders-lane? The only way to take it out of the hands of Flinders-lane was to maintain the existing protective duty or increase it. The Flinders-lane merchants were necessarily exceptionally clever men. That protective duty had prevented them from continuing to import certain lines of goods, and they were, properly from their point of view, doing all they possibly could to maintain control of the local exchange. That would continue for a little while, but it was absolutely certain that it would not continue for long. The boot trade, which was analogous to the industry under consideration, when first initiated went exactly in the same groove which the hat trade was now following. The boot manufacturer in the early days manufactured for Flinders-lane, but the Flinders-lane merchant, in his

quest of profit, continually ground down the local manufacturer. When the merchants felt that they had him in a cleft stick, because he had payments for wages or a leather account to meet, they said they had no need for the goods he offered, and he must take them away. Thus the local manufacturer had to make an offer to accept a lower price. That sort of thing was carried on until it could be borne no longer, and one manufacturer after another began to communicate with the retailer until now hardly one of them worked for the lane. (An Honorable Member—"That is not so.") He said, with a perfect knowledge of the magnitude of the boot trade, that a very small percentage of it worked for Flinders-lane at the present time. Most of the manufacturers went direct to the retailer, and some were retailers themselves. He referred to R. White, the E. B. C. Company, and a number of others who had manufactories in the suburbs and some of the country towns, in which they had also retail shops. There could not be a doubt that ultimately the hat trade would also be taken away from Flinders-lane, and become as nearly as possible a trade between the producer on the one hand and the consumer on the other. That was why the merchants of Flinders-lane were anxious to have these duties removed. Flinders-lane as a whole would be delighted to-morrow to see all these duties cut off. (Sir James Patterson—"Don't you believe it.") He did believe it, because there would then be no possibility of the manufacturer going direct to the consumer. But some day the Flinders-lane merchant would be dispensed with, and the manufacturer would go direct to the retailer. Another objection which had been urged was that these duties were fixed duties, and that ad valorem duties would not be so baneful. The poor working man was also dragged in again to do service in connexion with this matter. The peculiar and ever-recurring persistency with which those who were fighting against the poor working man dragged him in to make use of him could only be accounted for by the fact that throughout the history of the world he had been the tool of those whose interest it had been to keep him as poor as possible. (Mr. Madden—"Those were the demagogues.") He said that the working man had been the tool of those who did not work much themselves. (Mr. Staughton—"He has

been the tool of the agitators all the world over.") Nothing in nature was so good as agitation; the obverse was stagnation, rottenness, death, while agitation meant life, health, motion, progress. (Mr. Irvine—"An earthquake is an agitation.") The agitation to which the honorable member for Lowan was addicted, he admitted, was as bad as an earthquake; however, he was not dealing with that sort of agitation, but with the sort which was for the advancement of humanity. It was said that fixed duties were baneful, because they operated with greater weight in connexion with the lower class of goods; and from the protectionist point of view that was one of the advantages of fixed duties. Under fixed duties the higher rate occurred in connexion with the cheaper article, and the lower rate in connexion with the article which was more intricate and more difficult to manufacture. When manufactures were first initiated, it followed as a matter of course that the articles which could be most easily made were of the coarsest kinds. It was desirable, from the consumers' point of view, that if there was a duty at all it should be as light as possible on those commodities which the local producer was most unlikely to manufacture. Thus, fixed duties acted largely in the nature of a sliding scale. They were high on commodities which could be readily produced, and low on those which it took time and experience to produce. From that point of view they were extremely desirable as protective duties. With reference to the revenue duties the question was altogether different, because then it was desirable to obtain the larger revenue from the people who were best able to pay. But the protective duties did not really tax any person at all except the person abroad who desired to use the colonial market. As the object of protective duties was to enable persons to conduct trade it was extremely important that they should all pay on an equal basis, and fixed duties did not throw the door open to circumvention to the same extent that ad valorem duties did. He knew that he would be accused of being ungenerous in making the charge against the importers of a desire to circumvent, but it was the necessities of the case which compelled him to make that implied charge. He was amply justified in doing so by the revelations which occurred every day of the efforts of importers to cheat the

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Customs. If a duty was to develop an industry it was very important that all classes of people should pay the same duty, or else the honest man might be placed at a disadvantage if the dishonest importer was doing his best to cheat. The assertion that fixed duties pressed heavily on the poorer people was contradicted by the facts of the case. For instance, on all kinds of hats the duty was 3s., and felt hats were sold in Melbourne at 1s. 11d. It was clear then that the duty was inoperative on hats of that kind. The duty had served its purpose as far as they were concerned. It had enabled a local producer to develop the industry until he made those hats so cheaply that it would be impossible for the importer to cope with him even if the duty were entirely removed. The honorable member for Kyneton said that he believed that the duty would only be operative on hats sold at more than 7s. 6d. each. He (Mr. Trenwith) did not know if the honorable member had hit the exact figure; but his principle was correct, in view of the fact that the local production was so excellent that the importer could not compete with it. But that was an argument for maintaining the duty as it was rather than for removing it; because, if the duty was only operative beyond 7s. 6d., surely it should be left on to shield the industry from unfair competition until that figure had gone up to 10s. 6d. There would come a time when the local manufacturer would not only be able to produce as cheaply as, but more cheaply than, the English manufacturer. The colonial manufacturer had a number of natural advantages on his side, and it was only necessary to have the fostering influence of protection to enable the colonial manufactories to become of such importance and magnitude that they could produce much more cheaply and be more successful in every way. Victoria would then be in the position of America, which undercut the other markets of the world, while still maintaining a high standard of living for the working people. That was a consummation most devoutly to be wished. He was glad that the honorable member for Kyneton had referred to the statement in regard to the duty on certain goods consumed by the lower classes amounting to 300 per cent., because the honorable member knew the fallacy of that argument. The honorable member must know that the argument he used that evening was a fallacy, and that it did not bear on

the question in the way in which he desired, as was shown by his remarks on a former occasion. The honorable member, on the 18th October, 1892, as reported in *Hansard*, spoke as follows:—

“Mr. Rawson said he would not have spoken but for the remarks which had been made to the effect that the result of this new taxation would be that the duty on certain goods consumed by the lower class would be 300 per cent. Now, that statement involved a serious mistake. He had had 24 years’ experience of boot selling, and he had been taught that, as a rule, the working classes did not buy imported boots and shoes at all. He was perfectly satisfied that 99 per cent. of the boots and shoes bought by the working classes were made in the colony. He did not know a single line of imported goods which were used by these classes, and, singular to say and inconsistent as it might appear, year by year both boots and shoes became cheaper. That was absolutely true. The people were getting better served, and as far as the working classes were concerned they got their boots cheaper now than ever they had done before.”

He (Mr. Trenwith) wanted to know whether the honorable member said what was wrong then, or whether he had that evening stated what was wrong? (Mr. Rawson—“Both my statements are consistent, and I still adhere to them.”) He held the same view, and would force that view home with reference to the hats the labouring classes wore. The bulk of the labouring classes in this colony used nothing but colonial hats. It was indisputable that colonial hats and imported hats, in consequence of the colonial competition, had become cheaper and cheaper from year to year, and it was also indisputable that the working man now got a better and a cheaper hat than ever before. He would go further and say that he got a better and a cheaper hat than he would get now were it not for the fact that hats were being made in the colony. The Tariff Board resolved that the hat industry had made out so excellent a case that it was undesirable to propose any reduction of the duty. That resolution was arrived at, not formally and by a vote, but in such a way that members of the board felt justified in declaring it. It was, however, reversed on the motion of the honorable member for Kyneton, and largely on the ground that he had been unable to get a certain class of cheap hats for several weeks. The honorable member had urged the same argument again that evening, and he (Mr. Trenwith) would take the liberty of dealing with it. Supposing that a certain line of hats

had run out in Flinders-lane, at a time when hats were being imported, would it not have taken several weeks, and perhaps one or two months, to fill up the hiatus in the hat market, so that the honorable member would have had to wait in any case? The honorable member, however, urged that there was a cause for it. He proposed to analyze the cause, and to see whether the honorable member’s deductions would bear touching with the finger of reason. The honorable member said that these were lines upon which there was very little profit, and consequently the hat-makers did not care to make them. They were very cheap lines, and the duty on them was prohibitive. Clearly then the hat-makers had the matter in their own hands, and if, as had been alleged, the hat-makers would take advantage of a prohibitive duty to run up the price to the consumer, surely these cheap lines, on which there was at present very little profit, would have been run up? The manufacturers might then make them in preference to the higher class of hats. The fact that the manufacturers had been induced by local competition to produce hats at a very low profit was an indisputable argument against the assertion that they would run up the price. The honorable member could not have been more maladroit in urging the position he took up than he was in making the statement that there were low-priced hats on which the duty was absolutely prohibitive and on which the profit was very small. The manufacturers could, of course, by a combination—that was, if they did combine, and it was very difficult for manufacturers to combine—have sold a 1s. 11d. hat for 2s. 1d., and that would have made all the difference between a very little and a very large profit indeed. The country was at present in an awful position, but not as the result of protection, as had been alleged. Honorable members knew that, and he was pleased to say that that argument had not been urged in the House, although it was urged outside by the organ that represented those who were trying to bring down the duties. The awful condition of the country was attributable to quite different causes. It was brought about by the juggling with money that took place some years ago, and protection had prevented it from being as dreadful as it would otherwise have been. He knew that, in connexion with the hat industry,

the last increase of duty gave it such a fillip that the men were working overtime, when in previous years they had been almost idle. It enabled the mills to run full time and overtime, and it absorbed all the men in the hat industry of the colony, and rendered it necessary to send abroad for hatters, thereby increasing the number of wage-earners in the community—a class of people who were wanted then. In the boot trade the duties had the same effect, although not to an equal extent. The boot trade had fallen, as all other trades had fallen, in consequence of the depression, and the immediate result of the increase of duty was to stop the importation of nearly £150,000 worth of boots in the year. Those boots had therefore to be made in the colony, with the result that the bootmakers, who were very badly employed owing to the depression, were more fully employed, whilst some of them were quite fully employed. There was a very serious danger of throwing men out of employment if anything was done that led to importation in the place of local production. He would not say that the reduction of the duty would absolutely stamp out the hat industry. Possibly it would not. On the lower lines the manufacturers would still be able to retain some of the business, but the effect of having a large amount of business knocked off would be to make it less easy to successfully compete with the lower lines of imported hats. He hoped to see the local artisan striking out and looking higher to more refined and more artistic productions rather than to the lower and commonest lines. The duties were lower in New South Wales than in Victoria, and in the manufactures in that colony only the very commonest lines were undertaken. In the boot trade, which he knew very well, all kinds of boots up to the very highest were made in the colony, and they were equal to the boots that were made anywhere in the world. In New South Wales the duty on boots was very small. There had been a slight development recently, but until very recently the manufacturers there made nothing but the very commonest boots. He was in Sydney some years ago, when the late Mr. Anthony Hordern was showing him over his place, of which he was very proud. Mr. Hordern showed him a boot, and asked him—“What can you get for that in Melbourne?” He (Mr. Trenwith) replied—“You could not get a boot

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like that in Melbourne for £50.” Mr. Hordern said—“What do you mean?” and he answered that “they did not make any such rubbishy things in Melbourne.” In a trade that here employed 4,000 or 5,000 persons only 2,000 persons were employed in New South Wales, which had an equal population. The effect of reducing the duties would be to lessen the number employed. The proposal of the Government in regard to hats was to reduce the duty by one-sixth. The present duty on hats was 36s. per dozen, and the Government proposed to reduce it by 6s. He thought that that proposal was unwise, but he recognised that in the present temper of the committee it would be equally unwise to try to resist it. He would urge upon those who said that they desired to reduce the high duties—that 36s. per dozen was not an extremely high duty on the best class of hats which the local factories were beginning to make with immense success. It was not an impost at all on the lower class of hats, because not one of them were imported. The local manufacturers supplied the market absolutely, and therefore those who were commiserating the workmen on the injustice that was done to them might spare their tears, because they were not in trouble in this connexion. Instead of being injured they were being benefited. Those honorable members who desired to see the local industry developed; the avenues of employment extended; the artistic skill of the people increased or raised; those who desired to see the colony taking up the position it ought to take as a highly-developed producing and manufacturing community, would leave the duties as the Government proposed them, and not alter the fixed duties to *ad valorem* duties, or make them lower than they were.

Sir JAMES' PATTERSON remarked that it was to him a most pleasant change to hear the tribute that had been paid to the importer for his enterprise in connexion with the various industries around Melbourne. During the previous week the importer was said to be the most rascally scoundrel on the face of the earth. They now found that it was he who had started the manufacture of hats in Collingwood; he made hats at the Denton Mill; he commanded that they should come into his own warehouse in Flinders-lane, and he dealt them out to the public at precisely his own price. What had the

system of prohibition led to? Men had come from America—sharp Yankees—who had started the manufacture of cigarettes in the colony, and who sent the splendid profits they were making out of the simple people of the colony to the United States. Then there was the match factory; and all these things were being made here because duties were imposed upon them. The Flinders-lane man was no fool; he was not complaining, but, on the contrary, was perfectly satisfied. He (Sir James Patterson) would venture to say that, with respect to the hat industry, the Flinders-lane man was smothering his profits so that the public should not know what he was making out of these factories. (Mr. Beazley—"He does not own all the factories.") The honorable member for Richmond (Mr. Trenwith) had said that the duty on hats was inoperative because it was so heavy. The duty on wheat was inoperative because more wheat was produced than the colony could consume, and it was being exported. There was no comparison between the hat industry and the boot industry for the simple reason that any man could start making boots, as it required no capital; and that had led to competition. The bootmakers were struggling one against the other, sweating each other, and the consequence was that boots were very cheap. That was not the case in the hat industry. For the making of hats they required not only the finest machinery but also capital, and the rich men in the "lane" could find the machinery and the capital. They were excellently well pleased with the monopoly they enjoyed. If a storekeeper dealing in hats were to give an order for hats to one of the hat factories he would not get supplied. (Mr. Wilkins—"In two mills out of three in Collingwood he would get supplied.") The quantity of hats made was just below the actual requirements of the people, and that had the effect of raising the price. If 100 pairs of boots were wanted, and there were only 90 pairs available, the consequence would be that the shortage of ten pairs of boots would increase the price of the 90 pairs. On the other hand, if there were 110 pairs of boots, and only 100 pairs were required, the cost of the 110 pairs would be reduced. The hat manufacturers had contrived to get the trade into their own hands, and they manufactured just as many hats as they thought they could venture to impose upon this simple community, and then handed them out at such

prices as they could get. This was the most tremendous thing in the way of protection that he had ever known. The duties on hats ranged from 200 to 400 per cent., and it was upon the cheaper hats that the duty fell. The duty was at present 3s. a hat, and the Government proposed to reduce it to 2s. 6d. a hat. All the lower-priced hats that the poor people used were shut out entirely, and there was an absolute monopoly in regard to these lines. He therefore contended that they should impose an ad valorem duty on hats in preference to a fixed duty. He would not object to a duty of even 40 per cent.; and 40 per cent. would mean 70 or 80 per cent. when the additional charges were taken into account. (Mr. Trenwith—"With a 'cooked' invoice.") The committee had heard enough on that subject. There was a great deal of roguery in nearly every business. He did not know that the honorable member for Richmond belonged to such a highly moral class of the community that he could claim to be entirely exempt from the faults of humanity generally. The habit of casting reflections on classes of the people was utterly unworthy of honorable members, and was unjustifiable. Generally speaking this community stood as high for commercial integrity as any other community in the world. (Mr. Trenwith—"Then commercial integrity has fallen very low.") The Flinders-lane gentlemen were extremely fortunate in getting support from the quarter from which they were now receiving it, and they would be glad to get it as long as they possibly could. The duty on hats was simply monstrous, and it ought to be struck out. He would have no objection to a duty of 40 per cent. ad valorem, which would mean 70 or 80 per cent. That, he contended, would be ample. The industry was successful and there were no previous charges on the raw material. All the raw material was obtained in the colony perfectly free of any charge, and the industry was, therefore, unlike the coach-building trade and the apparel-making business, which had duties imposed upon the raw materials. (Mr. Wilkins—"Is their machinery free?") There was a machine called the "Linotype," the introduction of which was causing men to be dismissed by the score. Honorable members in the Ministerial corner had better put a duty on that machine and expel it from the country. The test of the intelligence of a

community was whether it was employing such machinery as would enable it to compete at home and abroad. The country which stood highest in regard to its machinery would be the country of the future. (Mr. Trenwith—"Like America.") Yes. It was perfectly idle to talk about the cheap labour of certain countries. What had this colony to fear from cheap labour when it had intelligence and inventive genius which enabled it to employ machinery that made it independent of all such considerations? In the hat industry the best machinery that could be bought had been procured. There were some thirteen hat factories altogether; but one stood out above all the others because of the fact that it had this machinery. The other factories probably had not the capital to enable them to get the same kind of machinery. That one company, therefore, had an extraordinary advantage, and when honorable members were speaking about the industry, they pointed to that company as something of which they were proud. (Mr. Trenwith—"There are just as good hats made in the other factories.") If there were thirteen Denton Mills in the colony, then he would say that the duties were inoperative. Every man should have a hat. This was a beautiful industry, and he would like to see it progress. In proof of that he was willing to give it 15 per cent. more than he would give to any other industry that had been mentioned. The number of men employed in hat-making was about 520, and how many people were there in the community? He would not care so much about the duty if it benefited the 520 workmen; but they got no greater advantages than ordinary labouring men. The profits went into the pockets of the importer, and the position of the employes would be just as good if there was a lively competition. (Mr. Wilkins—"A number of the men are shareholders in the company.") The honorable member lived in a district in which some of these factories had been established, and he could only look upon this question with one eye, and that was an eye upon the next election. He was not disposed to attach much weight to the statements of honorable members who represented such districts. They, no doubt, very naturally wanted to please those whom they represented; and to that extent their statements were somewhat—as they ought to be—discounted. The hat industry could live upon a duty of

25 per cent. There was not the slightest fear of the industry going down on such a duty, because even now it was said that the factories could make hats that were as good as the hats made in any other part of the world. If any very large number of persons were employed in making hats, the hats would have to be exported. The industry should not be content with supplying the local market, but should peg away until it was able to compete in the other colonies and elsewhere. If the industries of which they boasted so much were to be restricted to the area of their own colony there would not be much room for expansion. Therefore, he said that the retention of the duty on hats would do an injury to the industry; it would cripple it; it would make it unhealthy. They had given the patient too large a dose, and it was better to commence in time to so treat the industry that it would not be content with supplying the local market, but would seek for other markets outside. With a moderate duty—and it was not a moderate duty, but a stiff duty—of 40 per cent. the industry would prosper. If the honorable member for Kyneton would withdraw his amendment, he (Sir James Patterson) would, in order to show his sympathies with the industry, propose that the duty on hats should be 40 per cent. ad valorem. He desired to get rid of the fixed duty, which was a monstrous charge on the general community.

Mr. T. SMITH stated that, if he studied his own inclinations, he would say nothing on the subject before the committee; but he had been asked by persons outside, and also by several honorable members, to give expression to a few thoughts before this item was put to the vote. There were no hat factories in his district. He had no interest in any hat factory elsewhere. He had never had any interest in a hat factory, and he had not the slightest intention of having an interest in one. He might say further that it was not at the instigation of any warehouse or warehouses that he rose to address the committee. For himself, he was perfectly independent of the warehouses. Perhaps honorable members who had been advocating lower duties were burning with a desire to assist him in the matter by maintaining what were called high duties. He would say, therefore, for the benefit of those honorable members that it would not matter one iota to him if there were

no duty at all upon hats. (Mr. Staughton—"It would be better for you.") He would even say that it would be better for him. It was because he desired to preserve some character of consistency as a protectionist that he felt compelled to speak upon the question. But surely no exception should be made in the case of one industry simply because an honorable member happened to be gaining his livelihood in connexion with a branch of that industry. He would not make an *ad misericordiam* appeal to the committee to maintain what some honorable members considered to be a high duty; and, certainly, he would not appeal to the sympathies of honorable members for his own shop till. If he desired to do that, and that only, he would at once, as another honorable member had said, reduce the duties to benefit the shopkeepers, as, perhaps, a reduction would benefit them. Every honorable member had admitted so far that if there was one industry in the colony which was deserving of support it was the hat industry. He could not, therefore, understand why it was that certain honorable members who, after prefacing their remarks in that way, would then proceed to destroy their own argument by suggesting that the industry had done fairly well, and that as it had been wicked enough to produce dividends of 8 or 10 per cent. the dividends should be reduced; or, in other words, that the duty should be brought down in order that there might be more competition. The honorable member who started the discussion on this subject desired that a blank should be created in the item in order that he might have an opportunity of moving that an *ad valorem* duty of 30 per cent. should be imposed on hats. It was not correct that this duty was increased in 1892 for revenue purposes. It was increased solely for protective purposes. It had been of incalculable benefit to this particular trade, the employés of which had nearly doubled in the short space of three years. There was no prohibition in regard to this article. Imported hats could be purchased at fully a dozen establishments in the city of Melbourne to-day. True, the imported hats cost a little more than formerly, but that little was just the amount of the increased duty, and protectionists did not object to that. The colonial article for the money that was demanded for it was just as good as the English article for the

same money. (Mr. Murray Smith—"Without the duty?") With the duty. Without the duty the market would be flooded with imported hats as it was flooded in years gone by. That, of course, would be to the benefit of men like himself, who were retailers of hats, and who would then be able, as they once were, to make extravagant profits. He made that statement plainly as a business man. Rather, however, than use such an argument as that he would say no more, and not vote at all. But he knew what this industry had accomplished for hundreds of people who had been employed in it, and he felt that it was a legitimate industry. If the proposition of the honorable member for Kyneton was carried it would result in the hat factories, so far as the better articles were concerned, being absolutely closed up, because they could not compete on a duty of 30 per cent. with the imported article. The Government proposal was not an unfair one; but it was as far as they should go at the present juncture. Many honorable members had said that they did not desire sudden changes in the Tariff. The proposition of the honorable member for Kyneton would mean the most sudden of all sudden changes, and be most disastrous to the employés of the industry concerned. He understood the honorable member for Kyneton to say that the reason this colony was not exporting hats to Sydney was that if the colony did so export it would be letting New South Wales see that Victoria was prepared to make this particular article too cheaply. That was a most extraordinary argument. If they could export this article to neighbouring colonies, and there compete successfully with the English article, the Victorian manufacturers would be great fools if they did not go into the New South Wales market. The honorable member for Kyneton also said that he had to wait six weeks and occasionally two months before he could secure the delivery of certain lines in hats. (Mr. Rawson—"I said nothing of the kind.") He appealed to the committee as to whether the honorable member for Kyneton did not say that it was anything but an exceptional thing for traders to be compelled to wait if they demanded a particular line that did not happen to be in stock?

Mr. RAWSON asked to be allowed to explain. He did not say at any time that he, or anybody else he knew, had had to

wait two months for a particular line. What he did say was that frequently it was impossible in Flinders-lane to get the line he was referring to at the time, namely, the hats at 1s. 11d. each. He was astonished that the honorable member for Emerald Hill had the audacity to contradict him.

Mr. T. SMITH said he did contradict the honorable member for Kyneton because the honorable member followed up the statement referred to by saying that he had to wait for six weeks or two months to get a certain line. The average business man, in this line of business at any rate, if he were not able to get the article he desired in one warehouse went from one warehouse to another until he did get it. That was the course he himself adopted.

Mr. RAWSON stated that he, in his remarks, was referring to Flinders-lane. He was very sorry to interrupt the honorable member for Emerald Hill, but it was very peculiar that that honorable member should deliberately misstate what he (Mr. Rawson) had said.

The CHAIRMAN. — The honorable member for Kyneton must withdraw that remark. An honorable member cannot deliberately misstate anything in this House.

Mr. RAWSON said he would withdraw the remark.

Mr. T. SMITH observed that *Hansard* in a few days would show whether the honorable member for Kyneton referred in his remarks to one warehouse or to the whole of the warehouses. His (Mr. Smith's) own experience was that these delays occurred very seldom. It had been stated that if any one took a large order for this particular article he could not be supplied. That was not consistent with the facts. There were piles and piles of this class of goods, as there were of other classes of goods, with not sufficient buyers. It went without saying that if the demand increased, the mills would not close down as the honorable member for Kyneton had said they did close down. It was true that the mills did close for a considerable period twice a year, but an utter stoppage of all work was necessary in order that the very delicate machinery employed might be cleaned and overhauled in a proper manner. The *Argus* of yesterday had alluded to the process of veneering, and stated that the monopoly of the trade was so strict that those who dealt in hats were afraid to say what they knew, and that if the manufacturers were to boycott the dealers the latter would be

helpless. If the committee were to accept the statement that the manufacturers did not deal direct with the retailers—and it was true that some of the manufacturers did not—how could the manufacturers boycott the dealers? In such a case it would be the warehouses who would have to boycott, and the warehouses were about the last people to resort to such a thing so long as they got their money once a month. It was not true that there was a fear of this kind in the mind of any man or any number of men. Lower down in the same article it was said—

“The best hat-makers, such as Woodrow, Tress and Co., Lincoln and Bennett, and others who have a reputation all over the world, never use the veneer at all, because they look upon it as what it is, namely, shoddy.”

That was a point to which he should refer hereafter if occasion demanded. In to-day's *Argus* they read—

“Probably the greatest sale takes place in what are known as working men's hats, which are a soft felt made of wool, and retailed at 1s. 11d. A better quality of hat of the same class can be bought in England at 6d., so that the duty in this case is 400 per cent., with 25 per cent. added for import charges.”

That would be a fearful state of affairs if it were true; but it was not true. He held in his hand two hats, one of which was purchased at Anthony Hordern's, in Sydney, at 2s. 3d. This hat was really the commonest made, so that they might assume that it was a hat such as was referred to in the *Argus* article. In New South Wales the average duty was 10 per cent., so that the price of the hat showed that the people of Sydney were as fond of a good profit as people anywhere else. The other hat he had in his hand was sold in this colony at 1s. 11d., or 4d. cheaper than the imported hat, and was a much superior article. Further on, in the same article in the *Argus*, they were informed—

“That the trade here is a ring or monopoly is shown by the Tariff Board evidence, page 154, where the witness representing one of the largest retail houses says that he is not allowed to buy direct from the mills, but must go to one of the authorized middlemen.”

He understood that this witness said, when before the Tariff Board, that in the old country it was customary for the mills to deal direct with the retailer. That was customary with some of the mills; but it was not customary in the case of many of the better manufacturers to deal with any one but the wholesale people, even in the old country. He himself in Melbourne dealt directly with two out of the four mills,

so that if the other statements of this witness to the Tariff Board were no more reliable than the one he had quoted, they were somewhat wide of the truth. To quote the article again:—

“The manager of the largest of the mills confirms this evidence—‘Question 2935. Can the shopkeeper go to your factory and buy?’—‘No.’”

He presumed that evidence was given by some one connected with the Denton Mill, because that mill did not deal direct with the retailers. Every business man must know that if the Denton Mill, or any other mill, dealt direct with retailers, they could not sell the articles for the same price at which they sold to the wholesale people. More travellers and more carriers would be required, and the extra expense would be such that the difference in price would amount to, at any rate, 15 per cent. He therefore failed to see that to sell direct to the dealers would cheapen the article. He had just had a slip of paper put into his hands informing him that the honorable member for Castlemaine (Sir James Patterson), when at the Denton Mill, stated that if 30 per cent. was not enough protection he would be prepared to give 40 per cent. If it were true that the honorable member did make that statement, he must surely have forgotten himself or have been making an after-dinner speech at the time. If he (Mr. Smith) were correctly informed, there were between 900 and 1,000 people employed in the hat business at the present time. If the proposition of the honorable member for Kyneton were carried the result would be longer hours and lower wages to the employés in the industry. It would also result in an unrighteous competition, because it would be competition against long hours and low wages in an industry which had been established abroad for generations, and it would also result in the manufacturers here being only able to make the commonest of hats.

Mr. IRVINE said that he did not propose to deal with the argument of the honorable member for Richmond (Mr. Trenwith) further than to call attention to the statement which that honorable member had made with the utmost audacity—that the effect of the duty had been to lower the price of hats to the consumer. The honorable member stated absolutely that before the present duties were imposed Woodrow's hats were sold for 16s., and that they could now be bought for 14s. He (Mr. Irvine), from his own experience, was

prepared to assert exactly the contrary. Before the duty was put on he bought for 12s., 12s. 6d., and 13s. the same class of hats for which he now had to pay 15s. and 16s. Was the honorable member for Emerald Hill aware that when the duty on hats was less than half what it now was there was a larger number of people employed in the hat factories than at present? (Mr. T. Smith—“That is not correct.”) His figures were taken from *Hayter*. Whenever he quoted from *Hansard*, or any other authority, he was stated to be incorrect if the authority went against the interests of honorable members who took an opposite view. According to *Hayter*, in 1883 the number of persons employed in the felt hat and cap factories throughout the colony was 714. (Mr. T. Smith—“That includes the straw hat industry, to which I did not refer.”) The number of people employed in the straw hat factories was estimated at below 50 or 60. The Tariff Board made the number of these employés to be 30, while the evidence of some of the witnesses before the Tariff Board placed the number at less than twenty. (Mr. T. Smith—“There is the cap industry, to which no reference has been made.”) According to *Hayter* there were in the year 1883, 714 hands employed in the hat and cap manufacture. In 1890 the duty was increased to 20s., and in 1892 to 36s.; and in 1893 the number of persons employed in those factories was only 530. It was pure nonsense to say that a reduction of the duties would ruin those factories. He did not understand the honorable member for Kyneton to impute that it was a crime or fault of the owners of the Denton Mill to be able to make high profits. In fact, the honorable member commended this mill as a thoroughly well-managed establishment. He (Mr. Irvine) held in his hand a copy of the last balance-sheet issued by the Denton Hat Mill Company, from which it could be shown that whilst this mill was well managed and made high profits, the company had taken the utmost trouble, and had been driven to the most extraordinary expedients, to conceal those very high profits in order that they might continue to obtain the benefit of a monstrous prohibitive duty. Out of the total capital expended on land and buildings of £14,558 15s. 10d.—which included machinery, because there was no other account for machinery—they wrote off the sum of £4,558, or almost one-third

for depreciation during one year. Would any business man say that was a reasonable amount to write off—that it was reasonable, in other words, to write off the whole of the capital in three years for depreciation? (Mr. Winter—“The peculiar exigencies of this business might require it.”) No business man would say that this was a reasonable amount to write off. In the very same year the company expended £5,335 on repairing and refitting their machinery. (Mr. Winter—“Giving large employment thereby.”) That was another question, and he thought he had shown that employment had decreased and not increased under the operation of this high duty. This business was largely in the hands of a very powerful company, consisting almost entirely of that class of people whom honorable members in the Ministerial corner were always condemning in the strongest terms of opprobrium. (Mr. Winter—“That is not true.”) Honorable members in the Ministerial corner had referred to those very people as people who “told lies as fast as a horse eats oats.” If the honorable member for Melbourne South would take the trouble to inspect the share register of this company he would find that the great bulk of the shares were in the hands of one particular firm and their immediate relatives and friends. The honorable member for Richmond (Mr. Trenwith) had contended that protection broke up importers’ rings and lowered prices, and had entered into a close analysis of the facts to show that rings amongst the importers were more easily formed than amongst the manufacturers. The reasons assigned by the honorable member were few and simple. He said that a successful importer required not merely a great deal of capital, but special qualities of mind, combined with experience, technical knowledge, and geographical knowledge. But did an importer require more technical knowledge than a man who controlled and managed a large woollen or hat manufactory? Clearly he did not, and all the geographical knowledge he required was sufficient to enable him to write to people for articles which he required. This was not a question of protection or free-trade; it was a question of what protection or free-trade encouraged. In a country like this, where manufacturers were protected, it was surely more difficult to break up a ring of manufacturers than a ring of importers. (Mr. Wilkins—“It is very

Mr. Irvine.

difficult, especially if rings do not exist.”) Assuming that rings did exist, the honorable member for Richmond (Mr. Trenwith) asserted that the ring of importers could not be broken up. What an importer required was credit and a decent amount of shrewdness to use his capital. A manufacturer required a great deal more than these. He required a special knowledge of the industry, and, in the first instance, he must sink a large amount of money as dead capital. So far as protection could establish an industry this industry had been thoroughly well established, and it did not need a high duty, which only worked irksomely and vexatiously on the masses of the people.

Mr. PRENDERGAST remarked that the effect of the duty on hats had been to cause the manufacture of a large number of hats in Victoria, and especially of good quality hats. In South Australia, where the duty was 15s. per dozen at the outside—8s. per dozen on some lines and 25 per cent. ad valorem on others—they had not, up to the present, been able to manufacture a decent hat, in consequence of the insufficient protection afforded to the local industry. Some of the workmen employed in the manufacture of inferior hats there were agitating for an increase of the duty, so that they might be able to manufacture hats of good quality. One workman who went over to South Australia from this colony had written him a letter, in which he stated that not 20 per cent. of the hats worn in South Australia were manufactured there, that the hats manufactured in South Australia were of inferior quality, and that they never would be able to compete with the good imported hats unless they got an increase of duty, which would enable the local manufacturers to turn out a good article. That was very strong testimony in favour of keeping up the duty on hats imported into this colony. If a duty of 15s. per dozen would not permit the hat manufacturers of South Australia to make a good hat, surely the duty on hats brought into this colony should not be reduced below £1 10s. per dozen, so that the proposal of the Government ought to be adopted, in order that the Victorian hat manufacturers might continue to make good hats.

Mr. WILKINS observed that so much had been said on behalf of the hat industry that it required but few remarks from him, especially as the hour was getting late. He was sure that the hat industry

of Victoria had been grossly misrepresented, not only in the press, but also in this chamber by a number of honorable members who knew perfectly well that the statements made in respect to its being a monopoly, or to the existence of a ring, were not correct. He denied that there was any ring among the hat manufacturers, although they had been very unfairly accused of combining together to keep up the price of hats. There were three hat factories in Collingwood, and two of those factories distributed their goods to the retail dealers. The Denton Hat Mills, one of the largest hat factories, sent their goods straight to the Flinders-lane warehouses, whence they were distributed to the retailers, that being found the cheapest and most effectual way of distributing their goods. The honorable member for Richmond (Mr. Trenwith) read an affidavit made by a gentleman in Sydney in respect to the action of certain large exporters in the old country, who, when he was on a visit there, waited upon him and tried to induce him to join in a ring that existed in England in order to establish a monopoly and extend it to Sydney. It was therefore plain that the committee ought to be careful to protect the people of Victoria from importers' rings as well as from all other rings. It would be a very dangerous thing indeed for the people of this country if local industries, like the hat industry, were destroyed, and the ranks of the unemployed thereby increased. He was perfectly sure that that would be the result of any reduction of the duty proposed by the Government. The Tariff Board had given every consideration to the hat industry, and they had good reasons for making the recommendation which the Government had very properly adopted. He felt sorry that a successful industry like this should have been unjustly blamed and misrepresented to such an extent. It was a well-known fact that the total number of shares in the Denton Hat Mills held by Flinders-lane warehousemen was only 6,000 out of 30,000, and also that a large number of the employés were shareholders in the concern. The goods sent out by the local hat manufactories were of very excellent quality, and would compare most favorably with the imported article. The hat he held in his hands had been imported from the old country, and he was positive that no honorable member would like to wear headgear of that kind. Here

was another of the clerical type, which had been brought for the purpose of showing honorable members what sort of thing the imported hat was. The hat he now held in his hand was imported from one of the very best makers in England, and although it had been worn for only five days the colour was completely gone. It had been asserted that the poor man was not provided with a cheap hat, but the one he now held up to view was a very excellent hat made at the Denton Mills, and retailed at from 3s. 9d. to 4s. 6d. It could be purchased at that price in any part of Melbourne. If it was the desire of Parliament he would like to see the goods made in the various hat factories in Melbourne branded, so that purchasers would know exactly what they were buying. If the committee adopted the proposal of the Government it would result in maintaining one of the most successful industries of the colony.

Mr. WHEELER said that before the discussion commenced he was inclined to favour the proposal of the Government to make a reduction of 6s. a dozen in the duty on hats, but as the discussion had gone on, he had come to the conclusion that he would certainly prefer an *ad valorem* to a fixed duty. He could scarcely understand that a fixed duty was a blessing in disguise for the working man. There was a duty of 3s. upon the commonest qualities of hats imported, and the same duty upon the best quality of hats. That was surely neither equitable nor just. He failed to comprehend how it could be a benefit to the working man, who had to buy the lower-priced hats. The committee ought to revise the Tariff in the best possible way. Various suggestions had been made as to the rate of duty that should be fixed, if an *ad valorem* duty was adopted. He could not vote for a duty of 50 per cent., because he would not be acting consistently with his election pledges if he were to do so. The committee had been cutting down other protective duties of 45, 35, and 30 per cent., and it would therefore be unfair to impose a heavier duty on hats. He would have no objection to vote for a duty of 40 per cent. *ad valorem*, and surely the hat industry ought to succeed on that. If there was one industry in the colony that deserved the consideration of the Legislature, it was this hat industry, which had been such an unqualified success. He would be very glad to see the industry go on and prosper, and he did not object to the mills paying 10

per cent. dividends. He only wished all other industries in the colony were able to pay similar good dividends, and similar good wages to their employés. If there was to be any alteration of the duty on hats, it should be fair and reasonable to both the manufacturers and the people who bought their hats. The gentlemen in Flinders-lane who had interests in this industry generally got hold of the best things, and he really believed that they would be delighted if Parliament would continue the present high duties, notwithstanding their free-trade proclivities.

Mr. FINK remarked that while honorable members were all agreed that the present fixed duty was too high, and should not have been raised to such an amount, it seemed to him that its reduction to a duty of 30 per cent. ad valorem, as proposed by the honorable member for Kyneton, would be too radical, too drastic, and too dangerous. This item, like many other items, had given him a great deal of anxiety, because he did not quite understand whether a change of this sort could be made without doing injustice to the industry. Honorable members on both sides of the chamber, free-traders, Tariff reformers, and moderate protectionists, were all agreed that the committee should not do anything that would paralyze any substantial industry. At all events, whatever amount each honorable member thought was the proper amount of duty this industry should carry, honorable members were not at liberty to proceed to it by an absolute jump of this character. In relation to the duties on the higher-priced articles, such as hard felts, he was at a loss to understand, notwithstanding the elaborate explanation of the honorable member for Kyneton, whether the present rates amounted to 40 per cent. or 60 per cent., though in one of the appendices to the Tariff Board's report the amount was shown to be 69 per cent. As far as the low-priced articles were concerned, no doubt it was quite clear that the duty was very much more than the amount he had named. The price at which the articles were sold was, no doubt, very much less than the duty. Although a much lower rate of duty might be the proper rate to impose, it was very uncertain whether this industry could immediately adjust itself to the entirely altered conditions which the 30 per cent. rate would bring about. Therefore, he was not prepared to take that leap in the dark.

In voting against the proposal of the honorable member for Kyneton, he reserved to himself the right, in the event of further progressive reductions being proposed, of voting for them if he thought fit.

The committee divided on the question that "£1 10s. per dozen" proposed to be omitted stand part of the item—

Ayes ...	...	...	...	41
Noes ...	...	...	...	33

Majority against the amendment 8

AYES.

Mr. J. Anderson,	Mr. Kirton,
„ Baker,	„ McLean,
„ Barrett,	„ O'Neill,
„ Beazley,	„ Outtrim,
„ Bennett,	„ Peacock,
„ Best,	„ Prendergast,
„ Bromley,	„ Rogers,
„ Deakin,	„ Sangster,
„ Duffy,	„ T. Smith,
„ Duggan,	„ Styles,
„ Fink,	„ Taverner,
„ Foster,	„ Trenwith,
„ Gray,	„ Tucker,
„ Grose,	„ G. Turner,
„ Gurr,	„ Wilkins,
„ Hamilton,	„ E. D. Williams,
„ Hancock,	„ H. R. Williams,
„ Harris,	„ Winter.
„ Higgins,	<i>Tellers.</i>
„ I. A. Isaacs,	Mr. Cook,
„ Kerr,	„ G. J. Turner.

NOES.

Mr. W. Anderson,	Mr. Moule,
„ Austin,	Sir James Patterson,
„ Bowser,	Mr. Rawson,
„ Duffus,	„ Reid,
„ Dyer,	„ Russell,
„ Graham,	„ Salmon,
„ Grattan,	„ Murray Smith,
„ Graves,	„ Staughton,
„ Irvine,	„ Sterry,
„ J. A. Isaacs,	„ Thomson,
„ Kennedy,	„ Webb,
„ Langdon,	„ Wheeler,
„ Levien,	„ A. W. H. White,
Sir John McIntyre,	„ Zox.
Mr. McKenzie,	<i>Tellers.</i>
„ McLellan,	Mr. Lazarus,
„ McLeod,	„ Madden.

PATRS.

Mr. Longmore,	Mr. Carter,
Dr. Maloney,	„ Chirnside,
Mr. McGregor,	„ A. Anderson,
„ Murray,	Dr. Scott,
„ Vale.	Mr. McColl.

Sir JAMES PATTERSON moved the addition to the item of the words "and on and after the 1st of January, 1897, 40 per cent. ad valorem."

The committee divided on the amendment—

Ayes ...	...	...	33
Noes ...	...	...	41

Majority against the amendment 8

AYES.

Mr. W. Anderson,	Mr. McLellan,
„ Austin,	„ McLeod,
„ Bowser,	Sir James Patterson,
„ Duffus,	Mr. Rawson,
„ Dyer,	„ Reid,
„ Graham,	„ Russell,
„ Grattan,	„ Murray Smith,
„ Graves,	„ Staughton,
„ Irvine,	„ Sterry,
„ J. A. Isaacs,	„ Thomson,
„ Kennedy,	„ Webb,
„ Langdon,	„ Wheeler,
„ Lazarus,	„ A. W. H. White,
„ Levien,	„ Zox.
„ Madden,	<i>Tellers.</i>
Sir John McIntyre,	Mr. Salmon,
Mr. McKenzie,	„ Moule.

NOES.

Mr. J. Anderson,	Mr. Kirton,
„ Baker,	„ McLean,
„ Barrett,	„ O'Neill,
„ Beazley,	„ Outtrim,
„ Bennett,	„ Peacock,
„ Best,	„ Prendergast,
„ Bromley,	„ Rogers,
„ Deakin,	„ Sangster,
„ Duffy,	„ T. Smith,
„ Duggan,	„ Styles,
„ Fink,	„ Taverner,
„ Foster,	„ Trenwith,
„ Gray,	„ Tucker,
„ Grose,	„ G. Turner,
„ Gurr,	„ Wilkins,
„ Hamilton,	„ E. D. Williams,
„ Hancock,	„ H. R. Williams,
„ Harris,	„ Winter.
„ Higgins,	<i>Tellers.</i>
„ I. A. Isaacs,	Mr. Cook,
„ Kerr,	„ G. J. Turner.

PAIRS.

Mr. A. Anderson,	Mr. McGregor,
„ Carter,	„ Longmore,
„ Chirnside,	Dr. Maloney,
„ McColl,	Mr. Vale,
Dr. Scott.	„ Murray.

Mr. STAUGHTON moved the addition to the item of the words “and on and after the 1st of January, 1897, 50 per cent. ad valorem.”

The amendment was negatived.

Mr. GRAY moved the addition to the item of the words “and on and after the 1st of January, 1898, 2s. per dozen.”

Mr. HAMILTON said that it was not fair to honorable members to submit amendments suddenly without any notice. They had no time to consider how they would vote, and it seemed to him that some honorable members were desirous of putting others in an awkward position. During the discussion on the Tariff he had always objected to legislating in advance. The amendment on which they had just divided was for a duty of 40 per cent. ad valorem. Many honorable members did not precisely know what 40 per cent. on hats meant, and he voted with the “Noes” for the simple reason that he was totally

opposed to legislating in advance on the subject.

Sir JAMES PATTERSON stated that, whilst he was perfectly willing to follow the precedent that had previously been set, and to insert the words “from and after the 1st of January, 1897,” he absolutely refused in this Parliament to say what the duty should be in 1898, by which time another Parliament would be elected.

Mr. MURRAY SMITH remarked that, with reference to the amendment of the honorable member for Prahran, he only rose to say that he had voted for 40 per cent., and he had voted for 50 per cent., because of two evils he preferred to choose the least; and, as the honorable member for Maldon had observed, he preferred 50 per cent. to 300 or 400 per cent. He thought now that the committee need not go any further on this path. It was obvious that there was a majority who were determined to attach a perfectly outrageous and scandalous protection—

The CHAIRMAN.—The honorable member must not use those expressions. He ought not to say that anything the committee has done is outrageous or scandalous.

Mr. MURRAY SMITH said that the word “outrageous” was certainly perfectly in order.

The CHAIRMAN.—I am sure the honorable member will see that there is no need to debate the matter with me. The committee have arrived at a decision, and the honorable member knows, as an old parliamentarian, that he must not reflect upon any decision of the committee.

Mr. MURRAY SMITH observed that he might reflect on the intellectual effect but not on the moral effect of any decision. He might say that the decision of the committee was foolish, or that it was outrageous, or that it was perfectly unintelligible.

The CHAIRMAN—I do not think so. There is a rule of Parliament which says that an honorable member must not even reflect upon a statute unless he proposes its repeal. The committee have arrived at a certain resolution, and it appears to me that the honorable member is now reflecting upon the decision of the committee. Standing Order No. 9 says that no honorable member shall reflect on any vote of the House, except for the purpose of moving that such vote be rescinded.

Mr. MURRAY SMITH remarked that, with perfect deference to the judgment of the Chairman, he would point out that he was not reflecting upon the committee but upon a duty. He was attaching the

epithets he had used to the duty which was at present imposed. It was a duty that he certainly considered to be outrageous and utterly unreasonable. However, he would say that the majority of the committee in its wisdom had decided upon a duty which, to persons not possessed of the wisdom the committee had acquired, would seem to be outrageous.

The CHAIRMAN. — The honorable member will excuse me, but he is out of order in even saying that. The honorable member must discuss the proposal of the honorable member for Prahran.

Mr. MURRAY SMITH stated that, in deference to the authority of the Chairman, he would withdraw the words he had used, and say that the committee, in its wisdom, had determined that nothing less than a duty running up to 300 or 400 per cent. would support an industry capable of holding its own in competition at equal prices with the imported article. He, therefore, declined to be led any further. There was no practical advantage in the proposition made by the honorable member for Prahran. The committee had better accept the decision of the majority, which declared that it was absolutely necessary to support a flourishing, profitable, and competing industry with a duty of 300 or 400 per cent.

Mr. MADDEN said that, as a comparatively young member of the Assembly, he would like to say one word on the ruling given by the Chairman.

The CHAIRMAN. — I am sorry to interrupt the honorable member, but I am afraid he has lost his opportunity. I have given my decision, and he cannot re-open the question.

Mr. MADDEN observed that he agreed with the honorable member for Hawthorn, as he usually did. He feared that the Greeks were bringing gifts, and that the proposal of the honorable member for Prahran was merely an ambush, into which he, for one, declined to be led. Honorable members had gone as far as they could in defence of the principle of *ad valorem* duties. He did not intend to depart from that principle now, although he must say he felt shocked at voting for a duty of 50 per cent.

Mr. DEAKIN remarked that he disagreed, as he usually did, with the honorable member for Hawthorn. The proposition of the honorable member for Prahran might very legitimately command the attention of the committee. It was one thing to say that a duty was too high,

and another thing to propose to reduce it at one jump, as the honorable member for Hawthorn proposed to do. The standard which they should keep in mind was the standard of the duty levied prior to the last alteration in 1892; when, if he recollected rightly, the duty was 20s. or 24s. per dozen on hats of this description. The proposition of the honorable member for Prahran was that by two steps instead of one they should revert as nearly as possible to the duties of the period he had mentioned, and it was a proposition which might well command the attention of those members who were willing to reduce duties, but not willing to do it all at once, and not willing to substitute *ad valorem* for fixed duties without having the whole effect of the alterations worked out for them on each particular line of the imported article. He hoped that the honorable member for Prahran would go to a division on his proposal, for he would then show that there were protectionists who were in favour of reducing duties, but only gradually.

Mr. BROMLEY observed that if the committee adopted the policy of fixing reduced duties on one or two lines to take effect in 1897 and 1898, they would only create a fresh set of anomalies in a future Tariff. The Tariff Board was appointed for the purpose of removing existing anomalies. The committee had, one or two items, decided that the duties should be altered in 1897, and now they had before them an alteration proposed for the year 1898. Alterations made in that haphazard way, without taking into account their bearing on other industries, would create far greater anomalies than at present existed.

Mr. TRENWITH remarked that the honorable member for Essendon urged the committee to go back to the duty of 1892, simply because it was the duty of 1892. If any alteration was made in the Tariff it must be because it had been shown that the Tariff in some way had injured somebody. If it had the duty should be reduced or removed at once. But it had not been shown that the duty had injured anybody. Even the opponents of that duty admitted that no injury had resulted from it. It was extremely illogical on the part of the honorable member for Essendon to contend that there was some magic period in the history of the colony when the duties were exactly what they ought to be. There had been a most heated, earnest, and intelligent discussion on this item. Several divisions had been taken

with a view of crystallizing into law the views of the committee, and one proposal after another had been rejected in favour of the Government proposal. To keep on this see-saw from one side of the committee to the other was undignified as well as illogical.

Mr. HIGGINS said that throughout this debate he had voted against the system of fixing duties for a future year. The responsibility for this year rested with the present Parliament. The responsibility for next year would rest with the Parliament of next year, and no one could say what change there might be in the circumstances of the country in the meantime. He strongly objected to have his vote put up at a sort of Dutch auction. The system of putting 10 per cent. on here and there in order to see how much could be got from one side or other of the committee was degrading.

Mr. MURRAY SMITH observed that there was a clear precedent in favour of the course the committee had adopted in fixing the duties for a future year. When the abolition of the Corn Laws was before the British Parliament, Sir Robert Peel passed a measure through the House of Commons providing that the duties should be reduced to a certain extent in that year, and should be abolished in the following year.

Mr. LEVIEN stated that in the early days 10 or 20 per cent. was considered an excellent protection, but the honorable member for Geelong (Mr. Higgins) objected to dealing with anything so small as a differential duty of 10 or 20 per cent. While the committee had certainly settled that the duty was to be fixed and not ad valorem, many honorable members had apparently been confused when voting on the question. He hoped that honorable members who had been steadily going for lower duties would not now bite off their nose to spite their face. The proposal of the honorable member for Prahran meant a substantial reduction of 6s. per dozen, and surely that was worth having by those honorable members who desired lower duties. Whether the duties were fixed or ad valorem, the proposition of the honorable member for Prahran was a step in the right direction.

Mr. KERR observed that if they were to bring the duties down to what they were previous to 1892, it would be necessary to bring the country under the same conditions as prevailed at that period. In that year or the year 1889 a new Factories

Act was passed by which the hours of labour were reduced from 56 to 48 per week. That meant that the mills were now working six days a week instead of seven, and made a difference of 15 per cent. in the work and wages. If men were employed 48 hours instead of 56 hours per week at the same wages, a certain amount of the profit must go towards making up what was practically an increase in the wages.

The committee divided on the amendment—

Ayes	7
Noes	66

Majority against the amendment 59

AYES.

Mr. Deakin,	Mr. Thomson.
„ Gray,	<i>Tellers.</i>
„ Levien,	Mr. Duggan,
„ Rawson,	„ Fink.

NOES.

Mr. J. Anderson,	Mr. McLellan,
„ W. Anderson,	„ McLellan,
„ Austin,	„ McLeod,
„ Baker,	„ Moule,
„ Barrett,	„ O'Neill,
„ Beazley,	„ Outtrim,
„ Bennett,	Sir James Patterson,
„ Best,	Mr. Peacock,
„ Bowser,	„ Prendergast,
„ Bromley,	„ Reid,
„ Cook,	„ Rogers,
„ Duffus,	„ Russell,
„ Duffy,	„ Sangster,
„ Dyer,	„ Murray Smith,
„ Foster,	„ T. Smith,
„ Graham,	„ Staughton,
„ Grattan,	„ Sterry,
„ Graves,	„ Styles,
„ Grose,	„ Taverner,
„ Gurr,	„ Trenwith,
„ Hamilton,	„ Tucker,
„ Hancock,	„ G. Turner,
„ Harris,	„ G. J. Turner,
„ Higgins,	„ Webb,
„ Irvine,	„ Wheeler,
„ I. A. Isaacs,	„ A. W. H. White,
„ J. A. Isaacs,	„ E. D. Williams,
„ Kennedy,	„ H. R. Williams,
„ Kerr,	„ Winter,
„ Kirton,	„ Zox.
„ Langdon,	
„ Madden,	<i>Tellers.</i>
Sir John McIntyre,	Mr. Lazarus,
Mr. McKenzie,	„ Wilkins.

PAIRS.

Mr. A. Anderson,	Mr. McGregor,
„ Brake,	Dr. Maloney,
„ Carter,	Mr. Longmore,
„ McColl,	„ Vale,
Dr. Scott.	„ Murray.

The item was agreed to.

Progress was then reported.

The House adjourned at eight minutes past eleven o'clock, until Tuesday, July 23.