

From Our Special Correspondent:
Alfred Deakin's letters to the
London Morning Post



Volume 5: 1905

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— Volume 5 —

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Front cover: *Advance Australia*: postcard of Alfred Deakin with selected flora and fauna of Australia and a composite coat of arms, printed between 1903 and 1910.

(National Library of Australia, nla.obj-153093943)

The First Eight Project: Australia's First Prime Ministers



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Portrait of Alfred Deakin, photographed by AJ Melhuish, 190-?

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Illustrations

Advance Australia, postcard, National Library of Australia, nla.obj-153093943

Portrait of Alfred Deakin, photographed by AJ Melhuish, photograph, 190-?, National Library of Australia, nla.obj-136653057

4th Commonwealth Government from 19th August 1904 to 4th July 1905, photograph, Swiss Studios (Melbourne), National Library of Australia, nla.obj-137248591

2nd Deakin Ministry, c. 1905, photograph, Swiss Studios (Melbourne), Stonnington History Centre, PH9365, RN953678

Introduction to the series

In January 1901, the London *Morning Post* newspaper published ‘The Australian Union’, the first piece from its new ‘Special Correspondent’. Dated ‘Sydney, Nov. 29’, the article offered the *Post*’s readers an intimate, engaging and remarkably well informed commentary on Australia on the eve of Federation. The anonymous correspondent was Alfred Deakin who had, only two days before the article’s publication, been appointed the first Attorney-General of the Commonwealth of Australia.

A leading federalist, Deakin dominated national politics until 1910, serving as Prime Minister no less than three times (September 1903–April 1904, July 1905–November 1908 and June 1909–April 1910) before finally leaving politics in May 1913. Throughout this period, he continued to write as the *Morning Post*’s correspondent on Australian affairs, offering purportedly ‘frank commentaries ... on Australian politics and politicians, including himself’.¹

Deakin had been introduced to the *Morning Post*’s proprietor, Algernon Borthwick, Baron Glenesk, and editor, James Nicol Dunn, when in London from March to May 1900 to help smooth the passage of the *Commonwealth of Australia Constitution Act* through the British Parliament.² It was a happy meeting of minds. Lord Glenesk was considering ‘the appointment of a regular Australian Correspondent, now that the new federation ... was about to be inaugurated’.³ Deakin, for his part, had long lamented the ‘absolute though innocent ignorance’ in England of the ‘aspirations of the colonies’, its press chronicling ‘very little regarding the colonies save cricket matches and other like matters, while the colonial press was full of information regarding every political or social movement of the mother country’.⁴

The terms of engagement were subsequently brokered by Philip Mennell, Deakin’s friend and the contributing editor of the *British Australasian and New Zealand Mail*. In November 1900, Deakin, who had worked as a journalist at *The Age* before entering the Victorian Parliament, accepted Glenesk’s invitation to contribute a weekly letter on Australian affairs for £500 a year.⁵ His appointment was formally confirmed in March 1901.⁶

While the arrangement was originally to last a year, Deakin continued to write for the *Morning Post* until the end of 1914, notwithstanding the concerns of its editor that the first letter ‘was a little too straight in its hits’ at NSW Premier William Lyne:

I know that in the colonies and in America plain speaking about public men is the rule. Here we are more accustomed to diplomatic phrases, our golden rule being that no matter how severely you attack a man you should so express it that you could dine with him immediately afterwards ...

What is wanted is admirably expressed in your private letter—that you should enable Englishmen to follow political material & social development all over Australia in a general way so as gradually to bring them in touch with that part of the Empire.⁷

Evidently the *Morning Post* quickly applied itself to the task of ensuring that diplomacy prevailed, for in May 1901 Menzell wrote to Deakin complaining:

I do not believe in your being a curbed force. What people here want to know is Australian opinion, not Australian opinion as manufactured and interpreted to suit the M.P.⁸

Menzell went so far as to recommend Deakin find another outlet for his letters.⁹ However, Deakin did not act on this advice and his letters appeared in the *Morning Post* (generally) weekly until August 1911, tapering then to one every three weeks.¹⁰ Over this period, some 600 letters, amounting to around one million words of commentary on contemporary Australian life and politics were published, variously titled ‘The Australian Union’, ‘The New Commonwealth’, ‘Federated Australia’ and ‘the Commonwealth of Australia’.¹¹ It is worth noting that, between 1904 and 1905, Deakin also wrote anonymous monthly feature articles for the *National Review*. Both papers had an Australian readership.

Deakin took pains to ensure that knowledge of his role as ‘special correspondent’ was limited to a small circle in Australia and London. This tight group included Thomas Bavin, a future NSW Premier and former Private Secretary to both Deakin and Edmund Barton. Bavin collaborated in the writing of the letters between 1907 and 1911.¹² The letters generally bore a Sydney dateline, and adopted a Sydney, Free-trade, point of view (‘our city’, ‘our Premier’);¹³ and included criticism of Deakin himself and of his policies. They were ‘often written, as is apparent when we know the authorship, with a certain ironical enjoyment’.¹⁴ Deakin adopted a pseudonym (‘Andrew Oliver’) and sometimes a cypher for his cables to the *Post*.¹⁵ Necessary precautions were also taken in posting the letters, one of his daughters recalling she was at times asked to ‘address an envelope to the *Morning Post* and to post it, with strict injunctions to secrecy’.¹⁶ Deakin seemed to relish such elaborate machinations, writing in 1907:

The situation is fit for fiction rather than real life and that is one of its attractions though its responsibilities are hazardous in the extreme.¹⁷

Remarkably, the arrangement remained private for several years after his death. Deakin's authorship of the letters was finally revealed in 1923 by Walter Murdoch in *Alfred Deakin: a sketch*.¹⁸

While the remuneration would have been a welcome addition to his income as a Member of Parliament and minister, Deakin claimed a two-fold motivation for his role as special correspondent:

I write always for a double purpose.—First to inform English readers of the inner meaning of Australian politics so far as it can be told now and in that way.—Next as a series of notes for study of the origin and growth of the Commonwealth in its earliest years.—Not a big book, but a short and simple summary of its facts and lessons.¹⁹

Similarly, writing to Fabian Ware (then the *Morning Post's* editor) in 1909, Deakin declared

The Australian letters in the M.P. may have all possible defects but however numerous they are no one who wished to write the history of our last 8 years can go elsewhere for a continuous record.²⁰

Deakin's letters to the *Morning Post* paint a broad canvas of Australian life and experience in the early years of Federation, ranging widely from drought, railways and tariffs to defence, imperial politics, and white Australia. At their heart, however, they are commentaries on Australian politics and political leaders—including himself²¹—and the shifting fortunes of the Protectionist, Free Trade and Labour movements.²² The letters chart the course of early Commonwealth governments and parliaments as they '[put] into actual operation the intricate provisions of the Constitution'²³ and build the new nation.

Deakin seemed untroubled by the conflict of interest intrinsic to what is truly 'one of the most extraordinary episodes in the history of journalism'.²⁴ His biographer and editor La Nauze, having grappled with the motivation for, and the propriety of, this anonymous journalism,²⁵ concludes, plangently, that historians would regard it as 'in some degree an improper activity for a man holding responsible office for much of the time'.²⁶

An English reader would have been made aware of Reid's political skill and platform ability, but would have been led to mistrust him. He would have seen Watson as a remarkable man of great integrity ... but he would constantly have been reminded of the perils of 'machine-politics' and of the extreme aims of the 'ultras'. The Australian Correspondent often criticised Mr Deakin's party ... but he never gave the impression that the country was or would be better served by its rivals.²⁷

Notes on the text

A complete edition of Deakin's *Morning Post* has been long awaited.²⁸ JA La Nauze's 1968 work *Federated Australia* presented a selection of extracts from the letters appearing in the *Morning Post* between 1901 and 1910, ending with the defeat of the third Deakin Government in April that year.²⁹

Once complete, this multi-volume series and epublication will present, without notes, the complete collection of letters published in the *Morning Post* between 1901 and 1914.

The text has been transcribed from newspaper microfilm as none of Deakin's original manuscripts have survived.³⁰ Original headlines and subheadings written by *Morning Post* editors have been retained, as have, generally, spelling, punctuation, capitalisation and other accidentals. Obvious misprints and misspellings have been corrected silently.

The letters are organised chronologically by date of writing. Two dates are provided for each letter, the first being the date of writing, the second that of its publication in the *Morning Post*. Where the date of writing was not printed, or was printed incorrectly in the *Morning Post*, it has been added in square brackets on the basis of the list of published letters in Appendix II of La Nauze's edition.³¹

Endnotes

¹ JA La Nauze in the Introduction to his selected edition of the letters to the *Morning Post*. (A Deakin, *Federated Australia: selections from letters to the Morning Post 1900–1910*, JA La Nauze, ed, Cambridge University Press, Carlton, 1968, p. ix.)

² *Federated Australia*, *ibid.*, p. vii.

³ *Ibid.*, p. viii. See also: JA La Nauze, 'Alfred Deakin and the *Morning Post*', *Historical Studies Australia and New Zealand*, 6(24), May 1955, pp. 361–75, and JA La Nauze, *Alfred Deakin: a biography*, Melbourne University Press, Carlton, 1965, volume 2, pp. 347–61.

- ⁴ ‘Banquet to the Colonial Delegates’, *The Argus*, 25 May 1887, p. 5.
- ⁵ Philip Menzell cable to Alfred Deakin, NLA MS 1540/7/8–10.
- ⁶ E Peacock letter to Alfred Deakin, NLA MS 1540/7/14.
- ⁷ J Nicol Dunn letter to Alfred Deakin, NLA MS 1540/7/12–13.
- ⁸ Philip Menzell letter to Alfred Deakin, 10 and 26 May 1901, NLA MS 1540/1/613–16, quoted in J Brett, *The enigmatic Mr Deakin*, Text Publishing, Melbourne, 2017, p. 252.
- ⁹ Ibid.
- ¹⁰ *Federated Australia*, op. cit., p. viii.
- ¹¹ ‘Alfred Deakin and the *Morning Post*’, op. cit., p. 361 and p. 373.
- ¹² *Federated Australia*, op. cit., p. viii.
- ¹³ ‘Alfred Deakin and the *Morning Post*’, op. cit., p. 369.
- ¹⁴ Ibid.
- ¹⁵ J Nicol Dunn to Alfred Deakin, NLA MS 1540/7/14.
- ¹⁶ Brett, op. cit., p. 242.
- ¹⁷ Quoted in *Federated Australia*, op. cit., p. x.
- ¹⁸ W Murdoch, *Alfred Deakin: a sketch*, Constable & Co. Ltd, Sydney, 1923, p. 252.
- ¹⁹ Alfred Deakin to Richard Jebb, 29 May 1907, quoted in *Alfred Deakin: a biography*, op. cit., volume 2, p. 353.
- ²⁰ Alfred Deakin to F Ware, 4 January 1909, NLA MS 1540/7/45–48, quoted *ibid.*, p. 358.
- ²¹ *Morning Post* editor J Nicol Dunn had at the outset urged Deakin not to put himself ‘too much in the background’ but, rather, to ‘mention [his] own part in affairs as fully as any other body’s’. J Nicol Dunn to Alfred Deakin, NLA MS 1540/7/12–13.
- ²² *Federated Australia*, op. cit., p. ix.
- ²³ H Tennyson, ‘Prorogation’, Senate, *Debates*, 22 October 1903, pp. 6436–37.
- ²⁴ *Alfred Deakin: a biography*, op. cit., volume 1, p. 199.
- ²⁵ *Federated Australia*, op. cit., pp. ix–xii; *Alfred Deakin: a biography*, op. cit., volume 2, pp. 360–61.
- ²⁶ *Federated Australia*, op. cit., p. x.
- ²⁷ *Alfred Deakin: a biography*, op. cit., p. 361.
- ²⁸ *Federated Australia*, op. cit., p. xv.
- ²⁹ Ibid., p. xv.
- ³⁰ Ibid., p. xvi.
- ³¹ Ibid., pp. 295–311.

— 1905 —

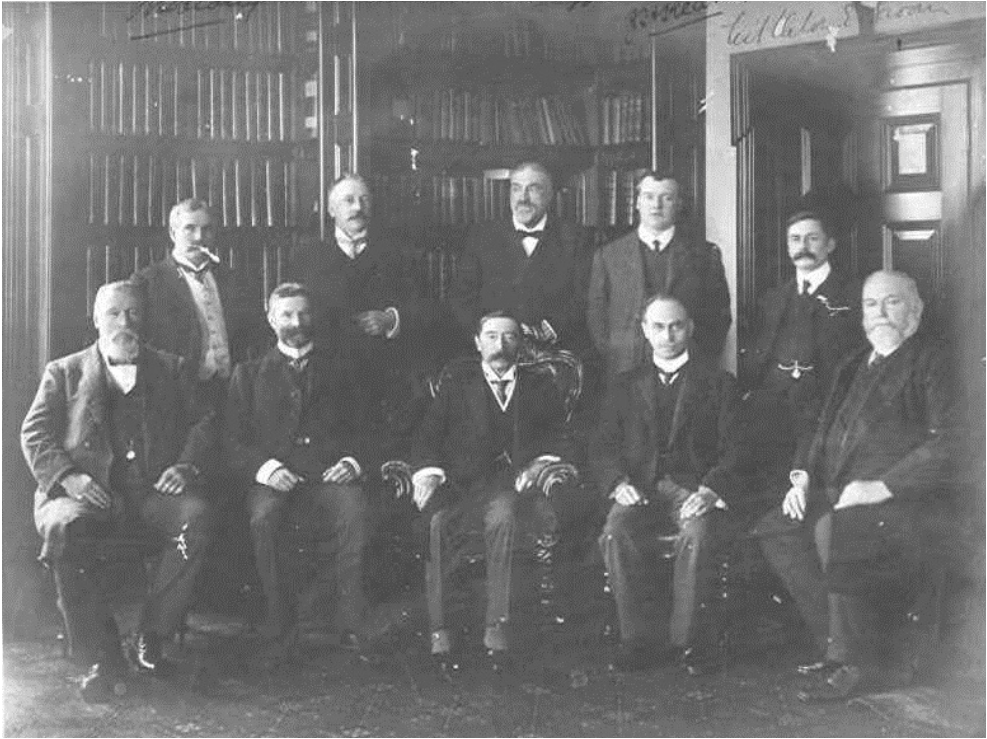


4th Commonwealth Government from 19th August 1904 to 4 July 1905, Swiss Studios (Melbourne)

Seated (L–R): *Sir George Turner* (Vic), Treasurer; *George Reid* (NSW), Prime Minister and Minister for External Affairs; *Baron Northcote*, Governor-General; *Allan McLean* (Vic), Minister for Trade and Customs; Senator *Sir Josiah Symon* (SA), Attorney-General

Standing (L–R): *Sydney Smith* (NSW), Postmaster-General; *Dugald Thomson* (NSW), Minister for Home Affairs; *James McCay* (Vic), Minister for Defence; Senator *James Drake* (Qld), Vice-President of the Executive Council

(National Library of Australia, nla.obj-137248591)



2nd Deakin Ministry, Swiss Photographic Studio, Melbourne, c. 1905

Seated (L–R): **Sir William Lyne** (NSW), Minister for Trade and Customs; **Alfred Deakin** (Vic), Prime Minister and Minister for External Affairs; **Baron Northcote**, Governor-General; **Isaac Isaacs** (Vic), Attorney-General; **Sir John Forrest** (WA), Treasurer

Standing (L–R): **Thomas Ewing** (NSW), Vice-President of the Executive Council; **Austin Chapman** (NSW), Postmaster-General; Senator **Thomas Playford** (SA), Minister for Defence; Senator **John Keating** (Tas), Minister (without portfolio); **Littleton Groom** (Qld), Minister for Home Affairs

(Stonnington History Centre, PH9365, RN953678)

FEDERATED AUSTRALIA.

POLITICAL OUTLOOK. REVIEW OF THE SESSION.

FROM OUR SYDNEY CORRESPONDENT.
[Jan. 2? 1905]; Mar. 4 1905.

Australian sentiment is sometimes hard to explain. We have had a very favourable season, though the heat and bush fires are now exceptionally trying. It was not quite so good in some respects as last year's, when the leaps and bounds towards prosperity were indeed marked, but good in all our great producing industries, and as a whole better than ever. But though every prospect of this kind pleases the jubilation is saddened by the reflection that man, especially political man, is, and remains, if not vile, almost wholly objectionable to local critics. Our sessions are over, our Ministries have scurried into recess, but the prevailing note in their summaries of the events of the last twelve months is one of decided dissatisfaction. During the most disastrous days of the drought they faced the future with a confidence in the recuperative powers of the country which all the figures published are abundantly justifying. Now they are all depressed, and in a most curious fashion. Our good fortune is admitted to be due to causes beyond our control, to the gifts of nature, to prices in the world's market, and propitious public affairs abroad. It is only ourselves that we are blaming, and that in a wholesale manner which is absolutely remarkable. Every State bewails its Legislature, every party its outlook, and every majority its Ministry. Even the Opposition minorities are discontented to a more than ordinary degree with those to whom they look for leadership, while the "slump" in Government reputations is as general as it is unusual. Neither for the central nor for the local Legislatures is there a tinge of tenderness, of commiseration or regard. Of course, this is an implied reflection upon the whole of our electors, who, either by voting or abstaining from voting, have selected them, and would probably select most of their members again to-morrow, but they are being censured solely through their representatives, and in particular through their Ministries, upon whom the burden of all lapses is vicariously visited. It is not unusual for us to see Ministers upheld out of dislike for those who would replace them rather than because of any special admiration for themselves, but it is rare for us to possess a whole series of Administrations whose best friends have nothing but sighs and excuses to offer on their behalf. That is the position to-

day, so far as it can be judged from Sydney as a centre. As a whole we are dissatisfied with ourselves; individually, as States or parties, we are most dissatisfied with each other; and everywhere discontent with our idols of yesterday, the Prime Minister and Premiers, who are either belaboured or ignored by those who have elevated them to, and continue to support them in, their posts of honour.

MR. REID'S POLICY.

In New South Wales Mr. Reid may not have fallen from his high estate, but elsewhere a severe appreciation of his recent achievements is palpable. Except so far as he might serve as an antidote to the Labour Party, there was no reasonable expectation of anything from his advent. But so far he has played into their hands in the only three Acts which he has been instrumental in placing upon the Statute Book. He did not give Mr. Watson all he desired in the Conciliation and Arbitration Act, but accepted his amendment, which, it is suspected, may concede the substance of the demands refused to him when he was Prime Minister. Undoubtedly Mr. Reid and his followers would have voted against anything like this concession if they had been in Opposition, and would probably have defeated it or strictly limited its operation. There has, therefore, been no gain and possibly a loss, because he has become head of a Government anxious at almost any cost to get the measure out of the way. His first lieutenant, Sir Josiah Symon, had previously rejected a similar amendment with contumely when moved by an independent Senator, only accepting it without apology or defence as a dire necessity when it was returned to him by his chief with an official imprimatur. The creation of a Council of Defence was favoured by Senator Dawson, who held the portfolio of the department in the Labour Cabinet when it was opposed by the present Minister. As Mr. Reid's colleague, however, he promptly came forward to carry out the scheme adopted by his predecessor instead of that which he had himself advised. It was originally framed when Mr. Chapman was in control, but neither then nor under his successor was it supported by the present Prime Minister or his colleagues. The one original measure for which the whole responsibility rests with them is the Sea Carriage of Goods Act, and this, it must be remembered, was considerably more drastic when introduced by Mr. Reid than it became after scrutiny in Parliament. Its aim was to protect the Australian grower of perishable produce from losses owing to the neglect, carelessness, or bad fortune of the shipowners who transmit their exports. The result has been a denunciation by the latter body of the attempt to make them agents for marine insurance as well as for freight, an increase of their charges by 6s. 3d. per £100 as primage on whatever value is set upon the goods they convey oversea either by their shippers or owners, and an advance of about 10 per cent. upon those carried from State to State. The Act appears to have failed in its purpose even after being modified during its passage. It had the

hearty assistance of the Labour Party, being passed into law over the heads and against the protests of the shipowning and mercantile houses, most of whom have been among Mr. Reid's best allies in his political campaigns. Of course he will have other opportunities of regaining their esteem, and in the meantime with much astuteness preserves an impenetrable silence under the plea of holiday rest. His adversaries say that all his anticipated successes are still in the future, while his official past, brief as it has been, consists of surrenders to those whose Ministry he overthrew and whose platforms he is pledged to destroy. True, he has maintained the requirement that there must be a consenting majority of those affected prior to any decree of preference by the Arbitration Court, because upon that very issue he came into power, but up to date all else he has done has been to undo his own policy. Hence it is not very surprising that the nimbus which shone about his brow to the eyes of many of his constituents in East Sydney has shrunk and paled for the time pending his further essays to retrieve the promises he made to them.

MR. CARRUTHERS AS SCAPEGOAT.

Mr. Carruthers's line of action has been very much the same as that of his old leader, and with very kindred consequences to his reputation. He has borne better legislative fruit because his circumstances were more favourable. He had just come from the country, was free from the shackles of a coalition, and possessed a majority which though small was larger than that of the Prime Minister whose omissions he has helped to palliate here. Having fallen out with his principal Press supporters he has helped to draw their fire and concentrate it upon himself when in his absence it might have found its target in Mr. Reid. Their harshness to him provokes at least an appearance of greater mildness in their handling of his fellow transgressor. Whatever real grounds of attainder can be found against our Premier are precisely those which are set down in the score of the Prime Minister. Coming into office as the leader of the Anti-Labour Party, and unsuccessfully endeavouring to rally all outside their ranks under his banner, Mr. Carruthers has accomplished nothing adverse to them or their pretensions. Indeed, all that he has attempted has had their general approbation, which was often warm by comparison with the very tepid loyalty of his pledged supporters. His moderate and gradual retrenchment, his continued though diminished outlay upon public works, and his several Bills were often defended by Mr. McGowen and his fellow members of the Caucus against the attacks of disappointed Ministerialists. The proposed amalgamation of our savings banks had their special endorsement, though in its latest form it was further from their ideal of a State bank than it was when first introduced. Its loss in the Council was in some degree due to the fact that they gave it such ostentatious patronage. The Closer Settlement Act, though falling short of their desires, went in the same direction,

and on this account had their steady support. They cheerfully voted the fresh taxation which merchants and shipowners resented, and with all the House united in challenging the Legislative Council to instant combat while substantially yielding all it demanded. The parallel between our Premier and Prime Minister in situation and policy is therefore practically complete at every point. Having won office they have reigned only by concession, legislating amid the applause of opponents and the reproaches of friends against sundry interests they were supposed to represent. This, at all events, is the unmistakable inference from the facts admitted, though not from any comparisons made by our Sydney newspapers. According to some of these the one important Act of the session providing for closer settlement owes all its merits to Mr. Crick's previous drafts, while the local government scheme was built out of the materials provided by Mr. Wise. No wonder Mr. Waddell is friendly to a Government which in its finance and in its measures has closely followed his lead immediately after receiving a mandate from the constituencies to dispossess him. On the other hand, Mr. Carruthers, like Mr. Reid, has survived his first session, and is preparing his surprises in recess, which may justify the caution he has been displaying until he shall find himself safe in the saddle. This is a probable explanation of the tactics of both, though in the meantime their parties are merely promise-crammed, not otherwise sustained or even indulged with soothing diet in their Press.

QUEENSLAND PARLIAMENT.

Queensland is the one State whose Parliament reassembles in a few days to resume in the height of a northern summer the consideration of the Bills lately laid aside by its Legislative Council. A minority of the Cabinet consists of Labour members, but a large majority of its supporters belong to their Caucus, which in this State has always been associated with a reading of the common programme the most extreme of any promulgated by the Labour Party in Australia. Nothing was less expected than the docility with which the majority of the Ministerialists originally accepted Mr. Morgan's terms. The motto of these leagues throughout Australia is "support in return for concessions". They are prepared in Brisbane to keep the existing Cabinet in office until they have obtained amendments of the State electoral law, which, in their opinion, will enable them to capture seats enough to give pledged Labour candidates complete mastery of the Assembly. It is a great stake for which they are playing, and they have exhibited sound judgment in paying the high price demanded. The minority of Independents, headed by Mr. Morgan, have pursued towards them the same course that Labour minorities have always taken in the States where they have exacted the severest terms whenever they have held the balance of power. But when he shall have passed the new franchise for them his hour will have come. The Premier will find himself upon the Opposition benches, associated in some sense with the

Philp remnant, now confronting him in a joint resistance to the aggressive Socialism of the Labour Party. He will then need the Legislative Council which he is fighting to-day, and against whom, like Mr. Carruthers, he is compelled to contend for the present with all his forces. In spite of himself he has to face his Legislature again this month with his rejected Bill establishing adult suffrage in its most democratic form and abolishing the plural votes of property-owners. This is the very last thing in his own interest or in that of his party that he could be tempted to undertake if any choice were permitted him. His success with it means a general election as soon as his Labour associates shall have obtained the new rolls which it will authorise, while its defeat in the Council means a general election in order to obtain a popular mandate authorising the Ministry to override his Second Chamber. This the Premier can accomplish only by the aid of the representative of the Crown, and it is certain that the Lieutenant-Governor, Sir Hugh Nelson, an ex-Premier of one of the first reconstructions of "the continuous Ministry" and present President of the Council, will consent to nothing of the kind except under extreme compulsion. Probably it was with foresight of this coming crisis that he strongly advocated the appointment of Governors from home at a public gathering the other day. Mr. Morgan's dilemma is still that which was foreshadowed in the *Morning Post* three months ago. It is now matched by that of his Labour allies, who are being spurred on by their ultras to insist upon immediate and radical legislative innovations. The session is being fiercely condemned by their papers as a failure, though it has witnessed more than Mr. Carruthers accomplished even with the invaluable assistance of Mr. Crick as Chairman of Committees. Mr. Morgan's sacrifice of the Betterment Bill and the refusal of his following to order the instant stoppage of land sales have infuriated some rebellious Labourites. Their attacks upon the Government in which they are represented and behind which they sit are as acrimonious as those of the Opposition. They have better reason. Nothing but their absolute need of a new electoral law enabled Mr. Morgan to survive his abandonment of the astonishing Betterment Bill. The promises to call Parliament together again directly after the New Year, and to fight the Council to a finish in its behalf, saved him when nothing else could. On this account in this State also the Ministry is made the recipient of all the bitterness bred from a situation in which it is but one factor, and that not the most powerful.

NEW SOUTH WALES AND QUEENSLAND.

Western Australia repeats the Queensland situation to some extent, but with one very great difference. There, and there alone, the Labour Party remains in office not as the junior partner in a coalition but in sole possession of the Treasury benches. Not having a majority of pledged Caucus members to maintain them, they are repeating Mr. Watson's tactics when, as Prime Minister, he was perpetually obliged

to water down his strong ambitions to the weaker appetite of his Radical allies under Mr. Isaacs and Sir William Lyne in order to retain office. Mr. Daghish, a far less experienced and less capable politician, has had much ado to keep the refractory local branches of the Labour Party in order. He remains Premier after a session in which he has not carried a single article of the party programme, surviving only by following the deeply worn ruts made by former Governments against whose policy he has hitherto raised the flag of uncompromising revolt. The decline in dignity, in ability, and in knowledge from Mr. James to him, and still more from the veteran Sir John Forrest, has been precipitous. Of all the difficulties of the Labour Party in Australia the greatest is that of finding men fit to undertake the responsibilities of administration when required. No one in New South Wales can think of Mr. McGowen as a possible Premier, and in Queensland Mr. Kidston alone, though not a leader, has done as well as his predecessors in the Treasury. Mr. Daghish appears to be of about the same standing—that is to say, of the grade of a junior Minister in a young State, but not qualified to be either first Minister or Leader of the House. It is the poverty of the Opposition in Perth, the lack of a man of commanding character and discretion, that makes it possible for the Labour Cabinet to prolong its life. Scenes of disorder, such as were witnessed in the closing days of the session, were not due merely to the summer temperature or to the smallness of the Government majority, but very largely to the absence of men of light and leading from the political arena. The best brains of the Labour Party in Australia are to be found in the Federal Parliament. The average of the Watson Cabinet, though distinctly inferior to that which Mr. Reid and Mr. McLean control, was about the same as that of the two Chambers conjointly in which they acted. The Prime Minister's amiability and tactfulness enabled him to cover the deficiencies of his team and to disguise the retreats that saved them time after time. No other Labour member of his ability, moderation, and judgment has been yet discovered. Speaking twice since the Federal Houses dispersed he has made two colourless speeches, in which opponents will search in vain for any lurid promises or violent philippics against the order of things that now obtains. Mr. Daghish is evidently executing a careful understudy of the same role. Anxiety to give no offence, to arouse no alarm, and to kindle no strife may thus become the recognised Ministerial manner of Labourites, though they climb the ladder of preferment shrieking anathemas at all the institutions under and by which they live. As private members this is the accepted way of getting on. Once the Parliamentary heights are scaled, as much as possible of this style is quietly obliterated. Another and quite temperate mode of appeal is carefully cultivated. The method has paid Mr. Daghish, who, more fortunate than Mr. Watson, has squeezed into recess. Like Mr. Reid and Mr. Carruthers, his second session will decide his future and fortunes. In the meantime the part of the public most dissatisfied with

his Ministry is to be found in the Labour Leagues, who, like their Queensland colleagues, are indignantly asking what it profits the party or its platform for their representatives to be nominally “in power”. They really lose power when they take office under such conditions as those that now obtain in these States and did obtain in the Commonwealth a few months ago. In the three remaining States—Victoria, South Australia, and Tasmania—the Labour Party has no prospects of advancement. In the former Mr. **Bent** has striven to put himself in good relations with their representatives, and has received some assistance from them in return. But much of the valuable work of the session was thrown overboard in order to prorogue, while in the other two States the sessions closed ingloriously. Thus it happens that on every hand Ministerialists complain of Ministries, while the general attitude of the Press towards public affairs is one of remonstrance and complaint more or less reasonable. As a passing phase this pessimistic political temper is noteworthy, the more so because of its occurrence at the same moment north, south, east, and west. One might suppose us victims of a new bacillus suddenly and simultaneously affecting all parts of the Commonwealth.

FEDERATED AUSTRALIA.

THE BUSH FIRES.

DAMAGE INCONSIDERABLE.

PAY OF COAL MINERS.

ARBITRATION ACT AT WORK.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Jan. 10 1905; Mar. 6 1905.

The New Year opens unpropitiously, not unseasonably, but with an excess of summer heat and its gravest consequences. To country folk in England our rural pursuits must appear singularly perilous, particularly if they forget the size of this country and the fractional extent of the worst catastrophes. It must seem better to have one's crops occasionally drowned than to meet the deadly ordeals of floods and fires, droughts—and rabbits. Such visitations are reported and remembered, while good seasons are overlooked or forgotten. The facts are that though country life with us is more perilous at times than in the Old World it pays better. The area of settlement extends yearly, and the closer it gets the more our chief calamities are reduced in extent and in severity. All the trials of residents in our remoter districts are caused or increased by their isolation. Their own earth-hunger is partly responsible for this, since most of them have more land than they can use. The cultivation of parts of very large holdings that are distributed at intervals among sheep runs, whose size, according to Old World standards, would be called colossal, leads to the rudest methods being hurriedly applied to the largest areas. It leaves their homes, haystacks, and woolsheds islanded amidst great stretches, perhaps fenced, but otherwise left in primeval wildness. This condition increases enormously the dangers from fire, and makes preventive measures, useful in ordinary emergencies, liable to be overwhelmed unless they are drastic. Places liable to flood are either marked by the traces of previous overflows or else the limits of inundation can usually be judged with some exactness. The region susceptible to drought is being gradually defined, or rather its rainfall is better gauged, and its periodicities more clearly forecasted. Rabbits are no longer a dreaded foe, but are systematically coped with where they are not utilised as a source of profit. The tick terror in Queensland proved as brief as it appeared appalling. Locusts and other invaders are either more rare or more readily repelled or forestalled. But fire cannot be

resisted by similar expedients under all circumstances. The unexpectedness of its place of origin, its direction or duration render it the most difficult and dangerous of all the foes of the pioneer. There are many parts of the Commonwealth where it seldom if ever appears and many more in which its range is narrow but over the interminable plains towards the Murray, or amid the forests of the ranges thick with dead timber, it always finds its prey. "Burning off" is a regular part of Australian husbandry, and the worst conflagrations often have their compensations, particularly in densely-wooded tracts, but they are awe-inspiring when magnitude and ferocity are mingled, as they were last week in the smitten districts of Eastern Australia, of which New South Wales as the centre was the severest sufferer.

THE EFFECTS OF THE CONFLAGRATION.

New Year's Day found Sydney stewing and the back country roasting. A tropical monsoon straying out of its course came southward and eastward, bringing with it the intense heat generated amid the sandy deserts at the centre of the continent. On the last day of the old year the highest thermometer registers known for many years were recorded as far south as Adelaide and in Riverina. The fine rains of last spring produced a splendid growth of grass in all the States. We had a dry winter and drier autumn, culminating last week in temperatures which baked tens of thousands of square miles of herbage almost to the condition of tinder. Only sparks were needed here and there, and these were soon supplied. Variable but strong winds, rising in the south to gales, fanned each spark into a blaze which as if by magic and without warning enveloped a whole district. The greenest and most improved portions of the territory were not exempt from minor attacks. So general was the condition fostering the fires that thousands of miles apart, from Queensland to Victoria, groups of haggard, perspiring, and desperate men and women were fighting them at the same time. Picturesque writers describe the plains when smitten by the scourge as turning at once and for one dreadful instant into a sea of flame that leaves nothing but funereal blackness in its rear. Travelling with the speed of an express train its waves leapt across roads, rivers, and cleared spaces at a bound. As the wind altered these twisted and turned towards other fields, and were at last happily extinguished under the heavy rains that followed the monsoon when it retreated northward to its home. As we recover breath from the sensational stories circulated, most of them in perfect good faith, by the people injured we find that after all but a small part of this State has been visited, and that despite the dreadful suddenness of the onset and the loneliness of thousands of homesteads life has been lost in but two or three instances. As a rule all stock were saved—one of the latest estimates of the damages puts them down at £150,000. Our neighbours were much more fortunate. If this be our only

outbreak for the season its effects will be trifling from every point of view except that of the unhappy families affected. Most have lost grass and fencing, a few some of their improvements, and a few their primitive homes. The Government has at once taken in hand the care of those whose means of subsistence has been destroyed. A public subscription will supplement its benevolence, and if well responded to will mitigate the force of the catastrophe to its victims. No more dreadfully sublime spectacle can be witnessed than that of the Australian bush ablaze for miles, its myriads of tongues of flame reddening the face of the earth and its background of clouds darkening the heavens. But the recuperation that follows seems almost as rapid. The new grass is springing under the caress of the rain, while the indomitable selector calmly resumes his hardly interrupted task of conquering its fruitful potencies. The bottom fact, as the Americans say, is that in this land of vicissitudes the rewards are proportionate to the risks, and that taking one year with another, in spite of all these hazards, farming and grazing pay handsomely. New lessons have to be learned—very unlike those taught in the Mother Country, but the precautions against fires which have carried many through the recent battle will, if adopted generally, remove or at least minimise destruction from the same cause in future. In the well-settled districts the damage was relatively inconsiderable, partly because many had prepared for the outbreak, but very largely because neighbours most gallantly and loyally stood by each other in the battle against the common enemy wherever it had fastened its fangs. Deeds of true heroism and dauntless devotion were numerous from north to south on New Year's Day.

THE WORKING OF THE ARBITRATION ACT.

What may become for New South Wales a more serious, protracted, and costly fight than this is now being waged between the northern coal mineowners and their miners. It promises to put our State Arbitration Act to its first thorough test. A reasonable analogy exists between the protection that measure promised against strikes and that which the various devices of our farmers afford against fire. It is not improbable that the first may fail us just as the second has done in our hour of trial, because the fire breaks were on too small a scale, though there were many places in which they were a success. Our Arbitration Court has succeeded so far in imposing obedience upon employers in a number of minor disputes, but now it is engaged in a real struggle for mastery with a very numerous dogged and united body of employees who seem resolved to ignore its decrees. Industrial strife may not be fomented by the Arbitration Act, but it is certainly advertised and not repressed among those employees who either have real grievances or believe that they can present their case as if they had. The Labour Party has taken these and the Act itself under its charge, but whether it can continue to endorse both much longer is now a very open question. It is at war with our State Supreme Court, and particularly its Chief Justice,

Sir **Frederick Darley**. His famous description of the Arbitration Act almost amounted to a denunciation, seeing that he defined it as a statute based upon a series of gross interferences with individual liberty. A motion by a **Labour member** referring to this part of his Honour's judgment as an attack on its policy, and declaring it to be "both unwarranted and unjustifiable", was defeated last month in our Assembly by thirty-two votes to twenty-two, three members of the late Ministry, headed by Mr. **Waddell**, joining the minority. Though this may be scored a victory to the Supreme Court it shortly afterwards sustained a decisive defeat. The **High Court reversed the judgment of our Bench**, declaring the Royal Commission appointed to inquire into the circumstances attending the dispute between the Shearers' Union, patronised by the sheepowners, and the Workers' Union, organised by their employees, which had not been, and perhaps could not be, finally adjudicated upon by the Supreme Court for technical reasons. Though the Arbitration Act was only incidentally in evidence in that case, and was interpreted by the High Court more strictly than by the Supreme Court when some of the judgments of the latter were challenged on appeal, the rejection of its ruling upsetting the Royal Commission was highly gratifying to the Labour Party. One of the High Court's limitations upon the power of our Arbitration Court forbade it to make a common rule applicable to the whole of those engaged in any calling simply because a dispute had been settled or an agreement filed between some of them. Sir **S. Griffith** and his colleagues held that unless a dispute affecting all of those concerned had been heard there could be no common rule applied to them. This provoked a deputation from the Sydney Labour Council asking that an Act should be passed validating common rules already granted, but their request has not been complied with. The net result of the High Court's decisions to date is to narrow very materially the Scope of the Arbitration Court, though their full bearing is as yet but partially appreciated.

COAL MINERS' GRIEVANCES.

Quite apart from these appeals to the High Court and the State Supreme Court the Arbitration Act has produced such a crop of disputes that before our Parliament rose there was a demand for the establishment of a second court. The Attorney-General, Mr. **Wade**, declined to accede to it, but promised to bring the complaints made of the congestion of business before the present court. Having done so, the court at once appointed a special sitting immediately after vacation to hear the most important case that had been long pending. This was between the coal miners of Newcastle and their employers, which since then appears to have passed beyond legal control. The miners have had their plaint set down for the last twenty months without being able to reach the judge, and may be pardoned if they have lost patience after such a delay. Not that they have lacked litigation in the meantime. They have had the meaning

of the agreement arrived at in 1893 between themselves and the owners argued on several occasions, as described in some detail in the *Morning Post* of November 24 last. It reappeared once more, and probably for the last time, before the court, at the end of December, when the miners made their last effort to defeat the reduction in the hewing rate of which the owners had given notice for the 1st of this month. A previous notice for an earlier date had been held bad, and the proprietors had loyally continued to pay the old rates, which they insist are more than the profits justify at present. The court a few days ago unanimously concurred that the current notice taking effect for 1905 was valid. The selling price of coal has fallen, and it is but fair that the hewing rate should bear a fair proportion to it from the day named. The fact that in this ruling Mr. Justice Cohen, the President, was supported by both his colleagues—Mr. Smith, the representative of the employees, as well as Mr. Wright, the representative of the employers—places the proprietors in a very strong position, to which the whole course of their proceedings has led up. They had been obedient to the decrees of the court, and were therefore entitled to its full assistance in enforcing a decree in their favour, or, more accurately, in refusing the injunction applied for by the employees in the first instance, and in obliging them to accept the legal notice of a reduction from last week.

INDUSTRIAL ARBITRATION.

There is still some doubt whether the miners will brave the court. Most of them if not all belong to an industrial union registered under the Act which makes them liable to penalties. The strike began with the “wheelers”, because their wages were lowered 10 per cent. These are in training to become miners, one of them being attached to about half a dozen miners. Like the drivers, water-balers, and other assistants of the miners, they are almost all outside the official “industrial” union. The authority of the court over those who are not members of a registered union is questioned by the wheelers, whether seriously or not. Most of them are lads or little more, without much sense of responsibility. Their turbulence has been a prolific cause of disturbances in the past, and at present they seem inclined to be more bellicose than ever. They propose to establish a new union, but not under the Arbitration Act, and are already threatening any miners who shall either take their places while they are on strike or employ substitutes at the new rate. Dealing with them will be a delicate matter for the court, while dealing with the miners must put to the proof the efficiency of the Act in a very conspicuous fashion. Some of the miners have already made the abstention of the wheelers an excuse for leaving their work. If they are not co-operating they are strongly sympathising with them. But they must make a choice and come out into the open to declare it. Either they will obey the law or not. The court has already heard an *ex parte* appeal on behalf of the owners. It has

granted an order directing the wheelmen, drivers, and other employees to resume work, or in default of their compliance that the miners should perform the work at the usual wages paid to them when transferred to the “shift” work usually done by the wheelers and their associate assistants. As the President said: “The court having as one of its objects the continuity of industrial operations would make the order as asked”. It had no other option. The whole purpose of the Act is to prevent strikes by enabling any disputants to refer their case to an impartial tribunal while they proceed with their ordinary occupations. On the last occasion but one the proprietors were refused the reductions asked for want of proper notice. They went on paying the higher rate as ordered. Now the men have lost, and instead of following the same precedent the hot-headed among them are throwing down their tools. It has always been said that the whole scheme of industrial arbitration would not be proved practicable until reductions were sought to be made under the sanction of the court. That is precisely the present issue. If the Act breaks down here it has broken down altogether. A court whose orders bind the masters but not the men could not be termed a Court of Justice no matter how independent a tribunal it was nor however conscientiously conducted. Only a few months ago it needed all the pressure of their leaders to induce the coal miners in the collieries affected to obey an unfavourable award. The struggle was only postponed then, and apparently has now commenced in earnest, though it is not yet too late for the miners to be guided as before by their leaders and legal advisers, all of whom are counselling submission. Twelve collieries are at this moment lying idle because of the action of the wheelmen. The miners may yet dissociate themselves from them and allow the law to take its course. Their strike is not yet overt nor universal—nor for the matter of that are the proprietors acting in complete unison, since some are working without enforcing the reduction that is being resisted elsewhere. Should the miners obey the court the Act will have triumphed. If they strike the penal clauses will be brought into play. These provide for fines which may not be paid, and for imprisonment which cannot be enforced against four thousand or six thousand men. We have no gaol accommodation of anything like the capacity required. If they turn “passive resisters” they can scarcely be coerced. If they become “active resisters” they will be still more formidable. In Sir Harry Parkes’s time the Militia and machine guns were once despatched to Newcastle. But then there was no Arbitration Act and no thought of judicial control. English experience has demonstrated the power and the unity of coal miners when once thoroughly aroused. If our new law is obeyed this incident will supply a demonstration of the value of industrial legislation to the doubters, of whom there are many. Their contention has been, and still is, that an Arbitration Court will always be impotent to impose reductions of wages or increases of hours upon large bodies of unwilling working men. It is in the public interest that strikes should be prohibited, but whether they shall be or not depends in the present instance upon the strikers.

FEDERATED AUSTRALIA.

TASMANIAN CONFERENCE.

COAL STRIKERS' TERMS.

TESTING THE ARBITRATION ACT.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Jan. 17 1905; Mar. 17 1905.

The interest in Federal affairs languishes as usual when State politics are attracting public attention in New South Wales, and presumably for the same reason languish elsewhere. We have rarely enough to spare for both at the same time, and during the holiday season less than enough for either. Add the heat wave, with its further exciting incidents in the country, and we find ourselves even while there is little stirring in Melbourne very indisposed to consider it, and criticising it only in a perfunctory way. The coming conference at Hobart between the Prime Minister and the Premiers of the States is the one live Federal topic in the papers. It is true that the Minister of Defence has constituted three new committees, which are to control the future evolution of our military and naval forces, but the departure has not been heralded with hope. The personnel of the committees has passed without challenge, and the policy they will pursue has yet to be explained. Last year the Minister himself condemned the very method he is now introducing. With the possible exception of Mr. Drake, the Vice-President of the Executive Council, who was Attorney-General in the Deakin Ministry when the present plan was first prepared, it is very doubtful whether Mr. Reid or any one of his colleagues would have supported it either then or now if they had been private members. Never has a great administrative change been made so casually by those who can be held responsible for it. Should it succeed they will claim the credit; but if it fails public recollection will be awakened with a reminder that their predecessors were really the authors of the scheme. The appointment of General Finn to the office of Inspector-General has been welcomed in this State, where he has always been stationed, and for several years past as Commandant. Whatever attention is given to the Commonwealth is centred in the conference in Tasmania, for which a notice paper of problems has been drafted that would occupy the whole of a long session of Parliament. As neither Prime Minister nor Premiers have any authority to do anything except discuss, a unanimous agreement on their part only paving the way to the seven Parliaments in which they require to obtain legislative sanction for their agreements,

the meeting, however successful, can deal with nothing but preliminaries. The omens are not encouraging. Mr. Reid has appealed to the Premiers not to carry out their avowed intention of holding a private caucus among themselves beforehand in order to arrive at a common understanding which will enable them to present a united front to the Prime Minister and Sir **George Turner**. The real character of the conference is prefigured in this precaution. Apart from this, and no matter what may be done or left undone, the principal events of its meetings will be the discovery whether either the Federal or local representatives are willing to yield to the other in respect to the terms on which the debts of the States are to be taken over by the federation, and their transferred properties paid for. A score of other issues will be submitted of all degrees of importance, but the financial are of such immense ultimate significance that they dwarf all the rest, many of which possess much immediate value. The temper of the Premiers so far as it has been expressed is touchy if not bellicose. Mr. Reid for want of better material is extremely anxious to make the gathering a success. He is in the mood for concessions, but his Parliament is not. His majority owes him no allegiance upon the questions in debate, which, when they come before them next session, will not be dealt with on party lines, but with a keen eye to Federal interests and opportunities. The struggle for mastery between the central and local legislatures, so often described in the *Morning Post*, will be renewed, and, perhaps, more clearly defined at the conference. Whatever happens, it will not be concluded.

QUEENSLAND SPECIAL SESSION.

The Queensland special session has proceeded smoothly up to its critical point. The Franchise Bill rejected last year has been repassed by the Assembly without amendment and favourably received in the Council, where it was formerly laid aside because no measure providing new electoral machinery accompanied its extension of the suffrage. It is now being held in hand while the Elections Bill demanded for the purpose of supplying the necessary provisions is under review in the same Chamber. It has already gone through a short but searching scrutiny during the committee stage in the Assembly, where the contingent vote, the postal vote, and the registration of votes having been debated by the Opposition unsuccessfully are now being rediscussed in the Council, where a majority are pressing the same views. The crucial question for the Council is to what extent it shall accept the verdict of the country given at the recent general election in the shape of a decisive vote of confidence in the **Morgan** coalition and its platform. Adult suffrage, a new electoral procedure, and a redistribution of seats were all submitted to the electors in the clearest manner as the chief items of the Ministerial menu and generally agreed to by members of all parties. To refuse now to consent to these in a reasonable form would mean a challenge to the Government either to create a number of new councillors sufficient to secure a majority in the

Second Chamber or to dissolve upon a definite proposal to substitute an elective chamber for the present nominee House. If these perils are to be avoided the Council must confine itself to amendments mitigating the severity of the reforms desired by Ministerialists, and in all probability this is the course that will be followed. What the breaking strain will be among the resisting majority in the Council when the Government puts down its foot and insists upon having its way cannot be forecasted at present. The manner in which the situation was mishandled some months ago made the Union between the Premier and the Labour Party solid; and though complaints are loud from the extremists of its caucus they are still far from condemning the Cabinet. In Western Australia, where the whole Ministry consists of Labour members, one of the principal branches of its organisation in Perth has solemnly condemned its own Premier and all his works. A most explicit motion of censure has been recorded against him and his colleagues on the ground that they have been false to all their principles. What is to follow the denunciation does not yet appear, but if the position is not unwisely interfered with the Labour Party there may probably break in pieces. This might have been the result in Queensland if Mr. Morgan had been granted the dissolution to which he was entitled in the first instance before the consolidation of his forces was accomplished for him by an unconstitutional refusal of an appeal to the constituencies. Unless the Council is careful now it may repeat the same mistake. The ranks of the local Labour Party are far from content with their representatives in the Government. A breach between their moderates and extremists is possible soon. But between their caucus as a whole and Mr. Morgan's Liberals it is probable now, and almost certain when the batch of electoral Bills has been finally dealt with.

ARBITRATION ACTS.

But none of the events or anticipations current in Melbourne or Brisbane, Federal or State, can be compared in general interest with the occurrences in New South Wales. An *Irrigation Conference* has been opened by Ministers with optimistic views of canals and storages on a vast scale. Our Arbitration Act, though but a temporary measure expiring by effluxion of time early in 1908, is being weighed in the balance, and if found wanting will certainly not be renewed in its present shape, and may be amended presently. Indeed, in any case a new Bill dealing with this subject will run the gauntlet much more anxiously than when Mr. *Wise's* eloquence on its behalf prevailed. He had unbounded faith in the new principle, and also a desire to dish the Opposition in an Assembly then led by Mr. Reid, which motives being shared by the majority in the Assembly enabled Sir *William Lyne* to place our present Act upon the Statute Book. The alliance which kept him in power by the votes of the Labour Party saddled New South Wales with old age pensions and an Arbitration Court. Whether necessities or luxuries both have been expensive innovations. The way in which the

latter law has operated here and in Western Australia had its effect upon the Federal measure recently made law. Some restrictions were imposed upon the granting of preferences and upon the political activities of industrial unions that have no parallels in our Act. Mr. Carruthers's programme at our late elections contained pledges that these and other amendments of a cautionary character would be introduced into our State law at the first opportunity. The lessons we are now learning in Newcastle will lead us further still, and if enforced by a lawless defiance of the Act in Newcastle may bring about a transformation of its character perhaps almost amounting to a repeal. The nature of the Act has been tardily made plain. An interesting decision in the New Zealand Supreme Court repeats in a more guarded tone and in judicial language the substance of Chief Justice Sir Frederick's judgment some months ago. With extra-judicial warmth he then pronounced our Act to be a restraint of individual liberty, and therefore needing to be construed with rigour so as to give effect to no encroachment not specifically authorised in its text. It is not a "preference" within the meaning of the New Zealand Act to retain a non-unionist employee while dismissing a fellow workman who is a unionist. This interpretation will hold good in New South Wales for the future, and also in any Federal disputes that may come before the Commonwealth Court when it is constituted. Some steps are now being taken by Sir Josiah Symon to bring it into being, but no hint of any desire to send complaints to it has yet been heard. Mr. Watson and his following continue to denounce its restrictions, and while this is the case few if any of their unions are likely to register under it. They cannot set the court in motion until they do. It is too early to say whether all of them will persist in standing aloof, but there are several indications of a determined abstinence of the workmen. The natural effect of their passivity would be either to postpone or entirely prevent any advantage being taken of the famous Federal measure which wrecked two Ministries and hastened the reformation of a third. Upon our own arbitration law, and upon all of a like nature in Australia, very probably upon the parent measure in New Zealand as well, the present conflict at Newcastle seems likely to exercise a profound influence. This may prove hostile to the developments of those peaceful means of forbidding strikes and determining industrial disputes from which so much has been hoped throughout Australasia.

THE CASE OF THE MINERS.

In point of fact the strike described in my previous letter continues exactly as it was. The three or four hundred wheelmen refuse to work under a 10 per cent. reduction, which means less than one shilling a day. Most of them being outside the unions argue that they are not amenable to our Arbitration Court. The coal-miners, also reduced in their hewing rate, almost the whole of whom are members of industrial unions, have also ceased work, not ostensibly because of their pay but on the ground that they are

not provided with wheelers and that they cannot be expected to do wheelers' work. In Newcastle and Maitland the coal output has only diminished by about a third. The southern collieries and a few others remain open. From these the railways and shipping obtain supplies, though a certain number of steamers is idle. The proprietors affected, practically without exception, remain firm to their new schedule of hewing rates reduced in proportion to the selling price fixed from January 1. The price of our coal in the neighbouring States has not yet been raised, but its foreign export has altogether ceased. Of course, every strike spells loss. In that now existing the owners' capital is lying idle, and the miners are without wages or reserve funds sufficient for strike pay. Coal consumers, and especially manufacturers, will suffer as much as the men. Though entirely without resources for a prolonged campaign the latter have remained obdurate until now. The order made against the miners in the Arbitration Court was that they should all return to their own work while such of them as were directed should act as wheelers for the time being. They have sullenly disobeyed both commands, and that without making any attempt to put themselves right with that tribunal or the public. The order against them being *ex parte* the court was open to them if they wished to put their case. Instead of doing so they deliberately passed it by and appealed over its head to our State Supreme Court. By this means they, too, upon an *ex parte* representation, obtained a stay of all proceedings until our full court meets after the vacation in the middle of February. In the meantime the Arbitration Court granted to counsel appearing on behalf of the **Attorney-General** leave to proceed against certain individual miners, wheelers, and others, not because of any breach of its former order challenged in the Supreme Court but on the ground that by striking they had violated a section of the Act prohibiting all strikes during the pendency of any proceedings before the Arbitration Court relating to them. Recently twenty summonses were issued against prominent miners and wheelers. The districts affected are quiet. Their trade has been seriously injured, and the shopkeepers are particularly embarrassed by the impoverishment of their chief customers. Nevertheless, up to the present there has never been a great coal strike in New South Wales so much confined to its own area, and of which the consequences fell so immediately upon those engaged in it.

POSSIBLE TERMS OF SETTLEMENT.

The one hope of its cessation lies partly in these conditions, but the various endeavours to bring about a treaty of peace at first proceeded quite independently of the Court, whose official duties provide for conciliation as well as arbitration. The indirect influence of the Act is of course a most potent element in the pressure placed upon the men, but its highest interpreter and agent, the court, has so far been ignored or evaded. Always unpopular with the coalminers, its prestige has been assailed by them indirectly and by the less experienced wheelers directly at the very

time when its services ought to have been most valuable. In spite of this antagonism, doubly unjustifiable from those who clamour for arbitration, the Act and the court taken together must be credited with exercising a new and effective control over public opinion at large which has paralysed the active assistance of all other unions in this State and throughout Australia. Not a finger is being lifted on behalf of the strikers, not a penny is being voted for their sustenance, not a single speech has been made on their behalf by any Labour leader in or out of politics. The champions of arbitration cannot stultify themselves by any connection with those who are defying its principle and attempting to defeat its tribunal. However futile the police prosecutions about to be heard may prove, and must prove if they are to embrace all those who have laid down their tools, the Arbitration Act has at least isolated them and their quarrel, separating them and their cause from their own comrades in other trades as well as from the rest of the community. Such a spectacle has never before been witnessed in this State or in the Commonwealth, where the solidarity of trade unionists has extended and intensified many strikes that would have been comparatively innocuous if left to themselves. It cannot fail to influence the miners, who for the first time find their conduct gravely questioned by those of their own class. A final attempt to bring them back to reason is now afoot with fair prospects of success. The special sitting of the Arbitration Court is proposed to be held within the next fortnight on the miners and wheelers at once resuming work in the hope that its decision can be obtained before the next fortnightly pay-day comes. The pay received would then be regulated by that decision. Such a submission as this would place the court upon a pedestal from which it could probably exercise a most salutary authority for the future over the workmen in the coal trade, always most unstable and independent in their dealings with their employers. At present this is merely a proposal, but it has the open endorsement of our Government, which is willing to postpone the hearing of the prosecutions. It probably has the quiet endorsement of the chief trades unionists and Labour members in touch with them, and has therefore excellent prospects of success. The immediate stumbling-block is the little body of wheelers who, without organisation, and many of them youths and of irresponsible age, have been busily endeavouring to increase the area of conflict. Visions of a great general strike involving the whole coal industry have floated before them, with the whole community brought to its knees by their daring. But, of course, without the tacit support of the coalminers arising out of the general resolve to resist reductions, they would have been speedily swept aside. The new suggestion is so fair that they will hardly be allowed to block its adoption. The real issue will then be delayed until the court fixes the new rates of pay. If these are the lower wages now being fought against the crisis will have come in an acute form. Will they be accepted? By their answer our Act must either stand or fall and our Arbitration Court must either triumph or fail. The principle of settling industrial disputes by means of arbitrament will then sustain the severest test to which it has been exposed in Australasia.

FEDERATED AUSTRALIA.

THE WATER CONFERENCE. CALL FOR PROMPT ACTION. STRIKERS AND ARBITRATION ACT.

FROM OUR SYDNEY CORRESPONDENT.
[Jan. 24? 1905]; Mar. 20 1905.

Our conference on **water conservation and irrigation** in New South Wales has been held in the Town Hall, where over a hundred representative men and delegates from local bodies assembled in response to a Government invitation. They were harangued at length by the Minister of Public Works, Mr. **Lee**, who presided because his department is charged with the administration of waterworks, and by the Premier, Mr. **Carruthers**. The guests then addressed each other for three days upon the several aspects of the query "How we can best utilise our streams and possible storages". Mr. **Watson**, the leader of the Labour Party, and his ally, Sir **William Lyne**, who represent large and deeply interested constituencies, joined in the discussion, though not officially, since the Commonwealth has control of navigation alone, while each State is guaranteed by the Constitution a reasonable use of its own streams for purposes of irrigation. The themes of the discussions were trite and the resolutions passed commonplace. A notice of the meeting might close there, were it not for the extreme importance of the whole question in all its ramifications to the people of New South Wales and of the sister States. The manner in which the supply available from the Murray and its tributaries is to be distributed is to be reconsidered during the forthcoming Hobart conference at a special meeting between the **Prime Minister** and the Premiers of **Victoria** and **South Australia**. The conference in Sydney was intended to serve as a preliminary to it and to a vigorous policy afterwards by furnishing Mr. Carruthers with the opinions of a body of men qualified to express the views of the districts most affected in this State. If these were its real or sole motives the gathering must be pronounced a failure. Its chief puzzle was to ascertain the legal right of our settlers to impound either the ordinary flow or floods of rivers which pass beside Victoria and debouch into South Australia. Here the conference received some information, though it could give none. The next puzzle was what allotment of the cost and management of any works constructed for saving or diverting water should be made between the State Department, on the one hand, and any local

bodies elected to conserve the interests of the landowners on the other. There were debates upon this head, it is true, but the only results were some expressions of individual opinions. The politicians in whose hands the decision will lie certainly learned nothing that they did not know already. The schemes in view were described in some detail by the Minister for Public Works, who communicated a good deal of information, some of it new, to the members of the conference. A few country people who have practised irrigation once more recounted its advantages, of which there is no dispute. That was the sum and substance of their labours. It is safe to say that as a means of preparing Mr. Carruthers for Hobart or furthering the actual development of our water resources their efforts were fruitless, and were bound to be fruitless from the inception. If regarded as merely a political device to advertise the sympathies of the new Ministry and to enable it to pose before the country as earnest and practical in its intentions its success was but trifling. So often has the same word of promise been kept to the ear and broken to the hope.

THE EFFECT OF THE GATHERING.

The value of the meeting, whatever it was, consisted in any assistance it may have given to the education of the public. Suspicious and therefore possibly inattentive as we have become by a series of political discouragements and repeated disappointments, the *éclat* given to the conference by the speeches of Ministers will, it is hoped, attract the notice of some of the indifferent and sceptical. For the last twenty years at least there has been no more facile means of catching a cheer at a public meeting than by an allusion to the wicked wastefulness that permits the priceless waters of our interior to roll idly by our parched lands, to lose themselves in the oblivious ocean. Water conservation, like local government, has been a stock subject in all party programmes, yet it has remained, and still remains, unprovided for by any statute of note. New South Welshmen may therefore be forgiven if they take but a languid heed of these old devices when they are once more launched for tactical purposes. Yet there were parts of Mr. Lee's opening address standing out from the numerous hackneyed passages that have often done duty before which ought to secure a hearing from all thoughtful citizens. If New South Wales has no waterworks worth speaking of except for town supply and no irrigation worth mentioning that is not in private hands we have been steadily surveying our far-spreading plains and planning the engineering enterprises that ought to bring them a prosperity better safeguarded against the seasons than any they have hitherto enjoyed. One dam projected in the south, 200ft. high, would be able to retain 30,000,000,000 cubic feet of water, half as much again as our harbour, and covering an area of 13 square miles. What this gigantic work would cost or what period it would take to fill is not stated, but a fraction of it, embracing 126,000 acres near Narrandera, is to be put in hand, which will be served by two canals, the one 77

and the other 97 miles in length from their off-takes. The size of this undertaking, together with the fact that the whole cost is to be borne by the lands benefited, ought to commend it everywhere. The joint storage upon the Murray proposed to be carried out in partnership with Victoria is more ambitious still, as it will feed channels capable of watering nearly 1,000,000 acres this side of the border. We are able to deal with projects like that at Narrandera under the Water and Drainage Act now in force, but cannot deal with it or any other diversion within our western watershed without provoking the inquiry as to what are our riparian rights. Victoria, without waiting to learn her legal position, has been drawing supplies from the Murray for years, and is now carrying out a great extension of her already large drain upon its tributaries. She has acted while her sister colonies looked on, theorised, or protested, according to their moods. Neither New South Wales nor South Australia, as States, have grappled with their opportunities in fact, and apparently are only too likely to commence grappling with each other at law before they attempt to water their arid lands.

MR. CARRUTHERS'S SPEECH.

If Mr. Carruthers really desired assistance from his Sydney conference it was to say the least premature on his part to commit himself to an express policy at the very opening of its proceedings. His speech followed that of Mr. Lee on the first day of meeting and amounted to a pronouncement. It was not as a lawyer but as a bellicose Premier that he touched upon the riparian issues. It was as Treasurer that he outlined the cost of the schemes in sight, but certainly not as the economical reformer of the late election. He was indiscreet in both characters. No one wished him to adopt as his own the concession as to the Murray waters accepted by Sir John See, Mr. Irvine, and Mr. Jenkins, but there was no necessity for him to repudiate it point-blank before he has paid the Premier of South Australia the compliment of hearing his views. The conference assembled in order to be consulted, but before its members had opened their mouths they learned from their convener the cut-and-dried policy of the Government, and listened to what was equivalent to a declaration of war against our aggrieved fellow citizens to the west through whose territory the Murray runs. Nor was it judicious for a Treasurer to insist that it would be advisable for us to buy outright for a fixed sum any riparian rights South Australia may own rather than impede our irrigation in Riverina and its neighbourhood. Perhaps it is, but what was gained by a premature announcement of this kind to a State that will either refuse to sell or raise its price in proportion to our need? His climax was reached when he asserted that the works already in view in New South Wales would cost “ten millions of money”—a sum, as he confessed, not easy to get, but which, he said, would have to be found. He thought the local market could and should provide the amount or

a large part of it, and he particularly looked to the private owners for whose benefit the outlay would be undertaken. How many more millions are to be added in order to buy out South Australia's rights, if she has any, he did not conjecture, but the manner in which he spoke of assuming responsibilities of this magnitude was neither businesslike nor statesmanlike at this juncture. It may well be that his intention is to go slowly and cautiously to work, making every step sure before he essays another, but it must be admitted that the success of his £2,000,000 loan or some other insufficient cause led him into a rashness of utterance that will occasion him and his colleagues a great deal of trouble in the near future. So far as can be guessed he has gained nothing by his outburst. Not even our Legislature will face such an expenditure as he points to or anything like it. The profitableness of a wise investment on water conservation no Australian will dispute. At the same time, all but the most valorous State Socialists will admit that huge disbursements of public money even for the very best ends are certain to spell wastefulness when undertaken wholesale. The example of Victoria is before us, and Mr. Lee promised that we should take warning by her example. No doubt we may, but it will be either because our Premier explains away his reckless speech of last week or because his supporters will refuse their sanction to any extravagant ventures involving the public credit of New South Wales.

THE RESOLUTIONS.

The first resolution at the conference, which was moved by the Minister for Works, affirmed the necessity for prompt action by the Government to carry out a comprehensive scheme of water conservation and irrigation and to "protect our State rights on the Murray and its tributaries". It was next agreed that in the event of the Government failing to act within a reasonable time private enterprise should be encouraged to proceed with any neglected works, a right of resumption remaining in the Crown. It was then quite superfluously resolved that irrigation benefited both pasture and agriculture, and that artesian supplies should be used. After this contentious subjects were introduced. The owners on the lower part of the rivers sought to limit the powers of taking water of those above them by demanding the preservation of the average minimum flow of the last twenty years and provision for the free passage of river shipping. This was stoutly resisted by up-stream owners and by the chief traffic manager of the railways, who contended that the State having already spent £250,000 on snagging rivers without any return, and £1,000,000 on railways involving a loss of £50,000 a year, it was vain to attempt to bolster up the river trade against railway competition, and also injurious to the revenue of the State. The outcome was a colourless resolution favouring some undefined protection of those living on the lower reaches. The report of the engineers of the three States concerned

in the Murray was declared to mark the utmost concession to be made by New South Wales, with an addendum that South Australia must pay her share of any works for the maintenance of navigation. This was deemed of very secondary importance when compared with irrigation, and the compensation of those engaged in the river trade was approved as a final resort. A recommendation that the States affected should each pass an Act endorsing any agreement arrived at affecting the Murray and then refer the matter to the Commonwealth concluded the sittings. A legal opinion from the *Attorney-General* admitted that Victoria by her use of water had obtained a moral or equitable interest of some kind, but alleged that South Australia did not stand in any higher position than a foreign country receiving a river which passed through a neighbouring State. It cannot be said that the speeches at the conference contributed any original knowledge or experience, or that the resolutions mean anything in particular. They were only passed by the evasion of all difficulties and conflicts of interest. There are many of both. Nevertheless, this repetition of the main conditions of country water supply is part of that education of the electors without which nothing is possible in the way of legislation. The question is so all important to southern New South Wales that any assistance, no matter how small, to the movement towards an adequate effort to conserve and apply our rainfall is worth a great price. The conference is not to be regretted, futile as its conglomerate proceedings proved. To overseas readers its whole purpose and performance may seem inconsiderable, but to the people of a large part of Australia the issue redebated involves to thousands ruin or comfort, prosperity or exodus. We shall never know the wealth of our western plains until the amazing reductions in the rents of Crown tenants lately authorised shall have encouraged their lessees to take up arms against a siege of rabbits, and by effectively opposing end them, so we shall never know the wealth lying dormant beside our watercourses until they are bitted and bridled to the service of the present settlers on their banks, whose numbers can be multiplied tenfold wherever a sufficient flow can be assured. When Mr. Carruthers spoke of spending £10,000,000 upon public works of this character he had abundant justification so far as that great total is concerned in the fact that we have lost altogether an equal sum in successive droughts in this one State. If we owed nothing else it might be wise to run to the market at once to borrow for this purpose, but, having in view our existing obligations and the losses involved in many of our investments, even water supply, vital as it is to so great an area, must be thoughtfully, thriftily, and carefully entered upon, and then slowly but surely persisted with until we have reached the bounds of reasonable development.

COAL STRIKERS' TACTICS.

After all, our Arbitration Act is justifying itself to a very large extent by the restraint which it is exercising in a strangely impalpable fashion upon the strikers. To the reckless wheelers three weeks ago the invisibility of its influence made it appear beneath notice. They flouted the law, mocked the court, and decided for a union of their own independent of both, and enforcing its will so far as it could in the old-fashioned way. That 300 or 400 youths or older hands not fit to be miners should throw 4,000 or 5,000 men and a number of splendid collieries out of work seemed to them a perfectly legitimate mode of getting their own way. No matter how many manufactories were closed, how many steamers laid up, or how many households driven into debt, they were content to penalise anybody or everybody, and the more the better for their purpose, in order through the losses of others to coerce their own employers. The public has previously sympathised with strikers, in some instances even while it suffered by their tactics. Their fellow employees always subscribed liberally to enable them to prolong their battle. To the intense surprise of the wheelers to-day this customary sequence of events has not occurred. They find themselves cut off both from public sympathy and the aid of trade unions. The miners, who at first were foolishly inclined to egg them on, pretending that they were compelled to stand idle in the absence of their assistance, are now turning against them too. Pressure upon these more responsible unionists from the outside makes them anxious to shift the blame for their blunder upon the shoulders of the wheelers, who are consequently beginning to waver themselves. They are out of the boastful stage and entering upon that of penitence. A formal request for a conference preferred on behalf of wheelers and miners has been refused by the proprietors, who can legitimately take this course now that an impartial tribunal is at hand competent and ready to hear their cause. It might have been a judicious and graceful act of theirs to have met the employees in order to explain the new situation to them, since a refusal to meet them under the conditions that obtained prior to the passing of the Act was always deemed a sign of weakness. But beyond an explanation nothing could have been done at such a meeting. To have argued about the terms of any agreement, old or new, would have derogated from the supremacy of the court specially created to hear and determine all industrial disputes. Doubtless it was for this reason that the employers' refusal was prompt and firm. In any case the meeting was unnecessary, and must have been resultless. An appeal has been made to the Arbitration Court, which the strikers wished to ignore, and it has now been proved to them that they are not capable of ignoring it. They have challenged the legality of its intervention in our Supreme Court on a variety of technical grounds, as they were entitled to do. But instead of

continuing at work until their own appeal over its head was dealt with they have chosen to strike, and thus to defy the Arbitration Court as well as their employers. From that moment they were severed from the rest of the working class world. Their own class shrank from such a violent blow at the principles of industrial justice. A fair hearing before independent judges, one of them selected by the employees, and all of them freed from the subtleties and intricacies of lawyers' law, has become the ideal method of preventing strikes and settling grievances. There is some doubt whether the several powers to prosecute those who revolt against the decrees of such a court is of much value against an army of workmen guilty of contempt, but there seems to be little doubt now of their efficacy when they have the sanction of the community to support them. All that is now directly at stake is a cessation of the strike until the court gives its judgment, but indirectly the question is whether the Act can be sustained. Should that judgment authorise a reduction of wages the Act will be exposed to the severest strain it has yet encountered. Should a reduction be accepted by the miners it will be not on account of the penalties police magistrates may impose upon them, but because the silent verdict of public opinion is that this Court of Justice, like every other, must be obeyed.

FEDERATED AUSTRALIA.

QUEENSLAND SESSION CLOSED.

END OF THE COAL STRIKE.

THE CARRIAGE OF MAILS.

FROM OUR SYDNEY CORRESPONDENT.

[Jan. 31 1905]; Mar. 23 1905.

The Queensland Session is over, the Morgan Ministry is triumphant, its Franchise and Elections Bills are now the law of the State. The sittings were orderly. The Government majority remained solid in the Assembly, while the majority adverse to them in the Council wisely contented itself with insisting upon practical amendments to which the Premier with equal judgment consented gracefully. The Labour Party had no special exhilaration at the outcome, for though substantial progress has been made towards the legalisation of its principal demands many of those to which it clung with despairing fidelity have been sacrificed upon the altar of the Upper House. With its members it is always the changes most dreaded or resisted by their opponents that are most eagerly desired because of the ineradicable suspicions of the caucus that these are the surest symptoms of the value of the rejected propositions. It could not avoid a certain strain upon its ultras. One attempt at open mutiny in the ranks has already occurred, and others are expected to follow, though the greater number of the caucus are contented for the present with the measures passed. A Redistribution of Seats Bill may be looked for next session, and after that a probable redistribution of power in the House by means of a general election. This will result in a heavier Labour vote if the cautious tactics of Mr. Morgan are continued, but not otherwise. The successes of the session are his, and not those of the caucus. His control of its members has been sufficient to prevent them from kicking over the traces, and in consequence every pound of energy has been employed in pulling his bills through instead of jeopardising them for fads or minor amendments. The Council, had it been better advised last session, could have achieved more than it has done with the Elections Bill in this Parliament with the verdict of the people tying its hands. Allowing itself to be used for the benefit of the late Ministry it only succeeded in irretrievably wrecking its fortunes and hampering its own power. The Governor who misjudged the situation has gone, and happily Sir Hugh Nelson, who acts in his place, has been able to employ a steady influence in bringing both branches

of his Legislature into accord. The view which reconciles the Labour Party to his occupancy of the Viceregal Chair, is shown by a dictum from its official newspaper which recently rejoiced because "with no imported Governor to maintain the slender connection with Great Britain, Queensland is now practically a Republican State". That so preposterous an opinion could be published is an evidence, if any were required, of the utter ignorance of the men who are prepared to repudiate Mr. Morgan, and would have done so long since if they could have pricked his Labour supporters into secession. There has been no change whatever. The Governor-General remains, the Governor's authority is undiminished, and the King has no more loyal subject or constitutional representative than the present Lieutenant-Governor. It is true that he is a resident of Australia instead of Great Britain, and that he occupies his post but temporarily. These two circumstances detract somewhat from his personal prestige; but they do no more, and are not entirely without compensations in the great confidence and high regard he has acquired during his long and eminent career. The shallowness of the criticism, however, is an useful index of the ignorance of those who assume the position of instructing the rank and file of the Labour voters in Queensland. Mr. Morgan's achievement with such an army becomes remarkable as well as praiseworthy in the light of these revelations of obtuseness.

THE CONTINGENT VOTE.

The Elections and Franchise Bills as they left the Assembly fulfilled the ambitions of its majority, and with a few minor exceptions those of the Labour members who compose a majority of that majority. Adult suffrage, one vote for everyone and not more than a vote for anyone, no exclusion from the rolls of paupers or persons guilty of repeating offences against the law, a new power of voting through the post, and the easiest means devisable to allow all aspirants to register as electors were among its noteworthy features. For some rather mysterious reasons what is known as "the contingent vote" has become unpopular with the Labour Leagues, and consequently it was prohibited for the future. All this device achieved was to allow an elector to name a second candidate, so that if the man who headed the poll at a first count did not obtain a majority of the suffrages recorded, there was a recount at which the votes cast for the lowest on the poll were divided according to the second choice marked in the papers. This process was repeated until one of the candidates obtained more than half the total votes. The Council was not expected to exhibit much sympathy with these radical departures, and by way of suggesting as much began by rejecting almost the whole of them. It offered instead manhood suffrage, with a vote for property, restoring the contingent vote, refusing to allow the post-office to be employed, and disqualifying undesirable classes of electors. The Premier met these drastic alterations of his measure with an equanimity that implied that they were not unexpected and

perhaps not altogether undesired. He persuaded his followers to make a number of concessions, with a view to saving the rest of his scheme. It cannot be complained that the Council were much softened by his advances. At all events, they treated them rather as signs of weakness than as gratuities of strength. They declined to be coaxed out of their objections to most of the panaceas proposed, and apparently their diagnosis of the opinion of the popular Chamber was correct, since they had their way in a number of particulars. The Act as passed is now Liberal rather than Radical in method and is more likely to endure on that account. But it is wholly Radical in principle. Queensland is now quite abreast of the most progressive States since she confers the franchise upon the whole of her population of both sexes, and that with absolute equality of voting power—more than this it is not possible for any community to ask or to receive. Australian experience long ago dissipated the hopes and fears of the suffragists by proving that extensions of the electoral franchise make little or no difference either in the strength of parties or in the calibre of the representatives. When all has been given that can be given in the way of electoral privileges a cause of friction has been removed and that is all.

AN HISTORICAL COAL STRIKE.

Our New South Wales coal strike, or rather our last coal strike, has ended. Though it was one of the shortest, simplest, and quietest we have known, it may yet become historic. It may even prove the last strike we shall ever witness if our workpeople henceforward accept the principle of arbitration. That will not be demonstrated beyond all doubt unless the court which is to sit immediately to hear the dispute between the proprietors of the mines and their employees relating to the rates of pay shall decide in favour of the former and authorise the reduction which they have notified. If the always belligerent miners submit to that we need have little fear that any other class of labour will venture to challenge the court to a trial of strength. The strike just over has exhibited the influence of the Arbitration Act in a most impressive manner. Without it probably a sympathetic extension of the dispute would have stretched from pit to pit, involving perhaps the whole of our coal measures. It would next probably affect other trades entirely unconnected with the dispute, whose members would cease work in order to heighten the public pressure upon the coal mine owners. Our whole State, and more than our own State, might have become involved in a controversy in which the sufferers had no actual part. We have been spared this catastrophe and also the risks of violence and the need for its forcible repression. In our experience police intervention prolongs where it does not heighten the bitterness occasioned in homes without food and among men left idle day after day. This time, too, the men have been beaten and badly beaten at every stage and all along the line. The impudent young wheelers have had to eat their own words, to go

back seeking the work they left without having had their protest received or heard, and they have to remain targets for the reproaches of those whom they intended to have forced into victory but only managed to entangle in the shame of their defeat. The miners who were willing enough that the wheelers should make the pace for them and take the responsibility of the strike find themselves cold-shouldered by their own class and disunited among themselves. It will be a long time before they will be tempted into a similar cul-de-sac again. The Arbitration Court at which their leaders have publicly mocked and at the Act behind it which was to be broken and bent into a fresh shape to suit them have been upheld by the sympathy and understanding of the public and of their own political leaders in the Labour Party. Whatever their deficiencies they have proved to be beyond the reach of the unruly rebels who grandiloquently proclaimed that they intended to be a law unto themselves.

ARBITRATION ACT TRIUMPHANT.

Our employers have never favoured the Act, have always hoped that it would be overthrown by the employees, and have only obeyed it because they were anxious to cast the responsibility of torpedoing it upon them. During the late struggle they sat quite at their ease, content to invoke the court at every turn, and thus to put its powers of coercion to the severest possible tests in the quickest possible time. Had the men revolted they would have been relieved from the control of the Act, which would certainly have been repealed as a failure. On the other hand, if the men obeyed it they would have the reductions which they had insisted on making carried out peacefully under the court's behest. The *Sydney Daily Telegraph*, which represents the more aggressive among the employers, has endeavoured to bring about an open war by urging the Government to use its police powers in the most peremptory way and by attacking the Labour leaders for their silence. Happily the design was too palpable. The State has not become embroiled, and the Labour managers have conducted their chloroforming of the ringleaders of the strike behind the scenes instead of in the highways and byways. Peace has been maintained. The position, therefore, is that the employers have used the Act hoping it would be broken down, while the employees have defied it and attempted to break it down. Both have failed, because the public stood to its support, the Labour leaders aiding them either because they had been committed by their frequent speeches in its favour, or because they believed it to be the best means available of ending industrial strife. The Act and the court, therefore, survive in spite of the covert and open assaults from the suitors on both sides. The strikers already summoned and committed for trial because they ceased work while a dispute was pending will be dealt with shortly. We shall then know to what degree the majesty of the law can be vindicated against recalcitrant individuals who are disobedient to its prohibitions. Some light will be thrown upon the machinery by

which the measure is to be enforced when the court itself takes up the vexed question of the hewing rate to be fixed for this year. It can make increases as it has made them before without much ado. It must be able to make decreases and to insist upon those whose earnings are reduced continuing at their trades. The court, not the employees nor the employers, is in future to determine industrial disputes about hours, wages, rates, or conditions of pay. Those directly concerned may put their case and argue or debate it, but they have no longer any right to settle it except by a mutual agreement formally and publicly registered. Whatever matter they fail to agree upon falls within the jurisdiction of the court and could only be dealt with apart from it by mutual consent. Each employer and employee must agree with his adversary quickly while he is in the way with him, unless he wishes to find his case taken out of his hands and decided for him. He may, perhaps, find himself cast into prison if he be not very prompt in obeying the decree.

THE MAIL CONTRACTS.

All Australia is watching with the most lively interest the marches and counter-marches of the Postmaster-General, Mr. **Sydney Smith**, in his attempt to coax a new contract out of the Orient Company upon about the same terms as heretofore. Everyone sees that Sir **Edmund Barton** committed a grave mistake when he gave notice to the P. and O. and Orient Companies of the termination of their mail contracts. They could have been allowed to run on for another two years to the advantage of both parties. A new contract if necessary could have been carefully drawn up in the meantime, and at least the present most foolish deadlock avoided. That is, it would have been if the companies had submitted to the option of the Commonwealth for its extension, as apparently they must have done. The initial mistake was made when Mr. **Drake**, now Vice-President of the Executive Council, was at the head of the Post Office in the first Federal Ministry. Sir **Philip Fysh**, who succeeded him when the **Deakin** Administration was formed, exhausted himself in his vain efforts to find a way out. We have drifted hopelessly along until now, for the first time, Australia is left without a contract mail via the Suez Canal. The P. and O. and Orient boats will still run, and the lines via Canada and the Cape, of course, continue in operation, but once free from the conditions of tender the great steamers working by way of the Red Sea, upon which we have relied for regular communication with Europe will, of course, be governed by commercial considerations only. It is questionable whether the Orient ships will continue to call at Adelaide, and it is not impossible that now and then one of the number might miss Perth. All that the Postmaster-General has to offer is a list of the steamers bound for Great Britain with their advertised dates of departure so far as they think fit to adhere to them. Business men are naturally extremely exasperated at this retrogression from the conveniences

they have enjoyed for many years past. They are invited to make greater use of the cables, but counsels of this kind are mere excuses for the temporising methods which have brought us to this pass. When the Labour Ministry was in power there was no anxiety displayed to heal the breach between the Government and the companies. The P. and O. Company was excluded from tendering because its vessels are manned by Lascars, but since Mr. Reid assumed office every endeavour has been employed to obtain a new contract with the Orient Company. With them the question was not as to the colour of the seamen but the quantity of the cash. Its managers protested that they had been fulfilling their old engagements at a loss, and that an advance of not less than 50 per cent. would be stipulated for any renewal. The Federal authorities professed to renew. The Federal authorities professed to be, and perhaps were, taken by surprise at this unforeseen consequence of their denunciation of the old contract. Their independent course seems to have been founded upon the assumption that if the worst came to the worst they could always fall back upon the long-standing contract with these steamers and the last rates of remuneration accepted. Since he has been awakened from this comfortable delusion the Postmaster-General has buzzed very busily about the subject day after day, until he now finds himself stranded, with the prospect of only a casual series of mails by all sorts of carriers in place of the punctual and efficient service of the past. The mistake has arisen owing to a quite undue sense of the importance of our subsidy to the great maritime undertakings of the present day. The bonuses granted by foreign Powers are in several instances much larger than the contract payments we have been making. The P. and O. is indifferent, being indemnified by its Asiatic trade and Imperial contracts. Apparently it will make no effort to enter into fresh arrangements with us. The Orient Company, less prosperous and more eager to do business, does not consider our terms sufficiently liberal, and therefore its liners will become strictly mercantile traders to such of our ports as can provide cargo enough to justify a call. Up till this last moment everyone has been hoping and believing that the Post Office would hit upon some expedient that would protect those who use the English weekly mails from a breakdown of the old system. The hope still survives, though for the moment both contracts have lapsed and we are left without any guarantee of the revival of either. If Parliament were in session we should learn more, but there are some months ahead of us, during which the Postmaster-General may indulge in any experiments that appear good in his eyes. The public will pay the piper.

FEDERATED AUSTRALIA.

RETURNING PROSPERITY.

THE NATIVE QUESTION.

FROM OUR SYDNEY CORRESPONDENT.

[Feb. 7 1905]; Mar. 24 1905.

Our Premier has betaken himself to Hobart in high feather. The revenue returns are exceeding his expectations and refuting the dismal prophecies of our newspapers. If he is exceptionally jubilant it is because he is triumphing over his recent allies and supporters, whom he now regards as his most exasperating foes. Yet, as a matter of fact, he has little more to claim credit for than they have. As the *Morning Post* showed before he came into office, Mr. Waddell timidly but honestly had commenced to reform our finances. His earlier promises of amendment had been postponed by the drought and by the rashness of his colleagues, but with public opinion behind him he had obtained some of his own way while he was Sir John See's Treasurer. On becoming Premier he gave fuller effect to his views, and, as Mr. Carruthers has often confessed, made large and legitimate savings before leaving office. These the Sydney papers ignored and belittled during the election that cost Mr. Waddell his office in the interests of the Opposition and of our present Premier. They were, therefore, consistent when they insisted that Mr. Carruthers had not used the pruning knife drastically enough, and they failed to fulfil the promises they had made on his behalf. With a majority of one member in the popular House the wonder is that he fulfilled any promises, but his knowledge of the Treasury accounts qualified him to be franker after the elections than he had ventured to be while the contest was proceeding. He insisted that what with his increases of taxation and reductions in expenditure he would show a substantial improvement in the State accounts. The figures have justified him. In the seven months of the current financial year he has brought down his disbursements of loan moneys by nearly half a million and his cash overdraft by nearly a quarter of a million, has received £83,000 more revenue, and saved more than £300,000 compared with the same period of the preceding twelve months. For part of this he has to thank Mr. Waddell; but it must also be remembered that last year the economies undertaken by the latter had begun to diminish the spendthrift outlay of the last decade, so that the real progress in economy is larger still. The

general result, highly gratifying to both Treasurers and to the public, is a source of some discontent only to the partisan prophets who revelled in pessimistic forebodings of the consequences which would ensue from the neglect of their prescriptions.

FINANCIAL OUTLOOK.

Australia's trade in 1904 exceeded in volume and in export values every preceding year. How such figures appeal to the readers of the *Morning Post*, unless they are specially interested as investors in the stocks of one or more States, is not easy to surmise. Financiers no doubt note and file them for their own use, but when, as in the present instance, the records from all parts of the Commonwealth are favourable we seem to possess no means of advertising our returning prosperity. At least, we do not succeed in doing so in the same broadcast fashion that every adverse fact or quarterly return is published to our detriment by certain journals at home. Queensland so far shows a slight decrease in her totals, because under the Federal interpretation of the Constitution she does not obtain quite three-fourths of her Customs receipts. The question whether or not she is not entitled to this as a minimum is to receive legal consideration at an early date. But by judicious economics and the buoyancy of her railway revenue, in spite of the deduction, she closes the seven months a little better off than she was at the same time last year. Victoria, too, has a healthily expanding railway revenue and a satisfactory balance in all chief accounts. South Australia, in her *Treasurer's* opinion, is already assured of a surplus at the close of the twelve months. Western Australia furnishes proof of steady progress, and even little Tasmania has an advance to announce. These are our borrowers; the only noteworthy borrowers in Australia are the States, and they are all flourishing. We are not altogether free from the effects of the drought, we have no new gold discoveries to announce, and, unhappily, no influx of fresh population; but such is the elasticity of the country that in the teeth of all these disadvantages there is a distinct revival of trade in every single State. It is most marked in New South Wales, but it is manifest everywhere. The special importance of the fact is that this has been achieved in the face of the inherited burdens of the dry years without any artificial stimulation of borrowed money, and without the help of those natural causes of progress to which we may fairly turn with hope for the future. Sir *Reginald Talbot*, the Governor of Victoria, in addressing the *A.N.A.* last week, reminded them that of the total debt of that State, now £52,000,000, no less than £48,000,000, or twelve-thirteenths of the whole earned interest. Only four-and-a-half millions make no direct return to the State coffers; but as these sums are represented by school buildings and other public edifices for which rent would otherwise have to be paid it is plain that, having regard to our earnings, even this large investment for so small a population is not excessive. How much of the £800,000,000 owing by the Mother

Country is in any way reproductive was an inquiry which his Excellency made without essaying any response though he proceeded with some exaggeration of terms to call Victoria's obligations "a mere flea bite". As he argued, her bonds certainly ought to command a better price than they do, and so ought our loan of £2,000,000 obtained last month. The Governor of Victoria considered that it was not for him to say why its citizens paid dearly for their money, and added emphatically: "But I can say it is not due to any want of financial stability on the part of the State". He might have added that the same assertion would be true of every other State. The Commonwealth, as a whole, is not a borrower. It has a great and growing trade, a guaranteed income of its own, and a regular surplus returned to its States, though in diminishing amounts. On the other hand, its Customs duties are lower than those formerly levied by several States whose Treasury losses are, therefore, their peoples' gain. Sir **Horace Tozer**, the Agent-General for Queensland, who has lately arrived from London, tells us that your financiers ask no better security than that of the States, and that they see no need for taking Commonwealth debentures in their place. The puzzle, therefore, becomes accentuated. Why do they not offer better prices for these best of all securities?

LABOUR PRESIDENT'S ADDRESS.

The annual conference of the Political Labour Leagues of New South Wales will not throw any light upon this vexed question, nor, indeed, upon any new matter of pressing interest to this State. What is being said in the conference the public are not privileged to learn from the morning Press, its members having decided that reporters should be excluded by sixty-three against forty-one votes. A representative of the party paper has the *entrée*, and in its usual weekly issue an expurgated report of a brief character can be seen, but the rest of the Press are supplied with a carefully censored and condensed summary of what was done each day. Its principal resolutions affect its general programme and the Federal alliance with Mr. **Isaacs**, of Victoria. So far as our State is concerned its chief business seems to have been to reject a hundred and one fads remitted by local branches for consideration. This course may be commended as expressing a sound judgment upon the astonishing suggestions of irresponsible handfuls of working men throughout the country. Of course, every delegate defended the pet idea of his own township, but as he assisted in remorselessly smothering those prepared in every other district the final result was excellent. In this happy method of mutual effacement the conference displayed good tactical judgment. The effect of its decisions upon Commonwealth politics will need time for development. Mr. **Watson** has had his way in this State. Nothing further is clear. But before the reporters were turned out of doors the president, Mr. **Riley**, delivered an opening address, from which something of the mind of the party leaders may be gathered. It appears they

have no patience with the State, and apparently no admiration even for their own representatives in its Legislature, whose work is only mentioned in order to stigmatise its omissions. They had not succeeded in making the Railway Commissioners manufacture their own rolling stock and locomotives, nor even in keeping the work in the State. Our last contract went to the Baldwin Company of Philadelphia, whose price was £1,700 per engine less than that of the local works. A South Australian tender for one hundred and twenty engines to be made in New South Wales was £1,200 per engine higher than the Baldwins' tender for twenty engines and £550 per engine higher than the highest British tender for the smaller number. It seemed a small thing to the president of the conference to spend £102,000 more than the cheapest British engines or £148,000 more than the cheapest American engines, so long as two hundred and twenty hands were employed at an extra cost to us of £460 per man. Our Premier hesitates to adopt an heroic expedient of this nature, against which the Railway Commissioners protest on the practical ground that they need all their cash for the cutting down of gradients upon existing lines. Then traffic is growing, but chiefly in the classes that are carried at low rates in order to aid the farming and mining industries, while the deficits of the last three years are warnings of possible increases of rates and fares. Mr. Riley turned from regrets for lost opportunities in this State to exult in the victories of the Federal Labour Party, in whom his hopes are concentrated. He trusted that the great nations of the earth would copy our industrial example by adopting arbitration in international disputes. He appears to have overlooked the recent attempt of our coalminers and their wheelers to evade this beneficent principle. He raised a party call against the construction of the Western Australian Railway, forgetting that Mr. Watson and his colleagues unanimously supported it, and expressed the hope that the tobacco industry would be acquired by the Commonwealth. This last, it would seem, is the only positive prospect we have to hope for; and what would it confer? Apparently it would give the privilege of paying taxes as smokers for an inferior article, the making of which would provide employment for a few hundred men and women in our midst. The heartburning among the unsuccessful and the tongue-burning of the public likely to follow seem to have been omitted from his optimistic calculations.

TREATMENT OF ABORIGINES.

The treatment of our aborigines by their white neighbours has varied in every district and with every phase of development. In this State and to the south their numbers were always small, and though occasional armed collisions occurred with the settlers our records are on the whole respectable. For many years past the States have dealt kindly with the remnants of the scanty tribes over whom they have exercised guardianship. The indigenous dwellers in the north have from the first presented

more serious difficulties. They were relatively numerous, remote from civilisation, and brought into touch with but few Europeans in the great areas over which they roamed at will. Although our pioneers represent some of the best elements of our community, a number of those who are found upon the outskirts of settlement are driven there by their own weaknesses or vices. Without compunction for their duties even to their own kin, without reputation among them, and often brutalised by intemperance, a few outcasts of this temper are capable of incalculable mischief when brought into relation with the ignorance and sexual laxities of the blacks. Those rights of property in land and stock about which the earliest settlers are of necessity most keen among themselves are incomprehensible in the beginning to a race whose ideas upon such questions are of the rudest and most archaic. Causes of misunderstanding are plentiful. Whites who are pariahs among their own people are particularly insistent upon their superiority over the unclad groups who depend upon the club, boomerang, and spear of the footman to protect themselves against the firearms of mounted men. Courts and police are far out of sight and out of mind. Officialdom finds it easiest to be blind when victims without votes, influence, or the opportunity of explaining or defending their acts have their case stated by those who have taken the law into their own hands. It is not surprising, therefore, that there are some blood-red imprints upon the early pages of the history of Queensland, though none of them was made with the consent of the public or the authorities. For years past serious outrages on both sides seem to have ceased there too, a result for which the labours of Dr. Roth have been largely responsible. Individual crimes still occur. The native question in Queensland may not have been finally disposed of, but according to the knowledge we possess is in process of peaceful solution.

LAST DAYS OF THE BLACKS.

The north-west territory of Western Australia to-day presents all the opportunities for abuses which originally existed in Queensland and in a much greater degree. There are not even hamlets except on the coast, distances are great, the whites few, the natives many, and supervision almost impossible. Perth practically knows almost as little about the matter as Sydney, and its departments have long been suspected of inability to cope with a situation more than a thousand miles away. The complaints forwarded from time to time were fruitless. An attempt was made to induce the Federal Parliament to interfere in 1901, but it was not until specific charges were made in the London Press that Dr. Roth, of Queensland, was appointed by the West Australian Government as its Special Commissioner to investigate the facts. He did not penetrate inland, and depended upon evidence for most of his material, but with this reservation his findings appear to be too well supported. Sir John Forrest, ever to the fore in the defence of his State and of his own administration of it, exculpates

the police and others whose conduct is gravely impugned on the ground that the country to be covered is too extensive to permit of thorough control. So much may be granted. The pearling vessels, manned by Asiatic aliens, run into any port they please, where they mingle with the aborigines in a most corrupting manner. The Commonwealth, however, can deal with this, at all events to a great extent. The real evil lies further inland, where the aborigines are liable to semi-slavery on the part of unscrupulous Australians and to tyranny on the part of the police. Prisoners are chained because of the defective state of the gaols; injured husbands have no redress when their wives are abducted; the profits of the police are increased according to the number of aboriginal witnesses whom they bring in when a charge of cattle stealing is lodged. The rations intended for the aborigines are made a source of game to those who distribute them, and do not always reach those to whom they are due. Of physical cruelty in what are termed "settled areas" there appears to be none, but beyond these it probably does occur. Certainly the tribes of the interior are quite at the mercy of the pastoralists and the police. Mr. **Prinsep**, who is Protector of the Aborigines for the State, and therefore best entitled to be heard, supports Dr. Roth's view of the circumstances. As he was left without legal powers he has been obliged to depend upon what moral suasion he could exercise upon a "very, very few of the public" and some of the police to carry on his task. Naturally the **Commissioner of Police** challenges the whole report, but it is plain that the weight of testimony collected by Dr. Roth cannot be brushed away by any contradiction from Perth. There is an excellent law upon the State Statute Book needing only a few amendments to make it thoroughly effective, providing always that the Protector of the Aborigines and his officers are empowered to enforce it. There is no reason to suppose that the **present Labour Ministry** will be remiss in seizing this opportunity of proving its zeal for the welfare of the helpless blacks of the north and for the reputation of Western Australia. In undertaking this work of justice they will have the unqualified encouragement of their neighbours, who have all of them adopted humanitarian principles in their dealings with the race which everywhere, except perhaps in Central and Northern Australia, is dying out fast from natural causes, despite the efforts of the State Governments to prevent it. All that appears possible now is to mitigate as much as possible the trials of their closing years.

FEDERATED AUSTRALIA.

THE HOBART CONFERENCE.

LABOUR PARTY'S OBJECT.

FROM OUR SYDNEY CORRESPONDENT.

[Feb. 14? 1905]; Mar. 27 1905.

The *Prime Minister* is not happy in Hobart, though all the Premiers of Australia have assembled there with many of their colleagues and chief officers, to meet him and one another. They have spent more than a week in close consultation, beating down Mr. Reid's offers so that it was quite a welcome diversion to him to expend his exasperation upon the Labour Party as represented by the resolutions arrived at by its leagues in this State. He could not censure them for sitting with closed doors, because at his instigation precisely the same course has been pursued at his conference with the Premiers. For all that we are promised an official report of the Hobart proceedings by and by, and have been already favoured with a full account of the debates of the conference of our political labour leagues in Sydney through their local paper *The Worker*. Apparently this publication had not been transmitted to Tasmania since Mr. Reid confined himself to comments upon two of the resolutions. He was most interested in the devices by means of which an endorsement was given to the alliance formed in the Federal Parliament between Mr. *Watson*, on behalf of the Labour Party, and Mr. *Isaacs*, on behalf of the Protectionists who broke away from the Reid–*McLean* Coalition Ministry. The executive of the New South Wales Leagues at first condemned it, then one of its branches brought forward a lengthy motion in its support on the ground that “any alliance is good and honourable which has for its object the checking of the gross abuse of political power by any person or persons for the purpose of gaining office when such individuals cannot give effect to one or any pledge on which they were returned by the electors”, with other particulars pointing directly at the “determined and deceitful sinking of all political principle by the Reid combine”. This “windy suspiration of forced breath” was set aside by the conference in favour of a terser declaration that “the conference supports the alliance between the Labour and the Isaacs parties in the Federal Parliament, and trusts there will be such a triumph of Labour in the majority of federal constituencies as will render the alliance unnecessary in the near future”. It required a reopening of the whole matter upon the same evening and an impassioned appeal by Mr. *Watson* himself to induce those present to substitute for the last part of the motion the words “and trusts that

it may lead to our allies becoming straight-out members of the Labour Party and a return of a majority of Labour members to the Federal Parliament". The difference in substance in the motions is not great, but at least the intimation to the allies of what is expected from them and what the object of the leagues always will be is conveyed in more polite terms. With this Mr. Watson had to be content. Whether Mr. Isaacs is pleased or not Sir William Lyne and himself have to be content also. Mr. Reid, of course, is dissatisfied, not, be it understood, on his own behalf but because he deplores the consequences to the members of the "great" Labour movement outside Parliament who "simply strive for the principles in which they believe ... This alliance of self-interest between Mr. Watson and Mr. Isaacs with a single eye to the possession of office is a spectacle which will do more to demoralise Labour and destroy the enthusiasm which has characterised the movement than anything else could". Upon this the only comment is that if Mr. Reid really believed what he said he would become the warmest upholder of the compact he is now denouncing.

THE MOST IMPORTANT RESOLUTION.

Mr. Cann, M.L.A., representing Broken Hill, was responsible for the most important resolution of the conference. What his branch desired was to place in the forefront of the platform an explanation of its meaning as a whole that should serve as a definite statement of the object towards which the party was working. He submitted it in an unequivocal shape: "Objective—a co-operative Commonwealth founded upon the socialisation of the production and distribution of wealth". He was supported by the declared Socialists: Mr. Morrish, who polled only five thousand or six thousand votes out of five hundred thousand to six hundred thousand at the last Senate election for this State; Mr. Griffith, another M.L.A., who polled well as a Labour Protectionist, and Mr. Watson himself, who has lately defined his position as that of a "Christian Socialist", who sees in collective ownership the cure for the evils with which society is afflicted. The motion was opposed by every other Labour member who spoke, including Mr. McGowen, their leader in our State Assembly; Mr. Holman, M.L.A., their best speaker; Mr. Macdonell, M.L.A., the secretary of the A.W.U.; Mr. Spence, M.P., its president; Mr. Dacey, M.L.A., and Mr. Nielsen, M.L.A., two of the staunchest supporters. These pleaded with one accord for practical proposals only "instead of pursuing theories", two of them unkindly dwelt upon the failure of professed Socialists in the House to accomplish any good, and all of them warned their hearers that the country was not ripe for any programme of that character. Mr. Watson, whose advocacy greatly contributed to the passage of the motion, defended it on the strange ground that they were already committed to Socialism by one of their articles, against which he had himself voted. He still considered this article (No. 17), which declared in a general way for "the nationalisation of land and the whole means

of producing, distributing, and exchanging wealth”, undesirable and impossible. But since it was there, and in order to stiffen their members, he thought “it was the wisest thing to make it a *sine qua non* that those who came into the party should be Socialists ... All the injury that could be done in declaring that Socialism was part of their programme had already been done ... They should eliminate ‘plank’ 17, as it was outside the realm of practical politics at the present time”, but “the sooner it was made clear that the movement was Socialistic in its trend and intentions the better for it”. Even Mr. Cann, M.L.A., the mover, confessed when replying that he “had never declared openly for Socialism—in fact he had been reticent on that question ... but no one in his reason could deny that the party was Socialistic”. The Extremists spoke out plainly. Mr. Morrish insisted that “no good could be obtained under the existing form of society, because it was based on injustice”. Mr. **Burke** admitted that while Labour legislation in this State had found work for some, it had put others out of work. Mr. **Lamond** averred that “the only chance of betterment lay in some form of Socialism”. The meeting was evidently with them to the extent of saying something “Socialistic”, but too cautious to accept the out-and-out candour of the proposition from Broken Hill. It decided, by 80 votes to 55, to entrust the task of preparing a new preamble for its platform to a committee, of which Mr. Watson was a member. Its task was to frame phrases which would explain that they were Socialists in the germ, who need not be feared to-day, although they intended to become full-blown Socialists to-morrow or the day after.

POLICY OF ABSOLUTE SOCIALISM.

If any doubt ever arose as to the authorship of the preamble actually drafted Federal members would need no evidence to assure them that Mr. Watson’s voice had been potent in its composition. He can roar more like a sucking dove than any of his associates. Resolved to be a proclaimed Socialist he was equally resolved that there should be only a reminiscence of red in the colouring of his placard. During the discussion at the conference no question was debated except the frankness with which they should make public confession of “Socialism”, but when the committee advised its being put as the first object of the party, “The cultivation of an Australian sentiment, based upon the maintenance of racial purity and the development in Australia of an enlightened and self-reliant community”—this was a new departure. Not one word of it had been hinted at in the conference. If it stood alone it might have been accepted as an alternative to Socialism, which was only overtly approved in a second clause setting forth as their second aim “the securing of full results of their industry to all producers by the collective ownership of monopolies and the extension of the industries and economic functions of State and Municipality”. Mr. Reid properly demurred to the implication that workpeople could not be assured

the full results of their labour without creating them Government officials to carry on their own business under State control. He may even be pardoned for asserting that the Labour leaders had “resolved upon a policy of absolute Socialism, of destruction of individualism and private enterprise, and of making the country one huge Government establishment, of which the labour leagues shall be rulers”. Mr. Macdonell, M.L.A., one of the chief Labour members and a most influential Trades Unionist did not hesitate to tell the conference bluntly that “There was no hope in this generation or the next of such views meeting with legislative acceptance”. Mr. Watson almost admitted as much himself. No revolutionary proposals need even be feared from him, but at the same time the fact that a step forward has been taken so far as the New South Wales Leagues are concerned cannot be denied and should not be disregarded. As usual the blind force behind them is impelling the leaders onward whether they like it or not. None of the half dozen notable Labour members who opposed the change can now oppose it any longer. Their lips are sealed against their own convictions, and whenever they are heard in future it will be as counsel for the other side. It is not for nothing that the Socialist brand has been publicly affixed upon them beyond their power to remove. They must do something to justify it. Two resolutions formally sanctioning the nationalisation of the whole of the banking business of the State and another for the nationalisation of our coal mines were passed by the conference without a division. There is not the remotest prospect of effect being given to either of these reckless suggestions. But they become part of the Labour platform, and are now binding upon its thousands of voters and their representatives. Mr. Watson can afford to play with these and other propositions of a like nature since the Commonwealth has not the power to undertake such ventures even if its Legislature were foolish enough to desire it. But the lead given in Sydney will probably be followed in the other States, and may thus attain through them to truly Australian dimensions.

SOCIALISM AND RELIGION.

At this stage an entirely unexpected danger has been disclosed, and from a quarter which it will be extremely hazardous for the Caucus to resist. The extremists were warned during the conference by a Mr. Kelly that the declaration they were about to attach to their programme came within the prohibition of the famous encyclical of the late Pope upon labour problems, and would result in the exclusion of all pious Catholics from their ranks. Mr. Watson replied in his usual soothing fashion that what had been ecclesiastically condemned was continental Socialism of a revolutionary character, while all that was proposed in Australia was evolutionary and constitutional in method. His interpretation satisfied the majority, and, as far as can be judged from an explosive letter of Mr. Crick, satisfies this prominent Catholic also, though

he is not, and never was, a member of the Labour Party. The independence which is the breath of his political life has brought him more than once into conflict with his co-religionists, and he cannot therefore be accepted as their mouth-piece. The denominational paper published here most closely in touch with the clergy has already formally endorsed Mr. Kelly's protest and warned Mr. Watson that the secession of all Catholics from the leagues is at hand. It is anticipated that **Cardinal Moran**, the head of the Church in the Commonwealth, will make a public statement of his views. If these should be adverse the effect upon the Labour Leagues will be serious. A great part, perhaps the greater part, of the Irish Catholic vote has been given of late to Labour candidates. A number of their members are of the same complexion while their influence in the Caucus has been considerable. Mr. Watson cannot afford to break with them, nor can he consent to withdraw a declaration of principle which upon his own strong recommendation has been publicly adopted by the largest and most successful conference of the leagues of New South Wales. He is at present on the horns of a very awkward dilemma. The little knot of avowed Socialists outside his party has been conciliated, but if by any chance he should lose the Catholic support upon which he has come to rely both in his own constituency and out of it, he will have made the worst bargain of his public life. Both he and they have so much to lose by a breach that it may be taken for granted that no pains will be spared to formulate a compromise upon which they can reunite forces against their common enemy, Mr. Reid.

ELECTION FOR THE NEW CONSTITUENCY.

In local politics this one event has been the election for Rous, though its interest has been derived from wholly fortuitous circumstances. Mr. **Coleman**, the late member, whose decease has occasioned the vacancy, was a supporter of Mr. **Carruthers**, and by his adhesion gave him his majority of two votes, now put in jeopardy by this poll. Mr. **Hindmarsh**, a local resident, was selected to carry his colours and to receive the solid support of the "Reform" Party which at present is rather doubtfully Ministerial. Situated on our northern coasts, this new constituency is little controlled by our Sydney newspapers in their reaction against the Government. They could not endorse the candidature of Mr. **Meagher**, a follower of Mr. **Waddell's** and an open antagonist of the "Reform" organisation that turned his leader out of office, yet their efforts on behalf of his rival have been tame and spiritless. They were divided between a desire to punish Mr. Carruthers for his contumacy and a fear lest worse should befall them if he were driven from power. The measure lately passed by him increasing wharfage rates was ingeniously used by Mr. Meagher against his Government because it had consented to an increase of the imposts upon the produce of districts dependent upon coasting vessels. This may have had some effect upon the farmers of the district, but on the whole the contest was first that of a local resident against a non-resident and

for the rest it was governed largely by local and personal considerations. Mr. Meagher, a former member of our Assembly, appears to have been the abler speaker, the more experienced politician, and the better canvasser, though there were incidents in his previous career which told against him. Mr. Coleman had beaten him by 315 votes, and Mr. Hindmarsh repeated the feat by a smaller number. Mr. Carruthers retains his majority of two, and Rous continues to be represented by one of its own taxpayers. "Reform", as it is understood there, has not lost its hold upon the people, though just what it means when contrasted with the programme of the Opposition corner it would need a special inspiration to discover. Still, since Mr. Reid is content to be Prime Minister with a majority of two, why should Mr. Carruthers blush to follow his example?

GUESSING AT THE RESULT.

Our newspapers are prolific in guesses about the results of the Hobart Conference, in which our Prime Minister and our Premier are the two most considerable personages—not that the bulk of the work is being transacted by them directly. So far, the burden of the Commonwealth has been carried in the debates principally by Sir **George Turner**, and after him by Mr. **Dugald Thomson**, the third New South Welshman to make his strength felt in its councils. According to the reporters, the one decisive success to date has been due to the clearness and force with which the last has put the Federal view of the manner in which the transferred properties ought to be paid for before the hungry Treasurers of the States. Even that solution, however, cannot be considered finally disposed of any more than the crucial and colossal issues of a financial nature that have to be surveyed in connection with Sir George Turner's proposals for a transfer of the State debts, the limitation of further borrowing by the States, and the extension of the **Braddon clause** under which they are guaranteed annually three-fourths of the cash collected at the Customs. But if his colleagues supply the facts, figures, and arguments upon which the contentious matters are being debated the Prime Minister is credited with the personal influence and tactical skill by which the recalcitrant Premiers being brought into milder moods are induced first to endure and finally to embrace the propositions prepared for them. A very much more hopeful feeling pervades the conference now than when it opened a week ago, but in the absence of definite decisions, except upon a few subsidiary points, it would be premature to sum up the imperfectly-understood proceedings that are being held *in camera*. The success or failure of the conference will reflect upon all engaged in it, but by common consent it is admitted that far the most onerous task has fallen upon the Commonwealth Ministers and that a chief share of the praise or of the blame awarded by the public must be allotted to Mr. Reid, to Sir George Turner, and to Mr. Dugald Thomson. After them our Premier is undoubtedly entitled to be placed.

FEDERATED AUSTRALIA.

HOBART CONFERENCE CLOSED.

MEMORABLE GATHERING.

QUESTIONS DISCUSSED.

FROM OUR CORRESPONDENT.
SYDNEY, Feb. 20 1905; 31 Mar. 31 1905.

The Hobart Conference has concluded with the customary expressions of satisfaction from all concerned, most of them deserved. Yet, perhaps, the most noticeable feature of the whole gathering was the unanimity with which our chief newspapers predicted its failure. In many cases the wish was father to the thought. The elaborate assurances they proffered to the public that the meeting was a picnic from which no result was to be anticipated really meant that if they could have their way it would be reduced to a political merry-making. Their fear was that after all it might lead to agreements which would strengthen some of the leading men concerned, and fortify them in their own States by the prestige accruing from the endorsement of their opinions by their fellow Premiers. Hence it happened that all the State Press in opposition either to Mr. Reid or to their own Ministers systematically belittled the conference before it opened, and discounted all its pretensions in advance. When they found themselves excluded from the debates, fed only with meagre official summaries of the subjects discussed, and reduced to speculate upon the real trend of the discussions, they one and all began to declaim against such Star Chamber proceedings on the part of our most prominent public men dealing, as they declared, with the issues most vital to Australia. The inconsistency of this view with their previous picnic theory apparently did not occur to them. Their own belief in the significance of the meeting was demonstrated in the most convincing way by their endeavours to discover and publish every scrap of information about it for the benefit of their readers. Their representatives enjoyed no picnic until the final sitting was held, and their columns are now filled with comments upon the resolutions proposed or passed. There is to be an official record published at a later date, when a revised report of the speeches will be available for them, for the politicians, and for the handful of our general readers who attempt to follow the course of public affairs. In the meantime such Ministerial papers as there are plume themselves upon the success which it now seems they predicted from the first, while even their rivals, though more numerous and influential, are compelled to

treat the meeting very seriously. Their provincialism led them to minimise it because it was Federal, and because there was no party gain for them whatever might be done. It is through their provincial spectacles that they are now anxiously scrutinising its consequences to their parties and platforms in their several States. The marches and counter-marches by which they seek to cover their changes of front and make capital out of the local situation as influenced from Hobart are humorous indeed to regular students of the States as a whole, and the chief papers in them whose boast that they lead their readers is as a rule well justified.

REPRESENTATIVE GATHERING.

Our journalists were perfectly justified in impressing upon all whom they could reach through their articles that the conference was not a body known to any constitution, that it had no authority in itself to do anything, that its majority had no power to bind a minority or even those whom they officially represented. The boundless innocence of the average tax payer in regard to all matters of the kind is safely and properly assumed by its mentors. They acted wisely in forewarning their audiences that the meeting was in every respect informal and irregular. But it was a capital error from these indisputable facts to arrive at the deduction that any assemblage of the leading Ministers of all our Parliaments could be treated as a mere pleasure excursion. Their prolonged preparations showed that each was in deadly earnest about the particular business he intended to bring forward. Every one of them had publicly announced a list of topics upon which he proposed to consult the conference, which were ridiculed with some reason because of their length, but gave undoubted proof of sincerity. A number of their chief officers were taken with them to Hobart, and it was known that reports had been obtained from others who were thought competent to advise upon special questions. Provincial blindness could scarcely be made more manifest than by the confident assertions that all these preparations were but the prelude for a holiday jaunt. The Premiers themselves if they had met by accident and without special equipment could not have chatted over mutual interests and antagonisms without constituting themselves a most important body. So far as a country can be judged by its politicians the dozen Ministers who foregathered this month would do Australia no discredit in point of wariness, experience, and ability. They would have made a strong Cabinet in any constitutionally-governed country in the Empire. Not, perhaps, on the score of culture, learning, or dignity, but in mother wit, business grasp, worldly wisdom, and shrewd self-sufficiency of judgment they would not be easily overmatched. Mr. Reid, the one orator of the group, presided, by virtue of his office, and justified his tenure by tact, quickness, humour, adaptability, and keenness of insight. Mr. Bent, the Premier of Victoria, and he are physically men of unwieldy bulk whose mental faculties are extremely agile; both,

though weak at details and often inaccurate, combine the great power of grasping a position with an irresistible opportunism which keeps them always in touch with public opinion. Our Premier, Mr. Carruthers, was the smallest, slimmest, and, except Mr. Daglish, probably the youngest of the group. No whit less wide awake than his stouter comrades, his training as a solicitor seems to have left him more contentious and suspicious in manner than Mr. Jenkins, whose Yankee apprenticeship as a commercial traveller makes him an exceptional bargainer and most astute negotiator. Perhaps the most suave of all was Mr. Morgan, whose independent stand against his fellow Premiers, eagerly supported by his ardent and aggressive Treasurer, Mr. Kidston, representing the Queensland Labour Party in their Cabinet, was one of the determining factors of the conference. Mr. Daglish, the Labour Premier of Western Australia, was the mildest debater, and with Mr. Evans, Premier of Tasmania, the most inexperienced politician, but they, too, had won their way to the front by their abilities, and were not by any means ciphers. When it is recollected that Sir George Turner and our Mr. Dugald Thomson were present to back up Mr. Reid with their mastery of financial intricacies, that Mr. Swinburne, of Victoria, perfectly at home in handling the question of the Murray Waters, and Mr. Lee, our new Minister of Public Works, fully armed with the case for New South Wales, were also at hand, it can be seen at a glance that the personnel of the gathering itself would have made it memorable in any event.

RESULTS OF THE CONFERENCE.

The next grave oversight of the critics was in contending that because no law-making power was vested in the conference and no final decision could be registered upon anything, therefore its consequences must be trifling. A moment's thought should have shown them that gigantic problems such as the transfer of the State debts to the Commonwealth, which carries with it a settlement of the financial relations of the Federation, and the States for a number of years, and probably a grave restriction of the present liberty of the States to borrow anywhere they please and to any extent they can, could only be solved by repeated reconsiderations and gradual approximations to an agreement. The utmost the conference could be expected to accomplish in that instance was to advance the discussion another stage. This is what has been done, and, so far as can be judged, well done, owing to Sir George Turner's thorough knowledge of all that it involves. Over and above this the very character of the representation of the Commonwealth and the States, while absolutely unfavourable to any definite settlement of many of the issues submitted, left it none the less an invaluable educational medium both for the Legislatures before whom its debates and resolutions will come in due course, and also for the Press and public beyond them, as yet little informed upon the alternatives between which they will be

forced to choose hereafter. Every interest of every member of the conference was to play his own hand for himself and his Government, quite irrespective of the claims of the rest of the Commonwealth. Each was answerable only to his own Legislature and Party, so that if he satisfied them he had nothing to fear and everything to gain, no matter how recalcitrant he might be. Every incentive therefore was for individual and selfish action. There were no ties whatever except those of self-interest between any one Premier and any other. It would profit none of them anything if they gained the whole conference and yet lost their own offices or constituencies in their own States. That with all these most potent disintegrating political motives to keep them apart and confine each of those present to the study of his own special aims the conference should have approached an agreement upon any great subject affords good ground for congratulation. That they should have concurred unanimously upon some minor matters as they did is almost amazing. Long constitutional training enabled them to follow the procedure devised at and sanctioned by previous meetings of the same kind, but some influence much stronger and yet less palpable was required to bring them to the unity at which they arrived. Confidence in the public opinion behind them and a just sense of the necessity of coping with national needs by national co-operative action must have operated to bring about the practical achievements of the past fortnight.

FINANCIAL RELATIONS.

The forty odd questions supposed to have been touched upon consisted of two major and two minor divisions. The most weighty were those between the Commonwealth and the States as a whole, the remainder were between the States alone. In some instances the Commonwealth was concerned only with some States, and in others only two or three States discussed points of difference peculiar to themselves. Readers of the *Morning Post* will not need to be reminded that ever since Federation took place this paper has pointed to the financial relations between the Commonwealth and the States as containing the *casus belli* out of which would come in due time a determination of the supremacy of the Central Government. Mr. Morgan and Mr. Kidston four years later have arrived at the same conclusion. The arrangements in the Constitution are temporary, a special concession being made to Western Australia for five years ending towards the close of 1906, while three-fourths of our total Customs receipts are pledged to the States until 1911. The former concession will not be renewed to Western Australia, but unless the latter is the finances of all the States will be fatally crippled. What they wish, and what Mr. Morgan makes a *sine qua non*, is a perpetual grant of the same proportion of the Customs for all time. Mr. Carruthers alone, as the one Free Importer among the Premiers is content with a short term in order that no vested interests of the States in the tariff may make for Protection.

But the gist of the situation is the difference between the needs of the rivals. The Commonwealth requires nothing, or at all events asks nothing, from the States. Any extension of its powers must come from the electors, and though their votes will be counted by States as well as in the gross at any poll of the people the State executives and legislatures can only appeal to the same tribunal, and are of themselves only so many electors. None the less, the first Federal Government saw its chance to put a brake upon any extravagance of the States for the future so as to leave the taxpayer more amenable to their levies for Commonwealth purposes. He has only one pocket, and the more his local Government takes out of it the less is left for the Federal Treasurer to come upon. The limitation of State borrowing is nowhere provided for in the Constitution, but Mr. Deakin and Sir George Turner have sought to wring it from the States as a return for the assumption by the Commonwealth of the existing debts of the States. The Federal Parliament has floated no loans, and could by the slow process of converting those of the States and issuing Commonwealth bonds instead probably make a large saving in course of time in the interest bill that their taxpayers, who are also the taxpayers of the States, have to meet annually. Last year little progress was made at the Melbourne Conference towards an agreement upon the terms in which this transfer should be undertaken. This year Mr. Morgan's dissent alone prevented a settlement, so far as Ministers are concerned, by which the States would bind themselves to borrow on their own account only in Australia and abroad only through the Commonwealth, receiving as *quid pro quo* an extension of their right to three-fourths of the Customs revenue until 1931.

IMPORTANT ISSUES DISCUSSED.

Despite the want of unanimity this result is a great advance from which much may be anticipated hereafter. The vexed question of payment by the Commonwealth for the transferred properties valued at £10,000,000 taken over from the States was brought to a satisfactory conclusion. Here Mr. Carruthers dissented to Sir George Turner's requirement that, pending the taking over of the loans, interest upon the value of the properties should, if the Commonwealth fourth were exhausted, be paid out of the other three-fourths of the Customs annually distributed among the States. No finality has been reached on this subject, but the way has been paved for it. To two of the most important Federal proposals the States were obdurate. They would not approve of a High Commissioner, or in their own terms they would not assent to "the appointment of a Federal Ambassador to the Court of St. James", and they would not unite with the Commonwealth in encouraging immigration or advertising our national resources. Jealousy of the Central Government explains the first and jealousy of each other the second of these parochial refusals. In respect to the first they are not likely to be consulted again, but little can be done in the

second case without their aid. The shortsightedness of the Premiers contrasts most unfavourably with the larger views of the Federal Ministry. The substantial fruits of the conference are not numerous, though a number of issues which would have been settled by correspondence were arranged by word of mouth so as to swell the list of its achievements. An interesting and useful discussion on the substitution of Federal old age pensions for those now in force in New South Wales and Victoria, and more or less projected in the other States, derived its principal usefulness from the general assent given to the reimposition of the much-missed tea and kerosene duties in order to obtain funds where they are not already being provided. Another possible help to a new mail contract arose out of a suggestion that the States should undertake to find certain tonnages of perishable products requiring cold storage so as to guarantee the steamers employed fixed earnings from this branch of their business and permit them to offer easier terms for their postal matter. But it is unnecessary to run through the long list of topics dealt with, because most of them are either incomplete or provisional, and must, therefore, come up for criticism in detail when their importance deserves it. The conference itself is a fact which may remind readers of the *Morning Post* of the differences that exist between their single Government and our Federal array of Governments, each of which is independent in its own sphere. No such official gathering as this could occur in Great Britain unless England, Scotland, Ireland, and Wales had each provincial assemblies exercising locally autonomous powers under a supreme Parliament with its executive at Westminster. Even then their principal officers might be summoned at a few days' notice, and could reach London in a few hours after leaving their administrative centres, while in our case months are necessary to arrange it, and two of the Premiers who met must have travelled between them nearly five thousand miles in order to be present. Under our circumstances in spite of distances, cost, difficulties of agreement, and absence of any effective jurisdiction, such conferences are extremely valuable. They form part in an irregular way of the Government of Australia.

FEDERATED AUSTRALIA.

HIGH COMMISSIONER QUESTION.

TARIFF REFORM.

FROM OUR SYDNEY CORRESPONDENT.

[Feb. 28 1905]; Apr. 10 1905.

Mr. Carruthers returned from Hobart with his eyes opened and his head sore. For the first time he has realised the peril to the States in the financial clauses of the Constitution so often dwelt upon by the *Morning Post*. His amazed confession that it presents “the big question of Australian politics in the near future”, which if not settled soon will leave the States “beggars like Lazarus at the Commonwealth table”, are explicit admissions of a situation that Mr. Morgan and Mr. Kidston have lately learned in Queensland. The Premier seems to have gone to Tasmania convinced of his State’s and his own importance in the scheme of things. He returns alarmed at the confidence of Federal members “in the greatness and power of the Commonwealth Parliament”, and at their calm assumption that the States are spent forces in relation to it. Staggered at conceptions so new to him, and at the support which the financial future lends to them, Mr. Carruthers is evidently wounded also in his own person. The long-recognised hegemony of New South Wales did not make him the leader of the State representatives or he would have been in that regard scarcely less important a plenipotentiary than the Prime Minister. His relations with both appear to have been strained. Several times he found himself left in a minority, and twice greatly to his credit. He was one of the two Premiers who recognised the necessity for a High Commissioner, while the majority thought less of the needs of the country than of their foolish jealousy of the Federal Government. Everyone agrees that the States may, and in fact ought, to have special agents of their own in London to take charge of their business dealings, contracts, and engagements. No one proposes that they should be abolished or interfered with by a Commonwealth representative, whose position would be analogous to that so admirably filled for Canada by Lord Strathcona without clashing with the agents of its provinces. What is needed, and badly needed, is that there should be one national Ambassador for national interests, while even State agents should as far as possible pull together, or at all events avoid acting against each other in any of their home transactions. The adverse Premiers admitted that upon the commencement of the transfer of their loans a High Commissioner of large financial experience or with first-class financial

counsellors will be necessary, but desire to postpone his appointment to the latest possible date. They foresee that when once he enters upon the scene the Colonial Office will look to him, and to him alone, for information upon Australian public affairs. The States will possess no diplomatic standing, and he alone will have the ear of the Imperial Government. As it is, the position is exactly reversed: they have each a voice, though each is simply sectional, while the Commonwealth, though it includes them all, has none. Sir Horace Tozer's repeated testimony to the manner in which the Agents-General of the States have been ignored in Downing Street goes to show that they have no influence whatever in that quarter and have not even obtained the recognition to which they were entitled. Consequently it was not the loss to themselves but the gain to the overshadowing Commonwealth if a High Commissioner stepped in that was dreaded by Mr. Bent, Mr. Morgan, Mr. Jenkins, and Mr. Evans. For their freedom from this pettiness Mr. Carruthers and Mr. Darglish, the Premier of Western Australia, are to be congratulated. It is not to be supposed that an exhibition of this temper will divert the Federal Parliament from its often-expressed intention of appointing a representative who should speak with authority for Australia, as a whole, instead of leaving that duty to the less distinguished agents of six States, frequently in conflict with one another.

THE NEW APPOINTMENT TO LONDON.

Mr. Carruthers's appointment of Mr. T. A. Coghlan as practically Agent-General for New South Wales for a short term needs no justification of a personal character. Our statist is already well known by his professional work, whose excellence has led to an offer that still remains open to him of the post of Statistician to the Commonwealth. His mission is to reorganise our London office. No public servant we have is more competent for the task, and it is doubtful if any public man outside it would be able to give more satisfaction. If a General Agent were to be selected much could be said in defence of the permanent choice of Mr. Coghlan, and certainly the larger scope of an Agent-General is not too large for him in the opinion of those who know him best. He is to inquire, among other things, how it is that our method of paying interest upon our debts is so much more expensive than that of South Australia or of Victoria. It is to be hoped that he will also learn why those who deal in our bonds in London believe it will be more to their profit to deal in the separate State issues now current rather than in the one general Australian Stock, in which they may be absorbed. As no act of a Premier is free from suspicion, the current of opinion in Sydney sets towards the conclusion that another object of Mr. Coghlan's embassy is to postpone the ordinary political appointment of an Agent-General or prepare the place for some member or friend of our Ministry whose identity cannot be agreed upon. If a High Commissioner had been in contemplation the fact would have afforded another reason when selecting

a General Agent for stepping outside the ring fence within which, as a rule, those who fill our highest offices are to be found. But a much more puzzling mystery lies in the other action of Mr. Carruthers when he joined, if not led, the majority of the Premiers who refused to unite in any scheme for encouraging immigration from Great Britain or for assisting the Federal Government to advertise our resources. As practically the only electors who view a judicious expenditure for such an object with alarm are supposed to be found within the ranks of Labour or among its closest sympathisers, this is the more surprising seeing that the two Premiers who have the support of that party, Mr. Morgan and Mr. Darglish, and they alone, are said to have spoken in its favour. The explanation accepted is that in this as in many other matters State interests overrule some party prejudices. All of them require fresh blood, but Queensland and Western Australia need it most, and therefore offer the most liberal inducements. Victoria, South Australia, and Tasmania apprehend that they would benefit least by any joint enterprise of the kind, and hence their abstention. But it is certainly astonishing that Mr. Carruthers, as custodian of the interests of New South Wales, should act with them. We have still free for settlement a very large area of excellent country, not quite as large, perhaps, as that of our two younger States, but with other more than compensating advantages. That on such a crucial question Mr. Carruthers's practical and progressive instincts should have failed him will be noted and remembered against him by most of his own party, especially as their disappointment is emphatically shared by the Press.

RELIGION AND POLITICS.

The general disappointment is not confined to Mr. Carruthers, who has never been personally popular or credited with masterful leadership, but extends to Mr. Reid, who was and perhaps is still accepted as our only possible leader in Federal politics. Our Premier is supposed to be temporising with the Labour Party, though there is little ground for any such supposition. Mr. Reid, in spite of his old alliance with them, is defiantly challenging them, possibly because his one hope of safety depends upon his being able to force the issue at the next general election into one of Socialism and Anti-Socialism. Whether his indefinite relations with the Protestant Defence Association operated upon Cardinal Moran or not, his Eminence has distinctly refused to excommunicate the Labour Party in spite of their new and frankly Socialistic preamble to their fighting platform. He performed the feat necessary to keep him in touch at the same time with the Encyclical upon Labour of the late Pope Leo XIII, in which Socialism was expressly condemned, and with the late Labour Conference in Sydney, by accepting the assurances of its leaders that their objects were far removed from the principles Papally condemned. The Cardinal, by declaring his complete reliance upon the common sense of his flock, indirectly sanctioned their continued adherence to Mr. Watson and Mr. McGowen. The Continental brand of Socialism

was anathematised, the Australian brand relieved from the threatened Church boycott and the danger of a solid Roman Catholic vote against those who have adopted it was officially removed. The particular panacea advised by Mr. Watson is the nationalisation, that is to say the State-ownership, of “all means of production, distribution, and exchange”, a sufficiently wide and revolutionary programme for Socialism anywhere. Private property is possibly to be permitted under it in what may be termed personal belongings, and perhaps graciously extended to cover the land upon which a home is built; but beyond that it is not to go. Whatever is in the nature of a monopoly is to be acquired for the whole people, to be managed by State nominees, and worked by State employees. Mr. Reid’s protest against the pursuit of such impracticable aims, the ruinous consequences certain to result from their adoption, and the demoralisation of public life to which they must lead furnishes the Prime Minister with his chief claim to support outside his own State. His fiscal opinions are not popular enough elsewhere to be put forward as the sole basis of his appeal to the country. In Sydney he will be helped, though Mr. Carruthers may be harassed by the particular application now being made of the new preamble, and the old article for which it is a substitute, both of them leading up to the extension of State industries. Mr. Waddell, Mr. O’Sullivan, and other members of the Assembly have united with the Labour Party in a demand that the Railway Commissioners shall be directed to manufacture their own locomotives in order to provide more employment in the Metropolis. The basis of this daring proposal is that engines can be made by the Victorian Departments cheaper than by contractors. The truth appears to be that such a statement was lately officially made in Melbourne, but provoked so much incredulity that a Committee of Inquiry was appointed to examine the Departmental estimate in order to see whether the comparison was made upon a fair basis, with proper allowances for the cost of buildings and appliances, wear and tear of machinery, and interest upon the capital invested in the Government works. Mr. Carruthers’s majority of two will be tested once more upon this matter when the House meets.

THE TARIFF COMMISSION.

Mr. Reid of late has been receiving his hardest knocks from the Sydney papers, which have done so much for him during his long career because of his placid abandonment of all attempts to carry out the points of his policy, upon which he attacked the three Ministries that preceded him. His Postmaster-General, Mr. Sydney Smith, is being soundly rated for his handling of the mail contracts. The fact that he is powerless to do their bidding against the will of the House or to accomplish the desires of the Ministry does not diminish their insistence that they ought to make the essay. This was trying enough, but it is most inopportune for them to scatter censures couched in the most disparaging terms because the Prime Minister consented to the appointment of the

Tariff Commission just commencing its investigations under the chairmanship of Sir John Quick. At the time it was fondly anticipated by most Free Traders that the creation of this body would lead to nothing and after prolonged academic researches find its culmination in a balanced report which would be buried in the Parliamentary bookcases with heavy firing over it during the debate at its funeral. This illusion has passed away and our *Daily Telegraph* bitterly complains that Mr. Reid has succeeded in sawing off the branch his Ministry is sitting upon. Sir John Quick and his colleagues on both sides are settling down to a thorough examination of a number of competent witnesses, who are criticising every item on our customs schedule that has been challenged. A number of commercial men are contending that these as they stand are prejudicial to local producers. There can be but one result from the painstaking proceedings in which they are engaging. The fiscal issue will be revived probably this year, but certainly soon after. Yet here is our former State Minister for Works, Mr. O'Sullivan, filling our newspapers with enthusiastic and argumentative letters declaring for Protection one day and in the next distinguishing the State Socialism which the Labour Party here have adopted from the Socialism of Marx and his European disciples. If Mr. Reid could bracket them and attack together he might rally his old party, but since this is impossible under the coalition, his keenest anxiety is to separate the two and lead both Free Traders and Protectionists against Socialism. This doctrine has been more than ever in evidence in Sydney since the Labour Conference sat, and his opportunity, therefore, has come if only he could use it. But the severe criticisms upon him on other grounds are injuring him here and in some degree by reflection also in the other States. When, five years since, he made his final election to support the Federation he had been opposing tooth and nail, he received a similar castigation in the *Daily Telegraph*, from which it took him a long while to recover. If he had kept free from fiscal entanglements, confining himself to an Anti-Socialistic crusade, there is no visible reason why he should not have held his coalition and its supporters together till the general election. On this line he could have gained ground and a new lease of office. As it is, no tight-rope walker has ever tackled a more ticklish feat than Mr. Reid. When he abandoned the fiscal truce by which his Ministry was evenly adjusted he threw away his balancing pole and trusted blindly to luck.

VIEWS ON THE FEDERAL TARIFF.

What makes Mr. Reid's concession bitter is that it was granted in the interest of and under pressure from Victoria. When the Tariff Commission opened in Melbourne it had ninety-five complaints already classified, the whole of them, with perhaps half a dozen exceptions that came from us, originating in the Protectionist centre across the Murray. No doubt others will be filed as replies to the circulars sent out by the commission are received. No responses had been received from Western Australia

at that time, and very few from other States. The Victorians are prompt. They are undoubtedly the greatest and possibly the only industrial sufferers by the Federal Tariff, and are therefore well entitled to be heard. None the less the circumstance that the Prime Minister, Free Trader as he is, acted at the instigation of her Protectionists, and in such a manner as to assist their claims, is exasperating to his supporters here, and particularly to the Press. Once more Melbourne, though outstripped by Sydney in population and in commerce, has its importance magnified at our expense by obtaining from our most representative politician exactly what it desires and when it desires it. This comes of its being made the seat of Government of the Commonwealth until a Federal capital is established in this State, though even then it must be more than a hundred miles from Sydney. For this legal exclusion of her claims on the constitution Mr. Reid is directly and personally responsible. Apparently the present situation finds him still neglectful of her title to consideration, and ready to disregard her standing grievances. Last year Parliament, in spite of Mr. Reid's pleading and against his vote, fixed upon Dalgety as the locality in which the capital of Australia is to be built, although it is the most remote from Port Jackson and the nearest to Victoria of the sites recommended. Further, it is the one among them whose trade, if it ever has any, or at all events whose communication by sea would not be through Sydney. But in this, as in all other questions, our Prime Minister bows to the will of the majority and adopts Dalgety, though his first vote was for Lyndhurst, the place most advantageous to us, and the second for Tumut, the next least objectionable. Our State Legislature would have nothing to do with Dalgety, and refused to allow our Premier even to discuss its demerits with Mr. Reid. It inserted a new site near Yass and in proximity to the immense reservoir for the storage of water described in my letter five weeks ago. Lyndhurst and Tumut having been already rejected by the Commonwealth Parliament, and Yass being situated upon the railway between Sydney and Melbourne, nearly equidistant from each of them, Mr. Carruthers announced his intention of pressing its claims upon his old colleague while they were in Hobart. Unfortunately our two most prominent leaders, though old colleagues in our State Assembly, and united in the Reid Government for five years, do not seem to have pulled together at the late conference. Some explanation is called for to explain why directly the general business of the State Assembly was over there was no attempt to discuss the capital sites, the question nearest of all to the hearts of the Prime Minister's own constituents in Sydney, as well as to its Press and to the people of his State. Mr. Carruthers was unwell and Mr. Reid was engaged to go fishing. The ailment or the excursion was to all appearances of more moment than the choice of the future home of the Federal Government. Little has been said upon this untoward episode because the chat with the Premier has yet to take place, and it would be unwise to anger Mr. Reid before he has been offered a chance of retrieving his mistake. But there can hardly be any misunderstanding of the augury. It is obviously unfavourable to the hearing Mr. Carruthers may expect, and to the chances of substituting Yass for Dalgety.

FEDERATED AUSTRALIA.

PREMIERS' CONFERENCE REPORT. PROPOSITIONS COMMUNICATED. RESULTS FROM HOBART.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Mar. 6 1905; Apr. 25 1905.

The report of the proceedings of the Hobart Conference has been placed in the hands of the Press, but if our editors promised themselves racy revelations its pages will procure them little but disappointment. The discussions among the Premiers are not given even in outline, though it is in them that the plainest speaking was employed. Nor can this reticence be censured, since the admissions then made in privacy must have been of a nature to expose the weakness of their case to watchful members of the Federal Parliament. The final retreat of the States' Ministers from their first line of defiant resistance to Sir George Turner's principal overture expresses their sense of its untenableness as distinctly as if they had admitted it in so many words. What we now learn of their opinions is derived solely from their debates with Mr. Reid and his colleagues. These are suspected of being brushed up for public inspection, and probably there was some smoothing down of corners or judicious omission of sharp phrases made by the speakers as they corrected their proofs in cold blood. More than this simple manipulation, judging by the quotations now appearing, there was not. The speeches read roughly in their homely diction, and do not discover to cursory inspection any traces of the file. A broken and discursive manner of treating all questions was unavoidable, partly because of the unreported discussions *in camera* between the Premiers which intervened and partly because of the way in which subjects were picked up and dropped at convenience. There is a number of useful State papers included in the appendices, some of them described as valuable, so that with their aid the official record of the Conference becomes interesting. It does not transpire that Mr. Carruthers was at any time more than spokesman for his State colleagues, but the rumours that from the first he adopted the language and attitude of a leader of an Opposition are quite borne out. There is a tone of hostility to the Commonwealth that is penetrated at times by a note of almost personal antagonism to the Prime Minister. Mr. Carruthers's first utterance of any moment deprecated any Federal encouragement of agriculture and incidentally challenged the Commonwealth

administration in other directions. When Mr. Reid endeavoured to turn away his wrath by explaining that no invasion of the sphere of the State Departments was contemplated, but merely a co-operating agency called for in connection with future Federal bounties for rural production, Mr. Carruthers refused to be comforted, saying that he "would offer bitter opposition" to any such attempt. The granting of bounties led, in his opinion, to "bribery of the worst description", and the duty of the Federal Government was merely "to aid the States" in their efforts without attempting anything of its own. As the Conference proceeded Mr. Bent, Mr. Morgan, and Mr. Jenkins, who at first shared his sentiments, were propitiated to some degree, but to the last Mr. Carruthers was querulous. He complained of ill-health, and may, therefore, have looked upon all proposals with a physically jaundiced eye, but if he was intentionally appealing to the anti-Federalism still latent in New South Wales he did not begin his attack strategically.

THE SUBJECTS DISCUSSED.

Thirty-one subjects for consideration were placed upon the agenda paper of the Conference. Some of these were general in scope, embracing in one instance seventeen and in another nine separate sub-heads, so that the particular issues before the Premiers were about seventy in all. Twelve of them were formally dealt with by resolution, though one-half were merely passed on to be dealt with hereafter. There were, in fact, only five real decisions arrived at. These were: 1 that the State Governments should abandon all preferential or differential rates so as to save the appointment of a Federal Inter-State Commission; that the use of opium should be forbidden except for medical purposes; and that secret commissions should be prohibited altogether. The next batch included a declaration that Federal officers ought to be liable to State taxation to the same extent as other citizens; and that any future mail service ought to allow for large cold storage spaces, the States endeavouring to secure regular freights to occupy them. Not one of these five resolutions is, or could be, binding upon anyone, and not one of them pretends to be more than a vague commendation of a wide proposition. Moreover, every one of these conclusions would have been reached if no Conference had been held, so that in point of fact nothing that was debatable was agreed upon, and what was agreed upon needed no debating. The mode of dealing with the transferred properties was added to the resolutions carried, though a footnote registers Mr. Carruthers's dissent. Of specific agreements of any significance at all the Conference was absolutely barren. The parties were never united—except upon matters actually settled before they met. Yet, for all that, for reasons explained in preceding letters, it is deservedly styled a success. The transfer of debts has not been arranged, but Sir George Turner's weighty words have had their effect, even upon Mr. Bent. His figures were in themselves an

eloquent appeal coupled with a serious warning. In 1901 the debts of the States were £202,000,000. These the Constitution authorised the Commonwealth to take over. Since then the States have borrowed £31,000,000 more, which the Commonwealth has no power to deal with until the Constitution is amended as the Federal Treasurer suggests. Of the £233,000,000 now due £147,000,000 is payable in London and £20,000,000 here at fixed dates. Of the total about £128,000,000 costs us under 4 per cent., and £100,000,000 either 4 per cent. or over. No large saving could be effected at once if a complete transfer were made to the Federation, but in the future the gain would gradually become considerable. The alternative is, as Sir George Turner said, to see the Commonwealth some day a seventh competing borrower in London upon Australia's credit instead of the sole borrower. To delay till then would be tactics by which "we will assuredly be putting ourselves right into the hands of the shrewdest of the shrewd men on the Exchanges". So prophesied the Federal Treasurer. Under the pressure of these figures and this forecast even the most bellicose Premiers were sobered. It was their education in this all important matter that rendered the Conference useful—that ought to make it fruitful, and, if so, will leave it memorable.

RESULTS OF THE HOBART MEETING.

The Hobart Conference accomplished nothing more Federal than the agreement arrived at outside its walls prior to its assembling, and to which effect was given immediately afterwards by the Railway Commissioners of this State and of Victoria. They then abolished the differential rates that have been in use on both sides of the Murray for the last twenty years. Their continuance was costly to both departments, but neither would consent to give way, and the perennial negotiations to that end failed persistence until the Federal Parliament proposed to take the matter in hand. The Bill brought forward in 1902 was after the usual pattern of that date, that is to say, comprehensive enough to bring the railways, the river and coastal steamer, and even the bullock teams of carriers loading them from the backblocks under the absolute control of a commission clothed with despotic powers. The Federal Arbitration Court projected at the same time could fix the rates of pay and all other conditions of employment in any and every industry in Australia providing that those engaged in it entered upon a dispute which extended beyond any one State. The Inter-State Commission could have regulated in parallel fashion the fares, freights, and cartage over the whole of Australia with even less provocation providing that the goods passed from one State to another. The two together put trade and commerce in Australia entirely under federal control. Bold as our Legislators then were, they found the last measure too absolute even for them. They laid it aside without much reluctance when they began to learn the extent of the authority intended to be

exercised under it. But the evil to be remedied was real and called for redress. A union of States which permitted a war of railway rates between its members was clearly not permitting but defeating that federalisation of the trade and commerce of the Commonwealth which was one of the chief purposes of its creation.

NEW SOUTH WALES AND VICTORIA COMPETITION.

New South Wales has always felt aggrieved at the action of Victoria in competing with our own lines, though bound to admit that it arose by force of circumstances. Our southern border is so much nearer the seaboard of Victoria and enjoyed railway communication with Melbourne so long before our lines had reached it that we could not cavil at our neighbour's catering for its trade. But when, emboldened by success and our own tardiness in constructing long lines into the back country, the Victorian railways contrived by contracts with the river steamers and other carriers to stretch right through the whole of our west, diverting the trade of the Darling, Lachlan, and Murrumbidgee districts to the south and away from Sydney, the situation became serious. Our railways were extended rapidly to strategic points, whereupon our rivals, unwilling to part with their advantage, lowered their rates for carrying New South Wales goods over the Victorian lines far below those which their own settlers had to pay for the same distances. Our Commissioners followed suit at once, and so a series of reprisals was undertaken, to the great profit of the residents in these remote parts, but to the great prejudice of the railway revenues and the taxpayers of each State. We were justified in fighting for our own trade, though our neighbours could not plead the same excuse for their invasion, but when once we became federated the conflict became obviously indefensible. Charges were lowered towards Sydney, and the further the place from which goods were sent the lower the rates were made. Beside these were placed other tables of rates towards the border, and in proximity to it, that penalised all goods from Victoria or to it throughout Riverina. More than this, agents were employed by Victoria who visited our sheepowners upon their runs in order to make secret arrangements with them for large rebates upon the published tables of freights if sent by their lines. This cutting of rates, commercial as it may have been, was pursued until the traffic was profitable to neither. Nevertheless, it might have been pursued indefinitely but for the appearance of the Inter-State Bill in the House of Representatives. Our Ministers of Railways and their colleagues then grew suddenly concerned, like their Commissioners, at the appearance of a new power in the field evidently anxious to take the matter into its own hands. Thus spurred on they set themselves in earnest to devise the reasonable arrangement talked of for years, though never previously obtained. But for the establishment of the Commonwealth it would not have been sanctioned yet, if ever. So apprehensive, however, are the States becoming of what their overmastering monitor in Melbourne may do that at last these barriers to freedom of trade have been thrown down, never to be reared again while a Federal Government exists.

THE RIVERS QUESTION.

Another grave difficulty was in appearance settled at Hobart, but in fact decided before the Premiers met there as much as it is decided now. The war of railway rates began and continued chiefly in respect to the wool trade of our West, for which steamers and barges upon the Murray and its tributaries bid against our lines. Both Victoria and South Australia annually competed for the clip against us and against each other. The traffic was always more important to Adelaide than to Melbourne, though valuable to both because of the back loading of stores for the interior. The development of storages and irrigation schemes in Victoria coupled with the decline of the wool traffic available under our keen competition made this State less and less interested in maintaining the height of the streams so that the barges might be floated down. In dry years their carrying season was necessarily abridged and liable sometimes to be destroyed by a very low river. To prevent the diminution of the river flood has therefore been a leading motive of South Australian politics for years. The intensity of the eagerness to maintain it has increased as the water in the river has decreased under the constant drafts upon it by Victorian diversions. Readers of the *Morning Post* have been made acquainted from time to time with the fresh expedients adopted in Adelaide to arrive by negotiation at a settlement of this vexed question. Latterly the Jenkins Government made a great parade of preparations for an appeal to the Privy Council challenging the right of the sister States to impair their riparian rights by appropriating water from the Murray or its tributaries sufficiently to affect their navigability. Counsel has been engaged, consultations held, and a brief elaborated with much ostentation. Apparently the advice tendered has not been too encouraging. At all events, Mr. Jenkins's last act as Premier was to intimate at the Conference the willingness of the Ministry for which he spoke to make a long step towards an equitable understanding. Up till now they have insisted that as the fall in the river has been caused by the works constructed by their neighbours the whole burden of the works in South Australia necessary to restore its levels to at least an average height should be undertaken at their expense. This demand was scouted, and would have continued to be scouted, though in New South Wales, owing to our neglect, we have not yet commenced to make any drain worth mentioning upon the rivers in question. We are, however, at last upon the point of embarking on schemes of magnitude, and are more keenly interested than ever before in coming to terms with South Australia and Victoria. The first suggests that the locks by means of which the river could be kept navigable should be constructed at the equal expense of the three States. Victoria, which on the faith of our gaugings formerly consented to our taking twice as much water, now on the ground of their incompleteness asks for two-thirds of the quantity divisible between us. A final and binding agreement is therefore far from drafted, but it is already visible in outline. If a basis for it can be found in the terms named we shall have solved one of the largest

practical problems with which the States affected are confronted. One could scarcely estimate the value of the water that now runs idle to the sea past millions of acres of agricultural land to which it could be applied with immense advantage so far as the supply permits. To the pastoralists of our great plains, and perhaps to the agriculturists of certain favoured localities in them, a regular stream available for distribution upon their holdings would bring a prosperity which would be shared by our railways, our shippers, and, in fact, by the whole State.

THE TAXING OF STATE SERVANTS.

Quite the most unpleasant incident of the sittings of the Conference arose in connection with a challenge to the Prime Minister to amend the Federal Constitution so that all Federal officers may be made amenable to the taxation of the States in which they reside. The High Court has held that, under the Constitution, while the Federal Parliament may tax its own public servants as well as the general body of its citizens, and the States possess a similar power over their public servants, the Commonwealth cannot tax State servants nor the States tax Commonwealth servants. The object of the Constitution is interpreted to be the preservation of each of our Governments from aggressions by the other through its agents or employees. A public feeling has been kindled by the High Court's judgment because it authorises the escape of a privileged class or classes from the burdens which the rest of the community are obliged to bear. The relation between their Parliaments is not considered. Fortified by this sentiment the Premiers, headed by Mr. Bent and Mr. Carruthers, made an onset upon the Prime Minister, declining to be satisfied, as they ought to have been, with Mr. Reid's promise to draft an amendment of the Constitution which would remove the anomaly. They quite unnecessarily attacked the Court because two of its members had been Federal Ministers in a Government which resisted the State taxation as unconstitutional. But they censured the Judges particularly because they had refused to authorise an appeal to the Privy Council. The question at issue related strictly to the local distribution of powers between the Commonwealth and the States, which the Constitution expressly empowered them to determine finally if they thought fit. They did think fit in this instance, and consequently Mr. Carruthers, since his return to Sydney, has actually told the Press that while the Federal Government looks to the High Court the States look to the Privy Council. Seeing that on every other kind of issue an appeal to London from the High Court remains intact, this is not a statement which a Premier who happens to

be a lawyer should have published. It may mislead those who are less well informed. To have dragged the personality of two of our three High Court Judges before the public, both of them New South Wales men who were opposed to Mr. Carruthers in State politics, with implied insinuations of bias arising out of their past Federal experiences, constitutes an unhappy and almost unprecedented trespass upon the dignity of the judicial office. If the Premiers suppressed anything in the debates the passages containing reflections upon the Federal Bench ought to have been the first through which they drew a wet pen. Mr. Reid's rejoinder was dignified and firm, but that could not erase this stain upon the proceedings of the Conference.

FEDERATED AUSTRALIA.

PREMIER AND PRESS. STRAINED SITUATION. COMING DEVELOPMENTS.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Mar. 14 1905; Apr. 27 1905.

The *Prime Minister* has now returned to take up his residence here, and none too soon. He will require to stay long in order to put himself in complete touch with the Metropolis in which all his victories, whether in State or Federal campaigns, have been won. His constituents welcomed him back last night at a demonstration which was cordial and even enthusiastic. They are loyal to him, but apparently not loyal enough to prevent his being scarified in our newspapers. Whether these speak as the mouthpieces of public opinion or in order to create it there are no present means of authoritatively deciding. No other candidate for East Sydney is mentioned, and the Press which condemns him seems to have no rival in view for the leadership of his party of which they have always been the chief effective fighting force. But as he has been complaining ever since he returned, and as he again complained to his meeting last night, they have apparently lost confidence in his courage, if not in his capacity to fill the positions which he now holds. They are preparing the way for his deposition, though no successor can yet be descried. Readers of the *Morning Post* have been warned ever since the beginning of this year of the absolute alteration in the temper of our leading daily papers towards their former champions, Mr. Reid and Mr. *Carruthers*, and of the many important changes that this forebodes. There is a curious parallel between the present situation and prospects of these two men, who owe their high offices to Sydney and its Press, and to whose eminence New South Wales today owes its precedence over her sister States. Our dominant Free Trade or Reform Party reigns through them in the Commonwealth and the State, but reigns perhaps without ruling, and certainly with very moderate gratitude to them. They are not yet repudiated by those whom they are chosen to represent, but are so openly branded as suspects that both of them have appealed directly to the people against their censorious critics. First, Mr. Carruthers retorted from Hobart with injudicious heat. Since then he has contrived to suppress recrimination, that feat being rendered much more easy because Mr. Reid was drawing the fire upon himself. The Premier's

castigation appears to be suspended, while that of the Prime Minister is in hand. During the time they were leaders of the Opposition here and in Melbourne they were the idols of our Press, but now that they have arrived at certain positions they are held up to reprobation as men who may be expected to sacrifice their principles either to gain or to retain office unless they are closely watched. The situation is, therefore, most strained and critical, because, as it happens, neither has a working majority. Each lives upon a majority of a vote or two, and can only hope to resist frontal attacks while every man behind him is kept staunch to his allegiance. The open discontent of their editorial allies in this stronghold of theirs spells defeat to both of them unless a peace can be patched up before the sessions open three months hence. To realise coming developments either in this State or in the Commonwealth it is necessary to remember that the life of their Parliaments depends upon Mr. Carruthers and Mr. Reid, while in them everything depends upon the attitude of our Sydney papers and of the country Press, to which they give the tone.

THE POWER OR THE PRESS.

The Premier of Queensland lately congratulated himself upon the contrast between his own State politics and those of his southern neighbours. Owing to the size of Queensland it possesses a number of remote and independent local centres, each with its own Press. Among these Brisbane is but the chief. In New South Wales or Victoria the capital contains a third of the population, and by means of the completeness of the means of communication provided its papers circulating far afield are enabled to dominate the Legislature and the Ministry of the day. Sydney and Melbourne are thus almost always first, and their country towns nowhere. Face to face with hostile critics in the heart of their own party and uncompromising opponents ranged against them, the issue for Mr. Reid and Mr. Carruthers is one of life or death. Yet even this crisis does not seem to have brought them together. Owing to want of leisure in Tasmania they did not discuss the site of the Federal capital upon which their Parliaments have come to opposite conclusions. On his return Mr. Carruthers explained the postponement, adding that there was a consensus of opinion among Federal members in favour of the selection of Sydney, and consequently of an amendment of the Constitution to permit of its formal adoption. Without a moment's hesitation Mr. Reid rejoined that he had never even heard of such a proposition at Hobart, and his colleagues promptly echoed the disclaimer. The long-looked-for interview between them took place here last week. Immediately afterwards our Premier assured the public that though nothing definite had been done excellent progress had been made which left him hopeful of a practical understanding upon the matter. Again without qualification of any kind the Prime Minister contradicted such an inference point blank, assuring his querists that he saw no prospect of any agreement—nothing could

be more damaging to either than these evidences of a want of harmony so emphatic as almost to suggest bitterness or strife. Mr. Carruthers gets no credit for his loyalty to Sydney, but does get discredited as a negotiator. Mr. Reid gets no credit for his frankness, but does get discredited because of his failure to exhibit sufficient devotion to the fortunes of Sydney. Each has injured the other in the sight of their common constituents, and at a time when they are receiving no consideration from their common censors. They might have helped each other over the stile, or at least have assisted one another to appear to have achieved something. Instead of this they have combined to weaken their hold upon the already vacillating jury of their countrymen assembled in their own home. What the explanation of this extraordinary conduct may be no one here attempts to say. What its effects will be no one has any doubt.

CALL FOR A PROGRAMME.

Any casual coolness on the part of our newspapers would not have occasioned alarm. Their readers are prepared for alterations of mood occasioned by the particular success or failure of politicians day by day. They have their tiffs, their whims, and their humours. But when the *Morning Herald*, the *Daily Telegraph*, and the *Evening News* in chorus and for some months together consistently disparage their Federal champion even he cannot afford to ignore their pin-pricks. The first-named and most judicial of the three papers has lately written: "We have been left lamenting by Mr. Carruthers, and in the absence of a definite programme we are frankly doubtful of the same fortune at the hands of Mr. Reid". He had complained that when they asked him to give effect to his election attacks upon the clauses forbidding the entrance of either white or coloured labourers under contract or the acceptance of mail contracts upon steamers manned by coloured crews his critics were inviting him to rush to a Ministerial martyrdom or an inglorious shipwreck. The reply was tart—"We do not want Mr. Reid to court that unnecessary martyrdom so foreign to his political and personal bent. But we do want definite and precise leadership". There is a sting in the reference to his lack of the martyr spirit and its courage which shows how severely detached their view of him now is. The *Daily Telegraph* was more envenomed still when it remarked, apropos of the same plea of his that they were inviting him to shipwreck his party, "The opportunism which saves the leader by losing the cause is not much use, and when the time comes that the leader of a great party shrinks from the political risks which leadership involves it is in danger of shipwreck, but necessarily a glorious one". His policy is described as "do nothing" and mere "inertia", while the senior daily taking up the tale, accuses him of thinking of "his own difficulties first and of public interests last". What more damaging indictment could be offered by those who profess to remain his followers? Where is the gain, they ask, of keeping Mr. Reid in office simply to carry out Mr. Watson's programme.

They challenge in effect both his strategy and his good faith past and future. The *Daily Telegraph* returns with merciless logic to the meaning and result of his sudden surrender last session to the demand for a Commission to consider the need for amending the tariff. It remarks: "If it is serious Mr. Reid is violating the conditions upon which Free Traders have sanctioned the coalition; if it is farcical Mr. McLean will have a heavy reckoning to meet when the whetted appetites of his followers have to go unappeased. Either way it represents a piece of political juggling for which there can be no possible justification". Mr. Reid's explanations were pooh-pooed. The *Herald* sneeringly dismissed them as "brave words". They were not accepted even in palliation by either. Never has a leader been so heckled by his friends. Under their showers of missiles he may be pardoned if he calmly looks forward to the angriest debate of the coming session case-hardened against all that the malice of his enemies can contrive or execute.

MR. REID SPEAKS OUT.

Mr. Reid, getting his back to the wall, has spoken out with emphasis, but with even more than his usual self-restraint. Acknowledging "a responsibility which far transcends" all personal considerations, he describes himself as "the responsible pilot of the political situation", whose "grave duty at the present time is to endeavour to prevent Australia going down into the depths of Socialistic chaos". He sees before him "a vast organisation full of enthusiasm and single-minded in its political action ... which is bent upon overthrowing as soon as possible all the foundations upon which our industrial system and our national prosperity are based", and he concludes, "I am determined to devote the best of my remaining faculties and energies to a fair and square and honest fight with this great organisation". Putting aside certain laxities of expression, his meaning was plain enough in this expostulation which he has proffered in several forms to the Press and to his constituents. It was not new, for it merely repeated the substance of his address to the electors when he assumed office. "Generalisations upon Socialism" will not suffice, said his mentors, reminding him sourly that up till now he has not taken a single step towards his long-promised combat. His answer is that the time is not yet ripe to disclose his plan of campaign, for while the Labour organisation is ready for active service at a moment's notice its opponents are still disunited. The people must trust him to choose his own battle ground and wait for his signal before commencing the fray. In the meantime he pleads that the Press, by attempting "to pick every little hole they could in the coat of the man to whom they would probably have to look for the leadership", is only strengthening the hands of the enemy. His plan evidently is to meet Parliament with a series of useful but non-contentious measures with the object of keeping it employed upon practical proposals while he collects his forces for a decisive encounter

afterwards at the polls. But even this second plea does not satisfy his commentators, who see that at the utmost his hope is to stave off an appeal to the country by the same methods which he used last year, greatly to their disgust. Besides, his tactics invite the Labour Opposition to counter him, as he admitted they could have done at pleasure during the session that closed in December. The numbers remain as they were, and so nearly equal that, as Mr. Watson could have forced him to dissolve then, he can do so still. If procrastination be Mr. Reid's most prudent course expedition will be theirs, and they, on his own confession, are more masters of the situation than he has been or will be when Parliament begins. It is very significant that his former colleague in the State Ministry, Mr. Joseph Cook, has stated to his constituents that an early dissolution is a certainty, adding with ominous disquiet that "unless a change had come over the spirit of the Opposition during the recess he did not expect anything but a repetition" of the waste of time witnessed last year, when "everything done tended to disgust the people". As most of what was done then was completed under his leader and by his leader's consent, this pessimistic utterance is not flattering to the Prime Minister nor encouraging for the coming session. Mr. Cook said bluntly, "He for one would decline to be a party to its continuance". When so intimate a follower as he has been speaks in this way it is clear that the influence of the Sydney papers is already bearing its natural fruit.

MR. CARRUTHERS'S POSITION.

Mr. Carruthers's outlook, though almost the same as that of Mr. Reid, is more hopeful. He has reissued his challenge to the Labour Party in this State in much the same key as that adopted by his former leader. Like him he is preparing to face the constituencies suddenly, and for much the same reasons. He did not directly assail the Labour Party last session, and will not next session if he can help it, trusting to a lengthy list of important practical measures to keep them and the House occupied. His advantage over the Prime Minister is that local government and water conservation are far more urgent to us than anything Mr. Reid intends to undertake is to the Commonwealth; but when our Premier again essays to amalgamate the two Savings Banks or to authorise the construction of more railways, he, too, is in danger of dividing his own party. The union of the banks is in itself a judicious scheme, only dreaded because it makes an extension of the functions of the joint institution so easy that a State Bank of the pattern approved in the Labour platform would be brought within reach, or at all events much nearer than it now appears. There are railways which can be constructed profitably; but when we find Mr. Carruthers rejoicing over the local response to his advertisement for funds, which has given him £1,750,000 during the last six months, and contemplating £1,500,000 a year being raised and spent within the State, he may not unreasonably be suspected of a covert

design to outrun the constable in the old familiar fashion adopted by his predecessors and lately condemned by himself. Fortunately our finances are steadily righting themselves and our growth is remarkable in every direction. It must be conceded that the retrenchments of the present Ministry, together with the increased taxation for which they are responsible, have assisted to float us off the shoals to which we had steered too close for comfort. But the lessons of our late anxieties have not been laid aside yet, nor will they be, however fast our revenue may expand, until some relief is promised to our patient taxpayers.

THE PREMIER'S POLICY.

Mr. Carruthers stood upon firmer ground when he defended his policy of closer settlement and declared our need for more population. His comparison between our agricultural attractions and those of our neighbours may be discounted, but no one can dispute the immense opportunities we possess for placing upon the soil a thrifty and thriving class of freeholders in districts where the water supply and the land promise excellent returns for their labour. The perplexing question is why under such circumstances Mr. Carruthers refused to accept any assistance from the Commonwealth in a joint effort to advertise our rural resources in the Mother Country. He was willing to encourage Mr. Reid to appoint a High Commissioner, one of the duties of whose office would be to make our need of immigration known, but was unwilling to work hand in hand with his neighbours or with the High Commissioner to secure them. This inconsistency apart, our Premier defines his policy as one fostering the primary industries. He will gladly spend £100,000 a year in resuming private estates for sub-division into farms, but he will not find that sum "to give artificial employment to two hundred and twenty-three men and boys" in manufacturing railway engines. He claims to save it by importing them from the United States. Our late Minister for Works, Mr. O'Sullivan, staunch Protectionist as well as ally of the Labour Party, will take his old chief, Mr. Waddell, and probably most of the remnant of their party with them upon this issue. It is quite likely that they may defeat the Ministry by the help of the Labour members, who desire to see the engines made in our railway workshops—that is, by the State. While, therefore, Mr. Carruthers's plight is not nearly as threatening as Mr. Reid's, he too has to prepare for an emergency appeal to the electors in order to avoid plunging the State into what the Prime Minister vaguely pictures as "Socialistic chaos". Whether the country is in danger or not, they are both of them trembling upon the brink of a dissolution because of the political chaos that threatens to overwhelm them.

FEDERATED AUSTRALIA.

VACATION SPEECHES. NEWSPAPER CRITICISM.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Mar. 21 1905; May 8 1905.

Although it may seem to savour of provincialism to discuss Commonwealth interests in the light of New South Wales politics, yet, nothing else is possible at the moment. Sydney is, for the time being at all events, the “hub” of Australia. We have the **Prime Minister** in residence, and when the Governor-General arrives in a few days we shall feel that the actual capital is here. Both Lord and Lady **Northcote** are at least as great favourites with us as they are in Melbourne, though no straining after popularity is apparent in their intercourse with either city. The dignity of their high position is maintained without the least ostentation or trespass upon the functions of the State Governors, with whom their relations are always cordial. Their expenditure must considerably exceed the sum voted by Parliament, for the hospitality they dispense is continuous. Its most conspicuous quality is its discriminativeness and its careful recognition of everyone who is engaged in public affairs. There is no “Government House set” in Sydney as there often has been both here and in the other capitals of the States. Lord Northcote and Sir **Harry Rawson** have afforded an excellent example in this and many other respects. There is a great opportunity in Brisbane for a nobleman of the same stamp if the Colonial Office is fortunate enough to find him. Before this can be accomplished the chief personages in Downing Street must acquire a much more intimate knowledge than they appear to possess of the precise duties of his Majesty’s representatives in self-governing States. If one can credit a fraction of the stories told in confidence of the lapses in the official correspondence that is received in Australia there can be few, if any, of them who have ever lived in a colony, studied its constitution, or read the public and private letters from past governors that ought to be somewhere within their reach. We have been very fortunate as a rule in the gentlemen who have filled the highest posts in this country, though many of them have admitted that they had everything to discover after they arrived. We on our part have made the best of our few failures, burying their blunders in oblivion and gratefully acknowledging the splendid service done by the majority of those who have acted on behalf of the Sovereign in this remote quarter of the globe.

PRIME MINISTER'S POSITION.

But as explained in preceding letters to the *Morning Post* the political importance of Sydney is greatly magnified at present owing to the dependence of both Mr. Reid and Mr. Carruthers upon very small majorities and the fact that both are in danger of losing their hold upon their parties in consequence of the disaffection of our Metropolitan Press. The Prime Minister's position is the more critical of the two. He has explained his attitude at length three times within the last few days, and on the last occasion submitted his policy formally and at great length to his constituents. Sufficient time has now elapsed to allow of an estimate of the effect of his appeals. The bitterness of his severest critic, the *Daily Telegraph*, is diluted but not dissipated. It complains that his only answer to their challenges is "Trust me", while his plain intention is to go on administering the policy of Socialism for the next two years. His reproaches that their demand for Anti-Socialistic legislation next session is equivalent to asking him to commit self-murder is met by the retort that this way of putting it broaches "the extraordinary doctrine that, asking a Government to do what it has come in to do is an incitement to political crime". The rejoinder is not friendly, but is feebler in its animus than those that preceded it, and may prepare the way for more cordial relations. Mr. Reid was emphatic in his public assurances that he was "not going to commit suicide" under any circumstances. He had in his pocket "a plan of campaign" which he would produce when he thought necessary. A majority of one was "not enough for most men, but was enough for him". He would leave it to the Opposition to take the responsibility of bringing about an early dissolution, or, as he put it, "to plunge its dagger into the heart of Parliament by preventing it doing its work". He would not dissolve if he could help it, nor bring in measures that would involve a dissolution. As the *Daily Telegraph* had headed an article in which opportunists of his type were very severely handled, "The Antipathy of Professional Politicians to the Press", he demanded as its complement another under the title of "The Antipathy of Professional Press Writers to Professional Politicians", explaining the undue sensitiveness of the former to any return of the criticism they so unsparingly showered upon public men. The Prime Minister showed his teeth even if he did not bite, and his assailant returned the compliment with a growl. It remains to be seen what the upshot of the encounter will prove when each has had time for reflection.

The sub-acid flavour of the junior paper is, strange to say, less likely to be distasteful to Mr. Reid than the solid censure of the older, graver, and more established *Morning Herald*. That "the recess is to be prolonged as long as possible", that during the next session his hope is "to mark time until his majority of one has a chance to increase", that he relies upon the incompleteness of the Federal electoral rolls to excuse delay

in dissolving, and that he resents Press criticism of these tame and timid tactics are charges which Mr. Reid cannot and does not deny. He is also reminded that the one practical proposal of his speech to his constituents is that the fiscal issue is to be sunk. This everyone knew was and is his desire, though the best-informed politicians agree with Mr. Joseph Cook, M.P., that he has no chance of realising it. The *Herald* judicially sums up that a “perfectly friendly though discriminating analysis of his speech does not lead us an inch farther”, insists that the people are still waiting “a lead and a leader”, and that it is “time the Prime Minister left the past and addressed himself to the stern realities of the existing situation”. Let him lay down distinct lines of policy and procedure, if it be only for his own constituency. He protests that we are suffering from the clauses put into the Immigration Act and the Postal Act under Labour influence, and yet deliberately announces his intention to leave them unrepealed. His censor, echoing Mr. Want, complains because “his Government has not taken the mischief by the throat and strangled it”. “Their mission was and is to correct the mistakes of their forerunners and make what was wrong right.” The inference drawn is stinging. Mr. Reid “apparently thinks more about personal political suicide than about the broad interests of the Commonwealth. What is this but political opportunism of the most baleful kind?” Recognising that Mr. Want, K.C., was probably right when he said that Mr. Reid’s leadership is “the safeguard of New South Wales and the only chance of successfully fighting the battle against the Socialists”, the *Herald* has since consented to modify this sweeping censure by some compensating admissions. The Prime Minister, it added, “can lead ... and better than anyone else”, but for all that he is significantly described as “a potential leader with all the qualities necessary to make a good fight”. His party has “a loyal faith in his ability and every admiration for his talent”, but there apparently the fidelity of the newspaper ends. It says nothing of his character, consistency or trustworthiness, and grants nothing but a “potential leadership”. To his earnest appeal: “Trust me” both papers reply: “Not without definite guarantees”.

NON-CONTENTIOUS PROGRAMME.

Guarantees Mr. Reid says he will not give, and in point of fact he cannot give them if he would under penalty of wrecking his Cabinet and its mixed following. He went to the country demanding a revision of the tariff, and failing to obtain a majority for its amendment abandoned the attempt. He next formed his Ministry upon the basis of fiscal peace, but immediately afterwards appointed a Commission of Inquiry into the tariff, whose reports must lead to fiscal war, and that before long. His support is obtained from men some of whom endorse the very sections in the Federal Acts which he has denounced and continues to denounce on the platform. To attack these sections now would involve political suicide. He hopes to be able

to attack them next year, but has no warrant for the expectation. His hands being thus tied for the time in dealing with the fiscal and non-fiscal questions before us he has no fighting platform left. Every article of it is suspended. Hence a non-contentious programme is to be submitted, probably in order that the Labour Party may make it contentious and force him to a premature dissolution by their obstructiveness. Under such circumstances he may be entitled to claim support from the Protectionists and the ultra-Liberals of his own party who can unite with him if neither the fiscal question nor the repeal of the concessions already made to the Labour Party are put in question. There is a very slender chance of any such grouping, and if it were momentarily possible would cease to be binding almost immediately after the general election for which it had been used. Stability would not be attained. Nothing positive would be achieved. The existing confusion would remain, and, perhaps, become intensified. If our Sydney newspapers will not agree to this plan of campaign it cannot be launched at all. Up till now they have been very much opposed to its adoption. The tug-of-war proceeding upon the public stage between the Prime Minister and the "able editors", without whom he cannot effectively command his party, is being continued behind the curtain without any relaxation on the part of either. The guarantees he is asked to give, according to him, involve political suicide, and if he does not give them, according to them, it will equally involve his political slaughter. Both may be correct in their prophecies. In any event the outlook is extremely unpromising for Mr. Reid and his Government. The charges of unreliability and timorousness with which he is bombarded week by week in Opposition journals such as the *Bulletin* having now found their way into his own papers, may affect thousands who, though not his partisans, have been accustomed to accept his guidance. New South Wales, as Mr. Want urged, will lose much if their dissidence imperils Mr. Reid's authority, but it looks as if he will be forced to make a choice between the leadership of his State, or rather of its Metropolis, and that of his coalition Cabinet. If he can keep them together, bestriding both steeds at the same time, the feat ought to be famous in the records of political circus riding even for so practised a performer.

THE CONDITION OF SUCCESS.

The condition of success is that he avoids in his recess administration all possible cause of quarrel with his allies. This he may not be able to accomplish unless he can bridle his fiery Attorney-General, Sir **Josiah Symon**, in his zeal for retrenchment at the expense of the High Court. When leading the Free Trade Opposition in the Senate a year or so ago he was face to face with Mr. **R. E. O'Connor**, a Senator of this State who led the Government minority in that Chamber with exemplary skill for his chief, Sir **Edmund Barton**. Both of these old antagonists having been appointed to

the Bench it is surmised that reminiscences of the personal friction then engendered survive now that Sir Josiah Symon is head of the department which provides for the travelling and other expenses of the courts. If rumour is to be trusted there is also an old animosity of unknown origin on his part against the Chief Justice, Sir **Samuel Griffith**, which makes official intercourse between them constrained if not suspicious. What these ancient personal antagonisms may have had to do with the disputes now understood to be proceeding the public have no means of learning until the correspondence which has been passing between them has been given to the Press. So far we have learned from statements made by the Attorney-General that he has been shocked at the expenditure of the judges incurred in consequence of their visits to the various States, that he objects to their being computed from Sydney, where all three are now residing, and that he proposes for the future to fix a definite sum per diem to cover all their outlay from Melbourne as a centre. He further takes exception to the appointment of an Associate and Tipstaff to each justice. Some of the accounts challenged by him have been mentioned, particularly an occasion where the daily expenses of some judges amounted to £4 13s. per diem. Press criticism as a whole endorses this complaint and generally approves of his insistence upon economies. If the matter ended there it would be unworthy of notice in the *Morning Post*. But the Attorney-General has a theory that as almost the whole of the business of the High Court lies in the hearing of appeals it should not be ambulatory at all, but sit only in Melbourne while the seat of Government is there. Under pressure from Mr. Reid he has since modified his doctrine so as to allow sessions to continue to be held in this city, where the largest share of its work is done, but as his principle remains he looks upon this concession to us as merely temporary. The Sydney Bar has protested through Mr. Want, K.C., against any such arbitrary doctrine. The remaining States are naturally up in arms to the same purpose. The Queensland Bar has already registered its formal objection, and the Press of South Australia and of Western Australia is following suit. Federal members, too, resent the loss of dignity implied by the exclusion of their States from the circuit of our highest judicial tribunal, and if the plan be persisted in the Ministry must prepare itself for a reverse. Unless the Opposition believe that the Prime Minister's following can be more aggravated against him by adopting the Attorney-General's hampering conditions, they will support an attack to oblige him to retrace his steps. The justices will find their expenses pared down, but there is little fear that their going on circuit will be challenged to any State whenever and wherever the case list justifies their presence.

MR. CARRUTHERS AND THE HIGH COURT.

Mr. Carruthers has been more fortunate than Mr. Reid, and it is hoped will regain his composure during the period for which the Press is applying itself to the cross-examination of his old leader. He must be sorry that at Hobart in his impatience he maligned the High Court for its supposed Federal leanings when interpreting the Constitution of the Commonwealth. No judicial body can expect to be popular with litigants or with the public at large. If it gains the appreciation of the practising Bar and the legal fraternity generally it has every reason to be content. Considering that the local feeling which exists in all the States, and runs higher in none of them than in Sydney, always supports the State Supreme Courts, whose members personally known are esteemed, and deservedly so, by the profession from which they have sprung, the courage of the High Court has been conspicuous. It has reversed most of the judgments of the State Courts which have been brought before it upon appeal upon grounds which here, at all events, have been deemed justifiable. Consequently the Federal Bench holds a high place already in the esteem of those who have appeared before it. They by no means share Mr. Carruthers's antagonism. Our newspapers are agreed in defending its circuits and in recognising the boon it is proving to litigants unable to bear the cost of an appeal to the Privy Councillor deterred by the delay in obtaining its decision. Here, again, they are out of touch with the Premier and possibly with the Prime Minister also. But the former has his consolations. His recent tour, if not a triumphal progress, was warmly welcomed in the districts visited. Mr. *Ashton* and his policy of closer settlement are heartily approved everywhere, and what is much more noteworthy the testimony to the fact is not simply verbal. Two independent members who followed the late Government have declared their allegiance to the present Ministry. Mr. *Levien*, a well-known Protectionist of long experience, and Mr. *Perry*, another country member, who sits for Liverpool Plains, are valuable additions because they make the Government majority real, if small, and because they prove that the Metropolitan newspapers do not dictate the politics of rural voters.

FEDERATED AUSTRALIA.

MAIL CONTRACT QUESTION.

THE ARBITRATION ACT.

FROM OUR SYDNEY CORRESPONDENT.

[Mar. 27 1905]; May 13 1905.

The mail contract muddle is not yet disposed of, though there appears to have been much correspondence and many conferences between Mr. Sydney Smith, the Postmaster-General, and the Orient Company. Neither of them is the true principal in this matter, for Mr. Smith, most energetic and loyal of colleagues, merely makes the running for Mr. Reid, while behind the Orient Company is the commercial and banking community. It might have been supposed that under such conditions no intermediaries were necessary, and that once the Prime Minister realised the value to business houses here and in England of regular communication the question would have been settled out of hand. But again there has been profound disappointment at his inertia, quite unwarranted, but none the less sincere and general. Like our newspapers, from which, indeed, they derive all their knowledge and opinions upon politics, our merchants and financiers expect a policy of action and indeed of reaction, while Mr. Reid point blank refuses to risk either. They insist that if he is as satisfied as he says he is that the clause in the Postal Act forbidding coloured labour upon mail steamers is indefensible, he should repeal it, or, at least, promise to repeal it. To do so would, in his opinion, be equivalent to committing Ministerial suicide, a crime from which he has the strongest aversion, because he is convinced that it would be perfectly fruitless. Baffled there, the Sydney public demands that the Orient Company, having agreed to man its ships with white seamen as our legislation requires, Mr. Reid shall prove his regard for their interests by promptly coming to terms with them for a fortnightly service. With that of the P. and O. this would continue our weekly mails to and from London. Once more they are met with an unexpected coolness on the part of the Cabinet. Though entirely free from statutory obligations, and with full authority to conclude a bargain with the Orient Company on the spot, they have insisted upon haggling about terms. The Postmaster-General has rejected their tenders with disdain. The Prime Minister himself, though partly relieved of responsibility by his colleague's self-sacrificing attitude, has not even been as friendly as he promised a deputation of mercantile men he would be if the terms were lowered. In Sydney he practically agreed

to close with the company for £120,000 a year, but after consultation with the other half of his Coalition Cabinet in Melbourne his tone became much less cordial. He has a two-party Ministry to study first and a House in which he has no majority to study next, so that with both brakes constantly applied to his wheels progress is almost impossible. His constituents clamour for a policy of action, but they ought to know that his situation condemns him to a policy of inaction upon this and every other contentious question. Moreover, in such circumstances every question either is or will be made contentious. We are at a deadlock in respect to the mail contract and every other matter of importance.

ORIENT COMPANY'S ATTITUDE.

This particular issue will probably have a happy ending, because the pressure from without will assert itself at last. We might have reached this stage earlier if the Orient Company had displayed the same dignity as the P. and O., against whom the clause in the Postal Act was specially aimed. No doubt its directors see that they will have to be settled with hereafter, and are quite content to allow the Orient Company to prepare the way. They must have been more than content to see the company losing its prestige and popularity in their silly attempts to force the hands of the Government by depriving the commercial interests of Australia of their mails while negotiations for their carriage were still proceeding. They took up untenable ground, also, when they argued that they were entitled to ask £150,000 annually for their company because it had not been paying for some years. As Mr. Reid promptly replied, the only question for the Commonwealth was what was the value of the work they did to the Commonwealth, and not what the company's management of all its traffic made it desirable for them to obtain. The Orient Company could hardly have handled the business worse in its own interest or played more into the hands of the opponents of subsidies. Prominent among these is the *Melbourne Age*, which on the plea that Australia is being bled by a "London shipping ring", openly argues that the poundage rates paid for postal matter are equivalent to three or four hundred pounds a ton, and are consequently ample payment for the special care imposed upon its carriers. As for the special speed insisted upon for mail steamers, it gravely asserts that a few days more or less affects business very little in these days of cable communication. An imputation that the granting of subsidies is a Free Trade device to foster oversea imports, and the fact that Sydney being the terminus for all mail steamers is the great centre of importation, are characteristic additions to its main thesis. Still, while Mr. McLean, Sir George Turner, and Mr. McCay, three Victorians, are colleagues of Mr. Reid, the antagonism of the Protectionist paper is an element to be reckoned with in the Cabinet, and more so in the House, where the votes of their fiscal sympathisers are necessary to keep him in office. On the other hand, the

fact that the Government as a whole represents Sydney and Melbourne sentiment would tell against it greatly were it not that on the mail question Perth, Adelaide, and probably Hobart too, have a strong community of interests. Queensland alone is excluded, and despite Mr. Morgan's efforts to make his capital a port of call for subsidised mail steamers, his guarantee for the use of a sufficient quantity of cool storage space from Brisbane will be required before that project can become feasible. In the meantime the Orient Company's action has led to an offer to establish a "link line" to Bombay by fortnightly Australian steamers that would open up a trade with India as far as that was possible. The weak point of this scheme is that from Bombay to England we should be relying upon the P. and O. White seamen would then carry half our mails half way to place them in the hands of Lascars who are already carrying the other half of them on alternate weeks all the way from Sydney to Europe.

GENERAL OCEAN FREIGHTAGE.

Our communications with the Old World, whether by mails or cargo steamers, are less in the minds of our representatives than they ought to be. For this reason a speech by Mr. Joseph Cook has attracted some attention, though he simply reminded his hearers of some of the handicaps imposed upon our producers when entering into competition with those who are more favourably placed. Taking wheat, which, after wool, is our chief export to the Mother Country, we find that the farmer of the United States pays three-halfpence or less for the freight of each bushel of his grain across the Atlantic. The growers of Manitoba pay less than twopence, Russian shippers from Odessa twopence-half-penny, and our growing rivals in the Argentine one penny more. The highest freight any of them have to deduct from the price of their wheat for its sea carriage is threepence-halfpenny per bushel. Our own farmers never pay less than twice as much for its carriage by a sailing vessel, and from twice to three times as much for its carriage by steamer. On the average, therefore, they are at a disadvantage of about fivepence a bushel for freight alone. On other routes there has been a decline in freights. From San Francisco to Great Britain these have declined £1 a ton during the last two years, while ours have only lessened by threepence a ton. In our best import—butter—the same disability exists. It is landed in London from Russia or Denmark at 24s. and 25s. a ton, while it costs us £7 a ton from here. Of course, the great difference in our distance from the British market is a sufficient answer to the implication from such a statement that we are being mulcted merely by reason of the existence of a "ring". The remoteness of Australia must cause a proportionate increase in freight, and until the opening of the Nicaragua Canal, now in course of construction by the United States, this cannot be reduced. The heavy dues charged at Suez affect us unfavourably, and so may those of the new canal, though it is expected that they will be lighter themselves and lead to reductions in

Egypt. The amount of general traffic from an outlying country or upon its trade routes to the centres of population has to be allowed for as well in any comparison of charges, but after all these and other factors are noted our freights remain high by comparison. A suspicion that the "shipping ring", denounced in Melbourne, is responsible obtains a good deal of credence. Mr. Cook, as a Federal member, finds it easiest to reproach his own State with having neglected to apply its greatly enhanced Customs revenue since Federation and its territorial income to writing down its railway capital with a view to reductions of freights. Those who remain in the local Assembly which Mr. Cook has left are, unfortunately, just as much inclined as he was, when among them, to take a more short-sighted view of the best means of assisting the farmers.

THE STATE'S INVESTMENTS.

Mr. Carruthers, for his part, carefully avoids any suggestion that it falls to his lot to relieve us of any of the burdens that unwise legislation or bad administration have cast upon our shoulders. He has economised, but he has also taxed; he has reduced our annual expenditure upon public works, but he still continues to project a smaller but very considerable annual outlay upon new ventures. Here we are with a million and a half people in this State paying £3,000,000 a year in taxation without so much as a hint escaping him that we are entitled to be spared anything beyond an increase of this large levy. He does not propose to add to our debts abroad, unless, perhaps, by £2,000,000, but his rejoicings are all evoked by the discovery that he can borrow as much as he wants within our own borders. The country is flourishing: agriculture, pastoral pursuits, manufactures, and trade generally are thriving, and money is accumulating. It is not the healthiest sign that so much of it is available for the purchase of Government Debentures. Much better would it be if it were employed in private hands in providing more production and more employment. The Premier, like all Premiers, promises to be very cautious in his investments, and will face none that are not to be remunerative. We have heard the same maxims and pledges too often before to be able to put implicit reliance in them. When he warns us that we are not to look for "rollicking times", although there are to be two or three millions a year available for him in Sydney from local lenders whenever he asks for them, we derive some comfort but no hope. The interest upon the sums he borrows here will have to be found just as regularly as if it had to be transmitted to London. Some of the railways for which it is paid will not be remunerative at first, and others will be more or less at the mercy of bad seasons. Then fresh taxation will be imposed, and unless in the meantime much more is done to attract suitable population than has yet been attempted or even promised by him it will come out of the pockets of the same million and a half who now give him two pounds a head per annum. Mr. Carruthers

refers with derision to the critics who asked him to undo in five weeks the legislative wrongs of fifty years, but he has now been in power for more than five months, and in all the statements of his intentions with which he has favoured us has carefully refrained from any undertaking to reduce taxation. The most we are to hope is that it will not be enhanced in his reign. In this reluctance to part with any income he has inherited there is a majority with him independently of the Labour Party, which is also cordially of the same opinion. Fortified by this knowledge he confronts our newspapers with a stiff upper lip, telling them that their support “proved to be rotten when most needed”, and dismissing their complaints with the information that whenever defeated he will “hit back instead of cringing and crawling”. The vexation he expresses is in part excusable, but on the whole his retorts are neither prudent, dignified, nor statesmanlike. Unfortunately it is not himself alone, but his Ministry, his party, Parliament, and the country who are likely to be injuriously affected by his irritable temper and policy of expediency.

KNOTTY LABOUR POINTS.

Up to the present we are left in doubt whether he intends to amend the Arbitration Act, and if he does what shape the alterations will take. We have had sufficient experience of it now to discover its value and its limitations. We have had no serious strikes maintained and few commenced since it was placed upon the Statute Book. The court has been kept busy, and is indeed very much in arrears. Mr. Justice Cohen desires to leave it in order to return to his ordinary duties in the regular courts, and if his request be granted it will be difficult to find a successor as capable. When found he will take some time to make himself master of the novel procedure of an industrial tribunal, and can scarcely hope to make better progress than his predecessor. If the Act is to be effective there must be more Arbitration Courts, and these Ministers will be slow to create. But above all there must be certainty as to the true interpretation of the Act, which is now being assailed upon a number of technical points too tedious to enumerate and needing a lawyer to explain. The Act was drawn in general terms, apparently because New Zealand experience did not justify greater definiteness in matters of detail. Our Supreme Court has been revising Mr. Justice Cohen’s awards with a free hand. The High Court has in its turn dealt in equal independence with the judgments of the State Bench. The present results of this cross-firing are so disastrous that our trade unionists are reported to be in the mood for desperate measures. Their leaders, or some of them, have informally outlined a political and perhaps an industrial campaign to secure what they term “an equitable interpretation of the intention of the Legislature”. What they seem to need is an explicit statement of what a “strike” is and when it commences, and of what “preference to unionists” is, and by what steps effect may be given to it. How far a shopkeeper who does not

employ assistants comes under the early closing clauses, or under what conditions, if he be a barber, he may lease the chairs in his shop to others without making them his employees are among the knotty points upon which grave doubts exist. Unless these and similar matters are settled by increasing the authority of the court at the expense both of employers and employees the Act will evidently fall short of the expectations of its authors and far short of the desires of the Labour Party. Should the High Court uphold the majority of our State judges in their decision that when preference to unionists has been ordered by the Arbitration Court an employer is under no obligation to inform the union of subsequent vacancies, and that any non-unionist employed by him is under no necessity to apply for admission to the union, the grant of preference will become of little value. The confusion now obtaining in this and other respects has paralysed the Arbitration Court and the unions to such a degree that amendments of the Act are indispensable. The present Assembly is less favourable to Labour ideals than that which passed the measure, and the Council more hostile than ever. The prospects are not propitious. Yet it will be a misfortune if, owing to technical defects, the guarantee against industrial strife afforded by the court should be swept away in this fashion. Friends of the Act have always foreseen the difficulty of applying legal machinery and coercion or judicial principles to the intricacies of all industrial employments and the innumerable incidents arising out of trade transactions, but it was not anticipated that the attempt would generate so much friction or have met with such serious obstacles. Between the friction and the confusion it is now threatened with early shipwreck.

FEDERATED AUSTRALIA.

LABOUR PARTY TACTICS.

ARBITRATION ACT CHANGES.

GENERAL ELECTION PROSPECTS.

FROM OUR SYDNEY CORRESPONDENT.

[Apr. 3? 1905]; May 16 1905.

Decidedly we are doomed to the discontented year forecast in the *Morning Post* from its very opening, and as it grows old the discontent deepens. The situation is neatly brought home to us, this time from a new standpoint, by Mr. Dacey, M.L.A., in a short letter just published. All the opponents of the Labour Caucus are agreed that the present paralysis of private enterprise is due to its achievements in legislation, whereupon, as one of its members, he naturally inquires why they take no steps to remove the incriminated measures from the Statute Book. Federally his challenge is, "Why does Mr. Reid not appeal to the electors for power to repeal them?" As for New South Wales, Mr. Dacey says: "Of the ninety members in the Assembly only twenty-five are Labour members. What respect can the electors have for those who daily denounce Labour legislation but refuse to support its repeal?" He repeats the taunt of our newspapers that Mr. Reid and his supporters in Melbourne are carrying out a policy they denounce rather than surrender the reins or risk a dissolution, and that Mr. Carruthers here is pursuing a similar course. Coming from such a source the jibes have a piquancy which they have lost in leading articles by frequent repetition. The Labour Caucus clearly recognises its opportunity. By the excellence of its organisation, the unceasing work pursued in the constituencies all the year round, and the amount of voluntary service rendered, elections cost its candidates nothing or next to nothing. They fight the most hopeless seats for practice, and in order to punish their adversaries by putting them to expense. Why they are eager to hurry on a contest at present is because those outside their ranks are not yet consolidated. There are three parties more or less in evidence in the five mainland States to-day. At a general election they will face each other, two of them dividing the anti-Labour vote in varying proportions according to the circumstances. Owing to the abstention of thousands of electors the well-drilled minorities of the Political Labour Leagues will thus be enabled to keep or snatch more seats than they are numerically entitled to hold. Speaking from the Federal point of view, if Mr. Reid can be driven to the

polls the fiscal battle will begin again, to the great profit of Labour candidates, who will espouse either or neither side according to the tendency of each locality. If Mr. Carruthers can be tempted to take his chances with the constituencies the Waddell Party will rally the Protectionist vote against the Government because of its refusal to have its railway engines made in Sydney. The Labour Party, to which Mr. Dacey belongs, would then have its opportunity in the Commonwealth and in the State. Even if it gained nothing itself it would harass and exhaust those who resist its demands. By troubling the political waters it would stir them into the condition most favourable to the fishing ventures of a compact minority knowing its own mind and acting as one man to accomplish its ends. By his dexterous challenge Mr. Dacey has contrived to apply to his purposes the censures upon Mr. Reed and Mr. Carruthers which their own newspapers have been hammering at. His clever stroke has driven them farther home, emphasising the weakness of their tactics and of their position, and enhancing the discontent of their followers.

INFLUENCE OF GERMAN TRADERS.

The Prime Minister is not regaining lost ground. He talks of organising, but does nothing. His delay in settling the mail contract is unduly used against him, but there can be no doubt that it has impressed his supporters here with a sense of his political caution, astuteness, and foresight rather than with his courage or resourcefulness. It thus reinforces the bad impression made by the Press criticisms leading to the same conclusion, though based upon other premisses. The commercial deputation which waited upon him in relation to the high-handed and inequitable manner in which the Germans have penalised our traders in the Marshall group were not any more satisfied than they were when they pleaded with him for a prompt settlement with the Orient Company. There is no dispute about the facts. The Germans have driven our ships away and have rivetted their monopoly upon the natives who have now no opportunity of dealing with anyone except the State-aided company, which appears to exercise all powers of government and to possess all rights of commerce in those islands. German traders enjoy a free entrance to all British possessions in the Pacific, and equal opportunities with our own people for doing business with them. They have a large and growing trade with the Commonwealth, buying wool and selling manufactured goods which displace the goods previously brought from the Mother Country. But although our trading rights in the Marshalls are protected by treaty they have been cut down on one pretext or another until now they have disappeared altogether. The flimsy pretence is that the German company in possession is entitled to do by its regulations what its own Government could not do without an open breach of its obligations to Great Britain. Mr. Reid's reply was bland and given in his best diplomatic manner. After some months of protest and fruitless negotiation

he said several times, and each time in different phraseology, that if no redress was forthcoming the Government would find itself compelled to retaliate. He hoped “peaceful relations” would continue, but if extreme measures were used against us we should take extreme measures in turn. So far so good. Bluster would have been out of place. His utterance was impeccably correct. But action would have been better, and if it had been taken months since would have at least proved our powers to retaliate. His conduct suggests a doubt of it or of his readiness to use it even after due notice to the Colonial Office. Mr. Reid being an opponent of fiscal retaliation or defence, and a friend of foreign trade whenever there is any money to be made out of it, moved uneasily as if in shackles in his response. Even in free importing Sydney a more resolute attitude would have been relished by his friends. Such an incident lends support to the charge that owing to his dangerous situation in Parliament he hesitates to take a decisive step in any direction lest in so doing he should by losing one of his supporters lose the majority by which he lives.

MR. CARRUTHERS’S OPPORTUNITY.

Mr. Carruthers has missed a chance of a somewhat similar character by neglecting to indicate his intentions in the next session of amending the Arbitration Act. He can have no doubt either as to what he ought to do or what it is his interest to do, yet so far he is leaving the leadership in this matter to our Press, which is none too friendly to him in anything. His election pledges which have been republished are unequivocally precise. After consultation with his party he announced that two years’ experience of the Act had discovered palpable defects in its working, and proceeded to specify the particulars in which it ought to be altered. To begin with the court is to lose its permanent representatives of employers and employed. The President Judge is to be assisted by a temporary representative of each interest chosen for each particular dispute from men who are experts in the industry to which it relates. In the next place the preliminary effort for conciliation abandoned by Mr. *Wise* is to be restored as a condition precedent to a hearing by the court or its making of an award. The more recent Federal Act of Mr. *Kingston* having been amended as proposed in the first respect and always provided for conciliation first, it is to be assumed that our State Labour members will approve these changes, and also the addition enabling a recalcitrant party at the conciliation stage to be punished by having to pay the costs of the proceedings. But the further amendments included in the Federal Act in spite of the *Watson* Ministry and extended by Mr. Carruthers are certain to be strenuously resisted. The condition that a “common rule” shall not be made applying to any industry unless the union claiming it represents a majority of those affected goes beyond the Commonwealth provision, while the restrictions upon the granting of preference to unionists are stronger. The final condition suggesting that no such grant

can be made if the rules and management of the union are not confined to purely industrial matters would be far more restrictive than the concession made by Mr. Reid to Mr. Watson in the last hours of the session. On the other hand, whenever an amending Bill is tabled our local Labour Caucus will endeavour to enlarge the powers of the court and stiffen its regulation of employment everywhere to the advantage of the unions. A battle royal may be anticipated and indeed cannot be avoided, between them and the Ministry. Since no Supreme Court judge being willing to accept the post of President vacated by Judge **Cohen** it will be necessary to introduce a Bill as soon as Parliament meets making a District Court judge eligible. Although there are many upholders of arbitration outside the Labour Party of twenty-five the Ministry ought to be able to carry out its policy without material change. It is, therefore, the more surprising that the Premier has not taken the public into his confidence upon this pressing question, but allows the suspicion that he is faltering to be fostered by his journalistic foes. Owing to their ingenious devices whatever he does now will appear to have been done under their pressure and at their instigation, instead of upon his own initiative.

LABOUR PLATFORM IN VICTORIA.

The one State in which the Labour Caucus has seemed in a hopeless minority was Victoria. The Ministerialists outnumbered them by two to one and enjoyed a majority of ten over the Independent Opposition and the Labour members taken together. This preponderance was due very largely to public confidence in Mr. **Irvine**, who, together with the late Mr. **Shiels**, had carried Victoria through the sensational railway strike and placed its finances upon a sound footing. It was a great loss when they retired from office, and a great decline from the ability and reputation of Mr. Irvine to Mr. **Bent**, whose political successes have been achieved by the unattractive methods of the professional politician. He has relied upon the same class of tactics to prolong his reign, gaily distributing the surplus accumulated when Mr. Shiels was at the Treasury for objects that, however meritorious in themselves, seem obviously selected in order to propitiate the representatives of the districts in which the outlay takes place. Instead of being applied to the reduction of the debt or of taxation the money has been dribbled out for a variety of purposes, some of them excellent, but very few urgent and some unnecessary. His followers who were not cajoled by these means have been compelled to maintain him in office under penalty of handing over the Government to the Labour Caucus, whose local leader, Mr. **Prendergast**, has always belonged to its extreme wing. But last session they were amazed to find the Premier, while loud in loose denunciations of Labour principles, employing the same agencies to secure their favour as he was using to retain his own supporters. During the recess he has courted them openly, and while condemning

their Socialistic ambitions proceeded to act with them, if not under their direction himself, apparently without the knowledge of some of his own colleagues. On the plea that there exists in Melbourne a combination among the manufacturers of bricks to keep up their price, he has purchased land and machinery with the object of making Government bricks for a new railway station in the city. At this point the patience of his party gave way, but before any overt action could be taken the wily Premier stepped forward as if to meet them half way. He called a caucus ostensibly for the purpose of founding a new political association to unite all classes in resistance to Socialistic schemes, but really to stave off a rebellion. When it assembled he was at once heckled most severely, and though the meeting was, of course, private it has transpired that the criticisms passed upon his conduct were so stinging that he went through the form of tendering his resignation. Finding that no sentiment in his favour was evoked by this coup he allowed Mr. Irvine to come to his rescue and plead with the malcontents. The caucus closed fruitlessly, no association having been formed and no better understanding arrived at between the Premier and his outspoken supporters. Apparently he will now be more assiduous than ever in softening as many of them as possible at the public expense. If this fails he is said to be capable of turning to Mr. Prendergast for assistance. Mr. Carruthers, to do him justice, has not resorted to systematic bargaining of this kind, though he is in much greater need of votes than Mr. Bent, whose course of conduct while he remains at the Treasury, with or without the approval of his party, is sure to increase the popularity of the Labour platform in Victoria.

TIMES OF TRANSITION.

In South Australia the general election as it comes nearer becomes more obscure to an observer from this State. The local labour Caucus, true to the traditions of its party, has selected candidates for every one of the constituencies where they have a chance of success and for some where they have none. It has done this without any regard for the views of the sitting member, who, whether he has been allied with them in the past or generally agrees with them at present, so long as he neglects to take the pledge of obedience to their rule is as fiercely opposed as if he were a root-and-branch antagonist. As usual, their opponents are divided and discordant. Though they are not expected to succeed the result of the elections seems very uncertain and meanwhile discontent is general. In Queensland where the Labour Caucus is represented in the *Morgan* Cabinet and controls its policy, and in Western Australia where the whole Cabinet is composed of Labour members headed by Mr. *Daglish*, it might be thought that at all events the class to which they belong, by whom they were elected, and in whose interests they are acting would be entirely satisfied. The contrary is the case. The Anti-Socialists in Queensland, hampered by the record of their late Ministry, and

those in Western Australia, fiscally severed and disunited as elsewhere throughout Australia, are of course discontented, and deeply, with the course of public affairs. But even this favourable situation cannot content the caucus. The papers published by the Labour Party, written by its most capable men and circulating wholly in their ranks, are just as loud in their complaints as if the party were in hopeless opposition. The Brisbane *Worker* openly attacks the Morgan Coalition Ministry, its programme, and its legislation, demanding a "Co-operative Commonwealth" and immediate preparations for its inauguration. In Western Australia the all-powerful organisations which are the backbone of Labour politics find the Daglish All-Labour Cabinet equally unsatisfactory because of its temporising, depending as it does upon two or three members who are outside the caucus. Ministers have to shape the whole of their administration as Mr. Reid does so as to avoid giving offence to these indispensable votes, without which they would be left in a minority. Tasmanian annoyance is chiefly with the Commonwealth for lost Customs revenue and with its own Legislature for the manner in which the loss is attempted to be supplied. The discontent is not, perhaps, more than normal, but in every other State it is abnormal: in South Australia, because no one knows what is going to happen electorally, and everywhere else because no one knows what is going to happen Parliamentarily, since all Ministries seem out of touch with their parties. The times of transition are upon us. Meanwhile, the opinion that Australia is much over-governed and has too many legislatures is surely gaining ground. The prevalent discontent, if consolidated and directed by competent leaders, appears to possess sufficient heat to generate an agitation for reform capable of fusing the electors, and through them fusing our political machinery into a simpler shape.

FEDERATED AUSTRALIA.

PERIPATETIC MINISTERS. THE SOCIALIST MOVEMENT.

FROM OUR SYDNEY CORRESPONDENT.
[Apr. 11 1905]; May 23 1905.

“Westward the star of Empire takes its way” in Australia as in the United States so far as rapidity of development can indicate its path. Whether in pursuit of that attractive orb or simply in response to the invitation of the *State Premier*, our *Prime Minister* and a party of members of the Commonwealth Parliament have just landed in Perth as the guests of the local Government. Of the members who have travelled thither nearly a score belong to the Labour Party. Mr. Reid has his *Whip* and two followers, while the Protectionists sent a single representative of their divided forces. The West Australian Cabinet, of which Mr. Dalglish is the head, is composed of Labour men, while all the Federal representatives but one, and four out of its six Senators from the Western State, belong to its caucus. The solitary representative is Sir *John Forrest*, whose reputation and ability help to balance the inequality of numbers in the House. The two Senators belong to Mr. Reid’s party fiscally, though they owe their positions to Labour votes and are in close sympathy with most of its aggressive aims. From a Government point of view, therefore, Mr. Reid has ventured into the camp of the enemy and apparently decided upon this step only at the last moment. The popular supposition is that he went because of a strong appeal from Sir John Forrest, who insisted that unless he came the whole tour would be turned into a triumphal procession for the Labour Party conducted at the public expense and with injurious results to their opponents both in Federal and State affairs. It is expected that the Prime Minister will counteract this by his presence and public addresses, and at the same time consult with his friends in Perth upon the prospects of his party. The great preponderance in numbers of Labour members on tour is not peculiar to this visit. Without exception they are free from business cares or other occupations than those incidental to public life. Travel affords them at the same time platform practice and change of scene. Their propagandism being persisted in from year’s end to year’s end they contrive to vary the monotony of their preaching only by constant relays of new speakers, who appear before their docile audiences with a certain freshness of interest because of their reputations or differing mannerisms. Those members who are not

Labourites are usually employed in recess in making up for the time lost to their professions or businesses during the sessions. They can ill afford the time for tours and have little taste, as a rule, for public appearances. Owing, however, to his office, his renown, and his inexhaustible versatility as a platform orator, Mr. Reid on such an occasion as this is a host in himself equal to all the exigencies of the situation and perfectly able to out-talk, out-jest, and overshadow the whole cohort of adversaries by whom he is surrounded.

PRIME MINISTER IN WEST AUSTRALIA.

The telegraphed reports show that the Prime Minister is facing the Western Australians without any explicit declarations of policy on the plea that the visit is not to have a party complexion. To newspaper interviewers while en route he was frank, but vague, in his assurances of what he is going to do presently. But whether he is whistling to keep his courage up or affecting a confidence which he does not feel, his situation is if anything more hopeless than it has been painted in the *Morning Post* for the past six months. Goaded by our metropolitan newspapers into action he has made arrangements of some kind for the establishment in this State of a new Ministerial organisation intended to unite all the political forces outside the Labour Party against its platform so far as it is Socialistic. He has thus tardily, and probably with a good deal of reluctance, fallen in with the views of our Press, and is following the path which they have marked out for him. His want of alacrity in taking his cue from them may be accounted for by his constitutional inertia, or by his doubts as to the wisdom of embarking on such a campaign. He has had the time of its commencement and probably the methods to be adopted chosen for him, so that, nominally a leader, he is really acting under express and urgent orders from their headquarters in Sydney. Here we have little doubt of the general success of the movement in New South Wales. The whole of the energy and machinery of our dominant party will be placed at its disposal. We shall see the Free Trade League, the Protestant Defence Association, and the Temperance bodies ranged up in line once more, this time under the new banner of Anti-Socialism. In addition, it is hoped that the most influential Protectionists, and particularly those who are well-to-do, will be found acting with their old fiscal antagonists. The Labour Party here will be left weaker than it has been even if it retains the more prosperous among its Catholic allies. Our dominant party uniting several contrasted sections, partly by provincial sentiment and partly because of their previous co-operations in local politics, should be more dominant than ever when once they are brought into battle array. Beyond our borders, however, the situation is absolutely different. In Melbourne Mr. Reid unfolded his plans to Mr. Deakin, to whom he looks to lead the new party

in that State and in Adelaide, advised with his chief South Australian supporters represented in the Cabinet by Sir Josiah Symon. From those two cities, or rather from their Protectionist papers, it can be gathered that he met with but lukewarm encouragement. According to present appearances he was not much more fortunate in Perth, though the existence of a Labour Ministry lends great force to his appeals to those opposed to their reign. The fact is that each State is still self-centred even in Federal affairs, and insists upon approaching them with an eye only to its own interests and local politics. From Western Australia Mr. Reid is to go to Queensland, and will then have sounded every State on the mainland. He has lately been in Tasmania, and ought before June next to be in touch with the centres of thought and influence of the whole Commonwealth. It is very doubtful if any state except New South Wales will give him a satisfactory pledge.

THE SOCIALIST PARTY.

Furthermore, there is evidence that even in this State much remains to be done that Mr. Reid has not yet undertaken, but which will be undertaken for him by his own associates if he remains quiescent. In a characteristically elaborate and perspicuous letter Mr. Bruce Smith, M.P., who represents in our suburbs the class whose offices and warehouses are in Mr. Reid's own constituency in the city, impales his chief with polite but unsparing directness. Entirely with the Government in its avowed object of putting before the country a clear issue between Socialism and Anti-Socialism, he separates himself from their proposal to devote the next session to "non-contentious measures"—"an attitude of mere passive resistance to any further Socialistic legislation" is altogether insufficient. He looks and believes the people are looking "for a programme of a reactive character in regard to some of the Socialist measures of the past four years". "It seems to me", he writes, "to be one of the first duties of an Anti-Socialist Government, at this juncture, to endeavour to wholly or partly erase some of these blots from our national records; and, in the event of this Parliament's refusal to do so, to appeal to the Australian people to readjust the balance of parties with that object." This is exactly the policy of the Sydney newspapers and of Mr. Smith's electors who read them and are swayed by them and him. He suggests that the programme of the new party must be definite enough to enable the public to thoroughly understand Mr. Reid's intentions, and adds: "But until some such policy is forthcoming, so as to make the Anti-Socialist professions of our party something more than empty theorising" he will hold himself free to take his own course in Parliament. To put his independence beyond all doubt he already washes his hands of the Government's "prolonged and irresponsible mismanagement of the mail service negotiations" and their "apparent approval of the Attorney-General's high-handed official attitude towards the High Court Bench", and his "personally needlessly

offensive public utterances” regarding them. This challenging letter comes from the exactly opposite camp to that of Mr. Dacey, to which reference was made in my last letter. In the name of the Labour Party that member of our local assembly defied Mr. Reid to face the country as the avowed opponent of existing legislation of a Socialistic nature. Mr. Bruce Smith, M.P., for whom uncompromising individualism contains the gospel of all political effort, threatens to leave him if he does not avowedly oppose that very legislation. If the Prime Minister loses Mr. Smith he has lost his majority and may lose our papers, which agree with the complainant. He can only retain him by staking his fortunes upon a dissolution, the result of which may be disastrous and must be indeterminate. There are either three or four parties in the field who seem likely to remain there. While that is the case the prospect of any one of them gaining a working majority within its own ranks is extremely unlikely. Mr. Reid may well complain that his friends as well as his enemies are pressing him to commit suicide.

LABOUR RESOLUTIONS.

The Australian employers’ unions share the sentiments of Mr. Smith, M.P., and, stung by the Prime Minister’s recent disavowal of them, their President, Mr. E. E. Smith, of Victoria, speaking in Adelaide at a conference representing all the mainland States, found fault with his attitude and plan of campaign. Finally, somewhat affected by his presence in the city on his way to Western Australia the day before, at their last sitting they passed a tepid resolution that “whilst refraining from discussing the policy or the conduct of the present Commonwealth Government, this conference records its hope that the members of the Government will have due regard for the preservation of trade and commerce”. With this modicum of support from his extreme right wing the Prime Minister may be excused for asking whether they or these Socialists they are both fighting are the more dangerous to him. Outside the political arena there can be no question as to the weight and importance of the associations that conferred together through their twenty-four delegates. They represent an enormous capital and an immense amount of business experience. Their weakness is that they are apt to get out of touch with public sentiment when their pockets are affected. The decisions registered at the conference, though adopted almost without discussion, are useful records of the judgment of an experienced body of leading commercial men, among whom our own representatives played an important part.

The paper read by Mr. C. H. Austin upon the Arbitration Act of New South Wales, supplemented by others from Mr. Phillips, of South Australia, and Mr. Maughan, of Western Australia, upon their Acts of a similar character, and a general study of the same subject by Mr. Brentnall, of Queensland, paved the way for the two chief resolutions adopted. The first called for the maintenance of freedom of contract, the

second pledged the employers of Australia not to register under the Commonwealth Arbitration Act, which the conference held to be “in derogation of the common law and a violation of State rights”. To this the trade union secretary here has made a lengthy rejoinder. The paper of Mr. T. E. Spencer, one of our delegates, upon “The Effects of Socialism on the Workers” presented a comprehensive study of the whole issue, after which another New South Wales delegate, Mr. A. H. Moore, carried a resolution affirming the necessity of a thorough organisation against the Socialists. The Immigration Restriction Act was unanimously condemned as “a bar to the progress of this Commonwealth, and hurtful to the Imperial sentiment”. The coming exclusion of Polynesian labour from the sugar plantations was also protested against on the ground that the cultivation of “the fertile tropical lands in Northern Australia” solely by European labour was impossible. Strenuous opposition was announced to the adoption of an “union label” or to the legalisation of eight hours as a working day, because wherever it could be conceded without injury it had already been granted voluntarily. The employers mean to fight in the courts all new Arbitration Acts as they have fought ours in this State until it appears to have been crippled. They will fight the Labour Party at the ballot-box and trust to Mr. Reid to give them the leadership they desire, possibly in return for the financial aid which they will afford, and possibly also because his breach with them would mean a breach with Mr. Bruce Smith and any other members whom they can influence. The narrowness of the Prime Minister’s majority makes him dependent upon them, though they do not command a tithe of the votes that will be cast for the Labour candidates.

ADVERTISING THE COUNTRY.

Perhaps because he has been warned by the exhibition of Mr. Reid’s hazardous pose upon the political slack rope our Premier has plucked up spirit enough to emphasise his objections to the Labour platform. Speaking in the country he even ventured to refer to Sydney as “the huge blister of New South Wales” and to declare the settlement of more people upon smaller areas of land to be our one pressing need. For the development of the iron industry he will do a great deal, because it is the basis of so much else, including manufactures. But he will not bolster up a city industry for the making of our own railway engines at an extra cost of £160,000, since it would not be any better fitted than it is now for cheaper production when the contract was over. Our Treasury could afford that sum or any other in reason if we were satisfied that it was a good investment. Our debt is really only one-fourth of its apparent total, since £60,000,000 out of the £80,000,000 borrowed are represented by our railways. Against the £20,000,000 remaining we have superb forest reserves, minerals, wool, and agricultural products yielding revenues of millions sterling. Twenty-three people out of every hundred in the State are depositors in the savings banks,

where £30,000,000 is standing to their credit. Our total annual trade in proportion to population is nearly double that of any nation oversea. We have increased our cultivated area a hundred per cent. during the last ten years. Two energetic officers are about to start for London to demonstrate these facts and advertise the opportunities we offer to settlers. They are to act with Mr. Coghlan, who appears to be very flatteringly credited with capacity for any kind of undertaking that the Government may have in hand. There are to be suitable exhibits, photographs, and illustrated handbooks available in Great Britain. In a small way, therefore, and after long delay we are following the example of Canada by seeking to make our resources known. These tardy steps may also succeed in dissipating the assumption that our kinsmen are not heartily welcome to Australia. State purchases of large areas of fertile land are being made here and across the border, out of which men of small capital can obtain blocks partly improved, well-watered, near to the railways, and in settled districts already possessing good markets. It is true that our share of the Federal customs is dropping this year, but what with the savings already made and the buoyancy of the railway receipts, we are in a very prosperous condition. Magnificent rains have fallen in this State and in Queensland, so that there is every reason to expect a splendid winter and royal returns next season. The political clouds alone awaken uncertainty as to the Parliamentary future, but, after all, it is the politicians and not the community that is in peril. Whatever happens, there will be no aggressive policy introduced. Our Legislature at the worst may be waterlogged, but the producers and manufacturers of Australia will progress and expand no matter where it may drift for the present. The inevitable reaction will come in it before long.

FEDERATED AUSTRALIA.

NEW PARLIAMENT PROSPECTS. THE PREMIER'S TWO POLICIES.

FROM OUR SYDNEY CORRESPONDENT.
[Apr. 18 1905]; May 30 1905.

Our year of discontent appears destined to become politically memorable either as a year of incubation or of readjustments. Up to date it might seem to promise a year of reaction if one were guided by the superficial indications visible on every hand. For the first time since Federation the commercial and producing interests, so far as they are organised, have found a voice and are of one mind. An integrating tendency manifests itself in most of the States. There is an open endeavour to bring about an Anti-Socialistic alliance in the Commonwealth. If these go deep enough we shall witness a defeat of the Labour Party at the Federal polls and a reversal of Commonwealth policy in a new Parliament. The sanguine are already reckoning upon such a consummation, and if New South Wales were Australia there would be good ground for such a hope. In that event there would be a Free Trade revision of the Tariff in addition to a repeal of the "White Ocean" and White Immigration Restriction statutes. But even this State is not solid, and were all its Federal representatives of the same way of thinking it would have little more than a third of the seats in the more influential Chamber, where Ministries are made and unmade. As the Tariff Commission proceeds it fans the embers of fiscal strife, and threatens to precipitate a dissolution, in which the Labour Party, avoiding isolation and defeat, may increase its membership. The energy now being generated among the investing classes, whose operations have been impeded by legislation, will be diverted by any tariff war into two streams in Victoria, and to a lesser extent deflected in some other States. That this is at present the more probable outlook is a fair inference from the curious tactics of Mr. Reid. His reticences and hesitations continue to expose him to the jibes of the Sydney newspapers belonging to his own party, and are certainly not due to any love of the journalistic lash on his part. His Protectionist partner in the leadership of the Government, Mr. McLean, has been denouncing Socialism and its Labour Leagues more warmly than the Prime Minister himself. The Cabinet is obviously united to this extent, and perhaps much farther, but it is very doubtful

if its supporters are equally solid. The spectre of fiscalism is daily invoked by Mr. Reid's adversaries in order to sow discord in the Ministerial ranks, and the question naturally arises whether it can be laid by any device within the power of the Prime Minister.

MR. DEAKIN AND THE TARIFF COMMISSION.

The *Daily Telegraph* has its recipe ready: "Let Mr. Reid, therefore, call upon Mr. Deakin and his followers to consent to the cancellation of the Tariff Commission, which can serve no purpose but to stir up a fiscal strife that must divide Protectionists and Free Traders again into two parties, between which the balance of power will inevitably revert to the hands of Socialism. If they are in earnest about it they will require no persuasion to do this; if they are not, Mr. Reid, in his overtures for the consolidation of an Anti-Socialist party, is simply trying to grasp a shadow". Considering that Mr. Reid not only offered to appoint the commission, but actually did appoint it with the sanction of practically the whole House, the invitation suggested would come strangely from him. As "Mr. Deakin and his followers" warmly supported its appointment and accepted the terms proposed, it must imply a remarkable gift of persuasion that would induce them to eat their own words. The same paper in the same article reminds the Protectionists generally, and their leader in particular, that nearly all the Socialistic legislation on the Federal Statute Book was passed while they were in power, and more or less with their consent. It then proceeds to demand its repeal, and to censure the present coalition for failing to attempt it, though the published agreement upon which it was founded made no condition of the kind, and by implication forbade the introduction of any such condition. Not that the Government is precluded from taking up any question in its own way, and is probably under pressure to do so, but it cannot rely upon those who are sitting behind it quite unpledged in these particulars for anything like a unanimous vote in its favour. Each member is free to follow his own inclinations. Assuredly a majority of them favour amendments of what the *Daily Telegraph* styles the "Socialistic blots" upon Federal Acts. But a Government majority of two is not strong enough to undertake that achievement next session. Those amendments will come as part of those readjustments of policy for which materials are now being accumulated. A period of incubation has commenced but not concluded. Mr. Reid is quite right in labelling the tactics urged upon him by his newspapers as equivalent to advising him to commit "political suicide". He has accomplished many a *volte-face* in his time, but not one that could compare with those he is now invited to take by cancelling his own Royal Commission and asking the approbation of his colleagues in the coalition for thus destroying the body he created at their urgent request and with the sanction of the whole House.

APPLICATION OF THE ARBITRATION ACT.

Our period of incubation in New South Wales in respect to our State Arbitration Act has lasted three years, exactly one-half of the period allotted for that greatly daring experiment. The upshot of our trial is that there are now one hundred and twenty unions of employees in the State who, oddly enough, between them have filed one hundred and twenty complaints with the Registrar for arbitration. Of these one-half have been heard, settled, or withdrawn, thirty mutual agreements recorded, and thirteen common rules declared in connection with them. Since a quicker rate of speed may naturally be anticipated hereafter it is possible that by the time the Act expires we may have disposed of all or nearly all our important industrial disputes. Of course, the catalogue of cases listed and decided quoted above was accompanied by crowds of minor and incidental applications or summonses, many of which established precedents and must greatly diminish the number and the time occupied in future proceedings of the same kind. This summary of the past would be satisfactory were it not for judgments of our State Supreme Court, and in two instances of the High Court, cutting deeply into the supposed intentions of our Legislature and the desires of the Labour Party, which was principally responsible for the passing of the Bill. No layman will be surprised to learn that arbitration can only be applied to those who are employers and employees. That common rules governing wages and hours in a particular industry cannot be put into force in respect to people who have not been before the courts, simply because others in the same industry have come to an agreement that suits them which they wish to make generally binding upon their competitors, seems thoroughly reasonable. Yet the High Court's judgments in these respects have led to a demand from the Labour Leagues that the Arbitration Court shall have its independence guaranteed by such an enlargement of its powers as shall prevent its being overridden. Our Supreme Court, as explained in my letter last month, has declined to compel employers to notify all vacancies that occur in their business to unions whose members have been granted a preference to employment over non-unionists. If the High Court upholds our State Court on this point there will be a demand for another amendment of the Act. So much for closing the loopholes discovered already. In addition to their desire to place the court beyond all control by any other tribunal the unions seek the appointment of Government inspectors who would see to the enforcement of its awards. These are ambitions never likely to be gratified, but interesting because they disclose the ends to which their autocratic industrialism is leading them.

HOSTILITY TO THE ACT.

On the other side the employers who received the Act unwillingly are more confirmed in their hostility to its principle and methods to-day than they were before they had eaten of the Tree of Knowledge. We have been informed by cable that Mr. **Wise** has been defending his legislative offspring in London as gallantly as ever, but the papers read and resolutions passed by the Conference of Employers' Unions in Adelaide alluded to in my last letter were absolutely hostile to it in any shape. Mr. **A. Moore**, President of the New South Wales Federation of Employers, heading a very large and influential deputation to **our Premier**, described Mr. Wise's measure as "the most iniquitous, mischievous, and one-sided Act that had ever been put upon the Statute Book of the State". Mr. **Simpson**, in supporting him, averred that "no Act that had ever been placed on the Statute Book had brought more grist to the mill of the lawyers", and that only five out of the hundred and twenty claims brought to the court had been made by employers. These and other reports make it evident that the employers are up in arms against compulsory jurisdiction of an industrial character being vested in any court. They stoutly deny the ability of the present tribunal to control large bodies of employees, though our experience as far as it goes has shown its increasing authority. The coal miners have twice made a show of resistance and their wheelers have undoubtedly endeavoured to defy its awards, but though they escaped punishment for contumacy their outbreak was quelled after a short delay. Some employers openly confess their preference for strikes, using as an illustration of the failure of the Arbitration Act one of the shortest and most easily-defeated strikes on which the miners have ever ventured. Mr. Carruthers reminded the deputation that they appeared before him in the character of defeated litigants. He more than hinted that the Act had been misinterpreted by Mr. **Justice Cohen**, and that really it was the Administration that was condemned in this State. No other indication of the intentions of his Cabinet was vouchsafed. Australian employers have agreed not to register under the Federal Act in the hope by this means of rendering it a dead letter. The workmen's unions, undecided up till now, will be encouraged by this to persist in the intention which a number of them have already expressed to bring themselves within its scope without delay. The technical difficulties ascertained in the course of our three years' experience in New South Wales in introducing litigious methods for the settlement of trade disputes between masters and men will be multiplied in the Commonwealth by the constitutional and other restrictions of a legal character peculiar to Federal conflicts. Federal awards will also be weakened by the immense area for which they may require to be granted. Whether arbitration will be applied at all to Australia as a whole is open to doubt.

Mr. Reid, after being an out-and-out opponent of the principle in our local Legislature, became a convert and a supporter of its application to a limited extent when necessity required the change in order to meet party exigencies in the Commonwealth Parliament. We may infer, therefore, that his Anti-Socialistic crusade will not include an attempt to interfere with the measure for which he so recently obtained the last seal of legislative and executive approval.

PRIME MINISTER'S PROGRAMME.

What the Prime Minister's new platform will include is a mere matter of conjecture, and to the Sydney newspapers of jealous suspicion. His programme for the session has been announced and cannot be altered at their bidding without subjecting him to very unpleasant criticism. He has protested, and continues to protest, that this will consist of practical non-contentious measures. If these would enable him to live out the session he would be well content with himself and with his good fortune. His hopes on this head can hardly be confident. In any event he must be prepared for defeat with or without notice, which with a majority such as his, if it is a majority at all, must be always impending. When it happens he cannot venture to face the country with non-contentious measures. He must fight the Socialists, or in other words the Labour Party, most of whose policy is of that colour. He must have a contentious platform, therefore, always ready to hand for the emergency, and under such circumstances must not try to keep it in his pocket. Indeed, he will need an organisation in every State, whose object will be to proclaim and inculcate it. He is committed, therefore, to two different policies at the same time cheek by jowl with each other—a non-contentions programme to keep his majority in the House and a contentious platform to create a majority outside of it. The hazards of such a position are sufficient to try the nerve and the resources of any less elastic leader. Allies he must have, far and near. Consequently the Prime Minister is already reported to be conducting negotiations with representative men like Sir **John Forrest** in Western Australia, Sir **Langdon Bonython** in South Australia, and especially with Mr. Deakin in Victoria, in order to obtain their assistance in building up his organisation and framing its declaration of war. Sir John Forrest is being solicited to return to the politics of his own State, in which his career was both long and brilliant, while the others as Protectionists have little if anything to gain by association with a Free Importer of so extreme a type that he dreads Preferential trade. Mr. Reid relies for the backbone of his organisation and for funds upon those outside the Legislature, the employers and commercial men who, fortunately for him, are moving of themselves to prepare for the coming fray. The Chambers of Commerce have just held their annual conference in this city, which opened with advice from their chairman, Mr.

Knox, M.P., of Victoria, that they should lay aside their traditionally non-partisan attitude and enter actively into the combat against the revolutionary and Socialistic planks in the Labour platform. The Farmers' and Property Owners' Association of Victoria, encouraged by Mr. Irvine the late and Mr. Bent the present Premier of that State, has resolved to unite with all other bodies that agree to oppose the domination of "the Labour or any other party which has extreme Socialism for its object". There has been no such movement in the short history of the Commonwealth as that which is now asserting itself. Although it is only in the incubation stage it should need little time for its effective development if Mr. Reid can contrive to guide it and if, most important of all, the men to whom it appeals are in earnest. As one of our own journals dolefully confesses, "In no part of Australia has the mercantile community earned such a reputation for political apathy as in New South Wales, where the lukewarmness of the typical commercial man has become a proverb". The only alteration of this passage necessary for its completeness is to name land and property owners generally as subject to the same reproach as the mercantile community.

FEDERATED AUSTRALIA.

THE POLITICAL SITUATION. SPARRING FOR AN OPENING. THE FISCAL FIGHT.

FROM OUR SYDNEY CORRESPONDENT.
[Apr. 25 1905]; Jun. 10 1905.

There is a great deal of political posturing just now, but it cannot be said that it has helped to enlighten us. Mr. Reid and Mr. Watson, like two rival wrestlers waiting for an advantageous grip, circle defiantly around each other at a distance with more patience than their backers appreciate. The Prime Minister's party, at all events, is wearying of his prolonged delay. The Labour Caucus, on the other hand, more uneasy than it has been for some time past, approves by imitation the Fabian tactics of its chief. What is the decisive issue to be? Now and then there are Ministerial announcements of the Bills in course of preparation for the coming session—nobody pays the slightest attention to them. The Tariff Commission, like Gray's ploughman, plods its weary way in gathering darkness through accumulating masses of evidence of a contradictory character relating to the condition of Victorian industries. Next month it will sit in Sydney, where a lengthening list of complaints about customs duties is being prepared for its members. Their proceedings are attracting attention. Appointed in even numbers from Free Traders and Protectionists, they are conducting a campaign between themselves across the table and sometimes with their witnesses in a lively rather than a dignified or edifying manner. A fiscal fight began with their first sittings, and grows in heat as they proceed. It is now generally assumed that the four Protectionists will exercise their right to make an interim report soon after the meeting of Parliament. When that is accomplished Ministers will be obliged to make a choice, and there can be no doubt then what Mr. Reid's action must be. The report will advise an increase of duties that he cannot concede under any conditions. Mr. McLean and the Protectionist half of the Cabinet if they agree with him will do so at their peril. If they do not agree the Ministry will be split in two, a crisis will be precipitated, and a three-party battle will begin at the polls. All Mr. Reid's efforts hitherto have been and are directed to putting the fiscal issue to sleep and keeping it slumbering. His hope is that he may march at the head of the whole of the opponents of the Labour platform, whatever their Tariff principles may be. In New South Wales

this design will succeed, but outside this State the outlook is less hopeful. Half the Commonwealth will refuse to forget the Tariff, even for the sake of overthrowing Mr. Watson. If his Federal Conference pronounces for Protection next month the Labour alliance will be immensely strengthened in Victoria and South Australia. Another secession from Mr. Reid's majority may leave him with a minority perhaps too small to take him to the country, or if he gets there will either defeat him or confuse the popular verdict. The crucial question for the Prime Minister is whether he can force the issue in spite of fiscalism. Apparently he cannot. Mr. Watson's aim is, of course, to prevent him forcing it, and this a Tariff Commission report may easily accomplish.

POLITICAL PARTY WATCHWORDS.

The undisguised anxiety of each party to pick the issue to be remitted to the people is due to the fact that the answer received will depend upon the question put to them. If Ministers can have their way the battle will be fought under the banners of Socialism and Anti-Socialism. If the Labour Caucus has its choice the watchwords will be monopoly or anti-monopoly. The Free Traders seem content to let sleeping dogs lie, but the Protectionists intend to press for Tariff revision before everything. According to present appearances out of these three the first and last will be chiefly in evidence. Though the second war cry may help to keep the Labourites in heart, they will keep together solidly with or without any special ensign. Their first business is to beat Mr. Reid.

There is no obscurity in the demand for Tariff revision, because it means more and higher duties upon any industries less protected under the Federal Customs Act than they were under the State Acts of Victoria or South Australia. Mr. Reid's chief handicap is that his Anti-Socialistic crusade is based upon a cry which requires, but has not yet received, exact definition. Socialism, protean in its forms, aims, and methods, covers a host of proposals, political and social, which are sometimes moral and religious, or, to be precise, irreligious in their confessed associations. The crude materialism of its early founders in Germany, which was antagonistic to the family as a social unit, to the marriage tie as its foundation, and to ethical restraints as impediments upon the freedom of its votaries, has been loudly condemned of late from many pulpits, and especially by the female officers of some women's organisations. But, as our newspapers frankly admit, if there are any adherents to these extravagant views in Australia they are unknown to public life. Occasionally their views are reflected in the leading columns of some of the papers published under the patronage of the State Labour parties. They are used as a basis for attacks upon orthodox faith and upon supernaturalism of any kind on the ground that these divert the thoughts and energies of the working classes from the urgent needs of Radical

reforms here and now. On the whole, however, the Labour members are free from these aberrations of their scribes, and many of them who are local preachers or Church members are absolutely hostile to any such ideas. Roman Catholics are plentifully distributed over the rolls of the leagues, particularly in New South Wales. There the mere suspicion that the new Labour programme was in conflict with the late Pope's Encyclical threatened some of them with disruption a short time back. The Socialism accredited in Australia is economic in motive and political in method. It is religious rather than irreligious in sentiment and fervour, but puts aside all denominational differences, so far as it can, in order to unite its adherents in defence of a platform which is wholly secular. The Orange leaders in this State are suspicious of Catholic influences upon the caucus and its policy, but except for their watchful attitude of distrust no sectarian feeling is evoked for or against them in New South Wales.

THE PREMIER'S SOCIALISM.

The true distinction between the Anti-Socialism of the Prime Minister and the Socialism of the Leader of the Opposition is now being arrived at by a process of elimination conducted in a leisurely and unsystematic fashion across the continent. Mr. Reid, while denouncing the Labour Party programme as Socialistic at Perth, was careful to explain that he himself has no objection whatever to Socialism so long as it is free from class favouritism or injustice. He defends State railways, a State Post Office, and any other collective action or ownership, providing that its aim is not to abolish private effort or enterprise but to stimulate them. What he dreads is such an incursion of the State into the realms of commerce and industry as will check their unsubsidised expansion by individual initiative. He fears a multiplication of public servants into "a Government gang", doing the "Government stroke", and quite unequal to the task of facing competition with the rest of the world. In Western Australia he proclaimed once more that he "stood right across the path of those who would land Democracy into Socialism". The same evening in Sydney Mr. Watson replied at length and with characteristic mildness to his challengers. The Labour Party had no intention "of sneaking in projects of a Socialistic character". They put forward boldly particular schemes of State interference which they would carry out when they were in power, taking the responsibility for their success or failure. Monopoly after monopoly, whether actual or potential, should be resumed either by municipalities, the States, or the Federal Government, because Socialism, as they understood it, aimed at abolishing competition and substituting co-operation. Capitalists were leading the way by forming rings and trusts. As a beginning, the Tobacco Trust of Australia should be given a fair compensation for its property, its business transferred to the State, and its profits applied to public objects. The Fire Insurance Department of New Zealand offered another instance of successful State interference by which

the people of that colony benefited. In this manner, step by step and little by little, the domain of "callous, heart-breaking" individualism would be reduced, and "collectivism" substituted wherever it would be proved profitable. It would be years, and probably many years, before their citizens would be trained so as to fit them for the complete Socialism that the Labour Party accepts as its ultimate goal. While it is plain from Mr. Watson's admissions that a Socialistic colour would be imparted to all legislation passed under its auspices, and that this would be deepened as fast as the electors allowed, it is not quite plain yet just where Mr. Reid would part company with him. He says nothing against the nationalisation of monopolies upon which the Labour leader dwells with relish, while Mr. Watson says nothing by way of rejoinder to Mr. Reid's attacks upon unrestricted preferences to unionists. The Prime Minister, it is true, lays down the principle upon which he will use Socialistic measures, while the Leader of the Opposition recognises no limit except that of opportunity. But Mr. Reid's principle is so vague that it leaves him free to act as he pleases or as his majority may require. No doubt there is a gulf between them, but assuredly as yet it is not charted with sufficient definiteness either to please Mr. Reid's Sydney supporters or to qualify the constituencies to give a final verdict.

RESISTING THE LABOUR PARTY.

Apart from this unsatisfactory political posturing there is a marked advance outside. Mr. *Irvine*, M.L.A., the former Premier of Victoria, and Sir *W. McMillan*, who while he remained in Parliament was the first lieutenant of Mr. Reid, concur in the recommendation that an organisation should be formed in every State acting both in Federal and local politics. Its one aim would be to resist the Labour Party and its platform, though there appears to be an indisposition to say so in as many words, partly because this might seem to initiate a class war and also because some of the proposals included in the Labour platform commend themselves to large numbers who are beyond caucus control. Mr. Irvine's speech in Melbourne contained a complete sketch of the constitution of the new body proposed to be formed, allowing perfect autonomy in each of its subdivisions which would probably be coterminous with Commonwealth electorates. These would raise and spend their own funds and possibly select their own candidates, being united to the central body only by a common platform and mutual support. But he, too, waived the real difficulty which is the framing of that common platform. Whether phrased as he advised in the most general way or more specifically, it must either approve or seek to repeal some existing Federal statutes, it must be for or against arbitration, and for or against a revision of the tariff. The last is certain to be a burning question in Victoria, and one which Mr. Irvine himself may find embarrassing. He is a Free Trader who would probably be content to let the present tariff stand, but is also a Preferential Trader, and must

uphold any endeavour to amend the schedule of duties in favour of the Mother Country. What does he anticipate will be the attitude of the new organisation on these heads? Mr. Irvine is already announced as a Federal candidate for the coming general election, so that these contingencies and others must have been in his mind while he spoke, though apparently he then assumed that the preparation of an Anti-Labour programme would present no insuperable difficulties. He mentioned Mr. Reid as leader, though on the great subject of Preferential Trade he is openly opposed to the Prime Minister. Both of them are open to the courteous rebuke given by Sir Joseph Ward, the New Zealand Minister, whose succession to Mr. Seddon is taken as a foregone conclusion on this side. During a visit to Sydney last week he chided the faint-hearted Federalists who complained because they had not conquered all outstanding obstacles to union in less than five years. In his opinion federation was one of the finest things we had ever done, but the evolution of a national life and sentiment could not be accomplished by the passing of a statute. There must be friction while a readjustment to the new conditions is in progress, which only the commonsense of the people could overcome. They would overcome it if they worked together. With statesmanlike forcefulness Sir Joseph Ward urged the early transfer of the State debts to the Commonwealth, about the conditions of which Mr. Carruthers has such qualms. If we were fortunate enough to possess Ministers as far-sighted and able as our guest in either of our Governments we should not be waiting still for an organisation and a programme to cope with the existing situation.

FEELING IN SOUTH AUSTRALIA.

In South Australia there is another apt illustration of the want of a true dividing line between the Labour Party and its adversaries. Yet there if anywhere it ought to be easily drawn. The new Premier, Mr. Butler, is at the head of a Ministry which, like that of Mr. Reid, has the Labour members sitting in direct opposition. It has been reconstructed so as to embrace all who resist the caucus, its aims, or its mode of operation. The Cabinet has been Anti-Socialist root and branch, and is to be firm in the faith for the future. Yet the chief matters for which Mr. Butler takes credit in his review of the past include the making of another State railway, the repurchase of lands for closer settlement, the generous terms granted to settlers, and the advance of £250,000 to encourage State lessees to employ vermin fences upon their properties, £60,000 of which had been repaid. All these might be dubbed Socialistic. Doubtless they were warmly applauded by Labour members when brought forward, as will be the programme for the future unfolded by Mr. Butler. This comprises the building of more State railways and harbour works, the reclamation of Murray River Flats, and their leasing for fourteen-year terms, together with special expenditure to develop the mineral and other resources of the Northern Territory. All these, too,

might be condemned under an injudicious platform even if Mr. Reid's careful exceptions were borne in mind. The repurchase and sale of land upon terms by the State, its reclamation, and leasing are undoubted trespasses upon the field of private enterprise. Or, if they be taken as encouragements of private enterprise, which of the Labour Party's projects can be excluded? Mr. Butler is most entitled to praise for his management of the finances, which, if anything, has been too penurious but assuredly has proved highly advantageous to his State. Each year of the dying Legislature has seen expenditure kept within revenue, although £100,000 has been spent upon non-recurring items. Furthermore, £250,000 has been paid off the debt of South Australia, and careful provision made for all obligations. The one thing to be regretted is that the Premier should contemplate even moderate borrowing for profitable public works instead of paying for them out of revenue. Upon the Murray Waters Distribution Scheme Mr. Butler was naturally resolute in his declaration of resistance to our designs upon the supply unless we shall first contribute together with Victoria to the necessary locking of the stream and the storing of its waters. The spirit of this policy that he propounded is soberly progressive and well suited to the circumstances of his agricultural State. The Labour Party, except in its opposition to all borrowing, is unable to offer any really effective criticism of such a bill of fare. If it be at all Socialistic in complexion it is free from the extravagances of the caucus schemes. These, if put into effect, would involve rapidly-increasing taxation of property owners and earners of incomes. If Mr. Darling, the late Leader of the Opposition which coalesced with Mr. Butler, remains faithful to him, the Ministerialists should be strong enough to continue in the coming Parliament the good work they have been engaged upon for the past few years which contributed in no small degree to the steady prosperity of the country—the particular label affixed to their proposals is quite a secondary matter. If Mr. Reid's Anti-Socialism proves equally prudent and practical it will be equally sure of success.

FEDERATED AUSTRALIA.

PREMIER AND PEOPLE. COMMUNICATION BETWEEN THE STATES. MATTERS OF MOMENT.

FROM OUR SYDNEY CORRESPONDENT.
[May 1 1905]; Jun. 13 1905.

If the States as States do not rule the Commonwealth their separate interests do. Proof of this has been constantly educed in the *Morning Post* for a long time past, and if any evidence of the continuance of their self-seeking were required it is furnished by the **Prime Minister's** tour. A man of his position and tastes, with the burden of official business remaining upon his shoulders even after he has transferred every ounce of it that obliging colleagues can carry for him, does not gallop from one end of the continent to the other for the love of exercise or the enjoyment of travel. He has visited the same States before and requires no more journeying to acquaint himself with their circumstances. What he really needs to learn now is their present temper towards himself and the particular local objects they have in view for which they wish to make use of the Federal Treasury. In every case the prize desired immediately is plain, and in every case he either has promised or will promise it if it be in his power. Western Australia wants some things that Mr. Reid cannot give if he would. It wants Sir **John Forrest** back in State politics, but the value of his leadership there is being balanced against the loss of his services in securing for them in the Federal Parliament the trans-Australian railway of their dreams. That can be built at Federal instead of State expense. Communication between that State and the rest of the Union is by sea alone, a disability shared by Tasmania to a smaller degree. But while the island to the south of the mainland must always be severed by Bass's Straits, there is nothing to prevent a connection between the railway from Perth east to Kalgoorlie and the South Australian line to Port Augusta. There is no physical obstacle, though the country is arid and consequently barren, but there is a financial gulf to be crossed, peering into whose depths the economical inhabitants of South Australia and Victoria shudder and turn away. Sir John Forrest thinks that three or four millions of money could not be better spent than in linking together the communities on either side of Australia, and stoutly contends that until this is accomplished federation will be incomplete socially, commercially, and politically.

The experience of Canada justifies the assertion, though since her shipping was obliged to travel twice the length of North and South America round the Horn to reach Vancouver, while in our case the run by steamer across the Bight is only four days and parallel to that of the projected line the two instances are very dissimilar. We have weekly mail steamers in addition to local vessels of the same size and equipment connecting Fremantle with Port Adelaide. We could not expect to be better served or by better ships. It must therefore be confessed that a strong case requires to be made out for a line exposed to powerful competition by sea and by which the saving of time would be but one or two days.

THE TRANS-AUSTRALIAN RAILWAY.

The Prime Minister while leader of the Opposition declared for the trans-Australian railway and also for its immediate construction, reproaching the **Barton** Ministry for delaying the survey. The Government of which Sir John Forrest was a member was pledged to undertake it, and had obtained a careful report upon its route, cost, and probable revenue from a board of highly-qualified State engineers. Their verdict, though not enthusiastic, was sufficiently favourable upon both points, and a Bill was introduced authorising a survey and providing for its cost. In face of the report and of the importance of the work the outlay for this might, one would suppose, have been allowed without question. It passed the House of Representatives without much ado, but was talked out of the Senate in the last hours of last session. The combination against it was heterogeneous. Mr. Reid, Mr. **Watson**, and Mr. **Deakin** had all lent it their countenance, but some supporters of each exercised their own judgment and bowed to the influence from their respective States. South Australia was favoured with the prospect of a railway carried at Federal expense through its own territory for six hundred miles to the west and with the probable command of the traffic from and to the great goldfields of the West. Yet her politicians have always preferred to rely upon the existing shipping communication, for which her capital is the first and last port of call. Her thrifty citizens grudge their share of the necessary expenditure, and though Sir **Josiah Symon**, as Ministerial leader of the Senate, introduced the Bill for the survey, he was careful to commit himself to nothing further. The "Reform" Party in Victoria, mainly on economical grounds, but with heat indicative of feelings perhaps of jealousy, opposed the survey bitterly on the ground that to accept it meant an acceptance of the line if it meant anything. Tasmanians, some Queenslanders, and even a few politicians from this State joined in the resistance. Mr. Reid, however, has most of our representatives behind him in his promise of every assistance to this great work. It would be the first Federal railway line. Western Australia is willing to guarantee interest upon the capital expended on its construction for its first ten years, and with this period of probation assured, even though no new Coolgardie should

spring up in its neighbourhood, the investment ought to become self-supporting then or soon after. The line would undoubtedly play a great part in welding the States together, and become a very valuable adjunct to our system of defence. What some States fear is that from this beginning of Commonwealth railway proprietorship, whose possibilities are suggested by Sir George Turner's desire to obtain a lien upon all railway revenues in all the States, there would come a movement for the federalisation of the whole of the lines in Australia, to the aggrandisement of the Commonwealth and then our proportionate depreciation. Despite these shadowy alarms of remote dangers the best opinion current is that the Survey Bill will pass this year and the main measure, of which it is the forerunner, will pass also a year or two hence, unless the financial future is more troubled than our prophets anticipate.

MR. REID IN SOUTH AUSTRALIA.

But if Western Australia is content with Mr. Reid, South Australia and Victoria are less easy to propitiate, the Protectionist antagonism in both being further accentuated by their opposition to the West Australian Railway. His only appeal in these States is to the dread that exists of the uncertain experiments of the Labour Party. The trades unions of New Zealand are talking of Government ironworks and Government boot manufactories. We have ourselves a Government clothing factory and a Government dock, whose operations have just been examined to ascertain how far their management is conducted upon business principles. Those responsible have been cautioned against some of their practices, and both are to be afforded another trial, in the first instance for two years. The anxiety is to know what other private enterprises are to be converted into public departments, and though the tobacco industry is the only one threatened at present there is everywhere a justifiable hesitancy in countenancing any extension of State employment. To electors in this mood the Prime Minister is addressing his appeals in Adelaide and Melbourne. The misfortune is that most of those who agree with him are already enrolled in his party and are convinced by his arguments before they hear them. In Adelaide he was more explicit than usual in his attack upon the sections of the Immigration Restriction Act which allow a Minister to exclude white labourers under contract, but in no other respect were his remarks enlightening. His platform wit and eloquence captured his hearers and won for him great applause, but it is doubtful from the reports whether he made any fresh converts in Adelaide. He repeated his assurances that the fiscal question would not be raised in any manner, a quite unnecessary undertaking on his part seeing that no one suspected him of any such design. It will be raised in spite of him and to spite him by his opponents, and when raised must become a test with all candidates whether they like it or not. How, then, are his Anti-Socialistic leagues to be held together? Mr. Reid is careful to repeat that each State will manage

its own organisation against the Labour Party. If so it will be Free Trade here and Protectionist over the border, and how this can make for effective unity is not easy to understand. Perhaps it was a perception of this that led Mr. Reid to spend only a few hours in Melbourne while winging his way back to Sydney, where he commences a campaign that will be prolonged into the North and intermittently continued until the opening of Parliament. As the new statistics of population deprive Victoria of one representative and give another to this State provincial animosities will be aroused when the redistribution schemes providing for these changes are submitted to the House. Mr. Reid has therefore little to offer South Australia and less than nothing to give Victoria, where he is weak, while appearing to favour his own State at the expense of the latter, no doubt much to his own annoyance.

SUGAR BOUNTY IN QUEENSLAND.

In a few days the Prime Minister leaves for Queensland with another touring party of members, almost all of whom belong to the Labour caucus. There, too, he will be obliged to bring gifts. What all sections desire in the Northern State is a continuation of the bounty of £2 per 1 ton upon white-grown sugar for a further period. This, we may take it for granted, will be promised either during the trip or directly Parliament meets. Further time will be allowed for the endeavour to maintain the growing of sugar-cane by white labour, though in this State it was so grown to a great extent without any bounty and in Southern Queensland to a smaller degree. The latest returns are proving that from Mackay northward even the bounty is almost ineffectual. Out of the 90,000 tons of sugar produced in Queensland in 1903 bounty was paid upon 27 per cent. grown by white labour. In 1904, when the yield rose to 145,000 tons, it was paid upon nearly 30 per cent., a very trifling advance, which was not general. In the first year over one-half the cane planted in the southern districts was tended by white men. Higher up the coast, where one-half of the sugar in the State is produced, the area devoted to white labour in 1904 was not a twentieth as large as in the southern moiety. The Cairns district has sixty-eight white sugar farmers, most of them with small crops, while there are three hundred growers, including all the large plantations, that continue to engage black or yellow field hands. Taking the State as a whole the land cultivated by white sugar growers has increased from one-fifth to one-third of the area on which black labour is used. This puts the result in the most favourable light, because, as a matter of fact, fields which were prepared and planted by black labour before the bounty have been cut by white men since and counted as theirs. The "ratoon crops", as they are termed, are being cut from the old stocks without fresh planting, and are being taken for four or five years instead of three only. The cane becomes poorer each year, but the bounty has temporarily made up for the decline. Clearing and planting upon fresh

land by white men has been the exception and not the rule, and in fact has come to a standstill. The increase in the output in 1904 is wholly due to the seasons and not to any extension of the plantations. Tried by any test the figures for the north are bad. Above Townsville about 5 per cent. of the crop was white-grown, while at Cairns this figure sank to 2 per cent. In the last-named district, which is exceptionally rich, there now is but one planter who trusts to white labour. Yet for these results we are paying £85,000 a year in bounties only. Critics of the West Australian Railway who predict a loss of £100,000 per annum appear to be satisfied to bear this loss, although we do not possess the asset that would be available in the first case or its prospects of ultimately paying its way. The Commonwealth certainly cannot be deemed niggardly while it thus liberally finances the sugar States.

THE KANAKA LABOUR QUESTION.

But Mr. Reid, if he stops at a renewal of the bounty, will receive no thanks from Queensland, where this is practically taken for granted: its representatives, who with one exception are either Labour members or allies of the party, will feel no obligation on this score. They claim, and will continue to claim, the chief credit for the bounty. To be fair to the State and one of its greatest industries the Prime Minister must give them greater offence by facing a graver problem. The right to employ Kanaka labour at all ceases next year, and the deportation of the seven thousand islanders remaining may then begin if the Government sees fit. Will Mr. Reid venture to propose the repeal of the sections of the Kanaka Act which prohibit and eject Polynesian labourers? So far they have not impaired the purity of the race, and as a rule have been law-abiding workers. But if sufficient numbers do not desire to remain, or if they are deported, how will he replace them? Replaced they must be unless the richest part of Queensland most favourable for sugar-growing is left idle and a portion of that now cultivated is allowed to relapse into jungle. The Chambers of Commerce at their conference in this city some days ago resolved after debate "that the development of the tropical portion of Australia is essential to the growth of the commerce of Australia and the prosperity of its people, and inasmuch as such development cannot take place without the employment of coloured labour it is advisable to amend Federal legislation so as to permit the establishment of a well-regulated system of employing coloured labour". The declaration is not novel coming from that source, but it derives new force from the fact that the statistics and experience gained since federation are so strongly in its favour. The necessities of Northern Queensland are obviously urgent. The splendid facilities for sugar-cane cultivation beyond Mackay are indisputable. There are not only splendid opportunities for its indefinite extension, but there is now a valuable industry

in being working on a considerable scale which is likely to be seriously injured notwithstanding the bounty. Even its inducements fail in the hotter regions about Cairns. Two or three weeks since Mr. H. McCready, a planter of twenty-two years' experience near Mackay, went so far as to publish in the Sydney papers a careful analysis of his plantation expenditure, which showed that out of his gross outlay of £125,000 no less than £113,000 had been spent upon white labour or its products against less than £12,000 spent upon the Kanakas. This bears out a former estimate that the industry as a whole now gives employment directly or indirectly, either wholly or in part, to thirty thousand whites as against seven thousand Kanakas, who are almost idle for a quarter of the year. An important point is that Mr. McCready, who offers his books for inspection, affirms without hesitation that in the North the sugar industry will perish if coloured labour is withdrawn. It is kept going at present by a miscellaneous crew of Japanese, Chinese, and other Asiatics who obtained admission prior to the passage of our Immigration Restriction Act, and in some places threatens to pass into their hands. Mr. Reid, if he returns from Queensland without announcing a definite policy in respect to employment upon plantations in the far North, must accept a fresh responsibility exceeding that he incurred in 1901 by his support of the Kanaka Exclusion Act then passed. Or if he confesses to have learned by experience that some remedial measures are required to meet that particular case, he will add to the intensity of the opposition to his Ministry from the Labour members there and elsewhere. He cannot recover their votes in any case, and has therefore little to lose and much to gain by allowing further time for the experimental cultivation of sugar-cane in the remotest district, as well as a continuance of the existing bounty. Will he grasp the nettle boldly?

FEDERATED AUSTRALIA.

CHARACTERISTICS OF THE COUNTRY.

FINANCE AND POPULATION.

NEED OF A HIGH COMMISSIONER.

FROM OUR SYDNEY CORRESPONDENT.

[May 8 1905]; Jun. 14 1905.

The distance which separates Australia from Great Britain makes and multiplies obstacles to a mutual understanding. So much time elapses before an act here receives its comment there or a question to its reply that we rarely get or keep in touch with each other across the ocean upon any sudden emergency or new controversial debate. Attacks upon Commonwealth politics or upon State expenditure made in London are sometimes notified to us by a few words of cabled news. It is rare that these can be sufficiently understood here to permit of a brief telegraphed contradiction. By the time the full text of the calumny reaches us, is refuted in detail, and the published denial is back in London, nearly three months have passed. By then the slander has done its work and the rejoinder appears pointless. Among the many advantages that Canada enjoys in consequence of her propinquity, not the least is the capacity for prompt correction of misstatements uttered in England. Another signal superiority is the presence of a High Commissioner always watchful to protect his adopted country against assailants in his own home. But unfortunate Australia, remote and unrepresented federally, lies a helpless prey to anonymous letter-writers and occasionally suffers from the onsets of the official correspondents of some of the cheaper morning and evening papers or of certain financial journals whose clients deal in our stocks. It would be impossible to divine the various motives of those who defame us, though the information they supply is always inaccurate and often ridiculously distorted either in ignorance or spite. We make no secret of our misfortunes, droughts, fires, and over-speculative booms. We have our failures, men glib of tongue and pen, who, having found themselves unfitted to make a living among us, delight in magnifying our misfortunes by way of accounting for their own defeat. The blacker they paint the country the whiter they believe themselves to appear, though they do not venture once in a dozen times to allow us to judge the weight of their testimony by appending their names. When we obtain a High Commissioner on the spot it should be easy to expose the incompetence or malice of

these revengeful pessimists. Always professing to speak from personal experience, they often do so in such a loose manner as to suggest that their compositions are based upon second-hand knowledge and issued in the interest of rival fields to which British immigrants are sought to be tempted in preference to ours.

RESOURCES OF THE COUNTRY.

There has certainly been no attempt in the *Morning Post* to disguise or diminish the risks of bush life, which are of the same kind as those confronting the agriculturist everywhere in new countries, though they vary, of course, with the latitude. Instead of blizzards we have fires, and instead of floods drought. There are baffled settlers in every quarter of the globe who from want of knowledge or patience, or from simple bad luck, are driven back upon the towns dispirited. We have them here, too, but that proves nothing. Australia to-day possesses, and can point to thousands of well-to-do farmers and graziers the great majority of whom began colonial life without capital or assistance, who have hewn out competences for themselves more quickly than their fellows in any part of the globe. The searching test of all countries is the total value of the raw products raised annually. Of course, we far outdistance the richest countries in Europe in this particular, for even France realises only £11 11s. 6d. per head. Taking the most prosperous of the newer countries, we easily overtop them too. Canada with £16 5s. 6d. and the United States £14 14s. yield pride of place to our £21 12s. 9d. per head. Gloomy pictures of our arid west, where the runs are only utilised for sheep and of the losses there and elsewhere due to our recent drought, must appear more deadly than they are. It was the most disastrous we have ever experienced, because our graziers had sent their flocks farther into the interior than before; nevertheless, even its results are being rapidly wiped off the slate. Millions of cattle and tens of millions of sheep perished, depriving their owners of all or nearly all of their means of livelihood, the towns of their meat, wool, and hides, and our railways of their carriage. The greater the seven years' injuries are painted by unfriendly critics the more marvellous appears the recovery which is being financially demonstrated to-day. The loss, variously assessed, can be traced in our revenues, savings, income tax receipts, and especially in the banking returns. These, just as they marked the increasing severity of the privations, have impartially registered the recuperation that has followed with amazing strides. Instead of an outward flow of advances and a dwindling influx of deposits, our banks are facing an exactly opposite experience. Advances of £1,500,000 have been repaid in Australia during the year ending in March last. Deposits have poured in until nearly £6,000,000 more than those of the previous twelve months have gone into their coffers. A double income tax on each side of the sea has resulted in large withdrawals of British capital, yet so far are they from being missed that our local accumulations threaten to bring down the rate of interest to lower figures.

It is only two years since the drought ended: our flocks and herds have, of course, not regained their former numbers, and the price of stock and of meat is relatively high, but for all that the increase in production is so marked that everywhere the sense of pressure has vanished. Financial elasticity has been restored. A series of blows which would have crushed far larger communities than ours has barely hindered the march of agriculture. Warned of the droughty areas, it is being turned, under improved processes of cultivation and with more machinery, upon better-watered lands. The promise for the coming year is excellent. In this State and in Queensland we have enjoyed abundant rains, while those to the south and west have been timely though not so lavish. The assailants of the Commonwealth cannot face the broad facts of the situation disclosed by the official records of our exports and the sworn summaries from our bankers' books. These effectually dispose of the calumnies in London, naturally much resented here because they falsify the attractions we are offering to capable emigrants from home. One satisfactory feature of the incident calling for at least a reference in these columns being the testimony invoked to the invariable fairness and friendliness to Australia of the *Morning Post*.

IMPROVEMENT IN STATE TREASURIES.

Of course, there are within Australia differences among the States varying from year to year as one after another takes the lead. All are progressive, but there are times in which the wheat yield or gold returns are greater in one part than in another. Good fortune is then reflected in figures. For instance, during the first nine months of the current financial year New South Wales has collected a revenue of £5 15s. 6d. per head of our population. As a rule we take the lead, but this return happens to exceed the income of Queensland by 19s. a head, of Victoria by 24s., and of Tasmania by 40s. per head, without implying that they are in any sense falling behind, yet the revenue from Customs is declining all over the Commonwealth, and at least as much, if not more, in this State as among our neighbours. We fell below April of last year by £33,000, while Queensland's decline was £8,000, that of Victoria £24,000, and Tasmania £4,000. Taking the ten months of duties in 1904-5, New South Wales is over £220,000 less, compared with a drop of £60,000 in Queensland, and of £10,000 in Tasmania, against an increase in Victoria of £60,000, owing to an adjustment of accounts. Speaking generally, the figures show an improvement in the State Treasuries notwithstanding the decrease of their receipts from the Federal Custom House. Their position is sounder in spite of this disappointment, of which Sir **George Turner** gave them warning last year. Up to date they have suffered more than he anticipated, and it is unlikely that much of this leeway will be made up before the end of June. In New South Wales altogether we are only £10,000 below last year up to the present. Our main advance is in the new stamp tax. Land receipts are partly responsible for

the elasticity of our income, though strictly they ought to be excluded from the annual revenue available for our regular expenditure, but happily the railway earnings are a much greater factor in bringing about the satisfactory result. Our taxpayers may congratulate themselves to some extent upon the decline in Customs because, to a certain degree, it represents relief from former duties. They may also be gratified to learn that the growth of local industries is responsible for another portion of the decrease. Our imports of boots, which were half a million in 1901, were less than £100,000 in 1904. The States most taxed are those which cut the best figure in some of the comparisons now being made. On the whole, however, we might be well content with our financial condition taken by itself. The unsatisfactory feature of the position is the almost stationary population of the Commonwealth. The estimates of our statisticians show that it has all but reached a total of 4,000,000 inhabitants. Since Federation we have added between 50,000 and 60,000 persons to our total each year, almost entirely due to births within our borders. New South Wales heads the list last year with a gain of 30,000 souls, Western Australia absorbing 15,000 of the remainder. This leaves the other four States with a gain of only 12,000 citizens more during the twelve months. This is due in part to a decline in the birth rate. In spite, therefore, of our satisfactory records in pounds, shillings, and pence it must be confessed that our progress is one-sided. The bounty of Nature and the enterprise of our producing classes combine to assure us a standard of prosperity hardly surpassed to-day in any part of the world. None but the short-sighted would attribute it to the exclusiveness we exhibit, though no doubt the lack of recognition we obtain abroad is much to blame. It allows the tempting prospects we possess to fail in bringing to our shores that influx of those less fortunately situated elsewhere, whom one would naturally expect to find eager to seize the opportunity of sharing the good things Australia enjoys. There is no sufficient appreciation here of the need of fresh blood and none abroad of the advantages open to the thrifty and energetic in a new country in which the trials that abound are accompanied by fully proportionate rewards.

EFFECT OF THE LOCAL GOVERNMENT BILL.

Our State Ministry will remove one long-standing reproach if they succeed in passing a Local Government Bill. The attempt about to be initiated has been preceded in the past by so many insincere manoeuvres and so much political sparring that the public are dubious whether any real result will accrue next session, though the omens are certainly much more favourable than they have been for many years. The existing system under which the general revenue is liable in Parliamentary votes for all demands made outside the cities, towns, and boroughs is vitiated by the constant intrusion of political motives. Though the great bulk of our population live under municipal government because they are crowded into Sydney and smaller towns, the

plots thus locally controlled are insignificant, when deducted from the immense area of the State. The classes of the community which are most dependent upon their means of communication, because they are producers whose crops or wool have to be transported long distances to reach the railways, have not on the whole lost by their dependence upon the Treasury. Its gifts to them have been lavish in the gross, but often partially distributed, sometimes unjustifiably extravagant, and often unwisely expended. For these aberrations the pressure of localities, through their representatives in the Legislature, has almost invariably been to blame. The relation between members and their constituents has been so perverted in consequence that it has been generally impaired by suspicion and distrust. It is high time that this was prevented. Graziers and farmers will pay more and receive less when they undertake the making and maintenance of their own roads and bridges, but the money will probably go further and be much more carefully employed when a fair proportion of it comes out of the pockets of those who use them. It is not proposed to withdraw State aid entirely, but to require local rating as well. The provisions in respect to existing boroughs are to be widely extended and their powers increased, as described in the *Morning Post* when the Bill was laid upon the table last year. It is now announced that the shires will be obliged to levy not less than one penny and not more than twopence half-penny in the pound upon the unimproved capital value of all land within their jurisdiction. As this is to take the place of the existing land tax it will not mean any new contribution unless more than the minimum rate be authorised. Probably it will suffice in some instances, but of this the community affected will be the judge. As the franchise will be the widest, the power of taxation is likely to be freely used up to the maximum in a number of shires. Still, under the restrictions imposed the ratepayers ought to receive good value for their money. The Act will be administered by three commissioners clothed with considerable powers, and it may be shaped into efficient form this year if public opinion is active enough to prevent its mutilation. The members whose seats have been won by the success and pertinacity of their demands upon the Treasury for local expenditure, whether well or ill justified, will resist it to the uttermost. Their defence of existing methods will not be open at any stage, but will be conducted under cover of every device they find themselves able to invent. Unable to declare their true objects, they will exhaust ingenuity and experience in resisting this encroachment upon their prerogatives by supporting amendments fatal to the Bill or prolonging the debates in order to send it over another recess and expose it to fresh perils. Mr. Carruthers will have an opportunity to prove his mettle when the critical stage in the fortunes of his measure arrives.

OLD AGE PENSIONS.

Supposing the Bill to pass there will be a decline in our revenue, because of the transfer of the present land tax receipts to the newly-constituted local bodies. We may then safely anticipate doleful comments upon the misfortunes of New South Wales and her dwindling income from critics who make it their business to misinterpret Antipodean affairs. Of course, the State will in reality be much better off, and the interests of its citizens served more effectively and economically by means of improved municipal machinery. Again, when the income and expenditure of the last decade are being commented upon in London, how many censors indicate the necessary changes incident to the creation of the Commonwealth or remember to explain that during the same period New South Wales has accepted a burden of half a million a year in order to provide old age pensions? Were the censures confined to the lavishness of the grant there would be some grounds for condemnation. Victoria with a smaller population, but with relatively a rather larger number of pensioners, makes £200,000 a year suffice without seeming to stint those who in their declining years depend upon this bounty from the public purse. A Royal Commission is now considering the wisdom of transferring this outlay to the Federal Government by which means the residential periods required from applicants in these two States would be abolished and the pensions introduced into the four States that hitherto have not granted them. It will make an immense difference to the Treasury of the Commonwealth if the scale selected be everywhere as liberal as our own. Mr. Carruthers some time since caustically reviewed the looseness of our methods of payment and is expected to make an effort to reform them. Mr. Bent, the Premier of Victoria, on the other hand, dwells bitterly upon the fact that his State under Acts granting pensions to public servants retired from duty has to find £1,000 a day for every day of the week for this purpose—a splendid liberality which he finds himself unable to reduce. In most of the other States, as now in Victoria, public servants are obliged to insure themselves and keep themselves insured, so that the taxpayers are free from these levies or nearly so. At present Victoria pays far more than all the rest of the group. The outlay must gradually disappear, but in the meantime the total pension bill in the southern State actually exceeds our own. These heritages of the days when Australia was revelling in riches rapidly acquired and generously spent ought to be taken into account in making any fair estimate of our position, but it is very rarely that they are even noted or their temporary duration explained. The bounty, though burdensome, is not a loss, and in many cases has been well earned. At the least, we are entitled to credit for the spirit which dictated these generous gifts when our finances are contrasted with those of colonies in which such concessions find no place.

FEDERATED AUSTRALIA.

THE SUGAR INDUSTRY.

THE PREMIERS' TOUR.

FROM OUR SYDNEY CORRESPONDENT.

[May 16 1905]; Jul. 3 1905.

The dengue fever is responsible for a great deal. Like the influenza, which we know, this new epidemic, which we did not know, till now, has seized wholesale upon all classes, subjecting its victims to a brief but most debilitating attack of a malarial character. Tropical in origin, its ravages have been confined to Queensland, where for a time public business was almost suspended and sometimes whole households prostrated by sudden and irresistible onsets of the new foe. Brisbane, like New York, has been the centre of an outbreak of wide range, even touching this State, but now happily wearing itself out as the cool weather arrives. Its consequences, though very rarely fatal, have been most painfully exhausting to the patients, who seem to have included almost the whole population of Brisbane and its suburbs without distinction of age or sex. Unfortunately for our northern neighbour, before the epidemic disappeared the time arrived at which the tour proposed by the State Government to members of the Federal Parliament was appointed to begin. This had been carefully planned and elaborately provided for, because a question presently to be debated and of much moment to Queensland will shortly be under their consideration. The sugar industry, ranking among the most important to the State, is naturally an object of peculiar solicitude to those engaged in it or affected by it, and thus indirectly to the whole of the taxpayers of Queensland. Indeed, it is no exaggeration to say that it is almost of as much interest to the taxpayers of the whole Commonwealth, seeing that in addition to a heavy import duty a large and increasing subsidy is being annually contributed by them to encourage the planting of sugar-cane. No other product has been favoured in the same manner or at all by the Federal Legislature. No other State has been so interested, therefore, in awakening the sympathy of its members, for although in New South Wales we have reaped an even greater advantage proportionately the cultivation of sugar is being carried on upon so much larger scale in Queensland that our crop is cast into the shade. The object of the bounty granted was to displace black labour by white. On our northern rivers white labour had always been in the ascendant, and to our farmers, therefore, the bounty came as a windfall to reward them for continuing to do what they had always done. In Queensland, on

the contrary, black labour has been and remains supreme. Under the influence of the bounty white labour has captured a large part of the most southerly fields, and may soon be expected to complete its conquest over them. How far north it can be pushed is still in dispute. The Federal bounties expire next year, and if they are not renewed the white advance will certainly be stopped. But that is not all. After next year Kanakas are no longer to be eligible for employment; some will have left for their homes in the Pacific, and all but a few can be deported thither *no lens volens*. There are not sufficient Chinese, Japanese, or Malays to take their places, and no more are allowed to enter Australia. If, therefore, the Kanakas go and are not replaced some plantations must lie idle, and the industry, which this year is able to supply the whole demand within the Commonwealth, will shrivel. Hence all parties in the State, whether partisans of white labour desiring more bounties or partisans of black labour desiring to keep the Kanakas, have united in urging Federal members to visit them and witness for themselves the circumstances of the sugar industry demanding further aid.

GOVERNMENT AND THE SUGAR PLANTERS.

But the dengue fever is not really responsible for all that is being laid to its charge. True there has been a failure, or comparative failure, of the expedition to Queensland, but this is due at least in part to other contributory causes. The Commonwealth Parliament, after first dealing the planters a staggering blow with one hand by the early abolition of Kanaka labour, with the other hand proceeded to salve the wound to some extent by the application of its funds in the form of a subsidy for white labour. The enthusiasm which dictated the assault has, if anything, waned, while the regular drain upon our revenue remains and requires to be defended before constituents who are commencing to inquire what return they are receiving or likely to receive for their money. That question is not too easy to answer off-hand. The greater number of the members who are persisting in going north desire to be confirmed in their present convictions and to find ground for prolonging the drafts upon the Federal Exchequer essential if the campaign against the coloured field-worker is to be maintained until he is driven out of the country. They are invited because the Queensland Federal representatives, including those from all the cane-growing districts, belong to the Labour Party. The first article of their creed calls for the substitution of white men and women who can become electors, whether employed upon small farms of their own or engaged upon large plantations, for Pacific Islanders, who are unqualified for the franchise. The Morgan Ministry is kept in office by a coalition with the local Labour Party, and therefore willingly undertook to make all visiting members of the Commonwealth Parliament guests of the State in order to advance the interests of the Labourites and also of the sugar-planters. The latter still cherish some hopes that a closer acquaintance with the actual circumstances

attending the planting, “trashing”, and cutting of cane in the Tropics may lead to some relaxation of the prohibition imposed upon the engagement of Kanakas. Though supported locally by both parties from opposite standpoints, this tour, as is usual, has attracted few members outside the Labour Party and its immediate allies. Everything is in its favour for the heats of summer have passed, a perpetual and pleasant sunshine reigns all along the coast beyond Brisbane, where fine steamers ply under the continuous shelter of the Great Barrier Reef, with guarantees of calm, untroubled seas during the whole voyage. The strange beauties of scenery, variety of foliage, and novelty of the cultivations pursued are attractions not to be met with on the more populous, colder, and stormier shores of the south. But for all that the voyagers who have set out are not numerous, though no efforts were spared by those concerned to tempt them from their homes. Great preparations have been made for their coming. Public interest has been kept alive by the promise of the **Prime Minister** to make one of the party. Only at the last moment and unexpectedly he resolved to join the recent tour to Western Australia, though he had not proposed to do so, changing his mind and altering his arrangements rather than permit it to be turned into a mere pilgrimage of Labour propagandists. The same motive, no doubt, has been operating strongly to induce him to persist in his intention to go to Queensland. In addition to that, he was announced as departing for the purpose of carrying on upon his way back to Sydney the campaign against Socialism, to which he has been devoting himself zealously in New South Wales. The encouragement of his presence had weighed with his followers sufficiently to assure him a small bodyguard, which has dwindled away discouraged, leaving the expedition in the hands of the Opposition.

CHANGE OF PROGRAMME.

The dengue fever is not a foe to be trifled with, and the Prime Minister was wise to realise it, but as he is apt to take liberties with himself despite his corpulence, and enjoys, all things considered, remarkably robust health, there is a very general scepticism in regard to the part played by the epidemic in his abrupt change of programme. Mr. Reid's timidities are not of that character, and even his friends agree that if the compelling motive had been strong enough the prevalence of dengue would not have deterred him for a moment from his long-announced expedition. His critics are therefore obliged to look elsewhere for the determining factor operating on his mind. The Opposition are of course, prolific in suggestions of an unpleasant kind, and in Victoria, where they are bitterest, indulge in circumstantial stories of dissensions in the Cabinet. So far as the public know, there is no warrant for them. Obviously his Protectionist colleagues, especially in that State, are uneasy. The coalition is in danger at all times, because it has no working majority and because there are evident

causes for internal friction just now. Cabinet secrets are not as well kept here as in the Mother Country, while it may safely be claimed that our Opposition newspapers are quite as fecund as yours in the composition of fables. Ministers stoutly deny the imputations, and allowing a fair margin for necessary conflicts of opinion between men who belong to different schools of political thought there is no good ground for refusing to accept their reassurances. Nor can it be supposed that these, unless vital, would have obliged Mr. Reid to break his engagements and abandon his foray from the stump into the camp of his enemies. It is a reasonable supposition that a growing sense of the futility of his efforts in Queensland has had much more to do with his sudden change of tactics. The implied reflection which this theory conveys upon his lack of foresight in undertaking another missionary visit to a State where his previous incursions have been fruitless may be justified. No leading politician of ours has ever been quite so casual in his methods as Mr. Reid. After long periods of incubation he emits great schemes which change shape again and again under inspirations of the moment until their original objective is lost to sight. No strategist is more resourceful or subtle, but his extreme mobility is always one of the chief conditions of his success, as well as a prominent weakness. Queensland appears satisfied to retain the Morgan Ministry, supported though it is by the Labour caucus, containing Labour members in its Cabinet and seeing its supporters replaced by Labour members. The State sends representatives who follow Mr. *Watson*, or Protectionists who sit behind him, to the Commonwealth Parliament. Mr. Reid has but a single supporter from the north, though if the next elections are well managed he may have two. According to local estimates he need not expect more. Why he should ever have intended to spend some weeks of the recess just prior to the meeting of the House upon a visit to this politically unpromising part of Australia it would be hard to explain. Why he abandons it now certainly needs no explanation. He can do nothing there and may accomplish something elsewhere. The dengue danger is not half so real as that which is facing his Ministry everywhere outside New South Wales.

LITTLE HEADWAY MADE.

Among the Prime Minister's foibles may be reckoned an undue faith in the influence of eloquent speeches from the platform. His triumphs even over hostile audiences and against overwhelming odds have been so frequent that, even if he were an impartial observer instead of an emotional participator in them, he might be pardoned for accepting their verdict as that of the community in which they are achieved. It would not be easy to overestimate the stimulus they impart to his followers, and this in itself affords a sufficient justification of and reward for his labours. But with us even brilliant orations appear to make few converts, or at all events too few to affect the polls across the border. Mr. Reid has most energetically and most patiently appealed

to his adversaries in Victoria, Queensland, and South Australia, and indeed in every State during the last five years. He has passed from town to town welcomed by the plaudits of delighted hearers, and has by this means undoubtedly kept his party together and himself in the lead throughout the Commonwealth. But in spite of this and other favouring circumstances he has made little headway except in his own State, where we think he may win two or three more seats if he obtains a dissolution. He is on the whole already a little stronger to-day than he was in 1901. That is the net product to date of his series of political tours. Whether those who enjoy his speeches dissent from his views or candidates, or whether only adherents attend his meetings, they leave little or no trace behind in either Protectionist or Labour constituencies. It is now uncertain whether he is strengthening his position here by his visits to places already represented by supporters. If it were possible for the Prime Minister to be monotonous, then monotonous he unquestionably seems this year. All his addresses are cast in the same mould, and, in fact, are repetitions of the same arguments and the same phrases. If either were new, original, or instructive they could not be challenged on this score, but as they are vague, familiar, and often trite it is not surprising that they make little impression outside his audiences. These may be pleased, and no doubt are, but they are neither fired nor enlightened by his policy. Mr. Watson replied to its reflections upon his own programme in Adelaide, at the same time declaring his intention of following the Prime Minister with that object wherever he speaks in the same vein. From a party point of view, the Labour Leader will waste his time and energies if he ventures to be as good as his word. Addressing the electors to whom Mr. Reid has been lately fulminating will be perfectly idle. Our northern farmers have no tendencies towards the caucus or its aims. But it is this very fact which at once illustrates the needlessness of their visitation by either spokesman. The loss of time and energy involved suggest a hopelessness of the accomplishment of really useful work, which, especially on the part of the head of a Government in peril of its life, is almost bewildering to those outside the innermost circles of politics. If his object is to mark time it might surely have been accomplished by other means. To the reflective settlers in the north it must seem as if both of the contending chieftains had lost their way. As they would express it, both are "bushed".

MR. DEAKIN'S SILENCE.

In the midst of this confusion there has arrived by telegraph a far-off echo of Mr. Deakin's voice speaking from the capital of Western Australia. He, too, is making a tour, though it is solitary and does not seem to be undertaken in the interests of his party or to be political. It is understood to have been undertaken to acquire knowledge of the west, and also on account of the ill-health which is mentioned in explanation of his prolonged silence for months past. Mr. Reid has used his name in

most of the speeches he has made, dwelling often and earnestly upon the agreement arrived at between them a year ago. He appears, however, to have had but one interview with his Victorian ally this year. The meeting was for some time alleged by the Ministerial Press to have marked negotiations towards a fresh arrangement for the joint organisation of their forces. Some weeks later the Prime Minister contradicted the statement, but neither the assertion nor its withdrawal evoked any response from Mr. Deakin. Our Press has therefore begun to comment with some bitterness upon his persistent reticence and to quote his last year's censures of Labour Party methods. He spoke once in Sydney at Easter in support of the New South Wales alliance which supports the legislative control of the liquor traffic, but nothing could elicit from him a sentence relating to Federal affairs. His immediate following is small and his party divided into nearly equal sections, but owing to the even distribution of numbers in the House his adhesion counts for a great deal in votes apart from his influence. Mr. Watson, like Mr. Reid, disclaims all formal negotiations with the ex-Prime Minister, whose studious silence and absence from the political arena at a time like the present are now provoking comment and curiosity on every hand. His speech at Perth was therefore carefully scanned and will be closely criticised. Seeming to have consisted in a general review and defence of the Commonwealth, it concluded with an appeal to the electors to restore constitutional government by the return of a majority pledged to plain, practical principles, and contained but few passages bearing upon the present situation. The first was a warm defence of the High Court and an emphatic condemnation of any attempts to diminish its independence or limit its circuits in the Commonwealth wherever there is legal business to be dealt with. This is a direct and unmistakable challenge to the Attorney-General, Sir Josiah Symon, and to his colleagues if they endorse his interferences. By way of illustrating an argument, but none the less significantly, Mr. Deakin singled out Protection, Preferential Trade, and schemes for attracting population as the chief wants of the Commonwealth. Only the last of these has been or can be accepted by the Prime Minister. But most suggestive of all was the omission of any direct or indirect allusion to the Socialism of Mr. Watson or the Anti-Socialism of Mr. Reid. The speech was delivered under the auspices of the *Australian Natives Association*, a body which ignores party politics except so far as its members may think fit to express their personal opinions as such, and may therefore on that account have had some restrictions imposed upon its subject-matter.

None the less notable is it that while Mr. Deakin reasserted his fiscal faith and hopes of an immigration policy, he said not a single word that could be construed as committing him to either Ministry or Opposition. He thus drew further from Mr. Reid without approaching Mr. Watson. Seeing that the Government only lives by a narrow majority this last utterance must give its members cause for a good deal of very anxious consideration before they meet Parliament next month.

FEDERATED AUSTRALIA.

THE PARLIAMENTARY SESSIONS.

NEITHER SIDE READY.

FROM OUR SYDNEY CORRESPONDENT.

[May 23 1905]; Jul. 8 1905.

All the Legislatures of Australia expect to be, and ordinarily will be, in session shortly. Possibly every one of them would gladly postpone a renewal of its labours, but certainly in several of them there are special reasons why they should wish to avoid the troubles that are before them. The Federal Ministry and several of the State Governments are in parlous plight, while their Oppositions oddly enough are hardly more inspirited. Neither side is ready for battle or treaty. There is a not unfounded suspicion that if the electors were appealed to the ballot would fail to cut some of the knots that our deftest political fingers find themselves unable to untie. Before examining this uncommon condition of affairs the results of the recess deserve to be noted. Whether by acts of administration or processes of public meditation the cessation of Parliamentary proceedings in Australia always invites new developments. Between the closing of one session and the opening of another the position of parties often alters noticeably. The current of general opinion becomes favourable or unfavourable as the case may be; sometimes it would be difficult to know why, but not seldom it exerts an apparent influence upon the fortunes of men and measures. This is particularly watched for when the balance of power is fairly even, because that condition stimulates intrigue, sorties by the Press, and attempted surprises. When last year ended political energies were everywhere spent, except in Queensland, and they were speedily spent there, too, in a short supplementary Session in which the electoral law of the State was remodelled. The Commonwealth Ministry had staggered into recess because its foes were too exhausted to deliver the final blow. It has not gained strength in the interval, and has in fact lost by a fissure between the two parties composing the coalition. This rift, not visible in the Cabinet, is distinctly visible even to the naked eye of the average man since the implications of Mr. Deakin's speech in Perth have become appreciated. After that effort the Protectionist spokesman relapsed into silence once more. He is now returning to his own State, full of confidence in the future prospects of Western Australia. Sir John Forrest, under whose guidance he has been travelling, remains in Perth, and is constantly solicited to renounce his seat

in the Commonwealth Parliament and resume his place in the local Legislature. The Labour Government there has not made its hold upon office any firmer, nor has the Opposition to it regained public confidence sufficiently to occupy its place with any certainty of being able to retain control. Both lack leadership, courage, and initiative, just the elements which Sir John Forrest could supply. His popularity, experience, and capacity would turn the scale decisively the moment he entered the arena. The electors would without doubt welcome him and his policy with enthusiasm, and thus enable the State to once more take its place in the front flight. Unfortunately for them Sir John Forrest's inclinations appear to be towards the Federal field, in which he has already achieved distinction and must continue in any event to fill an important place.

THE POLITICAL OUTLOOK.

In Tasmania the **Evans** Ministry has held its own and possibly grown in favour, but its position was weak from the first, and it can scarcely be considered stable. South Australia has an election in progress. In Queensland Mr. **Morgan's** following is in numbers supreme, but while those of his own party remain in a majority in the Cabinet they are in a minority and a decreasing minority in the House. The Labour members are not simply a majority of the Ministerialists, but are now a majority of the whole Assembly. It is only a question how long they will be content with two portfolios, and how much longer they will postpone their claim to have a Government of their own without admixture. Of all the States of the Union Victoria enjoys the most settled outlook. The Labour Opposition makes no headway, and the Independents are neither numerous nor wise enough to become a positive danger. Mr. **Bent** is saved by the demerits of his competitors as much as by the force and flexibility of his administration. Ignoring the consideration due to his party and to his colleagues, he delivers himself without warning of ill-considered projects that have to be withdrawn or explained away. But being amenable to pressure, either from within or without, he is readily induced to retreat or make a flank movement when it is to his interest to find a way of escape from his own blunders. Mr. **Carruthers**, with much less support in his Assembly and a far more dignified discharge of the duties of his office as Premier than Mr. Bent, has decidedly improved his standing during the recess. Like his fellow Premier on the other side of the Murray he is favoured by the failures of his adversaries, who are, if anything, in a worse plight than at the end of the session. If he is able to encourage the establishment of the iron industry he will have nothing to fear when he meets the House. His legislation is already prepared, and if he succeeds in passing a Local Government Bill applicable to the whole of the State, he will be entitled to the thanks of New South Wales. His speeches have been practical, rather frequent, and too lengthy, but on the whole business-like in

character. The savings effected by administration are mounting steadily upwards. A small department like that of the Attorney-General claims economies approaching £50,000 a year, while other departments promise a quarter of a million more. The Sydney newspapers have ceased their cavilling, and are now becoming tacitly favourable to his policy. Our Premier may not have conquered their hostility altogether; his tone is too independent and often acrimonious, but by hard work and persistency he has overcome their former acerbity. When the States Legislatures meet, therefore, the one in which a crisis appears most imminent will be Western Australia. South Australia's immediate future will be determined by its electors.

COMMONWEALTH MINISTRY FIRM.

The Commonwealth Ministry shows no change of front, though its members must be conscious that the enemy they have most to dread is not to be met on their line of march. The Prime Minister and Minister of Customs continue to direct all their batteries against Socialism. A National Liberal League is endeavouring to organise the constituencies for them in this State, and a concerted series of demonstrations are being prepared by it in other States as well as our own. But Mr. Bruce Smith's appeals remain unanswered. Mr. Reid continues to denounce attempts to place all industries in the hands of a "Government gang" while Mr. McLean protests against further limitations of the sphere of private enterprise. Mr. Smith, entirely coinciding with these aims, wishes to know what is to be done or undone in order to give effect to them. He obtains no reply. Mr. Watson is equally curious to learn the particular measures to be adopted as Anti-Socialistic, but is not yet gratified with any response. Mr. Reid defends State interventions which encourage private enterprise such as the railways, waterworks, tramways, port and harbour works already undertaken by State Governments, but does not specify those in prospect that he intends to resist. Mr. Carruthers, while offering every support to Mr. Reid in his crusade, takes care to expressly exempt his State Bank which is to be built up out of our existing Savings Banks in order to lend money to agriculturists. Yet this project was, as he admits, defeated last year on the plea that it was Socialistic. He sagely contends that Socialists are not to be left in possession of "all the good things"; from which argument it is plainly to be deduced that some kinds of Socialism are, in his opinion, highly desirable. Inconsistencies like these, together with the want of explicitness of definition or distinction in the Anti-Socialistic programme, defeat its influence and bid fair to hamper all the operations undertaken on its behalf. When even its leaders make reservations on their own behalf in favour of particular "Socialistic" projects from among those which they are condemning in the mass it is almost impossible to arouse popular enthusiasm. Many suspect that Ministers are, or will become, quite willing under pressure, and in order to retain power, to treat in the

same way whatever schemes may be favoured by a majority in their Legislatures. The greatest concessions to the Labour Party made in New South Wales were those made by Governments of this type, some of whose most prominent members were pronounced Anti-Socialists. Mr. Reid, who denounced some of them when leader of the State Opposition, has since accepted them in the Federal Parliament. Declamation against the expansion of Government undertakings is deprived of most of its effect when it comes from the lips of those who have never hesitated to multiply the functions of Government whenever it appeared politic. For these reasons it is extremely doubtful if the rally of Anti-Socialistic electors now in progress will succeed in evoking anything like their full strength.

LABOUR PARTY PROGRAMMES.

This is the more to be regretted because the annual meetings of the Labour Parties in the several States have resulted in the adoption of pronounced programmes. Instead of being chastened by experience, their delegates in each and all of them have defiantly endorsed extreme proposals. These are astutely associated with sundry minor reforms, such as the inspection of land boilers, workmen's compensation, or protection of wages. They are legitimate objects of agitation by those who claim to represent the working classes, though they cause the bolder and more chimerical projects with which they are interlarded to appear strangely unreal. Coupled with destructive demands for the abolition of the appointment of Governors and of the Legislative Council, the Queensland programme includes Land and Income Taxes exempting a capital value of £300 in the one and incomes up to £200 a year in the other, accompanied by a stoppage of all land sales and all borrowing. The one gratifying though possibly personal object is an insistence upon the sobriety of every candidate for their nomination. But the real core of every Labour programme follows, somewhat more emphatically expressed in Queensland but in substance always the same. It proclaims as the principal object of the party "the collective ownership of the means of production, distribution, and exchange, to be obtained through the extension of the industrial and economic functions of the State and local governing bodies". In almost the same form the same article occurs in the programmes approved elsewhere, though in Victoria the "nationalisation" is to be "gradual" and in New South Wales "the collective ownership of monopolies" is the phrase preferred. The Queenslanders, always frankest, go on to particularise—State settlements for the unemployed, public trusts, State railways and water conservation works, State sugar refineries, batteries, and smelting works, a State bank, State fire and life insurance, crowning the edifice with State breweries, distilleries, taverns, and importations of intoxicants whose manufacture and distribution would thus be entirely undertaken by a Government department. No other Labour Conference has been so explicit or ambitious, but all

have proceeded upon similar lines, having as their goal the State Socialism that Mr. Reid most properly assails with all the compass of his rhetoric. There is no excuse for mistaking or minimising the revolutionary character of the Labour programmes officially expounded by their authorised gatherings, and then imposed perforce upon all who fight under its banner. Especially is it binding upon Labour representatives in our seven Legislatures, to which they are sent for the purpose of putting it into effect by means of laws and administration. They exist as members for no other end, and have no charter to exercise the powers conferred upon them except to fulfil it. Yet there are breaches between them and their masters. A singular illustration of the want of influence of Federal members upon the unions is exhibited by the registrations which have been made recently to the number of half a dozen under the Commonwealth Arbitration Act passed last session. When Mr. Watson and his colleagues were put out of office by an amendment limiting the power of the court to grant preferences for employment to unionists they loudly protested that the Bill being emasculated could not and would not be touched by the Trades Unions. They publicly counselled the unions not to touch it, declaring that it must remain a dead letter until restored to its original shape. Now their threats and censures are alike ignored. The unions are registering. They are therefore content to take the Act as it stands. The men who represent them in Parliament are left to explain their false prophecies as best they can under these to them most unflattering conditions.

THE SOCIALIST QUESTION.

But the differences between the Labour members and the conferences of delegates, who bind them down as far as possible before they consent to accept them, are deeper and more serious elsewhere. Although the members have many of them taken part in the promulgation of the orthodox party programme it occupies but a subordinate place in their political speeches. Mr. Watson, whose earnest endorsement of Socialism at the conference in this State created no small excitement a few weeks ago, replies to Mr. Reid's sallies by a bare defence of State intervention and proprietorship when circumstances make any particular assumption of responsibilities by the State advantageous to the community. He very judiciously stops there, relying upon the success of our railways and waterworks as illustrations of the benefits that may be gained by this means. Not one single new instance does he name in which future "nationalisations" are to be made. He does vaguely refer to gas companies, our coastal shipping ring, and the monopoly alleged to exist in the tobacco trade; but as proprietary rights over these cannot be acquired by the Commonwealth under its present Constitution there is nothing practical in his allusions to the opportunities they offer. The rest of his remarks consist of taunts sprinkled upon Mr. Reid because of his past association with the Labour Party when they were advocating the precise

programme he now condemns with increasing severity. Nevertheless, the Labour programme is all that Mr. Reid says it is, though Mr. Watson takes no steps to show how much of it he intends to advocate next session. While holding out hopes to his followers by assurances that the Labour members have only “entered upon the fringe that should be and would be accomplished in the interest of the people by the Federal Parliament, which had as yet accomplished little”, not a single ray of light is shed upon the special fraction of the fringe on which he intends to begin. Instead of staking his fortunes upon the programme he has just personally assisted to prepare he deals only with negations coupled with asseverations that whatever may be attempted to be achieved will first be specifically submitted to the country. Indeed, Mr. Watson is at great pains to predict that much water will flow under our bridges before any serious efforts are made to reform the social machine vehemently assailed by his associates and himself.

Mr. Reid’s cry is that he will resist all Socialism that the people do not approve. Mr. Watson’s reply is that he will ask for none until the people approve. The two negatives almost make an agreement, though everyone knows that those who utter them are seeking to join issue. Each fears that any specific thing proposed or resisted may turn out to be unpopular, and hence neither ventures to be definite. Despite the roaring of Labour lions in their conferences or of Mr. Reid and his colleagues in their answering shouts of defiance, the hesitancy and ambiguity of both are making the contest between them trivial. Consequently, when the Tariff question falls like a spark among tinder into the Federal Parliament it will kindle a very real and ready conflagration which none will venture to trifle with, and whose course no prophet is bold enough to predict. The issue as to Socialism was and is substantial. The Ministry was founded upon it, and is battling about it still. But owing to the timorousness of Mr. Reid on the one hand and of Mr. Watson on the other this is likely to be thrust aside by a rather artificial revival of the old conflict between Protectionists and Free Importers, only partly settled in 1901–2, when our Customs Duties became law.

FEDERATED AUSTRALIA.

EMPIRE DAY CELEBRATIONS. SOUTH AUSTRALIAN ELECTION.

FROM OUR SYDNEY CORRESPONDENT.
[May 30 1905]; Jul. 18 1905.

Empire Day has been celebrated for the first time, and with marked success, all over Australia. This is entirely satisfactory for many reasons. The Press as a whole lent its invaluable aid, and though from somewhat different standpoints, was practically unanimous in welcoming the new festival and in applauding the spirit it expressed. The *Sydney Bulletin* was the one recalcitrant juryman declaiming against the obstinate loyalty of the other eleven, though even its protest was less vinegary than of old. This desperately audacious critic, which finds fault generally with all things human except in politics the abler section of the Labour Party and in society the current weaknesses of “the average sensual man” and woman, is afflicted with a fear that we have not patriotism enough to spare for anything outside the Commonwealth. It is so far right that we certainly are open to impeachment for our plentiful lack of zeal for our own country, and exhibit a shameless want of appreciation of the good things available for the prudent and energetic as well as the lucky. It is also right in recognising that there are among us some chilly censors eager to advertise their profound interest in the British politics in which they have no voice, or the European entanglements of which they have no knowledge, while belittling the politics here to which they ought to give constant attention. This small though noisy class make mischief to the extent of their influence which happily is trifling. They are ignored here unless they happen to become accepted as representative men and women when they are visiting England. The *Bulletin* wants a monopoly of Australian patriotism for Australia by the acceptance of the geographical limits of this continent and its adjacent islands as barriers to its overflow, upon the assumption that the sentiment can be confined within physical boundaries. The demonstrations everywhere have dispersed this thin-blooded theory by ignoring them altogether. The day was honoured effectively and with enthusiasm in town and country, north, south, east, and west, by impromptu committees, civic bodies, and many classes of representative institutions stepping in where local bodies do not yet exist. It was

specially celebrated in several thousand schools by tens of thousands of scholars, with whom the unfurling of the flag and singing of patriotic songs will remain a fruitful memory. The other functions comprised religious services and public meetings innumerable. Its success was universal and unbroken from sea to sea.

A DISCORDANT NOTE.

In Sydney itself the occasion was worthily honoured. The statue of the late Queen was decorated for the day and illuminated at night, a royal salute was fired from Dawes Battery, while the men-of-war in the harbour were dressed with bunting. Sir **Harry Rawson**, our very popular Governor, appeared to be ubiquitous, so many were the separate celebrations in which he took part. The heartiness imparted by him to the discharge of all his duties, the sincerity of his speeches, and the manly sailor-like style of his utterances are always useful factors in fostering Imperial sentiment. The keynotes of his speeches were familiar to those who have often listened to him, though they were never more appropriate than on this occasion. The heritage and history which taught young Australians their obligations and advantages in an Empire where liberty and law united as the foundations of national greatness, were once more described in felicitous terms to audiences that responded to his appeals with tumultuous approbation. At the Lord Mayor's luncheon Vice-Admiral **Fanshawe** was less timely in his plea for a doubling of the existing naval subsidy in order to relieve the Imperial Government of the cost of maintaining the squadron upon this station which he at present commands. His contention that this would be only a fair contribution for the Commonwealth to make is not extravagant and well worthy of full consideration at another time. But it was injudiciously introduced, and though he was careful to insist that it emanated solely from himself, it necessarily had an official flavour. Moreover, it served to support the gibes of the localists, who are fond of pointing out that loyalty is always made the means of fresh demands upon our purses. It was an unhappy piece of strategy to launch a specific proposition of this kind upon an occasion the object of which was to rekindle a sense of national unity, pride of race, and Imperial aspiration. Any patriotism is apt to cool if always employed as a preface to a dip into the pocket. Our naval Governors are, and always have been, most tactful in such matters, but our naval commanders have not, and in consequence have never enjoyed the popularity or influence of men like Sir Harry Rawson. The "Little Englanders" at home, whose one aim is to suggest that we in our turn know no other links to the Mother Country except those concealing selfish designs upon your Exchequer, are naturally anxious to prove their case by dwelling upon the response made to applications of this kind. The manner and time are left out of account, as are the persons by whom they are put forward, though these

explain any reluctance that occurs. There are no "Little Englanders" in this country nor any "Little Australians" in Australia who would venture to appear on Empire Day. The value of the commemoration lies in the fact that it has brought together without distinction of party and without ulterior purposes the solid elements of the Commonwealth, the young and old of all classes, and has breathed into memorial gatherings an inspiring ideal of an Imperial community of aims and interests.

POINTS OF THE GENERAL ELECTION.

The South Australian general election was more noteworthy because of the time when it occurred than in itself or for its effects upon State politics. It had a Federal bearing because of the instability of parties in the Commonwealth Parliament and of the strong probability of its dissolution at an early date. Mr. Reid visited Adelaide in order to commend his Anti-Socialistic policy, and was shortly after replied to by Mr. Watson in the same place. The voters, therefore, had an opportunity of considering the Federal influence of their ballots if they chose to take advantage of it. But the position of parties in the State did not lend itself to any decisive verdict either upon local or Commonwealth affairs. The Butler Ministry, composed of Moderates and with the Labour Party in direct opposition, had a strong claim upon the electors, which, however, was wantonly dissipated by divisions in what should have been its own following. The members most hostile to Mr. Price, who heads the well-drilled company of Labour members supported by solid battalions of Labour electors, were not satisfied with the Government because it endeavoured to win over some of the antagonists to the present Legislative Council. It offered to reduce the tenant franchise for that body from £25 to £20. They stubbornly declined to authorise any reduction whatever, throwing their weight with little disguise and hardly any exception against the administration. On the other hand, the Independents, led by Mr. Peake, condemned the concession as insufficient. They were willing to lower the tenant franchise to £15, and, because this was refused, pursued their own campaign without reference to Mr. Butler and his colleagues. For the sake of £5 more they lost Mr. Darling, and for £5 less Mr. Peake, so that the opponents of the labour proposal to abolish the property qualification for the Council altogether went to the country divided into three sections, handicapped by internal dissensions and, it is to be feared, by personal jealousies. Yet Mr. Butler had good grounds for expecting better treatment at their hands. During the brief period of his reign as Premier he has been conciliatory and practical. As Treasurer for three years under Mr. Jenkins he was economical almost to a fault, indefatigable in seeking for savings, and contrived altogether to pay off £330,000 of non-recurring expenditure. He has met the new circumstances created by Federation with more consistent judgment than most of his fellow Treasurers. A loss of £80,000 a year has not disorganised his balances, and

though he may have to keep his pruning knife going to escape a deficit at the end of next month, when the accounts close, the outlook for the future is hopeful. To have accomplished this in an agricultural State, which, fortunately for him, has enjoyed good seasons, but with a population stationary and a manufacturing competition from Melbourne not previously sustained, is no small tribute to his foresight.

THE LABOUR PARTY'S ADVANTAGE.

In South Australia, as elsewhere, every coign of vantage belonged to the Labour Party. An extreme programme full of indefinite promises of benefits for the wage-earners stirred them up to persistently energetic efforts to fill the rolls and poll the votes of their class. On the other hand, the actual platform submitted by their candidates was practical and without real dangers except of an insidious kind. This moderation captured the suffrages of thousands outside the political leagues to whom the proffered measures appeared better than those of the Government. But perhaps the force most operative in their behalf was that of dissatisfaction with the hopelessly-sundered sections which ought to have been steadfastly Ministerial, but were in open rebellion though nominally marching under its flag. Each of these was really attacking its fellows, with the result that the flank firing was more injurious in some constituencies than Mr. Price's frontal attack. How could the public have confidence in allies who had no confidence in each other? The tendency was to reject them all either by refraining from the poll or by casting a despairing vote for the party that was at least united and did know its own mind, particularly when its representatives were personally reasonable in their presentation of their views. Consequently, at the outset it has to be remembered that while every Labour elector and a great many who cannot properly be so described "voted its ticket", their adversaries voted for at least three tickets if they voted at all. In this State candidates are prohibited from speaking for forty-eight hours before polling day, though the field is left open for everyone else. The Labour organisers did not fail to seize upon the opportunity afforded. Adelaide was invaded by a throng of Labour members from the other States or those holding seats in the Federal Parliament. Their reputations attracted crowds who would not have assembled to listen to the men for whom their suffrages were being solicited, the enthusiasm of the following was kept up undiminished, and the general impression of the complete unity of the Labour Party, not only in the State but in the Commonwealth, was much deepened. While all this was being done by the political Labour Leagues the National League was idle, either from impotence or bad judgment. Not a single speaker from outside South Australia, except Mr. Reid at an earlier period, appeared to lend his aid; and though there was a considerable expenditure of funds to rally those known to be favourable to the principles of the League, yet on election day its managers were outgeneralled in this as in almost every other respect by handfuls of artisans with

but the most meagre financial resources. The latter relied, and with reason, upon the weekly and monthly propaganda carried on steadily throughout the State in its smallest hamlets no less than in the largest towns. The large vote cast for the nominees of the Labour Leagues need not occasion the slightest surprise; the marvel is that an undisciplined general public is able to resist their scientifically-conducted invasion of the ballot-box planned far in advance, and carried on with a completeness of detail to which they have practically nothing to oppose.

NO CHANGE OF METHODS.

Before the boxes were opened it was plain that the Ministry as a separate section was merged and the Labour Party strengthened in its hold upon the Assembly. The net results from the returns to hand give them a gain of one or two seats in the Legislative Council, and of a dozen seats in the Assembly. Despite their successes they remain an inconsiderable minority in the first, but nearly one half of the popular Chamber. They have advanced, but not quite far enough to be able to form an administration of their own. The election for two members for the Northern Territory had to be postponed, but at present those who are unpledged to the Caucus appear to outnumber its pledged servants by four votes. There is, however, a guarantee in these figures that whatever changes may follow in the House there will be no departure from the general methods pursued by the late Cabinet, no marked alteration of policy, and very little substitution of men. The election itself was, as it always is, a momentary convulsion, but it was soon over and will leave little trace behind. The alarm sought to be stimulated for electioneering purposes on both sides has been dissipated as usual. There will be no repeal of existing measures by a reactionary Government, and no irruption of Labour barbarians from a captured Capitol upon the peaceful citizens of South Australia. The one thing to their credit is that they came to the polling booth in larger numbers than ever. Contests in the Commonwealth, however bitter in tone, are always peaceful, orderly, and decorous, and there were no departures from the excellent precedents of previous years in any direction. But in some respects the verdict has more than a local import. That it should show a failure of the Anti-Socialistic organisation is not remarkable since this State has always been Radical in tendency. That the Labour regiment should march back with reinforcements was equally natural, having regard to its superior effectiveness and the disunion of its adversaries, and that its conquests should be either in and about Adelaide or at the mines was also to be anticipated. Nothing, therefore, occurred that was not forecast except the overthrow of Mr. Darling, the leader of the Ministerialists who would not follow the Ministry. Even the defeat of the *Attorney-General* and Minister of Education for Port Adelaide appeared certain, because though new to political life he was gallantly attempting to find footing in a

constituency in which the wage earners have always possessed a great preponderance. The rejection of old members like Messrs. Darling, Denny, Scherk, Shannon, Catt, and Peake were severally surprises, and taken collectively constitute more than the ordinary number of such disappearances, but with discords in the ranks this was inevitable.

MINISTERIAL RECONSTRUCTION.

Though the Ministry is merged, it is not yet disposed. It will meet Parliament and its reconstruction ought to present no difficulties. It has one portfolio vacant for the Assembly, and if this were filled by the nomination of a capable lawyer the Cabinet is quite capable of holding its own. It would have a majority of only four in the popular Chamber, but the Council is overwhelmingly adverse to the Labour Party, though, of course, after the reverses sustained by its friends it will be less resolutely unwilling to permit a reduction of its franchise. As it stands it represents two-sevenths of the people. By accepting Mr. Butler's scheme of a dual vote of man and wife for every rented property of more than £20 a year in value they could greatly increase the number of their constituents without effecting any general change in their political complexion. The pretext for most of the differences among Ministerialists was found in this question. If it can be satisfactorily dealt with by passing into law the proposals submitted by the Premier there need be no crisis. The Opposition under Mr. Price will be formidable because of its numerical power, perfect unity of action, and the regular attendance of its members at every sitting and at all hours. But the chasm separating them from the rest of the House ought to solidify the members who owe them no allegiance. Mr. Butler's majority, though small, should be sufficient if the alternative platform of the Labour Caucus is remembered. This aims at the abolition of the Legislative Council, and would only endure reductions in its franchise as a means to that end. The Ministerialists will be culpable indeed if this knowledge does not weld them into a solid and determined party of resistance and practical legislation.

FEDERATED AUSTRALIA.

THE ANTI-SOCIALIST CRUSADE.

QUESTIONS AT ISSUE.

FROM OUR SYDNEY CORRESPONDENT.

[Jun. 6 1905]; Jul. 20 1905.

The political mists are commencing to disperse in New South Wales. In another week we shall witness the opening of our State Legislature and the organisation of Anti-Socialistic leagues throughout its whole domain. These, though Federal in their immediate purpose, will be local bodies as well in habitation and in aim. The Labour Party, Federal and State, is one, and has one chief "objective" which stands at the head of its programme and explains its nature. Stripped of ornaments and accessories it nakedly declares for "collective ownership of monopolies and the extension of the industries and economic functions of State and municipality". It does this on the ground that under existing conditions producers do not secure "the full results of their industry". This preamble, adopted at Mr. *Watson's* suggestion by the Sydney conference of our Labour leagues and trades unions, applies in effect everywhere else too. It has been adopted, in other words, throughout Australia. Consequently in fighting against it anywhere we are fighting against it everywhere. Despite this unity the South Australian general election of ten days ago turns out less in favour of Mr. *Price* and his companions than the first returns promised. Neither Mr. *Peake* nor Mr. *Catt* forfeited their seats. The roll-call of Labour members leaves them with a majority of nearly two to one against them in the Assembly, while Mr. *Kirkpatrick* is their solitary spokesman in the Legislative Council. Still, it means a good deal to have jumped from six to fifteen representatives. The Butler Ministry was doomed as soon as Mr. *Darling* and his following deserted it. Mr. Peake and the Radicals, who try to keep step with Mr. Price without coming under his command, had left them before. The Cabinet therefore faced the electors without supporters, relying upon the course of events to make them indispensable to those who dread the advent of a Labour Ministry. Mr. Darling, on the other hand, had apparently made up his mind at last to put the Government he had helped to form aside and establish one of his own, whose distinguishing feature should be a refusal of any concession in respect to the Council franchise. Mr. Price and his associates were equally confident that they would come back more than twenty strong, numerous enough to form an Administration

of their own, with, perhaps, at the worst, a portfolio spared to the Peake group to keep them quiet. Both leaders over-reached themselves. Mr. Darling has lost his own seat with all the other seats in his constituency. Mr. Price, for his part, will have to bargain with the £15 franchise reformers, and may not obtain a steady majority even then. Both his adversaries being crippled, Mr. Butler is perfectly justified in meeting the House. A union between the Darling and Peake groups with him or by his help, though improbable, should not be impossible. A coalition of the twenty-seven members who are independent of the Labour Leagues, or of enough of them to carry out the policy outlined by the Premier, appears to be feasible. Until there is absolutely no hope of such a junction, and it must be admitted that South Australian advices disclose little, a majority, including almost two-thirds of the House—Moderates and Independents—should not consent to allow a minority of extremists half their number to rule over them.

PREMIER AND THE SOCIALISTS.

In this State we shall be better prepared than we have ever been to resist the Socialist advance, and, more than that, to put them upon the defensive in their own strongholds. The Prime Minister asserts that Protectionists who have always opposed him before are now rallying to his side, and is very confident that the joint vote he expects to see cast against Labour candidates will be heavier than that of his own party. In this he is probably right, though it must be admitted that the names of leading Protectionists are so far conspicuous by their absence from the preliminary arrangements of his friends. At all events, Melbourne does not hesitate to say that his new Anti-Socialistic League is only the old Free Trade League under another name having the same leaders, the same office-bearers, and the same funds. They suspect that when the next election is over the mask will be thrown off and the new organisation used for the furtherance of the old doctrine of Free Imports. There is a certain colour given to this contention by the prominence of Mr. Joseph Cook, M.P., as Mr. Reid's first lieutenant in the league as well as upon the platform, and of a little knot of men working with him who have been best known hitherto in connection with fiscal battles. On the other hand, Mr. Cook's speeches, though franker than those of his chief, are perfectly fair to his allies. He has admitted that the fiscal truce really extends to much else and that the legislation of the first Parliament cannot be assailed by those who opposed it while they are seeking to work hand in hand with the men who passed it into law. He is fully seized of the serious position in the Federal Parliament, where, in his judgment, there never was an outlook so unsatisfactory. Yet he does not expect any change for the better while there are three distinct parties in existence. The machinery of the Constitution refuses to work and

must remain clogged while the House continues in that state. Mr. **Watson** has said the same thing with equal emphasis while in office and for some time afterwards, but is less clear in his references to the cause of the clogging than when smarting under his Ministerial experiences. He naturally notes that all constituencies in this State returning Opposition members, whether of his party or like Sir **William Lyne** and Mr. **Chanter**, allies under his wing, are being actively canvassed for Anti-Socialism. If Free Importers and Protectionists sink their differences for the nonce his contingent will have an unhappy combat before them. If there are to be only two parties at the polls Labour will be left hopelessly in the minority. Consequently all its leaders' efforts are now directed towards a revival of the three parties. Every possible agency is being set to work to arouse Protectionist alarms and either to detach Mr. **Deakin** or to make it appear that he is becoming detached from the policy which the Prime Minister is preaching this week in Queensland.

THE BALANCE OF PARTIES.

It will be a misfortune if these devices accomplish their purpose. This they are not likely to do unless the pressure from the Victorian Protectionists becomes irresistible. Those who went over to the Opposition corner rather than sit on the same side with Mr. Reid, or accept his coalition with Mr. **McLean** and Sir **George Turner**, have every reason to adopt this or any other means of regaining touch with their former leader. Left alone they can expect little mercy from their Labour associates and less sympathy from the general public. Besides them all outside Parliament on the Protectionist side, for whom the tariff marks the beginning and end of politics, more numerous in Victoria and South Australia than elsewhere, will spare no pains to bring their representatives together. A reunion of the party, in itself an excellent thing, would, however, mean disunion soon or late with Mr. Reid. Like Mr. Cook, he sees this threatening peril, and to nip it in the bud may hazard everything upon a hurried general election, if the omens are unpropitious when Parliament reassembles. He would then take the Protectionists at a disadvantage, because their recent divisions have weakened them generally, and also take the Labour Party at a disadvantage, at all events in this State. But to secure these advantages he must begin by sacrificing the extra seat due to New South Wales owing to the increase in our population, and consent to leave Victoria with a representative of which she is to be deprived because her population has not kept pace with ours. These two changes would require readjustments of the constituencies here and across the border that offer a reasonable prospect of other gains. For instance, Mr. **Watson's** present district is to be cut in halves, the part of it he would wish to retain being blended with the remnant of another district now held by one of his supporters. Labour would lose

one seat, and probably two, including that of its leader, if the new boundaries are sanctioned. The Victorian constituency intended to disappear for similar reasons is that of a Protectionist. The chance of these alterations, apparently all in the Prime Minister's favour, may persuade him to wait a while, though it is pretty certain that he is not powerful enough at present to push the measure necessary to give effect to them through the House. In the meantime the Labour platform will not be deprived of its attractiveness in consequence of any denunciations he may frame, because those who most actively uphold it are not to be moved by mere argument about its consequences. As Mr. McGowen, their leader in this State, is always reminding them, Labour questions are "bread and butter questions". The belief implanted in the minds of the wage-earners is that at present they are robbed of part of the fruits of their industry, which can be recovered for them by legislation. Possible injury to the community as a whole and indirectly to themselves during this experiment by a lessening of enterprise and a restriction of the opportunities open to those possessing special abilities do not weigh with them against the hope of immediate gain to themselves and their fellows by better wages, shorter hours, and more privileges. Still, it is possible that they may lose a few members and the Protectionists a few more even without electoral amendments. These added together may suffice to give Mr. Reid a fair start with a majority in a new House.

THE CASE AGAINST THE LABOUR PARTY.

The case against the Labour Party is being well made out in current speeches. Mr. Joseph Cook put the story of the Watson Ministry and its moderate career in a nutshell. It did nothing harmful because it never had the power. It was born in a minority; lived and died in a minority. It was at every turn and stage governed by the votes of those who did not belong to its caucus and could not be brought under the heel of its authority. If the party had possessed a majority in both Chambers Mr. Cook believes that we should have had a very different spectacle. Mr. Darglish, the Premier of Western Australia, is a man of the same temperament as Mr. Watson, and like him at once abler and more tactful than his followers. He, too, lives to-day without a majority of his own and in dependence upon the votes of independent members to whom he looks anxiously for endorsement whenever he submits a fresh proposal. Under their impulse he has followed Sir John Forrest's lead by initiating a great development policy of public works, chiefly railways, which, as the *West Australian* says, implies an expenditure of millions before it can be completed. Of course it is not to be undertaken except by degrees, but even then is upon a great scale. It is to be accompanied by an increase of taxation in a State which already carries taxes amounting to £6 11s. 6d. per head annually—that is, more than twice

as much as any other part of the Commonwealth. A graduated Land Tax with an exemption of £400, an Income Tax with an exemption of £200, and minor taxes are to be imposed to defray the interest on the proposed borrowing. That will increase a revenue of £3,500,000, probably the largest contributed by any 250,000 people in the present day, by nearly £200,000 more. Although those who have little may enjoy taxing those who have more, neither portion of this policy is distinctively labelled as that of the Labour Party. The scheme is a medley, because Mr. Daghish is in a minority. So will Mr. Price be if he is allowed to step into Mr. Butler's place in South Australia. He, too, must cut his coat to suit his cloth, and this cannot be of a Labour pattern. In Queensland alone have we a Labour Party which, if it retains the seat just vacated by the decease of one of its members, will have a majority of the Assembly. Already excited at the possibility, its local paper in Brisbane is advocating an early commencement of a co-operative Commonwealth in which State Socialism shall be given full play. Before this can be done Mr. Morgan and most of his colleagues must be dispensed with politely or otherwise, for nothing that they have done or proposed to do goes beyond what is usually described as a Liberal programme. In Queensland, therefore, if ever, or anywhere in Australia in the land of the banana and sugar-cane, of great cattle and sheep runs, of our eastern pearl shell industry, where the largest population of coloured aliens is collected, Labour members may soon begin to show what Labour legislation really would be if it had a majority.

SETTLING DIFFERENCES.

Mr. Carruthers like Mr. Reid has drifted back almost insensibly into the good graces of the Sydney Press. He has joined the Prime Minister in the Anti-Socialistic crusade, and apparently while both continue to thunder against communistic proposals in general, making a few exceptions here and there to suit their own books, they are to be treated with consideration. The change is important for both of them. It has brought Mr. Bruce Smith back to his allegiance to the Prime Minister and is smoothing our Premier's way into the affections of the reformers, up to whose expectations he was unable to live during his first session. The much-discussed railway engines are to be constructed here at a fixed price. The differential railway rates charged by our Commissioners for local iron freighted upon our lines are to be preserved, and with these two sops the patrons of local industry are satisfied. The Shires Bill is a great measure upon which the public seem to have set their hearts after many years' consent to paltering procrastination in the Legislature. Closer settlement is being pressed forward with good guarantees of success, though not always in the most fruitful country, and under circumstances associated with the purchase of an unpleasant character which are being inquired into by a Royal Commission. After a

while the system should work smoothly. The Savings Banks Bill, whether Socialistic or not, being Mr. Carruthers's pet project, is bound to be kept to the fore by the Government, though there are no signs that our Legislative Council will relax its hostility. The measure makes the deposits of the public available for loans to farmers upon small holdings at lower rates of interest than those they have been accustomed to pay. Business of this kind has been transacted by public boards in New Zealand, Victoria, and South Australia without loss to the institutions over which they preside. With the same precautions and safeguards there is no reason why it should not be undertaken in this State. There have been no losses by the managers of the Barrack-street Bank, who have heretofore exercised an unfettered discretion in dealing with all classes of investments offered, and though the new advances would be less easily controllable, the experience of all the neighbouring colonies is that general loans of the kind are invariably repaid. Where State advances were made upon sugar mills in Queensland, upon local water ratings as in Victoria, or upon Socialistic village settlements as in South Australia, the profits and part of the capital have been incontinently eaten up. With such warnings before us our Upper House does well to scrutinise the whole system of repayments proposed most vigilantly. But for them to object to a practice that has been repeatedly authorised by other legislatures under safe conditions without the least cost to the taxpayer becomes, as our Premier contends, unreasonable obstruction. It plays into the hand of the Socialists and confirms the class prejudices they strive to instil.

FEDERATED AUSTRALIA.

PRIME MINISTER'S RETURN. SUGAR INDUSTRY LABOUR. LAND SALES COMMISSION.

FROM OUR SYDNEY CORRESPONDENT.
[Jun. 13 1905]; Jul. 22 1905.

Sir Harry Rawson's abrupt departure, regretted because it deprives New South Wales for a time of one of the most capable and popular of Governors, is still more deplored because he has left for England owing to alarming intelligence as to his wife's health. Later news is more encouraging, but the very sincere regard in which both are held in Sydney occasions a widespread anxiety for a more definite assurance of the restoration of her strength. It is felt that the unreserved manner in which Lady Rawson has entered into the life of the Metropolis, patronising every worthy movement and never sparing herself, may have been one of the causes why she is now suffering from overstrain.

The Prime Minister is back from Queensland, looking fresher than ever after the long journey, despite his sixty years and his clouded political outlook. Sanguine both by disposition and deliberate intention, he radiates confidence as perhaps the best means of creating or replenishing confidence in his followers. A proof that notwithstanding his cheerful demeanour he is well aware of the political storm signals on every side of him is the exuberant energy with which he has exerted himself across the border. He has travelled incessantly, inspected everything that could be shown to him, met men of all classes and listened to their formal deputations or informal pleadings with the patience of a constitutional monarch. Plantations have been traversed, mills and refineries visited, Kanakas interviewed, and the grievances of all the grievance-mongers respectfully noted. Of course it was only the most southerly patch of the cane country that was touched in the tour, and that in a necessarily superficial way. He saw the cultivation in the part of Queensland where white labour is most readily obtained, is of the best character, and has the least climatic trials to undergo. The representations made on behalf of the planters who find black labour most profitable and least anxious were discounted at Bundaberg more than anywhere else. The case for the small white growers was presented at its strongest, because its object lessons

were in their favour. On the other hand, the Kanakas are perhaps more generally civilised and better cared for in the south than in the remoter north, where their labour value is higher both relatively to that of our own field workers and absolutely because the yields from the newer plantations beyond the region of possible frost are larger. If Mr. Reid wished to confirm himself in his consistent preference for white labour for the cultivation of sugar he could not have better timed or limited his trip. He escaped both the hot weather and the Dengue fever, as did all the other members who followed the itinerary originally planned. He has just hurried back to Sydney to supervise the launching of the Anti-Socialistic Leagues in this State, which are being constituted to-day in scores of centres and with a great deal of enthusiasm. We have never witnessed such a well-prepared and widely-spread demonstration before. Certainly it was well worth a sacrifice to obtain so imposing an expression of the reaction against the Labour Party in New South Wales.

THE BROKEN QUEENSLAND ENGAGEMENT.

Where the Ministry lost by the breaking of the Prime Minister's Queensland engagement on the plea of danger to his health was because he missed seeing the sub-tropical coast lands, in which the case for coloured labour is strongest. No doubt he knew that they are politically represented and are likely to be represented by Labour members impervious to all evidence that tells against a monopoly of employment for the men whose votes return them to Parliament. Politically, perhaps, there was little to be gained by going farther than Rockhampton, but his knowledge of the cane fields, of the need for a high import duty for bounties and for Kanaka labour must be defective. Whatever chance the large planters who insist that they cannot get white men to face the continuous moist heat of the fields or the minority who share their opinions had of proving their case against the policy that Mr. Reid approves has been taken from them. If it be not prejudged they may be pardoned for believing that their side has never been fairly examined by him. Whatever hope they had of securing a majority at the next election for a supporter of his Anti-Socialist crusade has gone also. The members made the northern tour without him, and in his absence Mr. *Watson*, by virtue of his rank of late Prime Minister, became their head and spokesman. The party being mostly composed of his own adherents there was no discord in their utterances until Mr. *Edwards*, a Queensland representative, protested towards the close of the visit against the intolerant attitude of his companions. There being but two Ministerialists present, including himself, among a dozen members, the leader of the Labour Party was able to preside over the whole of the visitors, to receive deputations, and to make oracular replies as if he were still in office or soon expected to be. The absence during the whole tour of any Minister or considerable Ministerialist acting for the Government and speaking on its behalf was one of

those curious and irritating negligences of the Prime Minister that counterbalance the personal displays of energy in appealing to the masses by which he constantly snatches successes in the political arena. Mr. Watson has already promised the Queenslanders a renewal of the sugar bounty while reproving the planters for failing to offer wages high enough to tempt white men to plant and cut cane. He also undertook that if after a trial of these expedients it becomes evident that the industry cannot be maintained with Australian labour he will look favourably upon proposals for the introduction of suitable European immigrants. He went so far as to hint that the section prohibiting the introduction of contract labour might be either suspended or repealed in relation to sugar growing. But the immediate protest that this produced from Mr. Dawson, the Queensland Labour Senator to whom he entrusted the portfolio of Defence during his recent Administration, must have warned him that he was exceeding the right of private judgment which his followers are prepared to allow him.

MR. WATSON'S PROMISE.

Mr. Watson being irresponsible was thus enabled to delight his friends and appease his foes in Northern Queensland by his apparent generosity and tactful behaviour during the Parliamentary tour of observation just concluded. He was also able to reach the south of the State in time to follow and reply to the Prime Minister, who, though immensely superior as an orator and with all the prestige attaching to his office, found himself in some respects placed at a disadvantage. Some months ago Ministers announced that they would not decide anything affecting the renewal of the sugar rebate to white labour plantations until the House met. Those concerned were told that they would receive the first intimation in this regard from the lips of the Treasurer when introducing his Budget. The procedure proposed is, of course, strictly correct, though it has often been ignored in similar cases both in the Commonwealth and the States. In this particular instance, too, those who have their capital invested in the industry to be affected complained, and with reason, that the postponement of the intimation was seriously affecting their operations for the season. As the only gain to the Government discoverable from this delay is the probable prevention of a vote of want of confidence upon the Address in Reply, the Queenslanders being eager to learn the treatment their constituents may expect, the device appears rather unwise. Mr. Watson's promise of the bounty made at the expense of the Administration gives him the chief honours of a concession which has been believed to be inevitable from the first. Mr. Reid's ostentatious reticence upon the subject when bombarded by those interested becomes slightly ridiculous in the eyes of the public. He could not help conveying inferentially, and must have done so intentionally, that the growers would get their rebate for another term, that the

Kanakas would not be deported wholesale or without discrimination, if at all, and that the import duty would not be interfered with for the present. This much was conjectured before he went North, and is generally accepted now, though any credit he might have expected to get by these concessions has been filched from him by Mr. Watson or else enfeebled by procrastination. He was willing to open his mind upon one subject, and one only, the dangers of Socialism, with its corollary the necessity of avoiding them by united action against the Labour Party. In this way, of course, he led up to the Anti-Socialistic organisation now being pursued in New South Wales. Indeed, it seems as if he kept his mind upon our circumstances, almost to the exclusion of those of Queensland, all the time he was within its borders. In Brisbane and everywhere else he refrained from informing his hearers what measures of an Anti-Socialistic character he proposes to father. Mr. Watson replied in the same abstract way from the same platform, setting theory against theory and deduction for deduction. Apparently not until Parliament shall be in session, if then, will the electors be distinctly told what either leader intends to do or asks authority to do. Anti-Socialism and the sugar industry have been so much enveloped in generalities that both are becoming mysteries.

MOVEMENTS OF THE HIGH COURT.

The other mystery which enshrouds the disagreement between Sir *Josiah Symon* as Attorney-General and the justices of the High Court has been so far disposed of that the three claims of the latter relating to their expenses have been admitted. The dispute about them, so far as can be gathered, arose out of a much more serious difference affecting, *inter alia*, the holding of sittings of the court in the several States. This in its turn seems to have raised the larger issue whether the time and place of sittings were to be settled by the Bench or by the Ministerial head of the department alone. Other points may have been taken, but as the Attorney-General has been careful to keep that of the expenses well to the front the public at large seem to have concluded that nothing else was really in contention. Professional men, whether from self-interest or swayed by local patriotism, have thought it judicious to keep inviolate the rights of the capitals of the States to be visited by the court. The Queensland Bar took the initiative, and last week our own Bar followed suit at a meeting which was large, influential, and unanimous. Mr. *J. Want*, K.C., who moved a resolution protesting against any attempt to confine the High Court to Melbourne on the pretext that either it was officially the principal seat of the court or in effect the present seat of Government, was perhaps too much dominated by his inexhaustible zeal on behalf of Sydney. It was this sentiment which made him the most powerful leader of the anti-Federalists in the Metropolis during the referendum campaigns, when his powerful speaking was a potent influence. His localism endears him to-day

to many who, not satisfied with our pre-eminence in population, trade, art, situation, and shipping, are alert to resist all attempts to aggrandise the Victorian centre. The principles at stake as to the movement of the court apply with much more force to Perth and Hobart, whose size and distance deprive them of some grounds for their inclusion in the list. Nevertheless, if the Federal Court is to fulfil expectations it must be federal in its movements and make its existence known in the less populous as well as in the more populous States. Sir Josiah Symon's argument that because its chief functions are those of a Court of Appeal it should be nailed down in Melbourne and prevented from leaving that sacred place on any consideration is generally treated as preposterous. Adelaide would not uphold him in this contention. Sydney, which has the largest legal business of any city, and New South Wales, with a larger amount of litigation than any State, could only be ignored by a perversion of the character of the court as constituted with the consent of Parliament. Our Premier and Attorney-General have not hesitated to say so, and are ready to say more. It is doubly unfortunate that current gossip attributes the whole of this unfortunate incident to a personal antagonism between Sir Josiah Symon and the judges. An old-standing feud is believed to have embittered his relations with the Chief Justice. Mr. Justice O'Connor was formerly the rival leader of the Senate, while Sir Edmund Barton's acceptance of the judicial office is supposed to have disappointed aspirations which the present Attorney-General may very naturally have entertained. The incident seems to have ended so far as the judges are concerned, but there is too much suspected and hoped of it to permit the belief that it has been finally buried.

IMPROVEMENT IN THE FINANCIAL POSITION.

Our Premier has grounds for exultation, and can scarcely be contemned if he exhibits them as opportunity offers, whether in the interests of New South Wales, of his party, his administration, or himself. He very properly declines to assert that the marked improvement made in our financial status since he took office is due entirely to political causes, but dwells with bashful pride upon the contrast between the price of our debentures now and their selling rate when he assumed the control of the Executive. We have borrowed less this year than for any twelvemonth in the last eight or nine years, and shall be able to rejoice in a handsome surplus when the books are balanced at the end of this month. These are facts not to be overlooked by investors abroad, although their closest attention will, of course, be given to the lavish and timely rains, the golden harvest likely to follow them, the improved price of wool, and growth of our flocks and herds. All these together have helped to put our debentures £8 higher than they were when Mr. Carruthers formed his Cabinet and announced his financial policy. Well may he be jubilant and invite others to join his paeans. The Federal customs refuses to maintain its former high level, and is steadily

settling down to a normal condition under which we shall purchase more from other States, sell more to them, and so avoid contributing import duties as freely as of old. But the general prosperity is testified to in and beyond New South Wales by the interim returns of the various State Treasuries. Except in Tasmania, where the customs loss continues serious, these are almost uniformly and unanimously favourable. Mr. Carruthers deprecates any revival of the boom spirit in consequence of these figures, because its inflations prelude disastrous collapses brought about by over-confidence and over-speculation. His warning is apposite, since to all appearances Australia is about to reopen a record of fat years.

THE SALE OF LAND.

The very unpalatable revelations still proceeding in the inquiry by Judge Owen as a Royal Commission into past land transactions conducted with or through professional agents by settlers who had business with our Lands Department are not occupying us exclusively. Mr. Ashton, the present Minister of Lands, from whom much is hoped, has cheered us by his fervent defence of his Closer Settlement Act and his intimation that a cautious application of its provisions for encouraging freehold cultivation in place of grazing has already discovered many opportunities for its improvement during the session which opens to-day. Even with the Act he hopes for great things. But what startled his hearers at Corowa and caught public attention generally was his announcement of a new departure. At present the Government buys estates, subdivides them, and waits for purchasers. The process is sluggish and has its risks. The Minister asks why the landowner who is willing to sell and the farmers who are anxious to buy should not make bargains for themselves if possible collectively. The Commissioners appointed by the State to buy estates right out would then simply content themselves with making advances to the purchasers up to two-thirds the amount of a Government valuation. Thus an owner who sold at £3 per acre would receive £1 an acre from the buyer and £2 an acre from the commissioners, whose loan would be secured by mortgage. They would be protected against imposition by large powers over transfers and the settlers generally. No agents would be permitted to intervene, the transaction being direct from owner to purchasers. This practice, or something like it, has been authorised in other States, though so far as we know without much result. Mr. Ashton as an Anti-Socialist has good reason to prefer the scheme if it is practicable, and his best efforts in that direction will be applauded. The £13,000,000 in the Savings Banks which Mr. Carruthers desires to make available for advances to farmers could not be better employed than in planting a thrifty and industrious yeomanry upon the soil upon terms just to the seller and to the man desirous of having a holding of his own.

FEDERATED AUSTRALIA.

OPENING OF PARLIAMENT. LABOUR PARTY'S ATTACK.

FROM OUR SYDNEY CORRESPONDENT.
[Jun. 20 1905]; Aug. 1 1905.

The Anti-Socialist movement has been successfully launched in every Federal electorate in New South Wales by meetings. At each speeches denouncing Socialism were followed by resolutions establishing an Australian Liberal League to resist its advances by means of local branches, which will now undertake the necessary work of organisation. Everything depends upon the manner in which this is carried out. Already large numbers of electors have been enrolled, and as funds are plentiful no demand is being made upon them for subscriptions. Several experienced canvassing agents are at work in districts in which the present representative is either a member of the Labour Party or in alliance with it. Members who are associated with the central office are sanguine that they will be able to capture several seats at the next general election. Judging by the **Prime Minister's** remarks in Brisbane this is close at hand, or may be unless the House proves docile under his guidance. We are now prepared for the event in this State with a general organisation more comprehensive in character than any we have hitherto been able to range against the Political Labour Leagues. As Mr. Reid is pointing out, two of the Protectionists most closely associated with Mr. **Deakin** have joined in the new movement. Mr. **Ewing**, who represents our northern coast with its fine river lands, is a member of the Provisional Central Committee. Mr. **Chapman**, the representative of the constituency farthest south upon the coast, adjoining Victoria, who was Minister of Defence in the last Protectionist Cabinet, is also co-operating. This leaves but two Protectionist members outside the Labour Party who are standing aloof. Both sit for districts upon the Victorian border in sympathy with the sister State and related rather to Melbourne than to Sydney. Of these Sir **William Lyne** cherishes a vendetta against Mr. Reid which nothing can appease, and by his energy draws his neighbour Mr. **Chanter** after him. Naturally the closest attention will be paid by the League to their electorates, where there are many signs of reaction against the sitting members. Should the redistribution of seats advised by the Commissioner for this State become law Mr. Chanter's chances will be further impaired, and one or two Labour members put in peril as well. In

this contingency the Liberal Leagues expect to capture four of the seats here while holding all their own. They hope for as many more in other States. Should they fulfil these expectations they will have justified their existence. While the coalition lasts the Prime Minister would have a working majority. The spectacular display which he has been at much pains to arrange will have reflected credit upon his stage management.

VIEWS ON THE NEW ORGANISATION.

There is another side of the picture, no doubt, not to be overlooked, though, like that just outlined, it is a mere estimate. Sir William Lyne insists that the new organisation is merely the old Free Trade League rebaptised, and certainly its principal speakers and organisers were all associated with that body. On the ground that one swallow does not make a summer he brushes aside the adherence of Mr. Ewing and Mr. Chapman, protesting that not another leading Protectionist is to be found on the list of the new League. Here he seems to be correct, and, after his impassioned warning against the net that is being spread for them, it is unlikely that any will join. Whether the rank and file will follow their leaders or temporarily accept Mr. Reid as their leader against the Labour Party no one can predict. Still, there are plenty of voters in New South Wales who have not taken part in previous Federal elections but whom the new cry and the new situation may bring to the poll. Most of the members who follow the Ministry have perfectly safe seats in any case, and, so far as can be judged at present, it is not a question in this State of possible losses, but only of possible gains. This is a very advantageous position to begin with. Any redistribution of electoral districts ought to better it both here and in Victoria, and there is yet time for the formation of similar Leagues in other States. Mr. Reid was certain to keep his majority in New South Wales, and with his fresh organisation and fresh funds ought to increase it. The real check he has received is elsewhere. According to his original plan the rally of last week was to have been held in every Federal electorate in the Commonwealth at the same day and hour. It is very significant that not a single demonstration took place or is yet projected to take place beyond our borders. Australian politics are provincial still both in tone and in area. Instead of moving together our States are so self-centred that each of them stubbornly keeps to its own road. The very fact that the Leagues flourish in this State is rather adverse than favourable to their prospects across the Murray. The Anti-Socialist movement is undeniably general, but the Liberal Leagues which seek to give backbone to it are so far confined to this State. Not a single member of the Federal Parliament from anywhere else seems to have been invited to our meetings, nor is there any hint of an embassy from our side to arouse our less active neighbours. Possibly it is feared that their presence might prejudice the efforts of any sympathisers who are looking to

local action upon our lines when there may be less apprehension of a charge that they are “copying New South Wales”. This pettiness does exist, but it cannot be pretended that it is either universal or strong. All the more, therefore, does the neglect of every other State to fall into line with us go to prove that, warm as their Anti-Socialistic sentiments may be, there is something in our Leagues that does not tempt their citizens to follow our example.

THE RETICENCE OF MR. DEAKIN.

In Victoria one obstacle is undoubtedly the obstinate reticence of Mr. Deakin, which appears to suspend all the Protectionist and even the general activity of the opponents of the Labour Party. The inertia of Tasmania may in part be owing to the trials of State politics due to the diminution of their receipts from the Customs, now that they buy so largely from the manufacturers of the mainland. In the other three States Labour is in the ascendant, though the **Daglish** Government in the west is threatened with disruption by internal dissensions. Sir **John Forrest** having remained deaf to the importunities of the Opposition it remains uncertain still whether its members are united enough to take full advantage of the opportunity likely to be afforded them. Whatever be the contributory causes, there can be no question of the fact that the Liberal League has not caught on anywhere else, and indeed is not too vigorous here outside of Sydney. Its watchwords “Liberty, Loyalty, Enterprise, and Progress” sound well enough and express the sentiments of the bulk of our people. They have our Metropolitan Press in their support and once more in complete accord with Mr. Reid, though only a few months ago they were handling him very roughly. He has not altered his programme in the meantime or added to it. It is still as general in ends and as indefinite in means as it was when they belaboured him with rude epithets and unwind accusations of insincerity. He has not changed his attitude, but they have changed theirs, and are seemingly as satisfied with his campaign today as they were dissatisfied not many weeks since. The coldness with which he has been received elsewhere has perhaps quickened their sense of loyalty to the leader of New South Wales. They have already opened fire upon Mr. Deakin in order to compel him to range himself on one side or the other. His only public political utterances have been a very strongly-phrased condemnation of the inadequacy of our defences and particularly of the absence of protection for our ports and harbours. The implication that this is in his eyes the most important issue at present before us is extremely exasperating to the Leagues. His next utterance as president of the Imperial Federation League of Victoria again urged unity of Imperial defence and, as a corollary, Imperial alliance in some form, accepting Sir Frederick **Pollock**’s proposal as the most practical approach towards an ultimately completer federation. His

interest in what our Anti-Socialists and Socialists alike regard as far-off secondary issues, capable of being dealt with at any time when party exigencies permit, is regarded by both as wantonly annoying. While every note is of value, the Ministry cannot afford to offend any possible ally, but it is plain from their silence that they too fail to appreciate the revival at this juncture of questions of this character. The Protectionist papers on their side are just as little gratified with the diversion, and are quite willing to join their opponents in ignoring them. It must be admitted that this is an extremely inconvenient season to launch such discussions upon preoccupied partisans, and that little more will be heard of them until the present state of suspense develops more rapidly after the opening of the Federal Parliament.

LIBERAL LEAGUE DEMONSTRATIONS.

Our own Legislature recommenced its labours on the very day in which the Liberal League was founded, and perhaps on that account State members took no prominent part in the demonstrations. Perhaps it was of necessity because of the absence of other capable advocates or out of compliment to the Federal members concerned, but the circumstance that they were almost the only speakers everywhere was unfortunate. This, coupled with the absence of any definite propositions beyond that for the establishment of the League, deprived the gatherings of all novelty and much of the attractiveness they should have possessed. Mr. Reid, of course, had the largest audience and the greatest number of disorderly adversaries, who endeavoured to prevent him from making a connected indictment. As usual he emerged triumphant from the ordeal, after a severe physical combat with his interruptors. He once more restated the case against the doctrine that all our industries should be placed and kept in State swaddling clothes. The clamour against his argument really leant it force, because those responsible for it were insensate enough to object to the simplest reminder that the industrious were entitled to the fruits of their industry. The remainder of the meetings passed off quietly, demonstrating, if demonstration was required, that the public of this State, far from being enamoured of the theories of Mr. Watson, are decidedly opposed to them or to any innovation that would diminish their present economic freedom. As the Minister for Home Affairs, Mr. **Dugald Thomson**, said any trial of Socialism in Australia could not last a year or bring any prosperity to the undertakings to which it might be applied. Mr. Watson has rejoined that the inevitable tendency of society everywhere makes for the extension of State ownership, and the limitation of what he calls individualism, while collectivism would ensure greater happiness to the greatest number. But the most unexpected championship of the Labour platform has come from Cardinal **Moran**, the head of the Roman Catholic Church in Australia. He first announced that the tenets Mr.

Reid was assailing were communistic and anarchical, while the programme of the Labour Leagues were not of that character. He then proceeded to recommend it on the ground that it was being carried out in a constitutional way and that its objects were "peace and plenty". Not long since the members of his Church were alarmed because the Labour proposals appeared to some of them to violate the *encyclical* of the *late Pope* in which he condemned Socialistic methods. Their revolt would have endangered many Labour seats, since a large proportion of our wage-earners are Irish Catholics. The Cardinal began by allaying their fears, and has at last gone the length of describing the dangers depicted by the Prime Minister as "ghosts" and likening his campaign to that of Don Quixote. The Orange lodges were solid for Mr. Reid before, but now they will take an enthusiastic part in upholding the new Leagues because they have been ridiculed, and in attacking the Labour platform with fresh zest because it has been blessed by the Cardinal.

MR. CARRUTHERS'S PROGRAMME.

Mr. *Carruthers* met the second session of the twentieth Parliament of New South Wales with a programme of work which the most sanguine cannot hope to see performed this year. It is good solid pudding, and if there is too much of it for immediate consumption it will not suffer by waiting. The chief items have been discussed in the *Morning Post* already. A very satisfactory condition of the finances, a much-needed Shires Bill, and a Bill uniting the two State Savings Banks into one empowered to lend its funds to farmers are the chief among them. The last measure is as unpopular with the Sydney newspapers as it was last year, and apparently because the Premier perseveres with it they are carping at the whole of the prospectus he has advertised in the Governor's Speech. The Labour Party, anxious to assert its dignity and to emphasise the fact that it is "the" Opposition, promptly challenged the Government by the mouth of its leader, Mr. *McGowen*, upon three grounds: their practical suspension of the Arbitration Court for want of a president, their neglect to accept a local tender for the construction of railway engines, and their administration of the Education Department. The attack was feeble, but the Premier took occasion to repeat once more the oft-told tale of his savings and the improvement in our financial standing in consequence of his policy of prudence. When Mr. *Waddell* mildly criticised the action of the Ministry it was deduced that the little remnant of which he is the chief will abstain from supporting the impeachment. Mr. *O'Sullivan*, his late colleague, was much more of a fire-eater, but even he gave the impression that he was using blank cartridge, and the discussion drifted down into tediousness, from which it can be uplifted only by the introduction of new men with new matter. It must be confessed, and is confessed by Ministerial papers, that the omission of

the *Attorney General* to maintain the Arbitration Court in a condition capable of dealing with the arrears of industrial business already accumulated is deserving of reproof. Despite Mr. Justice *Cohen*'s assiduity little impression has been made upon the long tale of disputes submitted for adjudication, and for some weeks past he has only sat to deal with minor applications in connection with past decisions. No new cases have been entered upon, nor can be until a fresh President or Deputy President is appointed. No judge of the Supreme Court will accept the post, the work being new and the duties of the arbiter very trying. There is to be an amending Bill altering the existing Act in some material particulars, but Mr. Waddell's contention that the Court should be reconstituted at once by a separate measure without waiting for the promised amendments in its powers is undoubtedly fair. The Trades' Hall deputation which talked of a general strike by way of protest was ill-advised, and happily the threat was impracticable. None the less it is the duty of the Government to take the administrative steps essential for the proper working of this piece of legislation while it remains upon the Statute Book. As there is no proposal to repeal it, nor need be seeing that it will expire unless re-enacted, the Cabinet ought not to evade its obligation to provide for the reduction of the accumulated cases filed for a hearing. This, no doubt, will be done.

FEDERATED AUSTRALIA.

PARLIAMENTARY PROGRAMMES.

TRANSFORMED SITUATION.

FROM OUR SYDNEY CORRESPONDENT.

[Jun. 27 1905]; Aug. 5 1905.

The south-eastern corner of the Commonwealth has witnessed the opening of the annual legislative season, New South Wales leading the way. All the Legislatures are late this year, but their tardiness has provoked no complaints. Nowhere is the public eager for their activity; nowhere do expectations run high. The programme of useful work outlined in this State awakens little enthusiasm, though its value is undeniable. The Victorian Premier, Mr. **Bent**, rejoicing in another surplus of half a million, occupied most of his speech preliminary to the session in an ecstatic contemplation of the wisdom which had acquired so large a sum and of the judgment that would be necessary in spending it. Happily for that State his irresponsible methods of disbursement last year have given place to more business-like principles. He devotes £100,000 towards adjusting the balance-sheet of the railways in order to bring up the value of its rolling stock nearer to the sum expended upon it originally and still standing to its credit in the accounts. He repays £147,000 to the Trust Funds, which the trustees invest in 3½ per cent. stock, and thus enable him to pay for two large estates which the Government has purchased for sub-division. The total amount of the Victorian debt has been slightly reduced during the twelve months. The winter outlook is promising, and generally good times are anticipated for 1905. So far as finances are concerned New South Wales and Victoria need shrink from no scrutiny here or in London. Our surplus, making allowance for our larger payments to sinking funds is as big as theirs. No attempt is made here to analyse in detail the official figures as they are published in the several States, because to do so would occupy the whole of some letters and a large part of others. Public finance with us is not an intricate subject, though the number of enterprises undertaken by our Governments makes the returns appear more complex than they are. It is sufficient to say that those already disclosed this year prove that Australia is thriving not in one part but in all. The Tasmanians pay much less in Customs duties than they did, and have not yet been able to agree upon other means of making up the **Treasurer's** deficiency thus created. Their difficulties are in a sense of our own political making, since they are

due to reductions in the revenue duties imposed by the Commonwealth, and not to any diminution in the earnings of their people. Queensland suffers from the same cause, and Western Australia apprehends a like possibility, though the sugar yield of the first is establishing a record and the general revenue of the second is buoyant. Whatever financial worries exist in Australia are those of her Treasurers, and not of her people, whose circumstances are in every State rosier than they have been for years and promise to become brighter still. That summary will suffice for the general reader.

MR. CARRUTHERS AND THE OPPOSITION.

Mr. Carruthers has come off with flying colours from his first encounter with the Opposition. During the recess he has increased his hold upon the House. The mutinous reformers who, under encouragement from our Sydney newspapers, baited him for his deliberate retrenchments and cautious change of old departmental procedures have been reduced to silent acquiescence. Several of the Independents have been drawn to his side, giving him a small but certain majority under ordinary circumstances. When he met the House it was without the trepidation that marked his assumption of office last year. The blundering tactics of the Labour caucus did the rest. Its members never seem concerned as other politicians are to keep ways open by which they can carry with them the votes of those whom they can induce to act with them temporarily because their opinions on some subjects are akin. On the contrary, they delight in separating themselves from the Radicals, whose support they demand on occasion when it suits them, but whose seats they prepare to attack by driving them to vote against popular proposals. Mr. McGowen challenged the Government because he is still anxious to pose as the Leader of the Opposition, feeling quite confident that the Political Labour Leagues would always justify him in attacking anything or anybody and particularly the Government of the day. He made out no case for a change of Ministry himself, nor did it become any more convincing in the hands of his followers. The Independents, almost without exception, washed their hands of him, so that by the time Ministers insisted on bringing the debate to a close the battle was waged by the Labour Party alone against the rest of the House. A continuous sitting of twenty-four hours resulted in 29 votes for Mr. McGowen against 53 for Mr. Carruthers, a victory of a very decisive character for the Ministry. Then came a personal ordeal in the shape of an amendment, moved by a member of no standing, for an inquiry into the administration of the Lands Department years ago under Mr. Carruthers and three subsequent Ministers. The plea for this strange proposal was that the Commission now examining the dealings of land agents with the department had produced a crop of rumours of hidden scandals which ought to be probed without delay. The Premier, who complained bitterly that he had not been

furnished with any particulars of the charges to be made against him, said that he courted the most open inquiry, and announced that he had already tendered himself as a witness before the present Commission. The House refused to permit the motion to be withdrawn and then defeated it by 49 to 25. It is a misfortune that even the Labour members were not public-spirited enough to refuse to countenance such a baseless and unwarranted attack upon the reputations of public men. In this respect, unfortunately, our session has not opened propitiously.

MR. REID FIRM.

The Commonwealth situation has crystallised. It leaves us once more with the old three parties face to face. The Coalition Government continues, of course, but the end of its term is in sight, though no particular period can be fixed for its departure. These changes, though not startling to those who have been closely watching the course of events, have created a great deal of surprise among the public generally and an outburst of anger from Mr. Reid's party. Deprived of Protectionist allies they feel themselves sinking back into a minority again. When three minorities are ranged against each other the one in office is naturally most uncomfortable. It has most to lose. Any change means a change for the worse. To both the other minorities any change must be for the better. The Prime Minister if he was aware of the impending disclosure made by Mr. Deakin gave no sign of it in the speeches which he made last week upon taking up his residence in Melbourne. At Geelong he went so far as to declare that his days of fiscal fighting were over, and that the Free Trade cause, to which his whole career had been devoted, would know him no more. If he had then actually as well as metaphorically put off his armour he would have found himself in a very critical plight a few days after. His statement seems untimely, or appears to mark a want of knowledge of the intentions of his allies. At Hawthorn a night later he resumed his usual denunciation of Socialism, but appended a sketch of the business to be transacted in the session.

First comes the alteration of electoral boundaries, giving a new member to New South Wales and depriving Victoria of one seat, and next the Standing Orders of the House are to be passed either in whole or in part. Then follow three things to which he attached much importance—the substitution of Federal commercial agents abroad for the rival agents employed by the States, provision for the refutation of slanders against Australia apparently by means of a High Commissioner, and the encouragement of suitable immigrants by sending through the rural parts of the Mother Country a display of Australian products. An attempt is also to be made to induce the States to co-operate in establishing a national scheme of old

age pensions for the Commonwealth, but owing to the differences of opinion and practice among them this is recognised to be but a forlorn hope. Mr. Deakin is to be afforded opportunities for bringing forward his Preferential Trade motion and for re-submitting the Iron Bounty Bill, both of them having been talked out last year. This was the business to be done according to the Prime Minister's forecast, always providing that there was no determination of the Opposition to obstruct business. If any such resistance were intimated Mr. Reid again repeated that he would at once ask for a dissolution, because with his majority of two progress in Parliament could always be made impossible.

THE LABOUR PARTY'S IDEAL.

Federal political discussions during the recess are conducted at long range, and it was in our Protestant Hall in Sydney that Mr. Watson closed his pre-sessional campaign with an elaborate reply to the Prime Minister's speeches in Victoria. According to him the Anti-Socialistic crusade is being conducted to conceal a poverty of ideas and the lack of any corporate policy on the part of the Government. Mr. Reid had abandoned the only ideal he ever possessed when he gave up Free Trade. The Ministerial measures promised were either inheritances or dependent upon the consent of the States. The Labour platform was designed to curb rapacity and unscrupulousness, but they could never reach the root of the evil unless they established "a Co-operative Commonwealth", and that "seemed to be a long way off". The interference of Parliament had been of immense value and was still needed to deal with private monopolies such as the Australian shipping ring. The ideal of the Labour Party was a collectivism which would take the place of competition, under which production would be for use and not for profit, but they recognised that this state of affairs could not be achieved within their lifetime, possibly not for many years. In the meantime they would seek to relieve the community of the "incubus of monopoly" extending the power of the Government to cope with it by such instalments of authority as were approved by the electors. The explicitness of these rival pronouncements will, it may be hoped, spare Parliament the necessity for any repetition of this debate. The best tribute to the Prime Minister's effectiveness is the undercurrent of bitterness everywhere apparent in the speeches of the Labour members and even in those of Mr. Watson himself. They have never forgiven Mr. Reid for ejecting their Ministry from office, and he has added fuel to the flame by shaking their safest seats in this State. To their desire for revenge is joined a keen sense of their loss of repute in consequence of the reign of a man who makes his defiance of them the keynote of all his utterances. Their prestige suffers more the longer he remains in power. It is for this reason that they have made something like a change of front. Mr. Deakin was not long since the

chief target of their resentment because without his active voice and vote the Reid–McLean coalition could not have come into being. But for some time lately his name has disappeared from their invectives or has been mentioned with tolerance. The longer his silence endured the faster have grown their hopes that it precluded a breach with the Ministry, or rather with the Prime Minister, who is the Government so far as they are concerned. Having united with his followers to put Mr. Deakin out of office they are now prepared to unite with the Protectionist supporters of the latter to put him back again rather than leave Mr. Reid in the enjoyment of the spoils.

MR. DEAKIN AND ANTI-SOCIALISM.

Mr. Deakin's speech when it came conveyed cold comfort either to the Cabinet he brought into existence or to the Labour leader's ambitions of displacing it by his means. He declined to accept the cry of Anti-Socialism as sufficient unless it is accompanied with a distinct programme of legislation to be passed or repealed or to approve the Socialism of the Labour caucus which couples its declarations in favour of an industrial revolution with the qualification that it is not to be attempted by this generation. Both parties, in his opinion, were trying to trade on credit, Mr. Reid asking to be trusted with a blank cheque and Mr. Watson tendering a post-dated cheque in discharge of his obligations. He refused to accept State interference as good in itself, insisting that it was merely a remedy for certain social diseases which might become worse than the disease itself if not cautiously applied. Regulation of monopolies was necessary and of industries subject to abuses desirable in the public interest. State ownership should only be sanctioned as a last resort, being far inferior to municipal action because of its larger area and more tax control. The tests of all these enterprises were found in the questions: Would they pay and for how long could they be kept paying? He ridiculed the conception of a collectivist society in which private enterprise had been extinguished, and declared that all such schemes must inevitably break down by their own weight. The frankness with which he hit at both sides appears to have produced a stormy meeting in his constituency, but undoubtedly its immediate effect abroad was to demonstrate the re-emergence of the Third Party which he himself had caused to disappear in order to restore the constitutional principle of majority rule. But the latter part of his address amounted to a still stronger declaration of independence, supported by a clear intimation that it will soon be put into force. The party union projected by Mr. Reid and himself had been rejected by the Protectionists directly it was propounded, but there remained the general agreement arrived at between them as to the maintenance of a fiscal truce for a period not later than May 1906. This was varied, in fact, by Mr. Reid's own act in appointing a Tariff Commission of Inquiry. After that it had become impossible for any general election to be held without the electors insisting upon

pledging their representatives either to Protection or Free Imports. Mr. Reid's threats of a dissolution were always accompanied by his assurances that the one issue to be submitted to the country would be that of Socialism and Anti-Socialism. Mr. Deakin not only stigmatised this contrast as unreal in its present shapes, but has expressly insisted that the Tariff Commission's report, whether anticipated or not, must be the practical question upon which the suffrages of the people will be invited. Protection is put first and social doctrines second on the ground that the one furnishes a definite practical standard of action, while the other represents speculative rather than real antagonisms at the present moment. The old Ballarat programme of 1903 is revived as outlined in the Perth address of some weeks since, and enlarged by his appeal for a great strengthening of our defences a few days ago. Protection, preferential trade, and population are the watchwords under which the supporters of the Barton and Deakin Cabinets will be rallied whenever the dissolution comes. The *Morning Herald* deplores Mr. Deakin's relapse from the larger Federal issue before us, which could have been dealt with on fairer and broader lines, but has been turned by him into a non-national cause. The *Daily Telegraph* admitted that Anti-Socialism ought to be more than a negation, but urged that he should have waited longer for Mr. Reid to specify it, and that the Tariff Commission reports could not excuse the replacing of power in the hands of the Socialists. Both recognise that the situation has been transformed, and that a readjustment of policies and parties is bound to follow. Taken aback as they have been by the revelation of surroundings which they have been comfortably ignoring, they are still too puzzled to be able to point a safe way out of our entanglements.

FEDERATED AUSTRALIA.

THE FALLEN MINISTRY. DEFEAT INEVITABLE.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Jul. 3 1905; Aug. 11 1905.

What will happen next in our politics is never easy to predict, but the present crisis has no peculiarly Australian character. When the materials for an explosion are lying close together, as they have been in the Federal Parliament for many months, any spark from anywhere will produce a catastrophe. Readers of the *Morning Post* at all events cannot have been surprised when the cable told them that Mr. Reid's Ministry had fallen. It was always plain that this might occur at any hour of the day. Their majority was nominally two, but really no majority at all. The slightest alteration in the attitude of any Ministerialist would therefore be sufficient to upset their craft. That came when Mr. Deakin delivered his Ballarat speech in which he set out from his own point of view the issues at the next election. There was no intimation that he desired an election; on the contrary, he deprecated one at this juncture, but he clearly stated that whenever it might occur the fiscal question must dominate. This amounted to an unmistakable public notice of the coming termination of the existing coalition between Free Traders and Protectionists. No date was fixed by him for that event. It was by implication postponed till the end of the present session or later. The term fixed by his agreement with Mr. Reid for the Ministerial declaration of its fiscal intentions is May, 1906. Quite possibly, therefore, the Ballarat forecast only amounted to a warning that the hour of choice was approaching. The obvious precariousness of the Ministerial majority may have provoked it in order to provide against the Protectionists being caught unawares. All these very reasonable motives may have operated on Mr. Deakin's mind, and are alleged on his behalf. They find no hearing in Sydney, where the leading newspapers and politicians alike have been stimulated, if not originally inspired, by the hope of keeping Protection out of sight and the Protectionists divided. No reproaches are now too bitter nor censures too strong for the Victorian who has insisted upon introducing at the coalition table a ghastly reminder of its mortality. It is, indeed, hard to understand how so experienced a leader as Mr. Deakin could have been as guileless as Sir John Forrest and his friends protest. No one knew better than he the inflammable condition of Federal politics

or the great risk, whatever the pretext, of carrying a torch through that magazine. Whatever his intentions may have been the obloquy showered upon him has at least the justification that some of the consequences which have followed at once might have been foreseen as the necessary outcome of his action. Ministers need not have rushed to their destruction. Mr. Deakin denies that his note of warning could have been postponed. His plea is that the coalition being expressly limited in duration by its obligation to declare a fiscal policy before next May, he was called upon to prepare for the emergency that must arise then and might come much earlier. The answer to him is that even in this argument he chose a dangerous time and trenchant method of acting in very delicate circumstances.

MINISTERIAL BLUNDER.

The newspapers on Monday, the 26th of June, contained Mr. Deakin's speech and made the most of it in leading articles, paragraphs, and "scare headings". On Tuesday the Cabinet considered its effects to be so serious that they cancelled their draft speech prepared for the **Governor-General**, which had set out in detail a long list of the measures to be dealt with during the session. On Wednesday the Governor-General petrified the members of both Chambers by reading a substituted speech of a few sentences, which informed them that they would be invited to pass one measure rearranging the electorates, and by implication after completing that task would be sent straight to their constituents. On Thursday the Prime Minister explained to an excited House that the Ballarat speech was responsible for the crisis that had arisen, and pilloried Mr. Deakin, who concluded an indignant reply by moving an amendment regretting that practical measures were not to be proceeded with. On Friday this was carried by a majority of seventeen votes. On Saturday evening the Governor-General left this city, where their Excellencies are still in residence and to which he returned from Melbourne after opening Parliament. In the course of one week, packed with sensations, the whole political situation had been transformed. The Prime Minister but a few days before had announced that the rest of his political life was to be devoted to the destruction of Socialism and its insidious advances, had bade a long farewell to his Free Trade propaganda, and had pictured a session of non-contentious legislation. Yesterday he is reported to have advised the immediate dissolution of the House of Representatives on the ground that it is incapable of further useful work. If his request had been granted it would have meant an appeal to the country against Protection as well as against the Labour Party. That would mean a refusal on his part to deal with whatever progress or other reports the Tariff Commission might present during the next year or two advising an increase of duties. Only anomalies having no fiscal significance were to be remedied. His Protectionist

allies in the Cabinet could scarcely have adopted that platform. Sir George Turner's health would in any case have obliged him to retire. A reconstitution of the Cabinet must have followed in which the Free Trade Party would have openly assumed control. If, therefore, Mr. Reid had obtained what he asked he could not have hoped to return from the constituencies with a majority. The Labour members and the Protectionists between them must have outnumbered his followers. Judged, then, by the results of his tactics, apart from his intentions, it is evident that he blundered, and blundered badly, when he sought to send the House to the country merely because of the possibility of an impending defeat owing to Mr. Deakin's declaration of independence. He could not have kept in office in any case.

DEBATE ON THE ADDRESS.

The debate upon the Address in Reply threw little light upon the main currents of political thought, and affected no votes. The Protectionists lost Sir Philip Fysh, who has never been in sympathy with their proposals except as financial expedients, and also lost the three Ministers who loyally stood by the Prime Minister. Every Labour member and every Protectionist with the above exceptions voted against him. When the Deakin Ministry left office early in 1903 there was a majority of nine against them, Mr. Watson was beaten by a majority of two, and Mr. Reid is now dismissed by eighteen votes, allowing for an absent Protectionist who was unpaired. But if the debate did little to elucidate principles it was vastly more attractive to the Press and to the public because of its personalities. Mr. Reid led off by an elaborate and studied invective against Mr. Deakin, in which the latter was charged by suggestion with unfair reticence to himself and particularly to the Protectionists in the Cabinet. When Mr. Deakin was heard in his defence repudiating both charges with much vehemence he was followed by Sir George Turner, who complained bitterly of not having been consulted by the Leader, who had induced him to join the coalition, and by Mr. McLean, who spoke more briefly to the same effect. These provoked angry counter attacks by Mr. Deakin's supporters, who were unanimous in upholding his speech and his amendment and by equally heated repetitions of the charges by Ministerialists. Upon these incidents our journalists, who chronicle, explain, and foretell public affairs, have expended their ink with great gusto during the week, certain of being read and enjoyed by thousands of onlookers, to whom politics have all the attractions of a game. The contributors to the Sydney dailies who describe events in Melbourne, always graphically, have surpassed themselves of late. Material was superabundant, the developments sudden and unexpected, the dramatic relation of the rapidly changing scenes obvious, and above all the battle was emphatically personal. Mr. Reid and Mr. Deakin are such absolute contrasts physically and mentally, in disposition and in method, that they lend themselves to a great variety

of newspaper snapshots and spicy sketches. They have come to personify not merely two types but two parties and two States. Both have, of course, local opponents in New South Wales and Victoria respectively, but each has long represented a majority in his own State so definitively that it seems impossible to think of them apart from their associates and associations. How far either has coloured or been coloured by his surroundings is impossible to determine, but for the time they seem to be conflicting policies in visible embodiment. Whether they would achieve the same positions of eminence in larger communities with wider choice may be doubted, but here they are apparently indispensable to their parties. Not that they are equal individually at all or in any conspicuous points. Mr. Reid is the senior and more potent, taking the whole Commonwealth into account, and has therefore more enemies and detractors. But the men are too unlike to be measured against each other, for they belong to different species. For that reason their duel is rendered more piquant to the public.

MR. REID'S EXPLANATION.

The leaders, like their parties, are governed just now more by the situation than by their choice or ambitions. What expectations Mr. Reid could have had when he persuaded his colleagues, or was persuaded by them, to propose to dissolve the House are beyond the comprehension of all dispassionate onlookers. His allegation is that he would not consent to occupy a position of dependence in the House, though he has never occupied any other since he took office. He protests that he would not submit to have his measures taken out of his hands, though he certainly did allow it most cheerfully when the Arbitration Bill was in his care last year. It surely would have been time for him to appeal to the electors when by some overt act his independence was put in peril or his Bills unduly amended. He would then have fixed upon his adversaries the responsibility for dissolving, instead of taking it upon his own shoulders by anticipation of something that need not necessarily have occurred. Mr. Deakin insists, and all his friends endorse his assertion, that neither he nor they contemplated either taking or endorsing any hostile action against the Government. His Ballarat speech, in fact, clearly explained what he hoped to do during the session. He only discussed what would be done in the event of a dissolution so fully because the Prime Minister was dwelling upon that contingency at every one of his meetings. Mr. Reid himself is certainly responsible for the prominence given to that then apparently remote event. Mr. Watson, for his part, has stated in Parliament and out of it that he had no intention of challenging the Ministry. No doubt he would have harassed it at every turn and as far as he could put the Labour stamp upon its legislation, but it is doubtful if he could have dared to accomplish, or even to essay to accomplish, much, because in New South Wales, at all events, a dissolution would not be in the interest of his party. While, therefore, the Prime Minister had a most

critical path to tread he was sure of being able to launch his measures and claim their merits before the country. It is at least possible that if he had been even moderately firm as well as subtle in the House the fear of a general election would have kept his worst antagonists from biting, however loudly they might bark at him. The very peril of the situation would probably have saved him for the session, and certainly for a large part of it, while every month would have strengthened his argument for a dissolution in addition to any force it would derive from any obstruction on the part of his opponents. If there is a leader in Australia who could have utilised these opportunities better than Mr. Reid he is not yet known to fame, and having in view his well-founded confidence in himself and in his star his last Ministerial act remains wholly inexplicable.

DISLIKE OF GENERAL ELECTIONS.

Much sympathy is felt for the Governor-General, who since his arrival in Australia has had three separate sets of advisers in a Parliament whose total record, but for the Arbitration Act, is barren. The one consolation he possesses is that both politicians and the public accord him their confidence, convinced that he thoroughly understands his constitutional position. A man of few words and unassuming demeanour, his Excellency has displayed courage and promptitude in dealing with the three occasions on which his intervention has been required. He did not hesitate to send for Mr. Watson, or when he was defeated to refuse the dissolution for which he pressed. He has without a day's loss of time, according to to-day's telegrams, treated Mr. Reid in precisely the same fashion. Assuming this to be correct, Mr. Deakin is to have his second chance of inducing a three-party Parliament to carry on the King's government in the Commonwealth. Few who have watched its history will envy him his enterprise or entertain much expectation of a successful harvest at this late period of its existence. Although he takes office by the votes of forty-six members he has less than half of them under his own banner, reckoning every one who is not pledged to Mr. Watson. Even with the aid of the five or six Protectionists, including the three ex-Ministers who sit across the gangway, if it be given him upon fiscal issues he would still be powerless without the Protectionists or the Labour Party. So far as numbers go Mr. Watson is master of the House, and has its life in his own hands from henceforward. On the other hand, Mr. Deakin has the certainty of a dissolution. At this period of Parliament this is a most important prerogative, which Mr. Reid most recklessly threw away. Mr. Watson, if he attempts domination, may find himself obliged to face an election, which the bulk of his followers are unwilling to hasten. They have nothing to gain and election expenses to lose for certain should a contest be forced on before the end of 1906, when the Constitution demands the retirement

of half the Senate and their own term expires. An election costs the country £50,000 whether for one Chamber or for both—a large sum unless the area of the continent is remembered. Both the public purse and private purses of members save by avoiding dissolutions oftener than once in three years. There are weighty reasons why Mr. Watson should be studiously moderate. As this is his own disposition it involves no strain upon his temper nor yet upon his judgment. Experience has taught him the responsibilities of power and the danger of pushing the Australian public too far. The successes of the Labour Party in South Australia were limited to the towns, and there as elsewhere a strong rural vote has to be reckoned with, which under present conditions might be cast against them. His rank and file are less farseeing and more inclined to unbridle their combative instincts. It is upon them that the dislike of a general election this year will operate as a restraint.

The new Prime Minister will begin his reign under the very same circumstances as when the House first assembled. Three parties will confront each other almost exactly equal in nominal strength, though if the Protectionists, who strongly sympathise with the Labour platform, be taken as allied with them upon other than fiscal questions. Mr. Watson's is the strongest phalanx. The differences will be that two whole parties will sit on the Ministerial side, while Mr. Reid will hold the Opposition benches, and that Mr. Deakin will under any ordinary circumstances be entitled to a dissolution if the Labour members press unduly upon his Cabinet.

FEDERATED AUSTRALIA.

COLONIAL BUSINESS METHODS.

MR. DEAKIN'S CABINET.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Jul. 11. 1905; Aug. 18 1905.

Mr. **Allerdale Grainger**, who has been Agent-General for South Australia for several years, has returned at the expiration of his term of office. After living in London at the heart of the Empire under circumstances which brought him into close touch with all the influences affecting Australia and her interests, he makes no secret of his discontent. All the representatives of the Colonies are, in his judgment, "handicapped by the antiquated business methods of the authorities" out here for whom they act. These have no proper conception of business methods and fail to supply the necessary information even when it is asked for by appealing letters or cables from Agents-General anxious to encourage British investors or protect the reputation of their distant constituencies. Apparently Mr. Grainger's politeness prevents him from expressing his opinion of the Colonial Office procedure with the same outspokenness, though it is no secret that he agrees with Sir **Horace Tozer** in deploring the want of knowledge and of sympathy always manifested in Downing Street except when Mr. **Chamberlain** was dealing with the great problems of the Outer Empire in his own decisive way. There are obviously faults at both ends, and the representatives of Australia, further removed from their base than any of their class, suffer most and resent it most. What with a Commonwealth still unrepresented, six States indifferent to the men they have despatched to look after their British interests, assisted by a Colonial Office wrapped up in its task of trying to manage Crown Colonies and only too glad to ignore the great communities who enjoy self-government, residents under the Southern Cross need not wonder that they are neglected. Where are they to turn for succour? To the almost omnipotent Press? Mr. Grainger replies in terms as gratifying to this newspaper as they are derogatory to its contemporaries: "Except for the *Morning Post* and one other paper Australia is almost ignored by the Press of England". Exactly where the unnamed paper is published does not appear. No great London daily would be passed by so lightly. Several English newspapers publish letters from correspondents in the Commonwealth who, for one reason or another, are constantly being censured here for criticising their own country with party bitterness. They seem to belong to our minorities so absolutely that they fail to interpret the

sentiments of the majorities who rule us. In this way crops of misconceptions spring up to the prejudice of any useful understanding between the Mother Country and her Colonies. From his apparently universal reproach Mr. Grainger gracefully excludes the *Morning Post*. At the same time, the London Correspondents of our own Press happen to be quoting its criticisms of Imperial affairs because their independence singles them out from the hack work of party journalism.

THE LATE GOVERNMENT'S DEFEAT.

The task of an "Australian" Correspondent, though it cannot be paralleled with that of an European Correspondent, is not without its analogies. Our States' influences are so all-pervading within their own borders that it is always possible to say from which centre he is writing and what other perhaps equally important centres of the Commonwealth he is ignoring. His political sympathies, of course, cannot but be betrayed at the same time. Take as an illustration the recent Federal crisis, of which the ground swell is still disturbing public opinion. New South Wales in general, and Sydney in particular, are both convinced that Mr. Reid's downfall has been compassed by a Victorian conspiracy engineered against him because of his association with this State. A mere touch of this kind upon provincial susceptibilities has sufficed to surround him with a halo of martyrdom. The newspapers that a few months ago were openly mocking at him as a timorous opportunist, suspected of studying himself and neglecting his party now mourn him as a fallen hero. His past has been whitewashed, and his unsuccessful attempt to dragoon the House of Representatives is being glorified as an act of statesmanlike decision. In Mr. Deakin's case a precisely opposite transmutation has been accomplished, blackening the whole of his alliance with Mr. Reid with suspicions of a long-disguised intent to lead his docile victim into an ambush. The party of free imports everywhere, notwithstanding the late Prime Minister's renunciation of active service in that cause, has adopted a similar attitude. The provincialists, glad of another opportunity of girding at the Federal Parliament, repeat the same cry. A correspondent faithfully reporting all these incidents might make it appear that the whole country was raging with indignation because of the defeat of the late Government. But there are at least two sides, and generally more, to every political development. Even here in the Mecca of the Free Importers' faith a Protectionist minority rejoices at the downfall of a Ministry whose existence depended upon the suppression of the fiscal issue. The Preferential Traders, a more numerous and possibly growing body, are of the same mind, though in a milder mood. The Anti-Socialists are not unanimous, because the very Ballarat speech which shook down their leader and orator included an uncompromising declaration against the practicability of the Socialist ideals. Still, the great majority of them in all the States pay little heed to this in face of the fact that Mr. Deakin has triumphed by means of a solid vote of

the Labour Party. If a man is to be known by the company he keeps, then he cannot be deemed untainted with Socialistic heresies, disclaim them as he may. On the other hand, the minorities in the States, with the addition of the Labour voters, make up a majority which is jubilant at the sudden fall of the late Prime Minister.

MR. DEAKIN'S POSITION.

Judging by the Press Mr. Reid's loss is not Mr. Deakin's gain. His own party stands to him it is true, as well it may after his defeat of the coalition which barred the way they wished to go, but is not enthusiastic with its commendation of a leader who made the coalition possible, then brought it into being, and supported it up till the week before last. The Labour Party cannot be expected to be cordial in their sentiments towards the man who helped to put them out of office, to defeat their proposals in the Arbitration Bill, and to launch the Anti-Socialistic agitation. He has certainly lent it no assistance since, on the ground that its objects were not defined, but if he rejected its vaguely expressed ambitions in this State he attacked the obscurity of the Labour programme with a similar contention, that its "prophetic" proposals were illusory and vain. In New South Wales the Roman Catholics make no secret of their exultation at the overthrow of a Prime Minister who received the whole-souled support of our Orange organisations, but they too feel no particular attachment to a Victorian who keeps his politics apart from anything like denominationalism. When Parliament met for a few hours last week Mr. Reid's old party sat undiminished upon the Opposition benches. Mr. Deakin and his colleagues had with them a smaller number of supporters because the three who had joined Mr. Reid's Cabinet with his consent and approval, joined by his old colleague, Sir Philip Fysh, occupied the Opposition cross benches. The Ministerial majority was nevertheless large, because the whole of the Labour members occupied the Ministerial corner. When Mr. Deakin was Prime Minister in 1903 a number of them who were ardent Protectionists sat in the same spot, but the leader and most of his influential colleagues were in the Opposition corner. Their change of position represents the change in the situation. The Labour Party is now officially though temporarily Ministerialist. But this is not due to any keener attachment to the new Prime Minister. As Mr. Reid caustically reminded them on Friday last, while he has chastised their projects with whips Mr. Deakin has lashed their methods with scorpions. Quite lately, in his Ballarat speech, the latter reiterated his former objections and developed his own views of social reform in antagonism to theirs. Nothing, therefore, but the force of circumstances, the dislike of a dissolution and of appealing to the country with an utterly barren legislative record, has brought them behind a leader from whom they hope little more than from Mr. Reid. He is there in the chief place and they are backing him from mixed motives, in none of which appears any consideration for Mr. Deakin himself.

THE NEW CABINET.

At the very outset the composition of the Deakin Cabinet has not given satisfaction to the Labour Party. It includes among his old colleagues Sir John Forrest, whose denunciations of their policy both in Western Australia and in the Federal Parliament have been increasing. The Vice-President of the Executive Council, who for the first time is a member of the House instead of the Senate, Mr. Thomas Ewing, is a representative from this State whose mockery of Labour legislation was one of the pleasantest episodes in the dreary debates of last session. Since then he has participated in Mr. Reid's Anti-Socialistic campaign and become a member of the Provisional Committee of his League. Adding Mr. Chapman, who followed his leading in voting Mr. Watson out and putting Mr. Reid in his place, it is evident that the Ministry, so far as one-half of it is concerned, is not at all acceptable to the caucus. On the other hand, Mr. Isaacs, the Victorian Radical, and Mr. Groom, of Queensland, who were known as the "bridge builders" because of the several amendments framed by them enabling the Watson Government to keep a majority upon the details of the Arbitration Bill, have placed the Labour members under obligation to them. Sir William Lyne has endangered his own seat and secured their gratitude by his unremitting hostility to Mr. Reid. If he is less popular in Sydney than he was he is much more in touch with the political Labour leagues than any of his colleagues. Both the Senatorial Protectionists who have joined the Government, Mr. Playford, formerly Premier of South Australia for many years, and Mr. Keating, of Tasmania, are Radical in tendency. They and their few followers, with the Labour Senators, will have a majority in the Second Chamber, but will be even more dependent upon them than the Prime Minister is in the House. On the other hand, every State and both wings of the lately-divided Protectionist Party are represented in the new Administration, which is, therefore, well balanced. If not quite the ablest Government that could be formed from the members available it does not fall far short. Two-thirds of the Ministers are experienced administrators, and all but two have been engaged in politics for many years. It is true that there is a considerable difference in the temperament, ideas, and sentiments of Sir John Forrest or Mr. Ewing at the one extremity and Mr. Isaacs or Sir William Lyne at the other; but they are all Protectionists, Preferential Traders and opponents of the *laissez faire* policy which, generally abandoned as it has been by both Federal and State legislators, is still the creed academically professed by some leading newspapers. Its shibboleths have been employed by Mr. Reid whenever it suited him, but were always departed from in practice when sufficient pressure was applied. The new Cabinet has little liking for abstract catchwords of any kind.

SITE OF THE FEDERAL CAPITAL.

Even while his old chief, Mr. Reid, was in office Mr. Carruthers took care to advertise the fact that as Premier of New South Wales he would not on any plea yield one jot of our rights to the Commonwealth. The negotiations between them relating to the selection of a site for the Federal capital seem to have come to an abrupt conclusion. It will be remembered that the Federal Parliament passed an Act fixing upon Dalgety, a spot in the vicinity of Mount Kosciusko, as the locality of its future home, and in less mandatory form asking for 900 square miles to be ceded for the purpose by this State. Our local Legislature refused to authorise the Premier to make any grant of land at Dalgety, though expressing its willingness to be liberal if one of two or three other eligible spots further north and nearer Sydney were chosen instead. The correspondence has yet to be published, but it appears that Mr. Dugald Thomson as Minister for Home Affairs refused to look outside the area determined upon by the Commonwealth Parliament, while Mr. Carruthers refused to advise any transfer of land in that neighbourhood. In consequence of the deadlock Crown lands capable of being farmed are being locked up in each of the places named, and against this the local members are energetically protesting. Mr. Carruthers, in reply to them, adopted a most bellicose tone: "Further trifling must cease ... The action to be taken by this State must be of a determined character ... The State had power enough and vigour and strength enough to show the Commonwealth that they had not the right to put their hands on a single acre of New South Wales territory. It would be far easier to end Federation than to take away from the people of New South Wales one solitary acre of land without the sanction of the people ... The situation must be mended or ended. The Government would possibly bring the matter before the High Court, and, if necessary, go to a still higher tribunal. If this could be done the Government would not hesitate to take immediate action". If some more authoritative member than Mr. McGowen, the leader of the Opposition and Labour Party, had replied to the Premier that this harangue was nothing but bluster the justice of the comment would have been more generally admitted. As it is, provincialism screams applause at these defiances in the Elijah Program vein, though they mean nothing and lead to nothing. Mr. McGowen made one palpable hit when he asserted that no High Court decree could compel the Federal Parliament to select any site or compel the State to agree to any site selected. The latter clause is contested in Melbourne, though our Premier endorses it. When speaking of the High Court acting as arbiter he ought to have regretted his Hobart dictum, that while the Federal Government looked to the High Court the States looked to the Privy Council. Instead of withdrawing that unfortunate contrast he has practically repeated it in other words, although, being a solicitor, he should have been better advised.

FEDERATED AUSTRALIA.

CONDITION OF THE COUNTRY. POLITICS AND LABOUR QUESTIONS.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Jul. 18 1905; Aug. 23 1905.

The "Australian correspondents" of English newspapers are still serving as targets for animadversion here and come under censure from all quarters. Mr. McLean, the joint partner of Mr. Reid in the late Federal Government, wrote an indignant official letter to our State Premiers upon a statement of a financial correspondent of the London *Times*, in which the outlook here was painted in the blackest colours, and the prospects of the export trade for 1905 described as not inspiring a feeling of optimism. Speaking with an intimate knowledge of Victorian conditions, Mr. McLean did not hesitate to brand these stories as simply untrue, and invited the Premier of Queensland, among others, to instruct his Agent-General to assist in refuting them. Mr. Morgan promptly replied in a most sympathetic manner, concluding with the significant remark that if a more patriotic feeling were exhibited by our own "Press writers and public men" we should have much less to contradict abroad. According to Mr. Morgan, in order to discredit their political opponents they constantly make assertions having little weight locally "but which when publicity is given to them in English newspapers cannot fail to have an effect prejudicial to Australian interests". Beyond the truth of this censure, which is undoubted, there was a certain grim humour in its accompaniment by a clipping from a local review strongly supporting Mr. McLean's Ministry and his opinions, but which had just been gratifying its animosity against the Queensland Ministry by a bitter attack on the prospects of that State. It must be admitted that party feeling runs high everywhere in Australia, and that in order to damage local opponents near at hand missiles, which are really libels upon the country, are flung at them without regard to the mischief they do beyond their immediate mark. When comfortably off Labour agitators indulging in the rhetoric of the platform assure their well-fed, well-dressed, and well-housed hearers that they are slaves in clanking fetters whose woes call for extreme measures, our newspapers make merry at the visible contradiction between the figure of speech and the facts. But when the same journals attribute the consequences of a drought or a fall in prices in the world's market to the legislation of

a particular Cabinet in a single State, the extravagance, though equally ridiculous, is missed. As a fact the export outlook for 1905 is now, and has been ever since it began, brighter than that of any season for many years. As a fact, too, Queensland closed her financial year the other day with a very small but wholly satisfactory surplus. The revenue and expenditure almost exactly coincided with the estimates, the expenditure of loan moneys was the smallest for thirty years, while the railway revenue advanced sufficiently to make up for the decline in the receipts from the Commonwealth and a largely-diminished land revenue. Libels in the face of these evidences deserve the epithet "criminal".

PRESENT PROSPERITY AND FUTURE OUTLOOK.

Correspondents or critics in this great country may plead that they write more or less accurately of their own immediate neighbourhoods, and that in these they find grounds for serious apprehension. Granting that some extenuation be reasonable on this ground at special times, there is nothing on the Australian horizon to justify it at present. Everywhere bountiful harvests, fine wool clips, and a well-supplied money market are plainly in view. Unless some extensive and unpreventable catastrophe occurs there is every promise of a record year. The returns from the State Treasuries, except in Tasmania, are most reassuring. Bearing in mind the revolution in all of their revenues caused by the supersession of their local Tariffs in favour of a Federal Tariff of an experimental kind, the flourishing condition of their finances is most gratifying. Add to the reductions in State incomes, except in New South Wales and Western Australia, the additional cost of the Commonwealth deducted from all Customs receipts, and the elasticity of their Treasurer's funds becomes most remarkable. Our anxieties for the Commonwealth are in the future, when provision for the new subsidy to the Imperial Navy, the extra cost of the new mail contract, the growth of the sugar bounty, and other inevitable increases in Federal expenditure will have to be made. We can meet them all without fresh taxation, but the States which have received back over £7,000,000 this year will find the total brought nearer to the fixed proportion of the Customs receipts to which they are entitled under the famous "Braddon blot" clause of the Constitution. None of them have economised as they ought to have done, unless, perhaps, South Australia is an exception. All of them have trodden the primrose path whenever it was open to them, and yet the net result is that we are able to keep up our old lavish way of living, and carry the Commonwealth as well, without notably increasing taxation. These broad aspects cannot be overlooked by those who really make a study of our situation on the spot. English critics may readily mistake the troubles of one part for those of the whole, and often do so. The *Bishop of Bunbury* lately reminded some of them that within

his own diocese he was obliged to travel as far as from London to St. Petersburg, and it is scarcely necessary to add, without any comparable conveniences or speed of travel. A Roman Catholic Cathedral was opened the other day near the western border of this State at our great mining centre, Broken Hill. One of the priests who attended came seven hundred and fifty miles by buggy, while if his Bishop returned his visit—as he probably would—by rail it would mean such a circuitous route that he would make a journey between three and four times as long. If Washington is the city, Australia is the country of “magnificent distances”, and also of magnificent returns from the soil or from under it. The wealth that will be poured into our financial institutions should the season progress favourably in all the States will realise more per head of our population than any other country obtains from the same sources. Nothing but an inveterate bias can excuse the vague pessimism which afflicts observers to whom this is known, because their own pet projects are put aside or political prejudices offended by their fellow citizens.

MR. CARRUTHERS’S CAPTIOUSNESS.

Our Premier suffers from exacerbation, of which the origin is not to be perceived upon the surface. In the Legislature little is doing, but nothing has been done to his detriment to explain his irritability. There was an unseemly disturbance recently from the gallery of the House on behalf of the unemployed, who have become accustomed to demand and receive doles of Government work at this season of the year. The recent investigations of a board proved that the general suspicion of the expensiveness and futility of relief works undertaken by the State was well founded. Value was not received anything like equivalent to the expenditure incurred. If there are deserving men unable to find work they must be few and unskilled. The shiftless, the careless, and the incompetent will always be hanging upon someone else, and most cheerfully upon the departments paid for out of the public purse as being less exacting in their requirement of efficiency than a contractor whose own capital is at stake. These permanently unemployed failures throng to Sydney, and decline to leave it while their deputations can cajole Ministers into making them State protégés. But their numbers are not large in spite of the encouragement they received while sympathetic administrators were in office. Mr. Carruthers has some justification for being angry with them and for proposing “confirmed loafer” farms as a remedy, though the whole matter is unworthy of notice. The Press is kinder to the Premier than it was, and his colleagues seem settled in their several offices, but yet he is not appeased. He is angry with the Commonwealth because it has chosen Dalgety as the site for the permanent Federal capital and is dissatisfied with the arrangements made by which Melbourne remains the temporary seat of government. Wherever he looks he finds

fault with what he sees, save when his glance is turned upon his own achievements as Treasurer. Here he sees golden proofs of the abundant prosperity of the State and its assured financial future. When Mr. **Bent** ventured to boast of his Victorian surplus Mr. Carruthers was prompt to put forward a calculation proving that when due allowances were made his was actually the more substantial. The Arbitration Court has got to work again, with District Judge **Heydon** as President in place of Mr. Justice **Cohen**. Fortified by the decisions of the High Court and Full Court the scope of the tribunal has been narrowed very considerably to the dismay of the Unionists, who were relying upon it as a cure for all their ills. One would suppose that this, at least, would content the Premier who made a curtailment of its jurisdiction part of his election programme as much as it has made the Labour Opposition discontent. Up to the present, however, he shuts his eyes to all the improvements in his position as Leader and in that of the State whose policy he is shaping, that is, unless they are expressed in his Treasury returns.

THE INTER-STATE LABOUR CONFERENCE.

Decidedly the most important political event outside New South Wales, and probably in Australia, last week was the meeting of the Inter-State Labour Conference at Melbourne. As relevant as were the resolutions passed, some of the utterances of the leaders in the course of debate were permitted to become public through the local Labour papers. The fact that this report was probably carefully censored lends it additional weight. Every State was represented by six delegates, so that the gathering was in numbers an exact replica of the Federal Senate, in which the party has all but one half of the representation to-day. Mr. **Watson**, whose Prime Ministership and subsequent leadership of the Opposition have enhanced his influence as head of the Moderates, was quite frank in his objections to the extremists and their proposed platform. That from Queensland which declared for the "collective ownership of the means of production, distribution, and exchange", and that from Victoria demanding their "gradual nationalisation", in his opinion, "went much further than generations would see. Personally he was no Social Democrat". Senator **De Largie**, of Western Australia, was bolder still in his contemptuous assertion that "Queensland was behind every other State, and its workers were the worst-conditioned in Australia chiefly because they had too much high 'falutin' politics and too little practical legislation". This drove an indignant Queensland representative to deny that the flag of "Socialism in our time" had ever been adopted in that State. Mr. **Fowler**, M.H.R., contended openly that if the Socialist movement did not recognise private property "it would not last twenty-four hours". Mr. **D. Macdonell**, from this State, said: "The Labour movement was trades unionism, not Socialistic". Mr. **Smeaton**, from South

Australia, argued that “the highest Socialism was Christianity applied”. Mr. **Scott Bennett**, M.L.A., of Victoria, “objected strongly to the cultivation of an Australian sentiment. What they wanted was an international sentiment”. Senator **McGregor** retorted that “they had nothing to do with the international Socialist movement, but with the Australian Labour movement”. There could not have been a much greater medley of opinions anywhere than was exhibited in this debate. When they came to consider possible political alliances the differences were more striking. Mr. Watson urged that “the question of an alliance must be determined by circumstances”, and it was the duty of the leader of the party to use such means to secure the carrying out of the party platform. Mr. **Billson**, M.L.A., of Victoria, “protested against any leader or political Labour Party even attempting to bind organisations” outside the House. Mr. **Riley**, of New South Wales, wished to know “what advantage had accrued from the change in the Federal Government. New South Wales Labour organisations could better have fought Mr. Reid than Mr. Deakin”. Mr. **Fisher**, of Queensland, agreed with others that “it would have been better for Labour if all other parties had coalesced in opposition to Labour, but after the support received Liberals could not be spurned when they offered an alliance”. Senator **Henderson**, of Western Australia, protested that “it would be folly to put the Labour Party into Parliament and prevent it from making necessary alliances”. Mr. **Kerr**, the Leader of the Queensland State Labour Party, agreed. The delegates on this head, too, began and finished far asunder.

RESULTS OF THE MEETING.

But it must not be forgotten that an Inter-State Labour Conference resembles the caucuses of its party, inasmuch as the minority—whatever their personal views may be—are bound by the resolutions carried. Mr. Watson and the Moderates were victorious by two to one in getting the vague New South Wales “objective” as the heading of its Federal policy. It was explained in the *Morning Post* a few weeks ago and has now been selected instead of the more militant and extravagant war cries preferred in Queensland and in Victoria. But the Moderates were beaten in everything else. All alliances were banned except those between members and for a Parliament only. No immunity at the elections is to be granted or promised to those who may join with them in legislation. A progressive tax on unimproved land values was placed on the “fighting platform”. The re-enactment of the Braddon clause in the Federal Constitution was ordered to be opposed and the nationalisation of the iron industry demanded in place of its establishment by means of a bonus. They registered a lengthy repudiation of the charges that there was any Labour endeavour “to weaken the sanctity of the marriage tie or to sap the foundations of religious belief”. Passing from the theoretical to the practical results of the Conference, the merely external

relation established between Mr. Deakin and Mr. Watson on behalf of their respective parties becomes more intelligible. They will sit side by side while the Parliament lasts, but as soon as it expires will be locked in a wrestle for supremacy in which there will be neither giving nor taking of quarter. No wonder that with this climax to their junction before them the two leaders communicated in the most distant fashion. The Prime Minister informed Mr. Watson that he adhered to his old programme of 1903, and Mr. Watson replied with an assurance of general support until the next dissolution. Their co-operation with him is as distinctly limited as was his with Mr. Reid, and just as one or other of them has terminated that of last year, so either Mr. Deakin or Mr. Watson may antedate their separation if thought fit. The Perth Labour Conference for the State of Western Australia is desirous of imitating our experiment with a State clothing factory, though its financial fruits in Sydney have not been encouraging. The Queensland Conference wants a State registry office, and thus we have provided in advance fresh Labour projects in the States which, like those of the Federal Conference, will supply plenty of material for differences of opinion in the legislatures between them and other parties.

FEDERATED AUSTRALIA.

PREMIERS & NEW ZEALAND.

WORK AND WORKMEN.

FROM OUR SYDNEY CORRESPONDENT.

[Jul. 25 1905]; Sep. 12 1905.

There are now three Premiers in Australasia, absolute contrasts in person, policy, and career, who are exhibiting a remarkable likeness to each other in their fondness for one particular theme. Mr. *Seddon*, if not its discoverer, was the first to make continuous use of it, and the success which attended what Mr. *Chamberlain* once called the “booming eloquence” of that masterful politician when directed to the subject probably encouraged imitators. The beauties, riches, and prospects of New Zealand, the virtues, abilities, and graces of its people, compelled him almost against his will to dwell upon them whenever he addressed audiences of New Zealanders. Next we caught echoes from across the Murray of halting sentences of an exclamatory character, in which Mr. Premier *Bent*, openly disparaging New Zealand by way of comparison and brandishing a surplus of his own alleged to be larger than that of New South Wales, assured his Victorian hearers, with much violent emphasis, that they are the finest people in the world and their State the pick of the universe as well as of Australia. Mr. *Carruthers* was not slow to resent the possible imputation that he was behind hand in perfervid admiration for his own State. Twenty years ago an enthusiastic member of an Assembly summed up the opinions of his fellows in the comprehensive declaration that “New South Wales was as far above Victoria as the heavens are above the earth”. Our Premier inherits that tradition and embellishes it, though as a city man it seems as if the rivalry between Sydney and Melbourne occupied the foreground of his thoughts. Mr. *R. J. Jeffray*, the Commissioner of the Board of Trade, now on a mission to Australia to inquire into the causes of the rapid growth of our foreign trade, having incautiously announced that he proposed to make Melbourne his headquarters, provoked an angry letter from Mr. Carruthers in which it was shown that whether measured by population, trade, banking clearances or averages, shipping returns, or valuations of property our metropolis is ahead. First Sydney has always been in beauty of situation, in harbour accommodation, and in

evenness of climate, and first we have now become in architectural stateliness, in tramway facilities, and in thriving expansiveness. All the comparisons are in favour of Sydney except those relating to water supply and sewerage. From a Board of Trade point of view there can be no question of our pre-eminence.

MR. CARRUTHERS'S GRIEVANCES.

Mr. Carruthers being sensitive when State is being contrasted with State to our apparent disadvantage, is hypersensitive whenever the Commonwealth appears to come between the wind and his nobility. He almost snarled at the Hobart Conference when he beheld, and groaned in public upon his return from it when he recollected, the superiority assumed by Federal Ministers and members. This being his heated mood when his old chief, Mr. Reid, a Sydney representative, was leader of the aggressive central Government it is not surprising that his temperature has been raised many degrees when the Prime Ministership passed from us to a Victorian, from a Revenue Tariff apostle to a Protectionist, without a single Sydney member in his Cabinet. Mr. Deakin had hardly taken his seat in the Department of External Affairs before our Premier was catechising him in order to learn whether he differed from his predecessor's policy in relation to the Federal capital site. A day or two later he was anxious to know why the Governor-General was not more frequently in Sydney and insistent that agreements to that effect made before Federation had been and were being violated in the interests of Melbourne. His casual reference to the circumstance that Sir William Lyne was Premier of this State when these compacts were made supplies some clue to his object in challenging a Cabinet of which his old antagonist is a member at the earliest opportunity. In addition to Mr. Carruthers's grievances against our Press, though they have now died away, against the Opposition whom he has beaten, and the third party with which he desired a coalition a few months ago, he is now cultivating a set of grievances against the Commonwealth against its Victorian habitation, and against the new Ministry. His annoyance is partly explicable. With the Labour Party in opposition in the Federal Parliament in New South Wales and in Victoria, the political currents in the most populous and influential part of Australia set one way—at all events the three Governments were united in sympathy—Mr. Carruthers grumbled even then, with or without reason, and naturally now that the currents have been deflected, bringing Mr. Watson over to the Ministerial side of the House of Representatives and putting his direct antagonists into opposition, both the New South Wales and Victorian Ministries find themselves in opposition to Federal sentiment. Beginning with what may be described as strained relations, the outlook is not promising. It is at least to be expected that Mr. Carruthers will provide munitions of war for Mr. Reid and his followers. The intimation that the late Minister for Home Affairs, Mr. Dugald Thomson, will no

longer act as first lieutenant in his leader's absence and that the place will be filled by Mr. **Joseph Cook** carries with it two implications. The Opposition will fight, and upon Radical principles. Mr. Cook was many years ago a Labour member who broke away from them before they were powerful and became Postmaster-General under Mr. Reid. Although in personal antagonism with the party he shares many of their ideas, and will go much nearer to their aims than Mr. Thomson, that is to say, when they are not Socialistic. In Mr. Cook our Premier will have an ally who can be depended upon to make the cause of New South Wales his own, and that actively.

DEMAND FOR WORK AND WORKMEN.

The existence simultaneously of demands for workmen and demands for work is one of the familiar paradoxes of Australia, due mainly to the attractiveness of its great cities. Of course dullness of trade affects sometimes one calling and then another. When these are city trades the depression, generally too short and slight to need special measures, occasionally becomes embarrassing on a small scale. Few artisans will accept employment of an unskilled character and practically none if it requires them to leave their homes. Now the demand for workmen is constant in the country, where, for instance, capable farm hands are always hard to find. The average city workman needs to stay there longer and learn much more than he wishes to make himself acceptable. There are always a certain proportion of "loafers" who cannot be tempted from the streets by any consideration, many of them active agents in every agitation for Government expenditure in the metropolis. The Ministry is at the moment enamoured of a proposal for the establishment of a large labour farm between Mudgee and Gulgong, about two hundred miles from Sydney, where such men would be taught enough to qualify them for rural employment. They would receive no wages, but might obtain some share of the receipts from sales of produce. For single men the project appears suitable enough and as it is the outcome of a conference representative of the Labour Council, the unemployed themselves, a Citizens' Committee, and some members of the Legislature it has backing enough to merit scrutiny. An even healthier sign of the times is the frankness with which Mr. **Morgan** and his Labour Treasurer, Mr. **Kidston**, dealt with a Brisbane deputation which waited upon them with some extravagant propositions intended to make the State responsible for providing them with the kind of work they preferred. That Government has its scheme for placing the energetic and earnest upon the land, lending them every assistance if they prove their bona fides, but beyond it the Premier declined to travel. Mr. Kidston was as plain spoken as his chief. He scouted the idea of an issue of paper money. "There would be no playing tricks with the currency while he was Treasurer." The applicants could have land for a labour colony, and Government assistance towards any subscription they might raise to carry it on.

But at that point he stopped short, alleging as his reason that “a private committee could manage the colony twenty times better than the Government”. What the State Socialists, so numerous in the Queensland Labour Party, will have to say to this daring condemnation of the first principle of their faith has yet to be heard. The steady experience gained while in office has doubtless much to do with Mr. Kidston’s conversion to businesslike methods of coping with economic problems. His critics may desire to know why if the Government cannot manage a little labour colony it is allowed to construct and manage our great railways. Mr. Seddon, always willing to face hazards, would have no hesitation. He is already running a coal mine and a life assurance department, as well as railways. Whether he will make his mine pay remains to be seen, but if the State is not to be trusted with a farm it cannot be expected to succeed in the much more complex transactions that are being pressed upon it by Mr. Kidston’s comrades in the Political Labour Leagues.

LABOUR PARTY SPLIT.

In South Australia the experiment of a coalition akin to that in force in Queensland is about to commence, but upon more equal terms. The Radicals who have joined the Labour members in voting Mr. Butler out are to have two out of the four Ministerial portfolios that Mr. Price, the Labour leader, will bestow upon them when he becomes Premier. In Western Australia a more complicated situation has to be resolved. The Labour Administration under Mr. Dalglish has broken or is breaking down. He was too mild for his party and too severe upon his colleagues, of whom he cashiered two for incompetence. There has been a revolt in his own ranks assisted by an onset from the four Independents who have put and kept him in office. They require him to grant Cabinet rank to their leader, Mr. Moran. Mr. Dalglish declined to vacate the Premiership in his favour and the party refused him second place although he would have accepted that distinction as an honorary Minister. Refused either concession he tabled an amendment for which he seems to have hoped to receive Opposition support and thus have made himself master of the situation. But Mr. Rason, the head of the Opposition, has as little desire as the Premier to relinquish his position to Mr. Moran, so that at the moment it seems probable that the amendment will fail. But if it does there are grounds for supposing that the dissensions in the Labour Party are becoming so bitter that even if the Government survives the crisis it cannot last. A coalition with the Opposition was for a moment debated. The object lesson conveyed by these experiences may take some time to penetrate the Labour Leagues, which now impose so many burdensome conditions upon their members that when their leaders accept the responsibilities of office they do so under serious disabilities. The Labour

Party—built and maintained hitherto as an opposition in each Legislature, as a party of propagandism in the country, and a fighting forward movement everywhere—has failed to qualify for Ministerial unity and supremacy or for the compromises and accommodations without which the business of government under our system cannot be carried on. At present, the Labour organisation, excellently adapted for winning electoral victories and for Parliamentary successes, is not efficiently equipped for utilising them when it comes into power. The more they qualify their members for the higher sphere the greater the gap that separates them from the untutored rank and file on whom they depend. Mr. Tom Mann, the professional Socialist agitator, has broken with the Political Leagues of Victoria, by whom he was employed to lecture, and now, speaking on his own account, shrieks against “the namby-pamby twiddle-twaddle going on in the Parliaments”, which “were the homes of mugwumps and general bosses”, To his excited animus the unemployed, because not bellicose are “dead slow”, and the sacred Labour Party itself “dead slower”. Yet they are much too rapid for the community as a whole and for some of their best members. Whether the party can be kept together as a whole when its front and rear ranks are getting so far apart is a question beginning to be put in other States besides Western Australia.

ARBITRATION ACT AMENDMENT.

Mr. Carruthers said truly that if we had less political and more industrial unionism we should be better able to cope with the contests between employers and employed. Recent decisions of the courts have so restricted the sphere of our Arbitration Court that an amendment of the Act has become necessary. This must necessarily revive the preference to the Unionists’ dispute upon which Mr. Watson lost office when the Federal measure was before the House last year. Our Premier is by no means prepared to concede it to the extent asked, or even as far as it was thought to have been conceded. In fact it is stated in the Press that he desires to substitute the Victorian Wages Board system, which brings masters and men in each trade together under an independent chairman to settle their own disputes. It allows an appeal to the Supreme Court as a last resort, but the real work of arbitration is transacted by the Boards, consisting of men in the business who know the matters they are dealing with. There have been no strikes worth speaking of in Victoria in recent years, and it is now proposed to make the Factories Act under which the Boards act a permanent measure in that State. Before our present Arbitration Act can be similarly treated there are many old provisions to be reconsidered and some new ones to be taken in hand. Whether an entire change of system such as is hinted at would be preferable or not, a decision will have to be made soon, and the sooner the better.

The Commonwealth Arbitration Court which is shaped on the New South Wales plan has not yet been invoked, though preliminary proceedings are being taken by a number of unions to register themselves so as to be able to take advantage of its provisions if an opportunity offers. In the meantime, and apart from disputes between employers and employed, there has been a rupture in our Trades Council in Sydney indicative of grave discontent between the ordinary unions and their most numerous and influential allies. The Amalgamated Railway and Tramway Employees' Association consists of men in Government employ, enjoying good wages and short hours, who on this account are said to be regarded with jealousy by the rest of the unions whose members are in private employment. This powerful organisation has now withdrawn. A secession of this magnitude means some loss of funds, but a greater loss in numbers and prestige for the Council, while at the same time it emphasises a certain antagonism between employees of the State and those workpeople who are less securely settled and safeguarded. None of the incidents mentioned are of much immediate interest, but taken together they are important evidences that despite our attempts to control the conditions of labour by Courts and Acts of Parliament the interests at stake are powerful enough to take their own course and assert their independence in a variety of unsuspected ways. The unions instead of being masters of the situation control only some of its factors, and those not the most permanently influential. The alarm created at first by our experimental industrial legislation is steadily being discounted by experience of its limitations.

FEDERATED AUSTRALIA.

NEW MINISTRY'S POLICY. OPPOSITION CRITICISM.

FROM OUR SYDNEY CORRESPONDENT.
[Aug. 1 1905]; Sep. 19 1905.

The new Federal Ministry has made its debut in Parliament in such a manner as to advertise at the same time its attitude and policy. The **Prime Minister** in the House and Senator **Playford**, who leads in the Senate and holds the portfolio of Defence, respectively read to their rather astonished hearers in a few moments a long list of measures catalogued in a type-written document. This was the Ministerial manifesto, which was original in brevity and in the manner of its delivery if in little else. There was no profession of novelty. The policy unfolded avowedly repeated in the same order and almost in the same terms the programme of legislation contained in the speech which the **Governor-General** delivered at the opening of this Parliament when the first Deakin Cabinet was in office. Apparently much importance is attached by the second Cabinet to the assertion that it is the direct heir of the Government formed in 1903 upon the retirement of Sir **Edmund Barton** and Mr. Justice **O'Connor** to the High Court bench. The Protectionist tradition is thus maintained and once more under the shelter of a similarly indefinite relation with the Protectionists in the Labour Party. A little over a year ago a majority of Mr. **Reid's** following assisted Mr. **Watson** to displace the first Cabinet, and now Mr. Watson has assisted the majority of Mr. Deakin's followers to put out Mr. Reid. He thus resumes his old authority as arbiter behind a Government less unsympathetic with his aims. Sir **George Turner** and Mr. **Drake** had both been temporarily in partnership with the Labour parties in their States before federation came about, but of late they have drifted apart from them and into opposition. The acceptance of some of the amendments made at their instance in the earliest session of the Commonwealth was so repugnant to Sir G. Turner that he has lately described his sensations as those of a man who has "eaten dirt". Mr. Drake joined his chief, Mr. Reid, in his northern Anti-Socialistic tour. These former Ministers have now been replaced by the Victorian Mr. **Isaacs** and the Queensland Mr. **Groom**, both of whom were also associated with the Labour members in their States, but since then have gone on with them. They were among Mr. Watson's best supporters during his short-lived Federal

Administration, and entered into a formal alliance with him against Mr. Deakin and the Reid–McLean coalition which they have just helped to overthrow. The second Deakin Cabinet therefore differs from the first in that the Radical element has been somewhat reinforced, the passive acceptance of some Labour experiments by two of its former members giving way to an active co-operation from those who have succeeded them. The Barton Government, because of its Protectionist–Labour colour, was cordially disliked in Sydney despite the wide personal influence of its leader and Mr. O'Connor. The second Deakin Cabinet by its very constitution revives and aggravates the old antagonism. It is more Protectionist and nearer to Labour.

MR. REID AND THE PROGRAMME.

When Mr. Reid dealt with the curt summary of Ministerial policy vouchsafed in the abbreviated manifesto his intuition as to the true political weakness of his adversaries did not desert him. As the programme submitted was not easy to impeach, he waved it lightly aside. There are in it many matters to which he has given public assent. The immigration schemes foreshadowed, coupled with encouragements for rural developments, were projects adopted by his own Ministry, and many of the smaller Bills promised were in draft when he retired. Assaults upon these were impossible. Most embarrassing of all was that he could not repeat his old revenue tariff exhortations while Mr. McLean and Sir George Turner sat near him in the Opposition corner. The aggressively Protectionist character of the present Government tempted him at every turn to renew old fiscal reprisals, but as the condition of the House made any approach to Free Trade exhortations hazardous he could only announce his resolute resistance to any proposed extension of Protection. He adroitly disposed of this difficult part of his task by depicting the new agitation for an alteration of duties as solely Victorian and arising from the insatiable greed of Melbourne manufacturers. Though limited in his field of operations in these directions, he contrived to appear as if ranging freely over the whole field of debate while really concentrating his attention upon the most vulnerable parts of the Ministerial position. The suddenness of the breach between Mr. Deakin's party and himself allowed him to repeat his charges of treachery, betrayal, and of misplaced confidence, while the new union of the Prime Minister with the Labour Party which enabled them to capture the Treasury Benches afforded splendid scope for the exercise of his great powers of sarcasm and invective. All the strongest phrases employed by Mr. Deakin in his censure of Labour methods, all the bitterest rejoinders of the indignant Labour newspapers were quoted to show the unnaturalness of the alliance just established. Distributing his barbed verbal arrows of recrimination artfully amidst humorous sallies and graver argument, he returned again and again to the same themes with indignant, acrimonious, or scandalised accents of reproach.

Though really in earnest, he struck with more than usual restraint. As leader of an Opposition, Mr. Reid is usually seen to the best advantage because the flexibility of mind and readiness of resource find freer scope than when he is trammelled by official responsibilities. These sat lightly upon him as a rule, but for all that were occasionally an encumbrance to his gifts of improvisation when making audacious but most effective dashes at the foe.

ENCOURAGING HOME PRODUCTIONS.

Mr. Carruthers faced by a Labour Opposition has regained in a large measure the cordial support of our Metropolitan Press. Mr. Reid is in the same happy relation, though their favour comes to him only when the necessities of his private practice at the Bar will tend to keep him often absent from the House. Both our Sydney statesmen have practically the same party behind them, and if the fiscal issue could have been kept in the background they would have been able to adopt parallel or complementary programmes. Unhappily for the prospects of such a desirable simplification of politics our nascent industries decline to accept the self-sacrificing role provided for them by their local antagonists. For the first time a growing sentiment is discernible in Sydney in favour of purchasing goods of our own making upon that ground alone, and without reference to the tariff. For this movement his Excellency the Governor-General and Lady Northcote are primarily responsible, owing to their consistent practice of preferring local products wherever possible. The influence upon society of this precedent has been extended to other classes owing to the systematic manner in which Lord and Lady Northcote have visited and inspected some of our most thriving factories. There has been up till lately a distinct prejudice here against "colonial" articles, very surprising on the part of many whose incomes depend directly upon local purchasing power. Mr. Carruthers has been affected by the new impulse sufficiently to propose to supplement his importation of American engines by a large order for 60 other engines to be constructed during the next 7½ years at a price not exceeding £71 13s. 11d. per ton. He possibly will have the opposition of our Labour Leagues, because the engines are intended to be made by the Clyde Foundry instead of in the State Railway workshops. It is contended that in Victoria the Commissioners have had excellent engines made at £46 per ton or little more. Our importation of a new dredge has been justified on the ground that this is necessary if we are to have up-to-date machinery. The Tariff Commission has just presented its first report to the Governor-General describing the nature of its inquiries up to a recent period, but making no recommendations. It is reported that the Protectionist half of the Commission is in favour of prosecuting its investigations during the session in order to be prepared with a number of recommendations next year. They desire if possible to complete their task before the general election due

at the close of 1906. Such a plan is likely to be strenuously resisted by Mr. Reid's supporters for political reasons and pressed for by the new Government on that very account. Under almost any circumstances it seems increasingly probable that the fiscal war of 1901–2 will break out again before long, and that in spite of Mr. Reid's present strategy he will be unable to avoid a declaration of policy that will cost him a few of the votes he retains while the truce continues. The **Perth** and **Ballarat** speeches of the present Prime Minister followed by the substitution of a wholly Protectionist Ministry for the late coalition have given point and edge to the old controversy. They have also brought upon him the implacable resentment of the Free Importing Party and of the Anti-Socialistic Leagues, whose success depended upon the exclusion of fiscal questions. The Labour Party rejoices in the combat, and fosters the strife irrespective of the fiscal creed of its members. Their course is simple. They will get as much from the new Government as possible, and as much more as they can from its successors when the time for another change arrives.

MINISTERIAL PROGRAMME DEBATED.

The Ministerial attitude during the debate upon its policy, or to speak more accurately, upon its personnel, was expressed in a few words by the Attorney-General when he followed Mr. Reid. The charges of unfair conduct were dismissed as idle and untrue, the anxiety of the Cabinet to proceed with business was asserted, and the House was invited to begin its work without delay. Then rose Mr. Watson, who was almost as brief. He endorsed Mr. Isaacs's statement that the only agreement, and the whole of the agreement, between the Caucus and the Government was contained in Mr. Deakin's letter referring Mr. Watson to his old policy of 1903 as that to which he adhered without alteration and the resolution passed by the Labour Party to give that policy a general support. Members had met to do the business of the country, and according to him were eager to commence without delay. After these pronouncements the whole burden of prolonging the debate fell upon the Opposition, which, according to the reports in our newspapers, was quite equal to the task. Following their leader, they arraigned the Prime Minister and most of his colleagues individually for abandoning the coalition, and with one or two exceptions applauded the late Ministry for advising a dissolution, though no one seems to have attempted to explain how that could have bettered their prospects. The exception among our representatives was Mr. **Bruce Smith**, whose frequent independence of Mr. Reid has often provoked the latter to indiscreet reprisals. The Sea Carriage of Goods Bill, which the late Prime Minister passed last session, is in the eyes of his candid friend "Socialistic", and has "done a great deal of harm". The Ministerial programme was handled with the same freedom, and an earnest plea submitted for a consistent plan of defence and a readjustment of the laws in restriction of

immigration. But with this exception and a short speech from a Labour member the already well-threshed straw appears to have been threshed and threshed again by the remaining speakers with little or no appreciable addition to its yield. The new Lieutenant, Mr. **Joseph Cook**, having reviewed the whole of the recent proceedings and the Ministerial statement with severe displeasure, it was announced at the close of the week that the debate would be continued for at least another week. To this delay there can be little objection, since the change of Government has undoubtedly come upon the speakers with as much unexpectedness as it did upon Mr. Reid himself. The business before the House is waiting, but evidently Opposition members are in no mood to devote themselves to prosaic clauses, while our Sydney papers continue to insinuate that the recent transformation is the outcome of a series of wicked conspiracies. Plots against Mr. Reid, against giving New South Wales the extra representative he claimed for us, against the eminence of Sydney, and any proper readjustment of the constituencies, together with plots for an increase of the Tariff, for the improper retention of a representative by Victoria, and for establishing the domination of the Labour Caucus—these and many other desperate rumours are most responsible for the present flow of Parliamentary expostulation.

CRITICISM OF THE ARBITRATION ACT.

In New South Wales our chief sensations continue to be supplied by disclosures of the lucrative practices of departmental land agents who in some mysterious manner obtained such large sums from country clients as to imply unspecified services rendered. The powers of the judge holding the Commission have been strengthened, and advisedly, since nothing has yet been elicited in explanation of the manner in which the agents earned those fees or the co-operators in the department by whose assistance they succeeded in their applications. The Shires Bill is the chief practical measure to which our Assembly is about to address itself, and as one of its effects will be to deprive members of a great deal of patronage, a good deal of covert opposition to its passage on unreal grounds is anticipated. But it is in the Arbitration Court that the most interesting developments continue to follow each other. Judge **Heydon**, who now presides over its sittings, approaches the issues submitted to him with a fresh mind, and does not hesitate to criticise with great outspokenness the Statute under which he adjudicates. The employees in the timber trade having appealed for an award for the settlement of working conditions and wages were opposed by the masters. In the course of the case a contention was boldly put forward on the part of the employees that the easiest manner of meeting the wishes of both parties was for wages to be raised and the extra cost passed on to the public, who, by approving an Arbitration Act, must be taken to have forfeited any right to further consideration. It was also suggested that the absence of strikes was a sufficient recompense for this supposed sacrifice.

The Judge promptly replied that in his view all that the Act had either accomplished or was intended to accomplish was to provide a new means of settling industrial pursuits and not to alter in any other way the ordinary conditions under which labour is bought and sold. When giving judgment he confessed that the statute, while investing him with great powers, gave no guidance as to their exercise. He was inclined to infer that the operations of demand and supply were curtailed, if not abolished, but naturally repudiated the doctrine that the public interest was to be ignored. It was certainly not the duty of the Court to encourage a combination between masters and men to suppress competition so as to tax the public for the benefit of both parties. Its aim should be to settle disputes peacefully and incidentally to prevent “sweating”, but to allow the price of labour to be decided, so far as the Court could obtain information, by reference to existing market conditions as had been customary hitherto. The total effect of judgments of this character may be to disappoint the sanguine expectations of those who foresaw a millennium hurried on by legislation expected to refashion the whole sphere of industrial employment, but they help to restore the confidence of the general public, who favour the existence of the present tribunal simply as a means of avoiding the disasters and bitternesses of “strikes”.

FEDERATED AUSTRALIA.

THE PRESS AND POLITICS.

FEDERAL CAPITAL SITE.

FROM OUR SYDNEY CORRESPONDENT.

[Aug. 8? 1905]; Sep. 27 1905.

Unrest is the prevailing political temper, despite the encouraging reports from every part of the Commonwealth upon the financial prospects of the year. The basis of business is sound, and banking is better than it has been for years; general trade is steady, while rural prospects are most hopeful. What more could be desired? Save that, as is usual at this slack season of the year, there are a few hundred men unemployed in one or two State capitals there is not a shadow on the picture presented in those columns of the newspapers which record commercial events and market movements or interpret them for the benefit of their readers. In the leading articles on the contrary, there is little else but shadow, so gloomy are the vaticinations of the political seers. Nothing is wrong with Australia except its politics, but its politics, in their eyes, are all wrong from beginning to end. In Sydney our papers are, so to speak, always in opposition to some extent. Mr. Reid is accepted with sighs, Mr. Carruthers with groans, and their supporters with apologies. They are tolerated as a rule, and praised more for their attacks upon the common enemy than for any merits of their own. At times like the present they are warmly eulogised because, in Mr. Reid's case, of his misfortunes, and Mr. Carruthers's because he takes his provincial tone from the papers; but rarely do the editors rejoice in these or in anything else, except in the misfortunes of their common antagonists. They prefer to contemplate the iniquities of men like Mr. Deakin, Sir William Lyne, Mr. Watson, or Mr. McGowen, whom, in a literary way, they pillory and pelt day by day with depressed and depressing pertinacity. Nothing in particular happens in consequence, except that the disgust with politics as well as politicians is deepened in the mind of the average citizen. All our trials and troubles are attributed to the men whom we officially honour by choosing for our representatives and then proceed to discredit by every device of angry criticism. Whether our papers express a latent unrest or create unrest by their own efforts superficially, at all events they make us appear a discontented people. It is nowadays a trite saying that the harshest critics of Australia are to be found within her own borders. Assuredly the note of pessimism heard in our poetry is equally insistent in our Press.

THE NEWSPAPER PROGRAMME.

This is equally true of the heterodox and the orthodox journals, of the weekly *Bulletin* and of the important dailies, though anything that the former applaud the latter condemn offhand in their own exaggerated and acrid style. Our "Reform" Assembly, according to the *Bulletin*, has reformed, will reform, and can reform nothing. Mr. Carruthers is an unspeakable failure, his supporters dummies, and his opponents little better. Mr. Reid, its pet aversion, has been portrayed for years as a mountebank, a clown, and an imposter. Mr. Deakin's only virtue is that he opposes Mr. Reid and his policy advocates free imports. The Labour Party, to which this Radical journal is most attracted, escapes with fewer scars, but is none the less roughly handled as if by an indignant foster parent every now and then. Mr. Watson and his Federal followers are most appreciated, but even they are not Protectionist enough—are not sufficiently bold or drastic for their jealous mentor's taste. None even of these is spared if they venture to run counter to the programme enunciated for them, the principal article of which is the cessation of all borrowing abroad and the construction of public works out of revenue. For this reversal of what was formerly a popular financial clause in the creed of every party appealing to the country, the *Bulletin* has had occasional endorsements from other journals, but these were accorded generally when political opponents; being in power these would have enjoyed the privilege of spending the loans. It stands to the credit of the *Bulletin* that it has consistently advocated sound financial methods for every State and for the whole Commonwealth. By this means it has adroitly put the thoughtless politicians who hoped to stave off Radical legislation by means of liberal subsidies to localities conspicuously in the wrong. Vigilantly scrutinising the expenditure out of all borrowed money, it has checked and scotched, though not eradicated, the dangerous propensity to pass on to posterity the task of paying for the advantages that we receive to-day. Many of our investments are represented by agencies which will call for renewals or replacements (as upon railways) by the next generation. The easier task of insinuating and censuring corruption has also been pursued with great persistency by the Radical weekly, aided by other less able and influential papers of the same type. The unwholesome revelations of the Land Commission are providing plenty of material upon which its protégés the Labour members have seized with avidity. Recently the Ministry were formally challenged by a vote of want-of-confidence motion because of their timidity in enlarging the powers and acting upon the disclosures made. The result, never in doubt, was a victory of more than two to one for Mr. Carruthers. At the same time, the real victory was with the assailants. The impression that the Cabinet was willing to cover up the facts and shelter the suspected will not help it in the country. On the other hand, the reputation of being fearless protectors of the public and of having forced Mr. Carruthers to put the law in motion will help the *Bulletin* and the Labour Party outside.

BUSINESS IN PARLIAMENT.

The Commonwealth Parliament in Melbourne retains its unrest, though it has outwardly settled down to work in a hurry, after the debate upon the circumstances under which the new Government came into power closed wearily. Mr. Deakin in his reply insisted that, though a maker and supporter of the Reid–McLean Coalition up till the meeting of Parliament, asking and expecting nothing but the fulfilment of the agreement upon which it was based, he was driven into Opposition by the “black treachery” of Mr. Reid. The late Prime Minister was charged with seeking to dissolve the House by surprise and in confusion, in breach of his written compact of last year, with the nefarious design of isolating and destroying the Protectionist Party. Mr. Reid retorted that after his principal supporter had thought fit to disclaim the Ministerial policy and to announce another of his own, for which he invited aid from the Labour Party, he was under no obligation to wait until it suited Mr. Deakin to strike him. He protests that he was justified in regarding the *Ballarat speech* as a declaration of war, though actual hostilities were to be postponed till a more convenient season for Mr. Deakin, and therefore in endeavouring to anticipate them by a sudden sally upon the allies who were then preparing to join his foes by and by. A debate conducted in this fashion left a bad taste in the mouth, which was renewed by mutual recriminations between a Labour member and Mr. Reid. The latter, with his lieutenants, warmly denied that they had consented to an intrigue which they admitted had been proposed to them, and as the conditions appear to have been incomplete, were scarcely likely to have made any such bargain as was asserted. The worst of these incidents is that, whether the charges bandied about between opponents are true or not, they are greedily accepted by many as demonstrations of the real inwardness of political action. That Ministries should be turned out of office without warning merely to gratify Mr. Deakin’s personal ambition, nor that an election to the position of Chairman of Committees should be decided by secret negotiations for an exchange of votes between Mr. Reid and Labour members seems quite credible to the classes who take their opinions from inferior papers. In these organs the proceedings in our Legislatures are invariably interpreted in this way. These repeated rumours have an influence upon the more thoughtful class who are unwilling or unable to follow public affairs with sufficient closeness to unravel what often seems a tangled web. In Sydney it must be confessed that the average man’s attitude towards our own Parliament or that of the Federation is always cynical. Corruption is rarely suggested, but the usual opinion is that the morals of members do not differ much from those of men playing games of chance, not for the stakes, but for the excitement and the joy of winning. “Sharp practices from interested motives” would perhaps best express conventional opinion upon the code of honour observed in public life.

LEGISLATION OF THE DAY.

Another section of our community is always in alarm at the possibilities of fresh statutory interferences. Business men as a class dislike legislation even when it appears advantageous, because it is taken to imply "more law". They view innocuous proposals with rooted distrust, and anything involving alterations in the course of trade with active antagonism. But for their indolence and want of unity they could accomplish much politically. As it is they are at the mercy of their newspapers when these choose to take an alarmist view of any measures proposed and then are content to conduct the campaign against them only through their columns. The platform is almost silent. All that is said is through the Press. The Federal Ministry began under the displeasure of our leading papers because it was brought into being by the co-operation of the Labour Party. What consideration Mr. Watson is to receive for his allegiance to it is sought for at every turn and is already detected in all the Bills placed upon the table. The first Deakin Government brought in a Trade Marks Bill of a useful and practical character which was amended in the Senate while Mr. Reid was in power by an addition enabling Trades Unions to register a Trade Mark of their own. With this extension it has reached the House of Representatives, remodelled, it is true, in regard to the Union Mark introduced by the Labour Senators, but retaining in a modified form and under a new name a provision of the same kind. In America under different legal conditions the Trade Union Mark has occasioned boycotts and other industrial aggressions, which, according to the Attorney-General, Mr. Isaacs, will not be possible in Australia. Mr. Reid, on the other hand, classes the proposition with that of granting preference to unionists and denounces it on the ground that it confers an unfair superiority upon them in their competition with non-unionists. The Employers' Federation, now well organised throughout the Commonwealth, has taken the alarm and is calling all its forces into the field. It will receive the sympathetic aid of commercial men, who are almost equally agitated by another Bill that Mr. Isaacs has introduced. This is aimed at the secret commissions so common in modern barter, for which severe remedies have been devised in the Mother Country. The Attorney-General in this case also has not hesitated to add safeguards of his own, to which effect is given by heavy penalties. The practice of giving and receiving secret commissions is admitted to be thoroughly bad and is alleged to be almost universal. Those that are paid in connection with a State transaction can only be dealt with by State law, but all those in which the dealing extends beyond a State will come within the elaborate meshes of the Federal measure.

THE CAPITAL OF THE STATES.

There has to be added for New South Wales the special grievances under which we labour owing to the weakness of our own leaders and the astuteness of the Victorians when the arrangements for Federation were being completed. The wealthiest, most populous, and, having regard to settlement, present and future, the most central State of the Union, New South Wales, was in every way entitled to the capital. Our unfortunate hesitancy in accepting the Constitution and the embittered resistance provoked in Sydney left us without allies among the other States who had decided to federate. Consequently when Mr. Reid, having been all but defeated at the General Elections because of his participation in the anti-Federal campaign, went to make terms with his fellow Premiers for alterations in the Constitution that would protect us, he was obliged to take, not what was our due nor what he asked, but just what they were agreeable to give, so that he might save his face. He consented to Sydney itself and an area of a hundred miles from it being barred as if they were outside New South Wales on condition that the capital should be somewhere within our domain. Paring our negotiations with the other States after Mr. Reid's defeat by his successor, Sir William Lyne, a majority of the Premiers was willing that the Governors-General should spend their time in New South Wales when the Federal Parliament was not sitting in Melbourne. So far we have made no progress towards either of these recognitions. The Viceregal household spends a part of each recess in Sydney, Lord Northcote more than either of his predecessors, but a great deal of it is occupied in tours to and through the outlying States. In no sense is our Metropolis his head centre. Mr. Carruthers just stopped short of threatening to revoke the arrangement under which our State Government House is made available for the Governor-General rent free, because it dawned upon him that a piece of pettiness of this kind might result in his Excellency's absenting himself altogether. Our Premier is still engaged in a correspondence with the Prime Minister in which he is prodigal of complaints, whether well or ill founded, apparently in the hope that some of them may be thought worthy of compensation.

The Federal capital site is an older and more serious grievance, because, as matters stand, either the Commonwealth Parliament or our own must give way to the other. The former has fixed upon Dalgety as its favoured spot, seemingly on the score of its cool climate and splendid water supply, and has made its determination by Act. Ours has offered by resolution any one of three other localities, but has peremptorily declined to include Dalgety. Either, therefore, the Federal Chambers must repeal their Act or ours must rescind their resolutions. Mr. Reid, during his reign, having

reached this *impasse*, refused to retrace his steps. There is no likelihood of the present Prime Minister reversing that line of action or rather of inaction. While possibly there may be a legal right to enforce he will hardly be eager in testing it, since the Parliament which he leads must remain in Melbourne, where he resides, until the new capital is built. The onus of moving therefore lies upon Mr. Carruthers. He desires that the High Court should be invoked in order to settle all questions at issue by its decree. Two of the judges being New South Welshmen, and one of them having given an opinion that we are entitled to the seat of Government in this State, he obviously cherishes high hopes of a favourable decision. Meanwhile these grievances remain. Add to them the antagonism of our Free Importers to the new Protectionist Government of the Commonwealth and it need not be wondered if the general unrest elsewhere is more general in New South Wales.

FEDERATED AUSTRALIA.

THE BANK QUESTION. PRODUCE AND TRANSPORT.

FROM OUR SYDNEY CORRESPONDENT,
[Aug. 15 1905]; Oct. 5 1901.

Mr. Carruthers has the defects of his qualities, but he is at least an expert politician in the sense that he knows what members want and sees that they get it. The Press is always in his mind and he would gladly have its chief representatives at his back, but when he is forced to make a choice between Press and Parliament there is no hesitation in his decision. He is to be found with his fellow members every time. In the same way he would gladly serve his native city and is always astutely studying its wishes and interests as if it were all included in his constituency. Yet again, when a choice has to be made between town and country he is invariably to be found in the country camp. As Premier or representative he has been pliable in his opinions whenever necessary, but let him be satisfied where the votes are to be found and he is not to be turned or intimidated. The Metropolitan papers last session found him adamant in his resolution to amalgamate the Savings Banks into one for the purpose of handing over to the new bank the obligation of making advances to settlers on easy terms. This was his own idea, and he has been constant to it. Some of his followers revolted on the assumption that though not numerous they were strong enough to leave him in a minority by their defection. But the Labour Party was with him, so he laughed at their threats and ignored the scoldings of the newspapers which during the general election had exalted him. In point of fact they placed him in office, since he could not have gained his narrow majority without their aid. He was their one hope in the campaign against the Labour candidates, whom now he welcomed to his side to defeat his Press supporters and those whom they could influence in his party. The encounter left them sore and Mr. Carruthers sulky, but gradually the incident was allowed to be forgotten. Though the relations between them lack true cordiality to this day, there has been a reintegration of the Liberal and Reform Party under his lead tacitly endorsed by its journals. This has enabled them to present an united front during the present session to the attacks made upon the Government, whether directed against its policy or its treatment of the Royal Commission on our Lands Department scandals, though, like the South African Stores Commission discoveries, they look worse the deeper they are probed.

STATE LAND BANK BILL.

Notwithstanding the reconciliatory rally behind him, the Premier has never relaxed his resolution to have a Land Bank replacing our two Savings Banks as early as possible. In the height of the Anti-Socialistic campaign, when every form of Government aid was being assailed, he expressly exempted this pet project on the equivocal contention that he did not intend to let the Socialists have all the good things for their programme. The **Governor's** speech formally announced a reintroduction of the much-abused Bill, and now it has been followed by a public demonstration of a very artful kind. Possibly at Mr. Carruthers's instigation, and certainly with his complicity, our Farmers' and Settlers' Association when holding its annual Conference in this city last week eagerly passed a strongly-worded resolution in favour of the State Land Bank proposed by him and censuring the Legislative Council for defeating it last session. As this Association represents the primary industries for which our city papers are always pleading and consists of practical farmers united for the protection of rural interests without respect to political parties its declaration will carry great weight in the Legislature and in the country. The censure of the Conference directly applies to the Metropolitan dailies quite as much as to the Legislative Council, and is the more damaging because it turns their hostility into merely a Metropolitan jealousy of a new departure intended to benefit the man upon the soil. Much discomfited by the blow from this unexpected quarter the responsible journals are hastening to explain that if the Savings Banks are taken over there will be very little cash available for advances to settlers in either of them. According to them it would be better to borrow the necessary money upon stocks issued for the purpose as "that would give a fair test of the public's approval of the scheme", which apparently is thought to be incapable of expression by Parliament. Inconsistently enough at the same time the Treasurer's intimation that as chief debtor of the Savings Bank he would probably repay half a million this year to equip the new bank with resources for approved loans is put aside. The inference is that it is thought to be more advantageous for him to contract a new loan instead of paying off an old one, a novel line of argument for financial reformers. What really appears to be the desire of the newspapers is either to prevent cheaper advances to settlers or to cripple the State Bank, if not by refusing capital, at least by affording the market a chance of refusing it except in small instalments. As has been explained in my former letters to the *Morning Post*, the Premier has been right from the first in his estimate of the needs of the cultivators in the interior and of the advantages of consolidating our financial institutions. His critics have been wrong, and the Legislature will soon have an opportunity of showing that it thinks so too if it accepts the resolutions of the Farmers' and Settlers' Association. It is high time something was done. We have alienated nearly 50,000,000 acres of rich land, of which only one-sixteenth is under

the plough, while half of it is owned by 730 persons or corporations, who grange all but 1 per cent. of their great possessions. More than a third of the whole area is well watered and of good quality. Probably that portion of it is capable of earning the 65s. an acre which was the average return from our farms last year, instead of the 1s. an acre from it when used as a sheep run. Everyone must concede that it is an astonishing and deplorable thing that the number of people engaged in farming in New South Wales has actually decreased proportionately of late.

ATTRACTIONS FOR SETTLERS.

The Carruthers Ministry is entitled to credit for its local government scheme, which is designed, among other things, to facilitate the making and management of roads and other public works in country districts. The Bills laid before the House are open to amendment in many particulars, but, admitting that the defects were even more numerous and serious than they are supposed to be, it would be much wiser to take them with all their imperfections on their heads than consent to another postponement of this question. They ought to do something to make rural production cheaper and something also to render family life in the back blocks more humanised and attractive. Indirectly they should promote the increase of our rural population by attracting the right class of immigrants to the land. Much is needed in the way of technical training and the popularisation of the most lucrative methods of meeting the conditions peculiar to Australia in order that agriculture may be kept as profitable as it is to-day. The average incomes earned by experienced and intelligent farmers here compare most favourably with the highest claimed for either the New or the Old World when anything like the same capital is invested. Our Premier has definitely adopted the scheme often discussed and dismissed of placing the control of our Crown lands in the hands of a non-political commission for two years by way of experiment. This would restore confidence and provide ready access to suitable districts for new comers or the sons of those already living by their labour upon the land as they become desirous of making homes for themselves. There is nothing wrong with the soil, and droughts are being coped with when they come more effectively than ever before. Prices have been high for farm products, and though a bountiful yield may bring them down this year the quantity handled will make up for that in a large measure. The thriving townships, the improved holdings, and the extension of areas tell their own tale in the most effective fashion. Farming pays, grazing pays, wheat growing pays, and small cultures or large orchards pay. The State is generous to the cultivator, providing railway accommodation wherever there is a real need for it, and lowering freights to and from the farm to mere cost of carriage. Our agents abroad are not idle. Dairying has been made very remunerative, and the complaints from our rivals show that our vast timber resources are being appreciated

abroad, especially in Africa and the Far East, where our hard woods are much in favour. The mining interest has a brighter prospect to-day than for many years past in consequence of the general appreciation of industrial metals in the world's markets. This will bring into activity again many fields that were forsaken because of greater temptations or where an adherence to old-fashioned methods enhanced the cost of working. Copper, tin, lead, spelter, and other ores exist in vast quantities in Australia. Of late large leases have been reserved by foreign and local syndicates for just such a rise in values as now presents itself. A mining, an agricultural, and a pastoral boom together are probabilities of the immediate future.

TRANSPORT FOR PRODUCE.

The most important consideration for our rural population in good years is the means of oversea transport and its cost. In New South Wales we have always been served rather more satisfactorily than our neighbours, because Sydney has been the terminal port of many lines of shipping, while Newcastle attracts vessels of all nations. Our northern neighbour, Queensland, has been less fortunate, and since the rapid development of the crops upon her high-lying and well-watered southern lands has felt with increasing intensity the necessity for acquiring speedier and more regular communication with the markets of Europe. An arrangement was made with the Aberdeen Line a short time back that promised much, but these steamers were found to be hampered by agreements with other companies that materially interfered with them as carriers of exports. A new contract is now being entered into with the Orient Company, which carries the English mails of the Commonwealth fortnightly via Fremantle, Adelaide, and Melbourne to Sydney. It is hoped that one of its steamers will continue her voyage to Brisbane at the end of this month and thus, for the first time, place the capital of the wealthy northern State in direct communication with London by way of the Suez Canal. Previous arrangements by which coasting steamers connected its trade with Sydney failed to content the shippers or the shipowners, while the Vancouver line, because it involves transshipment across Canada, and the British India service, started 25 years ago, were also insufficient. The Torres Straits route is the only one that can tap the long line of ports north of Brisbane, each of them the outlet of extensive and prosperous districts, whose production, though large, is still in its infancy. The present arrangement by way of trial is to last for six months, and is reported to cost the State Treasury from £20,000 to £30,000 a year. Mr. Morgan is confident that the results will amply justify the expense. No doubt they will, though the advantages will only accrue to the extreme south and perhaps part of the central district of a State whose potentialities there and beyond surprise every visitor. The Federal sugar bonus is to be continued in order

that white labour may be available when the Kanakas go as a body after the end of next year. The assumption is that most of those now engaged upon the plantations will desire to return to their old homes, but that those who have taken up their residence and become settlers will remain. Besides these a miscellaneous throng of Chinese, Japanese, with waifs and strays from the Malay Archipelago, will continue to work in the cane-fields. Some coloured labour will be at hand in 1907, besides the white farmers and white casuals whom they employ. This year it is expected that the production of sugar will overtake Australia's consumption. The finances of Queensland, more healthy now than they have been for years past, ought to benefit by the great agricultural output expected both north and south.

LABOUR LEGISLATION.

Industrial affairs are quieter with us than they have been, though a good deal of feeling has been aroused by the prosecution of some defaulting unionists in the Arbitration Court for arrears of dues. This, however, is one consequence of our Arbitration Act which can scarcely be avoided, seeing that the unions are there constituted parties to industrial agreements as if they were corporate bodies. They act for their members, and are entitled to remedies against those who accept the benefits but seek to escape the responsibilities of the new system. The amending Bill promised by Mr. Carruthers has not yet seen the light, though it is the subject of recommendations from the Employers' Union and others anxious for a modification of the existing law. The expectation is that the total of the changes to be proposed will be considerable, and that while the present Court will remain its jurisdiction will be narrowed and its proceedings simplified in a variety of ways. One very important question will be the extension of time, supposing that any is asked. If the amending Bill simply depends upon the principal measure it will die with that. In that case it can mean nothing more than a trial of some new expedients for the few years the latter has yet to run. The Factories Act of Victoria, whose chief agencies consist of Wages Boards chosen by employers and employees in certain trades, having survived a probation of about ten years, is about to be made permanent. Mr. Carruthers has admitted that he has been favourably impressed by our neighbours' methods, and it is quite possible that he will suggest the addition or substitution of similar Boards for this State. Whatever his scheme may be the universally desired condition is that permanence should be secured in New South Wales as it is being secured across the Murray. In the meantime the mining industry of Western Australia is exhibiting another upheaval, the more regrettable because it follows an award of the State Arbitration Court. The men who are dissatisfied with it have struck just as if no Act were in existence or as if the Court were powerless to deal with them for defying its

decision. A Minister, who is, of course, a Labour member, being in Mr. *Daglish's* Cabinet, has had to undertake a missionary visitation of the fields to plead with the recalcitrants to resume work and await developments. Some success has attended his efforts, but in spite of them a large number of miners persist in refusing to return to work. If they succeed in their obstructive tactics it will not be possible for the Act to remain on the Statute Book unless, indeed, it be permitted to stand there a dead letter. The Court would be closed in effect and ought to be closed in fact. There is unrest among the coal miners and a conflict between the timber men and their masters in the same State, for although wages in the West are quoted at higher rates than with us the cost of living is also higher. Evidently the principle of arbitration is not yet understood or will require to be crystallised into some better form if it is to accomplish anything like the good that was prophesied when it was said that it would, by abolishing strikes, ensure the maintenance of industrial peace.

FEDERATED AUSTRALIA.

THE PREMIER'S POSITION. LABOUR PARTY TACTICS.

FROM OUR SYDNEY CORRESPONDENT.
[Aug. 22 1905]; Oct. 10 1905.

Lovers of political sensation are fortunately situated in Australia, since, when all our Legislatures are in session, it must be an unusual week that closes without spectacular incidents somewhere. During that just terminated we had two remarkable occurrences not very easy to understand. In Victoria the head of the Government, Mr. **Bent**, having suddenly indicated the possibility of an abrupt reversal of the chief article of his policy, followed it up by using the forms of the House to prevent any decision being recorded upon it. In Western Australia the **Daglish** Ministry was badly beaten upon one of its principal proposals within a few days of receiving an endorsement of the programme in which that particular proposal figured most prominently. Its resignation is expected soon. In New South Wales there has been no disturbance in the Assembly, though outside its walls events are happening that show the calm to be transitory. The Lands Inquiry continues to titillate the suspicions of the suspicious, who are many, and of those who wish to use them for ulterior purposes, who are not few. Our **Premier** has not enjoyed a bed of roses since he took office, and lately has appeared more than once before the tribunal he appointed to justify his professional conduct as solicitor for clients who sought concessions from the Lands Department. Though absolutely nothing has been elicited to his discredit, his association with cases in which considerable sums were paid to certain land agents whose practices were irregular is in itself unfortunate. The *Daily Telegraph* commented with icy punctiliousness upon the "anomalous position" of a Premier who has "supreme control of the Commission before which he himself is constantly coming up for examination", and pressed for the choice of a "cross-examining specialist" until Mr. **Pilcher**, K.C., was appointed in that capacity. Mr. Carruthers unnecessarily insists that for him to retire from office because of charges or innuendos about past business transactions would be "an act of moral cowardice". Probably it would, but to continue to lead a party that loves him none too well and to be judged by a censorious public from day to day according to the impressions it derives from the daily papers is to be a titular rather than a real

ruler. The *Daily Telegraph* has not forgiven him for his persistence in pushing on with his Savings Banks Amalgamation or for his astuteness in capturing the Farmers' and Settlers' Association in support of his scheme. Struck at by friends, or those who pose as friends, and by enemies who seize opportunities for attack wherever they occur, our Premier occupies no enviable post. The House is becoming more restive under his control. Not even the triumphant return of a **new** in place of an **old** supporter for Ashfield by a magnificent majority can afford much compensation, since that was always reckoned the safest of party seats. The shadow of the Lands Inquiry threatens to fall across the whole of the session.

THE VOTES OF RAILWAY SERVANTS.

The greatest political upheaval witnessed in Australia for many years was that which, culminating in the strike of the engine-drivers upon the State railways of Victoria, led to the passage of a separate Representation Act excluding all public servants from the ordinary electoral rolls and allotting them three representatives of their own. Mr. **Irvine's** Ministry passed that Act with declarations that it was in effect the keystone of its policy. When he retired owing to ill-health his place in the Cabinet was taken by Mr. Bent, who, as Minister of Railways, was equally responsible for the policy to which the engine-drivers' strike led. The State electors when appealed to confirmed it, though other questions had arisen that induced a certain number of Ministerialists to dissent from separate representation as a permanent electoral condition. The Labour Party in possession of the Opposition benches and the remnant of the Liberals formerly led by Sir A. **Peacock** always demanded the repeal of the Irvine-Bent Act, but it was assumed, and with good reason, that being in a hopeless minority, even when acting together, there was no prospect of success for them. Suddenly without a word of warning Mr. Bent announced that his Cabinet was about to reconsider its attitude to this first and most fundamental of all its achievements. The stupefaction of his supporters was qualified by a summons to a caucus at which the amazing suggestion was to be discussed. It met, adjourned, and met again, it is said tempestuously. The minority wishing to retrace its steps had to be pacified by a promise that the proposal should be evaded and not rejected. The execution of this strategic plan led to an excited scene in the Assembly, when the repealing measure was talked out amid disorderly disputes on the floor of the Chamber. Mr. Bent, well abused by the Opposition for his mysterious conduct, will be more abused yet when the effects of his backsliding become manifest. If Mr. Irvine, who has now returned to active politics, and the "stalwarts" of his party had not been promptly vigorous the presumption is that the Premier would have given way. If so, unless their pressure is

maintained he will give way at the earliest advantageous time. As it is, the very fact that he meditated defection has seriously damaged the chief plank in the platform upon which he stepped into office. Another election may see a majority returned favourable to the restoration of the old electoral rolls containing all classes of citizens without discrimination. The Upper House would doubtless resist for some time longer, but when once the Assembly has the people behind it that delay is sure to be short. Mr. Bent has broken with his past and that of his Government, probably to the irreparable injury of this part of its original policy. His objects may be intelligible in his own State, but are quite incomprehensible beyond its borders, where a casual reversal of a Ministerial principle of the first magnitude in this fashion has provoked much astonishment.

SITUATION IN PERTH.

In Perth the political situation is even more obscure. The Dalglish Government would never have taken or kept office if only supported by the Labour Party, to which Ministers belong. But at all events they lacked only a few votes of a majority, and these they were enabled to obtain last year by a variety of expedients. When they met the Legislature again a few weeks since there was a great deal of confused controversy between them and their direct supporters and also with their allies. Whatever the nature of the differences they were patched up in Parliament and in the Caucus, and having weathered these storms Ministers were left in possession of the Treasury benches in order that they might carry out their policy. For some local reason they chose to proceed with a motion ratifying a scheme for buying the Midland Railway and its land concession for £1,500,000. This purchase has been long looked for, often discussed, and seems to have been generally approved. The Labour Party desired it because it brought the line under State control, and the Opposition desired it because it made a large area of locked up lands available for settlement by the State. There remained the question of price about which, of course, differences of opinion abounded. The sum named was supposed to be liberal, but as any Crown bargain is always made upon terms more generous than those of a prudent private buyer the amount need not have occasioned any surprise. The utterly inexplicable circumstance is that the Ministerial proposal was made perfunctorily, assailed with bitterness by a few Labour members and their recent allies, and finally defeated without a division being called for. If ever an important proposal by a Ministry that had just defeated a vote of want of confidence was treated in this manner it was not in Australia. Mr. Dalglish's path was known to be hazardous. He has complained with angry emphasis of the behaviour of the Labour members, whose leader he is and whose Cabinet was

formed out of the Caucus. Still, the utter collapse of his Government, the manner in which the reins have dropped from his hands, and the final result telling of his wholesale desertion by his most intimate comrades in his own party are startling enough to suggest many more queries than it is possible to answer from the other side of a continent 2,400 miles wide. They can be chronicled but not explained.

THE LABOUR PARTY'S ACTIVITY.

After all the explanation lies or may lie at our own door. When the Labour Conference for this State altered its "objective", that is, the statement of its main purpose as a party this year, it for the first time gave official warning of a desire among its members to call a halt of its onward march. Mr. **Watson** himself played a leading part in the proceedings. He obtained an endorsement of his alliance with Mr. **Isaacs** of Victoria and Sir **W. J. Lyne** for New South Wales because they headed the dissentient Liberals who were prepared to fight Mr. **Deakin** as well as Mr. **Reid**, while the former continued to uphold the late Prime Minister. The Federal Labour Conference, held in Melbourne last month, repudiated this and all other alliances except for the life of an existing Parliament. The coalition between Mr. **Price**, the Labour leader, and Mr. **Peake**, the Liberal leader in South Australia, is limited in this way, and so is the vaguer understanding between Mr. Deakin and Mr. Watson in the Commonwealth. At the next elections they will face each other as foes intent upon the conquest of seats from one another and from their common antagonists. Yet it is perfectly certain that few if any of the Labour leaders approve this Ishmaelitish electoral policy. It was forced upon them by the votes of men out of Parliament, who see in the extension of the area of strife and discord their best chance of getting into it. These men are willing to put in peril the seats already in the possession of the Labour Party because their own field of action has to be found elsewhere. They have to challenge the constituencies most in sympathy with their aims, which at present return Liberals instead of Labourites. The personal interests of those who are already representatives and of those who are not, but who sit with them in State or Federal Conferences, are thus in direct opposition to each other. Apart from that opposition those who are members of a Legislature have most of them had experience enough to sober their original adherence to the extreme part of the Labour programme. They aim at practical legislation, and therefore at peace with those who will aid them in shaping it. The men who are not members—being without this chastening experience, having nothing to lose and everything to gain by agitation, and being quite indifferent to any implied reflection upon the past work of the Labour Parties in Parliament—keep on trying to force the pace. They try to advertise themselves as more extreme than the extremists of yesterday. This conflict within the Labour Party

itself, and carried on for the most part behind closed doors, is at last becoming visible from outside. The fall of the Darglish Government is due to these internal dissensions, and now the coalition in Queensland threatens to be rent asunder by an intestine strife of the same character.

A LABOUR MANIFESTO.

Mr. Watson's influence in this State softened the "objective" heading the programme of the party here, and succeeded afterwards in securing it in the Federal Conference too. But being defeated in his desire to make binding alliances and in his other moderating proposals he was thrown back upon the necessity of attempting to win a rehearing from the State parties. Queensland, the home of the most excessive demands for innovations, was selected as the battleground, and after a fierce struggle in its local caucus the movement has emerged into the light of day. For the first time in Australia, the State Labour members as a body have issued a manifesto. That in itself marks an appeal past its Conference to their joint constituents. They ask for a fresh conference, a demand unprecedented in any State. When it is announced that the object is to revise the constitution and platform of the party it is plain that its framers have travelled a long way towards an assertion of independence. But the crowning proof of the seriousness of the manifesto lies in the fact that the new conference is to be called to tone down the aggressiveness of the present "objective" and to authorise an alteration of one of its planks which demands "the immediate stoppage of all further sales of Crown lands". Simple as the amendments sought may seem in themselves they mean a great deal. To the ultras they are anathema because they promise more than a pause in what they call progress. They imply a distinct retrogression. Nor is this all. The manifesto is a revolt against the Conference by the Caucus, against the delegates of branches who sit in the former but not in the latter, against the interests of future candidates for Parliament and in favour of those who are already its members. It is a revolt of Labour members who uphold a Coalition Ministry and desire to approve its policy of selling Crown lands. If it be successful it will suppress a number of aspirants for a Parliamentary income who are opposed to the Coalition. It will also definitely diminish the importance of the local branches of the party, whose delegates in the late Conference outnumbered those who have arrived in the Legislature by more than two to one. Now, whatever the faults of the average Labour member may be he at least has won the confidence of a constituency which the average member of a conference rarely could. The brains of the party presumably belong to those who have been selected at the polls, but while they are in a minority in the Conference they are obliged to obey the dictation of men of less ability and certainly of less experience. The tail wags the dog. Hence the appeal that

is now being made over the head of the Conference to the electors who may or may not be represented in it through the branches of the League. Mr. *Kidston*, the Labour Treasurer, has secured a vote of confidence in himself and in the policy of moderation from his constituents at Rockhampton, but whether he can carry the local branches in his electorate so as to send delegates to the Conference favourable to the manifesto remains to be seen. If he and the majority who drafted it do not succeed either the Labour Party in Queensland or its Coalition Ministry will be in danger of disruption.

What is happening to the north of us is important to the whole of Australia, because either the authority of the Labour organisations outside will be broken or their Parliamentary caucus will be brought to heel. In the first contingency the chances are that the ultras will break away towards Socialism, or in the second that the Moderates in the Legislatures will drift in an opposite direction. It is too early to attempt to gauge the respective forces or calculate the consequences of their collision either in Queensland or in other States, where the same wrestle will follow. With the conferences will go the Labour papers, whose ambition to dominate the whole movement is far more easily gratified by their control of local nonentities than over men whom force of character or capacity has qualified to win elections and to take part in the government of the country. For a long time past these papers have been whipping their representatives in Parliament for not being sufficiently aggressive. The revolt, therefore, is against them more than against the local branches of the League, in which they find their pliant instruments. Having regard to the great part played in our politics by the Labour vote this latest development within its governing bodies is full of interest to our whole community. That there should be a reaction in its ranks is encouraging, whatever form it may take, but it is more encouraging because it proves that the pressure outside them is growing too strong for their dogmas.

FEDERATED AUSTRALIA.

FINANCIAL QUESTIONS.

IMMIGRATION PROPOSALS.

FROM OUR SYDNEY CORRESPONDENT.

[Aug. 28 1905]; Oct. 13 1905.

Sir **John Forrest's** first Budget was not sensational, though he cannot claim credit on that account, because there was no opportunity for leaving the beaten track if he had desired to do so. The Constitution itself, with more or less wisdom, attempted to regulate in advance finances of the future Commonwealth and of the States for the first decade of the Federation. Its provisions on this head, though few and simple in themselves, are not capable of being described in all their bearings upon the seven Treasuries affected without tedious particularity. But they have undoubtedly accomplished their main intention, which was to tie the hands of the Commonwealth Treasurer and to leave him little choice of policy when once he had framed his Customs Tariff. Its revenues were to be shared with the States, for whom three-fourths of the proceeds were set apart for ten years, while the Commonwealth was to be contented with the remaining fourth to cover all its expenses. Any unused part of its fourth was also dedicated to the States, so that it was not possible to carry forward a Federal surplus from year to year. Shut in between these restrictions the Federal Treasurer found his path marked out for him in advance so plainly that no room was left for any original departure. The lines once laid down by the Tariff 1901–1902 cannot be altered until it is amended or the present conditions expire by effluxion of time.

The **Barton** Ministry endeavoured to arrange that three-fourths of the new duties would return to the States about the same sum as they had been receiving from their previous tariffs, though these had been framed upon different principles. If Mr. **Kingston's** schedule had been adopted it would have either attained this object or very nearly so. It would have been adopted but for the success of Mr. **Reid**, who, with the assistance of the Labour Party, reduced both the revenue and protective imposts to such an extent that States like Queensland and Tasmania have been seriously embarrassed, while sundry Victorian manufacturing industries have suffered from an increase of importations. The one great aim of the financial policy of the Federation

was, therefore, imperfectly achieved, but the conditions surrounding it remain, dictating the course that every Federal Treasurer must follow. Sir **George Turner** trod it patiently, and now Sir John Forrest begins to tread it impatiently. Neither of them could strike out a fresh path for himself. Probably the former did not desire to do so, and if the present Treasurer does he has no opportunity. He must carry his load along the prescribed highway, chafe as he may at the restraints imposed by the Constitution and the practical impossibility of getting fresh taxation, apart from the Customs sanctioned by our people, who consider, and with excellent reason, that other sources of supply are sufficiently drawn upon by the States.

THE RIGHT MAN.

Sir George Turner has proved in many respects the very man for the financial situation he had to face. Patient, industrious, methodical, his accountancy was sound and his aims economical. The hard times through which he had piloted Victoria gave him a reputation that commended him to all the less prosperous States and made his administration as welcome to the wealthier under a system which put his savings into their pockets. His four Budgets were the business statements of a thrifty steward who carried out loyally the instructions of his master, the Parliament, content to make the best of the powers entrusted to him. He sought no greater liberty than was conceded him, and had no particular predilections or ideas of his own to strain their relationship. The incomings and outgoings were carefully scanned. The State Treasurers were kept under surveillance without giving offence, and though they often bitterly resented their dependence upon the Central Government in financial matters they were propitiated by the impartiality of the painstaking Minister with whom they had to deal. His colourless policy fitted a colourless personality, which gave no offence because it assumed no airs of superiority. Of the strong men in the same Cabinet he was associated most with the masterful Mr. Kingston, whose imprint was to be seen upon all the Tariff proposals for which they were jointly answerable. There were few outside the Ministry who could have filled his place in 1901. Sir **William McMillan** and Sir **Frederick Holder** were thoroughly qualified for the task, and would have been abler expositors of principles in Parliament. Either would have cut a more conspicuous figure there, but neither would have given the same impression of cautious sobriety and delight in drudgery expressed in a prosaic fashion that satisfied the man in the street even when our Pitt-street and George-street resounded with censures of all his colleagues and especially of his partner, Mr. Kingston.

THE BUDGET.

The constitutional limitations remain to-day as they were in the beginning, so that Sir John Forrest's Budget had to be just what Sir George Turner's would have been had he remained in office; yet it has given a very different impression. Nothing is changed except the man, but that situation amounts to a transformation. So marked is it that it has diffused an impression that a fresh financial departure is being inaugurated. This misconception has been fastened upon by the Opposition and some of their newspapers for their own purposes, although the contrast was inevitable. Any speech written by one Treasurer and delivered by the other would have seemed a distinct production, because of their opposite characteristics and methods. Where Sir George Turner plodded through columns of figures, lingering lovingly over minute variations, and never rising to a larger view than that of the totals, his successor has swept the details into printed tables, used simply as texts upon which he discoursed. Where the punctilious timidity of the first caused large and small items alike to assume importance, the breadth and boldness of Sir John Forrest throws the main figures alone into bold relief by ignoring in his statement the particulars supplied in its accompanying documents. For the financial position generally, so far as it has been ministerial, both are responsible. Sir John Forrest was a colleague of the late Treasurer when his first three Budgets were decided upon in the Barton Cabinet and was a supporter of the fourth when it was brought forward last year. The summaries now show more conclusively than ever that when the first Parliament amended the Kingston Tariff it worked much mischief to all the States except New South Wales, and in proportion to the degree to which they depended upon the Customs for their revenue. They show, too, an irresistible trend to subordinate them all. The facts of the Budget are very simple. The total receipts of the Commonwealth up to June 30 are £100,000 below Sir George Turner's estimate, due to a decline in the Customs, consequent upon an increase in local production. An equal decline is anticipated for the coming year, balanced only in part by an increase from the Post Office as it was in the 12 months just closed. Altogether we received an income of rather more than £11,250,000 in 1904-5, and count upon rather less for 1905-6. The Commonwealth spent on its own account over £4,250,000 last year, and expects to spend more than £4,500,000 this year. The additions are £60,000 extra for defence, £90,000 for the Post Office, and £80,000 for public works. It never has a surplus, no matter how prosperous it may be, all the money it does not spend being returned to the States, who in this way have received over £30,000,000. Of this endowment no less than £4,500,000 went to them out of funds that the Federal Parliament was authorised to lay out upon its own purposes if it so willed. They have reason to expect that they will benefit this year to the extent of nearly £500,000 from unexpended Federal funds. Though this is more than a quarter of a million less than last year, it represents a

substantial gift to their Treasuries. But it will disappear before long, and then a new era will begin. Meanwhile one finds nothing in this Budget itself that distinguishes it from its predecessors or exhibits any alteration of an unexpected nature. The only difference is in the man who puts it forward.

THE FUTURE OUTLOOK.

The contrast between the two Treasurers begins in their attitudes towards the future, though both concur, as all thoughtful observers concur, in their forecasts of its facts. The Commonwealth will soon require the full fourth of the Customs and Excise revenue to which it is entitled under the law, and consequently the States will not then receive more than the other three-fourths to which they have a fixed right up till 1910. Sir George Turner used to point this out in a diplomatically deprecatory way, as if he deplored the legal reductions to which the States were being subjected. Sir John Forrest says it in his own bluff fashion, explaining that the growth of Federal responsibilities makes the decline unavoidable. On this account he is challenged for being unsympathetic, though sympathy of this kind being cheap he might easily have been sentimental instead of straight forward if he had thought it worthwhile. The taking over of the debts of the States was dealt with in the same blunt manner. To enable the whole of these to be turned into debts of the Commonwealth the States would be obliged to find security for £1,400,000 a year besides foregoing the whole of their present three-fourths of the Customs receipts. This transfer, too, will not be allowed except upon condition that no future borrowing by the States is permitted outside Australia. It could be done for them with the consent of the Federal Government and through its Treasurer if he were first satisfied with any fresh guarantee offered by them. On the other hand the gain from the operation of converting their loans would be gradual, arising only as a single Commonwealth stock replaced the conflicting debentures of the several States, and when it came would go to the taxpayers of Australia by way of the Commonwealth. The State Treasuries would make no profit out of it. But their loss of income if the three-fourths of the Customs secured to them by the **Braddon Clause** were absorbed by the Federal Parliament would force them to undertake a revision of their own budgets of a very searching kind. Hence, before their consent can be expected to any new borrowing restrictions a prolongation of the ten years' period fixed in that clause will be made a *sine qua non* in any circumstances. Sir George Turner was prepared at Hobart to ask Parliament to agree to its extension for a further twenty years ending in 1931, a period for which it is most improbable to suppose this body would consent to limit itself. Sir John Forrest made no secret of his opinion that such a proposition is impracticable, but admitted that a certain annual sum might reasonably be agreed upon as a subsidy to the States, subject, if necessary, to periodical adjustments. His belief is that only in this way can friction be minimised. For the same reason he prefers that the States, if limited in their borrowing to the

Australian market, should not be controlled at all by the Commonwealth Treasurer. Whether this be wise or not he looks the facts in the face more squarely than his predecessor. Assuredly as time goes on the Federal Parliament will harden its heart against all appeals from local Treasuries. Nothing short of a ukase from their electors will oblige its members to deal generously with Legislatures which are injudicious enough to keep on provoking collisions upon minor matters instead of concentrating their energies upon the vital issues of Federal and State finance.

PRESENT PROSPERITY AND DEVELOPMENT.

Where Sir John Forrest was most emphatically himself giving the rein to his temperament and free vent to his faith in Australia was in the conclusion of his speech. After founding his case upon a solid stratum of statistics, some seven pages of Hansard crowded with tabulated proofs of the marvellous productiveness and prosperity of the Commonwealth, he painted a picture of its development that can neither be disputed nor matched elsewhere. We have doubled our gold yield in the last eight years and outstripped South Africa. We also shear eight times as much wool as the Sister Colonies at the Cape. Our live stock is six times as numerous as that of Canada, and our external trade equal to that of the Dominion, despite her larger population. It is also greater than that of half a dozen more populous European countries. In half a century our mineral wealth has exceeded £600,000,000, and we have built £134,000,000 worth of railways, which pay more than 3 per cent. upon their cost. We have more deposits in our banks, and especially in savings banks, than ever before. We have 12,000,000 acres under cultivation, and last year exported the highest values of wheat and butter that we have ever sent abroad. Our reserves of coin and bullion, the tonnage of our shipping, our Inter-State trade, and the output of our manufactures is higher than at any previous time. The cable has just told us that a leading article in the *Morning Post* dealing with the Budget describes our material prospects as more promising than they have been for many years, and every return examined supports the judgment. That our position should be recognised at home so promptly is much appreciated here because every superficial or trivial incident seems magnified to our prejudice in the Mother Country either to serve party purposes here or assist countries competing with us. A Suffolk groom in charge of horses from England was supplied in London with a superfluous certificate of six months' exemption by our Acting Agent-General in case he should be challenged as a contract labourer upon his arrival in Sydney. The official letter informing Mr. Coghlan that no such document was necessary was apparently received too late. When the groom's possession of the unnecessary certificate accidentally became public at an up-country show during his stay here there was the usual attempt to make political capital out of the mistake, and probably a garbled version was at once rushed along the wires

to London. The contract clause is admittedly capable of being used in a vexatious manner and ought to be amended, because though it has not been abused on any occasion it may be while it remains in its present form. That Mr. Reid made no effort to alter the clause, and has not so far committed himself to any definite proposal for its alteration is due to the fact that he cannot hope to regain office without support from followers who favour free immigrants as much as they oppose the admission of those under contract to work here at Old World rates of pay.

INTEREST IN IMMIGRATION.

The incident is the more unfortunate because in New South Wales there is a general and most encouraging revival of interest in immigration. Our Acting Agent-General reports from London many inquiries from suitable settlers, some of them with savings in hand, anxious to find homes among us. He has appealed to our Premier to make land available for them immediately upon their arrival, and Mr. Carruthers has at once responded with the proper assurances. A new missionary, Dr. Richard Arthur, M.L.A., has taken to the platform, and is using the Press with zeal and knowledge to urge State-aided immigration. He deprecates the timidity of the Premier in restricting his offers of encouragement to farmers with some means, insisting, and very rightly, that the practical men without much money, whose immediate value Mr. Carruthers is inclined to doubt, are the very class from whom most is to be expected. A private syndicate has offered to take up anything from 50,000 to 200,000 acres in our North Coast district, divide it into handy-sized farms, and improve and advertise them at home for sale to newcomers on easy terms. Then there are private landowners willing to let farms on the "halves" system, sharing the earnings of their tenants until the latter are able to purchase the holdings and any improvements made for their convenience at the outset. Dr. Arthur's energy is happily awakening the dormant sympathies and energies of many who have come to acquiesce in the "let alone policy" relating to immigration that has prevailed for years in all the States except Western Australia and Queensland. The former being still actuated by Sir John Forrest's original forward impetus still offers free land for settlers, and has made special arrangements with the Orient Company for their passage out. Queensland has also negotiated a new contract of her own with the same company that will enable its dairymen to ship their butter direct to London every fortnight, or by transshipment in Port Jackson during the busy season every week. Better prices for butter will mean more land cleared, more stock purchased, more labour employed, and more money circulated. Immigrants in thousands could be provided for in the vast areas of these two States still lying idle, and thousands more in New South Wales if Dr. Arthur's spirited proposals are adopted by our Government. In any event his enthusiasm, Mr. Coghlan's activity, and Mr. Carruthers's sympathy taken together are the most hopeful signs of the times.

FEDERATED AUSTRALIA.

LABOUR AND IMMIGRATION.

LIQUOR LAW AMENDMENT.

FROM OUR SYDNEY CORRESPONDENT.

[Sep. 4 1905]; Oct. 19 1905.

The Englishman who takes an interest in Australia usually begins, and often ends, by judging us by the parts of our politics which impinge upon his own Imperial policy—when he has one. If he goes further he probably concerns himself only about our prosperity in the gross or glances, out of curiosity, at some of our legislative experiments. In some respects to-day his course is easy. About our prosperity there is no question; every return proves it. Sir *John Forrest's* Budget showed it writ large across every State of the Commonwealth. The new anxiety here is where to find lucrative investment for the capital which is accumulating in all our financial institutions. That is a problem, though a pleasant one, which is beginning to preoccupy the business men who control them. In one direction this pressure is very healthy, because it adds to the current of public opinion which is turning in favour of some encouragement of immigration. This is the one issue of Imperial interest now coming to the front. With money waiting for outlets an additional demand for labour is anticipated; not in the great towns, there are in them even now a few unemployed who will not leave their streets for the country districts in which the new developments will arise. To all appearances we shall have harvests for reaping this season which will overtask all our labour-saving appliances and available rural labour. Wages, already relatively high, will become higher. More hands will be wanted when they will be unobtainable. The clause by which all labour coming here under contract is challengeable may be administered with more discrimination in future, but what it needs is amendment in principle and not a change merely in official handling. There is some promise of this, though while the existing block in business continues in the Federal House of Representatives it remains doubtful if anything decisive can be looked for this session. The debate on the Budget in Melbourne appears to be wandering over a wide extent of country, the oratorical peregrinations being diversified by personal altercations of an unedifying character. When the interested Englishman understands that he knows as much about its recent achievements as is worth his remembering. For more substantial matter he must look elsewhere, and this time we provide it nearly all.

LOCAL GOVERNMENT.

In New South Wales two public matters of domestic politics have been before our Legislative Assembly of much more general interest to us and to Australia than might at first sight appear. The first relates to the extension of local government proposed by the Shires Bill, of which the provisions, so far as they seemed worthy of particularisation, have been described in the *Morning Post* on several occasions since they saw light, about nine months ago. Briefly summarised they are intended to abolish the system of Parliamentary doles for roads and bridges. These are now distributed in the House by a Minister through eager representatives of the places preferring their claims for special grants in the Annual Appropriation Act. For the future, three commissioners, independent of political influence, are to allocate a liberal but fixed endowment to local bodies elected upon a broad franchise, and authorised to levy rates upon the unimproved value of land within their districts. By a sister measure the municipalities we have are to receive extended powers and additional obligations. The change from a political to a non-political control is long overdue, was necessary 20 years ago, has been promised by every party and outlined by every Ministry, and yet is opposed to-day as vigorously as ever. The opposition is formidable, though members of all parties are pledged to the reform, and Legal Government figures on every platform, including that of the Labour Caucus. Nevertheless it is now being resisted by the whole of the members who constitute the Caucus, and is intended to be killed by inches through the machinations of a league between them, their allies, and some of their inveterate opponents. The excuse offered on behalf of the conspirators is the same in general terms, but very different in detail. It is always the same in fact and in motive. Members feel that they will lose influence and prestige when they are deprived of the opportunity of posing as benefactors to their electors by procuring them grants from the Treasury. Besides the new shires might become nurseries for qualified candidates who would acquire experience and reputation by managing local affairs and occupying official positions of distinction independent of their political representative. These strong personal interests, common to all country members, unite them with town sympathisers in the Assembly, who are adverse to the Government. The result is that one of the pieces of legislation most necessary for the wellbeing of this State, though universally admitted to be necessary, is in imminent peril of shipwreck.

THE SHIRES BILL DEBATE.

The second reading of the Shires Bill was carried by two to one, a victory complete enough to make its passage seem safe, were it not that the numbers were obtained by the irresistible influence of outside opinion upon a hostile Assembly. The real risk was always known to lie in Committee, and the fact that for a time it was feared that

it might never get to that stage says more than the division list does of the chances that the Bill may be made away with yet in a surreptitious manner. An attentive reader at a distance, depending for his knowledge of the measure upon the debates in the Chamber, would in all likelihood conclude by abandoning any attempt to understand. He is told with equal assurance that it does and does not establish local government, that it will rob the State for the benefit of the new districts, and that it would ruin the districts for the benefit of the State; that it means grinding land taxation, and that it implies the repeal of the land tax; that it must bring about decentralisation with economy, and that its most certain consequence will be more centralisation and extravagance. According to one set of witnesses it would pamper rural residents, and according to another set drive them in despair back to the cities. Urged with equal gravity and apparently with equal force these incompatible views, supported by facts and figures of irreconcilable contradictoriness, could only confuse a student unacquainted with the men or their motives for concealing the truth. The reasons that are not stated are really those that require to be taken into account. Putting aside the zeal without knowledge of Labour doctrinaires it is the adverse interests of members that will operate under cover of various pretences to defeat the Bill when it is being dealt with clause by clause. Objections to some of its provisions are not hard to find and a few are reasonable. The misfortune is that most of the amendments moved will be intended either to authorise impossible schemes such as are favoured by the Labour Party or in the majority of cases to mutilate the measure so as to secure its final rejection. Only one thing can save it, and this will be hard to keep effective. If public interest can be sustained throughout—a vigilant watch being kept upon the proceedings in Parliament even if imperfections of an obvious kind have to be retained—the Bill can be forced through. It cannot be passed in any other way. The misfortune is that the newspapers, upon whom we have to rely on occasions of this kind, although perfectly sincere in their support and anxious to help the Bill, have discounted their own influence to such an extent that they may easily fail to awaken their readers to the urgency of the case. They have cried “wolf” so often for petty purposes and have been so frequently exposed when raising it most loudly upon trifling occasions that when a real crisis comes their protestations are discredited in advance. The question is as of old: Who shall watch our watchmen?

CONTROL OF THE LIQUOR TRAFFIC.

The other matter of moment before our Legislature, also of long standing and intended to relieve it of part of its responsibilities by an extension of the powers of self-government, relates to the liquor traffic. On this subject opinion has lately revived in this State, where confessedly we have been more dilatory than our neighbours in putting it under strict Control. The Temperance Party is strong, and

has the sympathy of the great majority of the public in its moderate aims. What is more to the purpose, it has a majority in the Assembly, and is determined to use it to achieve as much of its programme as possible. Nor are its hopes of success without justification seeing that its vote is one of the best organised we have, claiming its adherents from all other sections, not excluding the Labour Party, though its members are not allowed to pledge themselves absolutely to its platform. Our publicans' vote is small, though in a general way it receives a share of the support of the Roman Catholics, because a number of its members is of that faith. By way of balance the weight of the much more effective Protestant Defence Organisation is thrown into the other scale. The triple union of the Free Trade, Temperance, and ultra-Protestant sections is always able to control New South Wales, and though their alliance has ceased to have the same force in State politics now that the fiscal question has been federalised the two latter continue to act together. They were allied with the reformers at our last general election, and therefore with Mr. Carruthers, who is now redeeming his debt to them. He has laid a Bill upon the table some of the proposals of which are partial from their point of view, but all of which, without exception, are unpalatable to those engaged in the trade. The hotel-keepers welcome a restriction upon the issue of fresh licences, because by its means they receive guarantees against fresh competition, and they rejoice in the impediments placed in the way of the establishment of clubs for precisely the same reason. But there their satisfaction ceases. The remainder of the measure is directly aimed at them. Their responsibilities are to be much enlarged. If intoxicated persons are found upon their premises, if children under 14 are permitted to carry away liquor or young people under 18 years of age are served with it, or barmaids are employed under 21 years of age they are liable to penalties. Only one bar is to be authorised in each licensed house, and this must not be sublet. Each hotel has to be provided with specified sanitary arrangements and to be well conducted. Those houses which obtain black marks because their landlords are convicted of offences or breaches of requirements are to be classified in order that they may be dealt with more severely whenever a cancellation of licences is ordered than the publicans who observe the law.

LOCAL OPTION.

The main feature of the Bill is the introduction of Local Option as to the number of hotel licences authorised to remain in existence. There are to be no new licences, but in each electorate its Parliamentary electors are to decide at every general election, but not oftener than once every three years, whether the number of licences in force which is to continue as a maximum shall be preserved, reduced, or abolished in each constituency. A referendum is to be taken on polling day, when a simple majority of the votes will determine whether the licences then current shall remain in force

or be reduced. Any reduction ordered may not at any one time exceed one-fourth of the total, and shall not take effect for three years, but a two-thirds majority can direct the extinction of all the licences. When a reduction is carried the houses of least reputation are first closed after from six to twelve months' notice, while those better conducted may obtain a notice of not more than two years. The voters may change their minds, and by the same proportions at subsequent pollings restore the licences they have reduced or abolished. No compensation is to be paid under any circumstances. The Bill simply gives from three to five years' notice to all the publicans of this State that 25 per cent. of them must close their businesses if the electors so direct, and that the whole of them may be so dealt with if two-thirds of the people persistently order it. Of this, however, there is no prospect; if a particular electorate here and there does try the "no licence" experiment, it is as much as can be expected after the experience of New Zealand under a very similar law. We have to-day a great many more hotels in Sydney and other centres than are necessary or desirable. A smaller number better managed and provided could cater for all the reasonable requirements of our people without encouraging the excesses occasionally reported from some of those that are now open. The drinking habit may not be much affected by the closing of these less reputable hotels since no restrictions are sought to be imposed upon the sale of liquor, wholesale or retail, by grocers or wine and spirit merchants. The quantity consumed may increase, but if most slum houses are got rid of and respectability insisted upon in those that remain the decencies of life will be conserved more than they have been. Powerful as the temperance vote is, a large proportion of those whom it counts are not total abstainers, but what are called "moderate drinkers", who are anxious for the correction of abuses. The option exercised being local will doubtless be adapted to the needs of each district and exercised as circumspectly as it has been exercised for years in the States around us.

A FAIR BILL.

The Bill possesses a preliminary guarantee of fairness in that it satisfies neither the sellers of intoxicants nor those who condemn their consumption under all circumstances. Naturally the Licensed Victuallers denounce the closing of houses without compensation as "legalised robbery", and the rest of the restrictions as intolerable interferences between themselves and their customers. The temperance organisations protest, first, against the minimum vote of fifty per cent, that must be recorded before effect can be given to any vote, next against the two to one majority necessary to carry no licence, and finally against the length of the period before licences can be withdrawn. Between the two extreme demands it ought to be possible to shape a sensible Act. The choice of the particular hotels to be deprived of their licences is left to a competent Board, consisting of the police or stipendiary

magistrates, who are chairmen of licensing districts within each electorate declaring for a reduction, presided over by a District Court Judge. To such a tribunal even the delicate questions involved in making a selection may be submitted with confidence. If in the long run the result of the measure is to improve the standing of hotels generally by putting down the abuses associated with their conduct and purging the city of the drinking shops which abound in its lower quarters it will fulfil expectations. Australians are naturally a sober people, and with the removal of undue temptations may be trusted not to abuse their freedom either in multiplying public-houses or in suppressing them at their triennial elections. The trend of opinion and of practice is towards temperance. The wines of the country are coming into favour with the well-to-do, but are not as much patronised by the commonalty. Drunkenness has become less tolerated in all classes than it used to be. Though our consumption of alcohol is still too high its abuses have diminished and are diminishing year by year. A good Local Government Act should ensure economy coupled with efficient administration in the construction of necessary works upon our highways, especially in the back districts. A reasonable Licensing Act should tend to encourage sobriety, order, and industry. The two together will mark an advance of a thoroughly healthy kind in New South Wales and afford an excellent example to some of our sister States which have hitherto been ahead of us in this kind of legislation. Whatever improves the earning power and the spending power of our people becomes a matter of interest to the Commonwealth, of which they are the largest section, and also to the Englishman who welcomes progress in any and every part of the Empire.

FEDERATED AUSTRALIA.

PUBLIC AFFAIRS.

DEFENCE AND IMMIGRATION.

FROM OUR SYDNEY CORRESPONDENT.

[Sep. 11 1905]; Oct. 24 1905.

The relative importance of recent developments in public affairs is certainly not apparent from the columns of our newspapers either in New South Wales or beyond its borders. They do not neglect much intentionally, and that only for party reasons, but establish no proportion between the space and prominence they accord to little local happenings or events of real magnitude and fruitfulness. The result is that their readers are left with at best a confused conception of the real changes that are going on under their eyes. Our pastoral and agricultural prospects being of the brightest are so recognised, but there are also promising indications, political and industrial, of an inspiring character which are ignored in effect because they are not receiving their meed of attention. Grouping the occurrences of the last few weeks comprehensively together one derives an impression of a general advance such as we are feeling in respect to the coming of spring, despite the fact that our southern and eastern coasts have been lashed by storms and rains. Should no untoward incidents intervene we may reasonably expect to see some of the movements of opinion that are now manifest expressing themselves in Australian policy. Of some, and these the most important, Sydney is the centre. Indeed, we appear to be originating or reflecting the chief currents of Commonwealth activity in an unprecedented manner, notwithstanding the strong partisan feeling of our Press and the provincial tone of our politicians. There is a public here larger-minded than its leaders, but usually somnolent or indifferent, that has lately roused itself to supplement the efforts put forward so often in vain because of the want of such a backing. If the efforts of this public can be sustained without being diverted into the narrow channels of selfish interest its awakening should affect our Legislatures, always responsive and generally eagerly sympathetic with every turn in the tide of popular sentiment. With good guidance the present revival of responsibility, though still outside Parliament and almost independent of our papers, is capable of achieving much necessary work. Hitherto the Press of the Mother Country has been considered as wholly dependent upon our own, and naturally as less informed of our real tendencies. That exceptions to this rule are now made is strikingly illustrated in a *Bulletin* cartoon representing a statue of the *Morning Post* placed upon a

pedestal on which is inscribed as dedication: "In honour of the first English newspaper that told the truth about Australia". Since the politics of our irreverent weekly are far removed from those of this journal the compliment is the greater. The conviction that we are not understood at home, and cannot be, is at the root of all its demands that Australians must take a line of their own. Happily they are taking it to-day in a direction which will appeal to thoughtful Britons on both sides of the ocean.

NATIONAL DEFENCE LEAGUE.

No citizen of Sydney is more highly esteemed than Sir **Normand MacLaurin**, Chancellor of the University and one of our most influential public men, who presided at a preliminary meeting for the formation of an Australian National Defence League. He summed up our situation in his opening remarks when he said that "Once Australia had been looked upon as safe in her isolation, but recent events had shown us that nothing of the kind could give us safety ... On a system of thorough training of the manhood of the nation alone could rest its safety". Sir **Julian Salomons**, K.C., moved that the League be founded upon non-party principles with a view to securing "universal compulsory training (military or naval) of the boyhood and manhood of Australia" on the basis of the Swiss system, and "an adequate and effective system of national defence". The motion was seconded by the Hon. **W. M. Hughes**, M.P., a Labour member who was Minister of External Affairs in Mr. Watson's Cabinet last year, and supported by Sir **William McMillan**, who it is unnecessary to remind those acquainted with our politics is an uncompromising opponent of the Labour Party. In his judgment a system of national defence was one of the trusts upon which we had agreed to federate, and it was a scandal that we had allowed our forts and batteries to remain in a disgraceful condition. Upon us devolved the duty of keeping this continent for the British people and holding it "in the interests of our future generations". A committee of organisation was formed on the motion of Mr. **Fosbery**, seconded by Mr. **Simpson**, a Judge of our Supreme Court, and supported by Mr. **Holman**, a State Labour representative. Supported from opposite camps by very dissimilar thinkers the League has struck a note higher than that hitherto heard in the Commonwealth Parliament, where the provision made for the year was ably explained by Mr. **McCay**, of Victoria, the Minister of Defence in the late **Reid** Ministry. The votes seem to be confined to the completion of Sir **Edward Hutton's** plan, though now modified in many particulars, the aim of which was the creation of a Militia capable of supplying an expeditionary force for service outside the Commonwealth. Everything else is postponed to its equipment, including harbour fortification and the manning of batteries already in existence. The Swiss system, according to the League, is intended to be reshaped, like that of General Hutton, to suit local circumstances, and must be if our cities on the coast are

to be protected against raiders. Its chief recommendations are alleged to be simplicity and economy. Similar claims are made for the Swiss method of electing Ministers, which appears to be growing in favour, so that our defence against foreign invasion is evidently not applied to foreign precedents. Nor are we deaf to voices from the Mother Country. Lord Roberts's appeals have their echoes here, as have independent criticisms of Army and Naval mismanagement and the sanguine views expressed by Mr. Balfour. The hope is that out of these various contributions from various sources some new departures will be authorised here, without further vacillation.

THE IMMIGRATION QUESTION.

Another need of the Commonwealth closely allied to that of defence is immigration. Mr. Coghlan's early reports stimulated our Premier to place himself in communication with the Prime Minister in respect to the farmers and farm labourers in Great Britain who are willing to embark for new countries under the old flag. The correspondence between them just published points to a fairly satisfactory working arrangement. Farmers or labourers who are their own masters of course enter Australia as freely as they do any county of England. Those under contract to be farm labourers here can enter too, as Mr. Deakin is satisfied that their special skill is required in many parts of the continent. The one condition in the latter case is that their remuneration shall not be materially different under the contract from the ordinary rates of pay ruling in this State. Of this our Agent-General in London is to satisfy himself in order that they may have an open door before them whenever they arrive on our shores. Though there is nothing contrary to the law in this arrangement it gives an interpretation of its restriction upon contract labour far wider than has hitherto been ventured upon by any previous Minister. If the Federal Parliament permits effect to be given to it only artisans will require to notify their engagements before coming here. Mr. Deakin has announced that an amending Immigration Bill is in preparation, and if this goes no farther than to invest his ruling with the force of law it will have accomplished much. It may be noted, however, that whether intentionally or not his proposed relaxation of the contract clause is expressly limited to British farmers and agriculturists. Foreigners would continue subject to it, and with some reason, since their introduction in numbers might need to be reviewed in several lights. The trial of Southern Europeans in the country of sugar-cane and cotton in place of the Kanakas has been suggested for experiment by the Prime Minister himself. It is plain, therefore, that he has in his mind a series of projects unpalatable to the exclusives, who may be expected to make their voices heard, perhaps, before he is able to submit them to Parliament. He has helped to force the subject to the front, and is not likely to retrace his steps to please them upon a matter on which he seems to be most earnest.

A GROWING AGITATION.

For once our Press has been compelled to admit the emergence of a great agitation, or at least the *Daily Telegraph* has exhibited its own sense of the fact by publishing over seven columns of Mr. Coghlan's complete report upon immigration and announcing it in its leading columns as "one of the most valuable documents ever published in this country". The eulogy is deserved, for though there is little new in his diagnosis it has never been made before "with such lucid exposition and such a wealth of information and argument". It is admitted that "we unfortunately have nothing done and everything to do ... The public and the public men of Australia now know from him what is possible and how it can be done". The question, of course, is—Will they do it? Will the Labour members permit them to do it? Mr. *Watson* and Mr. *Hughes* are favourable to some effort because their experience has educated them up to an appreciation of our needs, but they can hardly be expected to make many sacrifices for it. We have yet to discover how many of their followers they can bring with them. Whether any of these will agree to forego their antagonism to men under contract because they are British farm labourers has yet to be proved. Mr. Deakin's own party will follow him, and probably a sufficient number from the Opposition to enable him to get a majority on a division. But it would be a serious step for him to pass a Bill containing other relaxations by their help. This might easily lead to the overthrow of the Government. In anticipation of such a crisis our Sydney Immigration League, of which Dr. *Arthur*, M.L.A., is founder, would be a valuable auxiliary for influencing opinion here. Mr. *Bruce Smith* leads the British Empire League the same way, and if these organisations extend to other States they may fulfil a similar purpose there. The Prime Minister proposes, but unless the public respond it will be the Labour Party that disposes, when the critical moment comes.

The iron industry has been to a small extent established in New South Wales for a considerable period, but upon an insignificant scale, and has always languished. The long promised bonus from the Federal Parliament is now once more before the House of Representatives, but its fate is still uncertain, and if passed it cannot operate for some time. Under these circumstances at the beginning of this year Mr. Carruthers invited tenders for the local manufacture of iron and steel at a schedule of prices for the next seven years' supplies to the Government. They were advertised for in Great Britain and elsewhere, but not a single offer has been forthcoming from the outside world, although we have large deposits of iron ore and a growing market throughout the Commonwealth. Only one tender was received and that from Messrs. Sandford and Co., of Lithgow, where they have been enabled to continue the manufacture of iron by special freight concessions from the railways. In the beginning their intention is to confine themselves to the production of pig-iron and of rolled or wrought iron and steel from local ore, building their factory of iron made from it after importing the

blast furnace and plant necessary for the enlargement of their output. At present they can only deal in metal of small sizes. Their prices are alleged by their manager to be lower than the average paid by the Government during the last seven years. Of course to be successful they must go beyond this tender and compete for private business as well. The Tariff, of 1901–2 contemplated the imposition of a duty upon imported iron so soon as the industry should be sufficiently developed, and some aid of the kind is sure to be sought again during the present Federal Session if the bonus be refused. But so far nothing has been done, and if Mr. Carruthers accepts the Sandford tender he will have taken the first step of a practical kind to the commencement of a new and probably great industry. At the same time he has succeeded in having his way in the Assembly, where, after a protracted battle with the Labour Party, he obtained sanction for the construction of sixty locomotives at a little less than £72 per ton. Mr. McGowen, the Labour leader in this State, fought hard to have them made in the Government workshops, where, according to him, they could be made better and many thousands of pounds cheaper than by the Clyde Company. The issue was, therefore, narrowed down to a choice between engines made by the State or those made for the State. The Premier won because it was believed that the stimulus given to private enterprise would be more beneficial than the gain acquired by constructing them at the railway shops at Eveleigh. But both parties ignored the departure from Free Trade principles implied in either alternative. In any case the engines were to be made in the State. They were to cost 8 per cent. more than if imported, but it was admitted even by the most zealous members of the Premier's fiscal followers that the indirect advantages of local construction more than outweighed this first saving. Thus it happens that the Free Importers when in office adopt Protection just as though calling themselves "Anti-Socialists" they are embarking without hesitation upon such "Socialistic" ventures as the creation by amalgamation of a State Land Bank.

MR. REID'S COLLEAGUE.

Among Mr. Reid's misfortunes when in office was his Attorney-General, Sir Josiah Symon, who is even now an embarrassment to him, though only a private member. He was a misfortune and not a fault, because in this as in every other respect the late Prime Minister had no choice. His necessities dictated to him who his colleagues should be, even more absolutely than is usual with makers of Cabinets, because he had to divide his portfolios equally between Free Traders and Protectionists. Sir Josiah Symon was marked out for office incontestably because he had been from the first the official leader of the Free Trade Opposition in the Senate, and because his selection for that post was justified by his oratorical ability and legal standing. His most marked deficiencies had been those of tact and temper due to a domineering disposition and want of consideration for others, whether they were friends or foes, deficiencies thrown

into high relief by contrast with the calmness and fairness of Mr. R. E. O'Connor, who then headed the medley of Senators which constituted Sir E. Barton's Ministerial party in the Second Chamber. For the short period last year during which Sir Josiah Symon led the Senate a sense of responsibility kept his aggressive inclinations so well under control that he was looked upon as an unexpected but decided success in that capacity. But no sooner was recess reached than he commenced a long, tedious, petty, and increasingly ill-tempered correspondence with the High Court Justices. This was carried on without respite until he was ejected from office, when Mr. Reid refused to allow the present Parliament to proceed with business because of Mr. Deakin's conditional declaration of independence at Ballarat. Once more leader of the Opposition Sir Josiah Symon has now introduced a Bill of his own ostensibly with the object of giving effect to his project for crippling the High Court. He wishes to confine its sessions to Melbourne when acting as a Court of Appeal and to abolish the right of appeal direct from the Supreme Courts of the States, so as to allow appeals only after the Full Courts of the States have exercised jurisdiction. His real object in bringing in the Bill must be to permit him to express his antagonism to the present Bench, with each of whose three members he seems to have found some cause of quarrel. Mr. Reid, his late leader, and probably every one of their colleagues, must join the Government in resisting the attempt to chain the High Court to Melbourne, except when one of the Justices visits other capitals, in order to exercise the original jurisdiction with which it is endowed. He can have no hope of passing the Bill, which is more unpopular in New South Wales than anywhere else because there has been and is more litigation before the Court in Sydney than in Melbourne, Brisbane, Adelaide, Perth, or Hobart. His proposal is in fact, unpopular in every State, including his own. Yet so strong is his personal resentment that he persists in kicking against the pricks, though by so doing he exhibits to the public the disunion that prevailed in the Reid Ministry upon this topic. The late Prime Minister would have been glad to see his own intervention between the Justices and his inappeasable Attorney-General obscured or forgotten. The final rupture between them was complicated by Mr. Reid's neglect to act upon the private undertakings he gave to the Chief Justice and his refusal to permit the publication of the confidential letter upon which they acted when brought to bay. It is even alleged that it was because his Ministry was hopelessly sundered upon this very matter that its members agreed to challenge Parliament to a dissolution which would have postponed their internal dissensions and covered up the dispute with the Court for some months longer. But if they supposed that the battle ended there they have counted without their colleague's unyielding temper. Sir Josiah Symon, caring nothing for the consequences to them, and perhaps not unwilling to pillory them for refusing him a free hand, has with perfect indifference to the hostility of all the States chosen in the Chamber in which they enjoy equal representation to challenge their Senators to a renewal of his combat against the visitation of their capitals by the Federal High Court.

FEDERATED AUSTRALIA.

FINANCIAL POSITION. STATE RESPONSIBILITIES.

FROM OUR SYDNEY CORRESPONDENT.
[Sep. 18 1905]; Oct. 31 1905.

Australian finance is not a taking topic, but it is far too important to be passed over in silence. The figures are always available, but their interpretations at home are often amazing to us. It is too often forgotten that our public accounts differ from those of other oversea dependencies as much as they differ from those of the Mother Country, because our circumstances are different. Our methods and stages of development must be constantly borne in mind when comparing Budgets. Although Canada and Australia both comprise vast areas awaiting cultivation and immense resources imperfectly utilised, the likeness between them ends there. In climate, situation, age, and social organisation they are sharply contrasted, and not at all to our disadvantage when compensatory conditions are taken into account. Because our position is in some vital matters unique we suffer from sundry tacit assumptions of critics who suppose that the policies of all dependencies in any zones, if they are within the Empire, are sufficiently alike to allow the application of the same standards of prosperity to them. As a matter of fact these are often wholly inapplicable. The price of our debentures proves that some such misunderstandings are general and also that they are being exploited by money brokers to their own profit. The recent report of our Acting Agent-General, Mr. Coghlan, says plainly that the hostility to Australia of the very powerful interests in London known as the "Kaffir circus" has led its members to bear our stocks and traduce our reputation in various covert ways. Quite a defensive campaign is now being opened against those influences, but more particularly against our local slanderers, who present them with ready-made canards intended only to injure the party in power for the time being. The most ridiculous fictions of the paltriest persons or papers here sometimes obtain a wide circulation abroad. They are taken at face value, as if they were seriously meant instead of being the controversial froth of the hour treated with contempt in its place of origin. No doubt we deserve censure for some patent blunders and occasionally receive it, but the salutary effect of the admonitions is lost when they reach us mixed with criticism based upon preposterous fables. The wonderful wealth of Australia and the

exceptionally high level of comfort enjoyed by its people year in and year out ought to enable our kinsfolk to estimate at their proper value any hysterical outcries over mistakes inseparable from the administration of a continent by a handful of thriving settlers on its coasts. The worst and most widespread reverses we have ever sustained, whether from “booms”, droughts, or depressed world markets, have never been more than local and temporary, while our recuperative capacity is almost incredible. On the whole, Australian progress has been steady, and the alternation of good and bad seasons has been only such as is experienced in other countries. The general results of colonisation on this continent surpass those of any other country in the world in the same period.

ONLOOKERS' OPINION.

Possessing such records we have become accustomed to ignore the depreciatory comments of the Old World, to which we should have been much more sensitive if we had been less flourishing. The self-satisfaction of our average citizen is not easily disturbed. He maintains a dubious attitude towards his political competitors and outside censors, comfortably buttressed by the consciousness that, say what they will, he is doing extremely well. It is only of late that the shortsightedness of this passivity is being borne in upon us and that we are beginning to feel that it is foolish to permit interested onlookers to be blinded by the dust we stir up in our petty little struggles for party pre-eminence. Relishing the savours of controversy and taking our internecine diatribes as mere counters in the game of party politics, we have forgotten that many bystanders were being misled into accepting them as current coin. The broad facts that our annual production per head is the largest known, our taxation the most lightly carried, and the absolute solvency of the weakest of our public corporations beyond all question are overlooked when reproaches are being hurled at Ministries whom it is sought to dislodge. Our Oppositions talk at large of loss and extravagance because that is part of the traditional game they are expected to play.

They are surprised to find that their accusations are believed elsewhere to be substantial instead of being recognised as part of their political brief for their own side.

Looking at New South Wales alone it must be admitted that our first Administration after Federation was in certain matters wasteful and in others spendthrift or improvident. But it must not be forgotten that the waste shown in the accounts was relative and much of the profit of particular districts; that the rash resumption of city land and wharves will yet repay, and directly, the outlay upon them without reckoning indirect gains as well; and that the improvidence of today was only to

be so termed because it anticipated the judicious disbursements of tomorrow. Our State accounts, like those of all our sister States, have been confused by Federation. Both income and outgoings have been increased in such ways as to destroy fair comparisons and suggest depreciations that arise only from inevitable changes in our book-keeping. The cost of the Commonwealth seems magnified, because it has not yet been balanced by the economies incumbent upon the States to the extent that they have been relieved of their former obligations, for example, in defence. When Mr. Carruthers closed his Budget recently with a few rapid generalisations showing an enormous increase in the production of this State, coupled with an all-round advance in prices for our staples averaging 15 per cent., he gave the best possible refutation of the silly pessimistic chatter about our prospects repeated in some English newspapers. Our wool clip alone is expected to yield £3,000,000 more than last year. The drought depletion in live stock has been made up already, and a bountiful harvest is at hand. Solid results and golden prospects are summarised in our figures and estimates to-day.

FLOURISHING FINANCE.

One long promised innovation which our Premier has adopted separates the business investments of the Government from its political undertakings. This ought to prevent much of the confusion of calculation indulged in by the arithmeticians concerned to prove the height to which taxes have been raised in New South Wales. Our Budget shows receipts and expenditure, each of them totalling upwards of £11,000,000, but the new method at once divides them into two almost equal parts. One debit shows the cost for the year of railways, tramways, and wharves, of water supply and sewerage works, the public enterprises for which the public credit has been pledged, while on the credit side appear their earnings, amounting to £25,000 more than their outgoings. These receipts came not from the public at large but from the persons who used these works, and who were certainly not overcharged for the services rendered to them. Our State Socialism, so far as it has gone, has been self-supporting. Apart from all questions relating to efficiency of management these investments did not impose any taxation at all upon the general community, though their takings and expenses almost exactly double both sides of our public accounts. If the Canadian Pacific Railway balance-sheet were part of the Dominion Budget some comparisons with Canadian figures might be instituted that are at present impossible, though their impossibility is often overlooked. When the ordinary outlay upon the State Departments and the ordinary revenue from taxation is looked at we have the ordinary Budget before us, upon which there was the fine surplus of over £160,000 last year. Yet before this surplus can be matched with that of any province in Canada there are other deductions of a special nature to be made, such as our old

age pensions, which absorb no less than £500,000 a year in addition to large grants for other charitable purposes. The cost of extending public instruction still grows. The open-handed liberality of former periods is being prolonged in this direction in order to bring our teaching methods up to date. Ministers claim credit for having revised their Estimates many times in order to ensure a reduction of expenditure which would bring it within the income of the current twelve months, and are to be commended for having accomplished upon paper this worthy aim. The suspicion is that they have intentionally adopted a very safe view of the coming year in order to close with a larger balance than the £45,000 now estimated. This is not ground for complaint except of over-caution.

After all deductions have been made it will be found that our public servants are better paid and the enterprises owned by the States placed at the service of the public at lower charges than elsewhere. The abounding prosperity of New South Wales is indeed rather concealed than exhibited as an advertisement in the Budget, probably because otherwise our legislators would be tempted of their own accord to make further presents to their constituents. Sound finance and sober forecasts are the characteristics of the year that has closed and of the proposals for that which begins under very favourable auspices. In spite of the gales along our coast our spring meeting has brilliantly inaugurated the racing season at Randwick, if indeed that season can ever be said to have ended in Australia.

BRIGHT OUTLOOK FOR PRODUCERS.

After listening to Mr. Carruthers's exposition of the triumphs he had achieved by his economies, which more than doubled the surplus he had prophesied for last year, and his sanguine picture of the returns to be expected from the splendid season now commencing, his fellow-members must have marvelled at the incongruous warnings with which these vaticinations were intermixed. He began his speech with an ominous remark that the coming year would be "one of the severest we have had to encounter", partly explained in the same breath by the assurance that his "processes of administrative reform" had "pretty well exhausted the possibilities of economy", so that it now remains for Parliament to supplement what has been done by "the passage of legislation". His meaning became clearer when an hour later he struck the same note again, saying, "This is a very hard year on the revenue. I do not remember in the course of 20 years' experience when the revenue has been so much disturbed by influences beyond the control of the Ministry. It is the hardest year I have ever known". Yet when he came to his concluding sentences he described the prospects of our primary industries as "extremely bright", and became "very well assured that during this current year there will be brighter times in front of the people". The

apparent contradiction is explained in the last phrase. The brightness of outlook is for our producers and people generally while the hard times are for the Treasurer. Last year the gift made to New South Wales from the Federal tariff was £154,000 less than in the twelve months before, and now he has warning of another coming decline of £56,000. Local production is reducing imports and consequently the duties collected. The Federal Parliament constructs public works out of revenue instead of out of loan, and therefore will soon require its full fourth of the receipts from Customs. These shortages the State Treasurer must make up. Then the reduction in the rentals from leased lands in the Western Division deprived him of £100,000 in 1904–5, and will deprive him of £125,000 more in 1905–6. It is this uncontrollable decline in his revenue, amounting to £435,000 in two years, that makes, as Mr. Carruthers truly said, “a terrible prospect for a Treasurer”. The taxpayers gained the greater part of his “loss”, though having regard to the new demands made upon him it is astonishing that he does not need to ask that they should face compensating demands upon them. He trusts wholly to economies to recoup his deficiencies. Loan expenditure was brought down to a million and a half last year, of which only £400,000 was authorised by the present Ministry. This disbursement will be less this year, and allowing for repayments will not add to our debt by more than £1,000,000. Our employments of borrowed money are lower than they have been for the last seven years, or reckoning payments to sinking funds lower than they have been for 20 years. It will be hard for the most bilious of biased critics to find fault with a Budget which bears so many evidences of thrift and expanding prosperity.

EMIGRATION PROPOSALS.

“General” Booth of the Salvation Army is responsible for our latest and greatest sensation, and, what is more, for staging it just in the nick of time. With characteristic audacity he has offered our Prime Minister 5,000 families, either British agriculturists or of an allied class, all of them reputable and not destitute, whom he is willing to despatch to Australia in your next winter. With responsive faith Australia treats this extraordinary offer of an extraordinary man as *bonâ fide*, promptly recognising him as guardian of this great flock of expatriating English people, of whom he assumes to be able to dispose at will. The revived interest in immigration in this State described in my last letter has been at once demonstrated by our Premier’s acceptance of the offer. He is eager to take the whole number offered subject only to the satisfying of any representatives here whom the head of the Salvation Army may appoint to examine 2,000,000 acres, close to railways, in what is described as our artesian water belt, where we are prepared to provide for them. Mr. Carruthers will also require our Acting Agent-General to see that the emigrants are of the classes named. Whatever may be the outcome of the “General’s” proposition the head of our

Government has taken first place among the Premiers by the quickness of his action and the practical manner in which he has met the proposal. The next most favourable but indefinite answer came from Mr. Rason, the new Premier of Western Australia, whose Ministry has been returned victoriously at the bye-elections to which they submitted themselves upon taking office. If Mr. Darglish had continued in office there would have been the same hesitancy as is being exhibited by Mr. Price, the Premier of South Australia, despite the strong plea for more population uttered by his Treasurer a few days before. His plea, like that of Victoria and Tasmania, is that enough land is not available. Mr. Morgan likewise, though from his previous speeches he should have been found anxious to enter into the competition, has hung back. Yet the need of Queensland is more imperative and her available lands are more attractive than those of her smaller southern neighbours. Apparently either the Labour Party cannot shake off its old antagonism to State-aided immigration or the fear that they will not has caused their allies to halt. Its representatives in the Commonwealth Parliament are also wavering. They do not appear to endorse their leaders' enlightened opinions. It is true that they seem to have cheered the Prime Minister's perfervid appeal for the encouragement of British immigration, but only when he assailed the Land Laws of the States as the chief obstacles to settlement. He lashed out at the misrepresentations of the contract clause of the Restriction Act, under which the "six hatters" were detained and a groom from Suffolk was given an unnecessary certificate of exemption when bringing horses into New South Wales, and they cheered again. But how far they will follow him when he carries out his expressed intention of amending the Act itself in a number of points it would be premature to predict. Events have marched and are marching faster which will force a decision. Whatever that may be "General" Booth's practical offer is putting to a public test the sincerity of the politicians who have been talking immigration for some time past. Of course Mr. Deakin rejoices in having such an ally, and seized upon the opportunity of compelling the State Ministers to face the ordeal. They have the vacant lands which the newcomers seek, and to each of them without a moment's hesitation he transmitted an invitation to accept the five thousand families or as many as they could undertake to accommodate. Except in Tasmania, where a nerveless Ministry seems to dread progressive measures, the challenge is awakening a real response of some kind, though by far the most business-like answer comes from New South Wales.

FEDERATED AUSTRALIA.

MR. CARRUTHERS' ATTITUDE. PROSPECTS FOR IMMIGRANTS.

FROM OUR SYDNEY CORRESPONDENT.
[Sep. 25? 1905]; Nov. 13 1905.

If Mr. Carruthers would only keep his temper—or, perhaps, to speak more accurately, if he would get rid of it—he would do much better. A more composed, less irritable, and a much less complaining note would add to his dignity and be conducive to better relations with Press and public. After all, the fates are not unkind to him. He is in office, with a solid, if small, majority and a group of fairly capable colleagues who are thoroughly loyal. The Legislature is not unfriendly to him or his Administration. Taking into account the temptations offered, he is treated quite as considerately by the Labour Opposition and its allies as he treated his predecessors when he was seeking to discredit them in order to put them out. Despite the note of querulous discontent in his speeches and in his correspondence, his measures are well received on the whole, and not unfairly dealt with. They make slow progress, so slow that he has already asked and obtained a larger share of time in the House for Government business, but this delay is directly due to the habit of wasting time which has become prevalent among our legislators and only indirectly to wilful obstruction. Our Standing Orders are defective in this respect, and are wanting especially in means of meeting the deliberate stonewalling either of a little handful of members or even by individuals. Organised obstruction if persisted in could easily make business impossible. Comparatively favoured in this, Mr. Carruthers has every cause for congratulation when he contrasts our Parliamentary proceedings with those of the Federal House in Melbourne, where representatives from this State, pursuing the same bad methods, are sedulously crippling the business in hand with all the more gusto because it is in charge of our former Premier, Sir William Lyne. The net results of its session are likely to prove less fruitful than our own, though assuredly the Bills debated are of special importance. This is easily possible, because the Federal Standing Orders are full of loopholes which no Administration yet has found time or means to close. Finally, New South Wales, like the rest of Australia, is rejoicing in a bountiful season and in the prospects of great export trade, favoured by high

prices. Our Premier's Treasury estimates ought to be exceeded in most directions to the enhancement of the surplus predicted in his Budget speech. Why under these flourishing conditions his tone should be that of the leader of a forlorn hope fighting a losing battle with bitterness is puzzling to the dispassionate observer who strives to see things as they are.

THE PREMIER'S QUALIFICATIONS.

Of all our Ministers, the Premier alone maintains an attitude of studied dissatisfaction, and possibly it is owing to their healthier activity that the Government attains its degree of efficiency. His first lieutenant, Mr. *Ashton*, is, perhaps, responsible for the alacrity with which "General" Booth's offer of five thousand English families was received and answered in a thoroughly practical way. It is reasonable to suppose that the *Minister for Works* can claim a large share in the negotiations which have led up to the acceptance of Mr. *Sandford's* tender for the manufacture of iron for our State Departments during the next seven years. The Attorney-General, Mr. *Wade*, is more than the mouthpiece of the Government in regard to the new Licensing Bill, while the rest of his colleagues have contributed their experience towards the preparation of the Local Government Bills with which Mr. Carruthers is principally associated in the Assembly. The public are unable to analyse the Cabinet, and therefore accept the Premier because he is its head as its chief and most representative man. In this they are not far wrong. Members are accustomed to attribute most of the ideas he expresses to Mr. Ashton or others of his colleagues, but generally credit the Premier with the successful managership of the whole team. He certainly possesses an astuteness or "slimness" and ready opportunism that qualifies him for scoring many points in the political game. If he would fill his post cheerfully, showing some sense of his indebtedness to his party instead of indulging in affectations of martyrdom, the praise awarded would be heartier and his labours better rewarded than they are while he remains in this mood. Our Press is still inclined to be ungenerous in its appreciations and assists him to a much smaller extent than he has a right to expect. He is not popular with audiences here or with his fellow Premiers in the neighbouring States. At the Hobart Conference the bluff Victorian Mr. *Bent*, certainly not his superior in most things, easily outdistanced him in the sittings and in public appearances. Hostility to the Federal Parliament and its Ministries, unconcealed even while his old chief Mr. *Reid* was in power, oozes out at every pore now that a Protectionist Prime Minister is in office. These idiosyncrasies cannot be ignored. In a thinly-peopled country with few prominent leaders personal considerations of this kind cannot be left out of account when endeavouring to present a true picture of the sequence of events. Our Ministry has done well and is doing well for this State, probably better than any other that could retain the

confidence of Parliament at the present time. Mr. Carruthers is entitled to the chief credit for this, and obtains it, but the churlishness that he occasionally exhibits and the sulkiness that more frequently appears in his demeanour diminishes his value to us and complicates his relations to other leaders and to other States.

SALVATION ARMY EMIGRANTS.

“General” Booth’s offer of 5,000 families has turned out to be just such a test of the professed advocates of immigration that I expected it to prove when my last letter closed. His cable message, necessarily brief and incomplete, could not of itself contain all the necessary information to enable a bargain to be made with the Antipodes. As the Prime Minister has now reminded the head of the Salvation Army, there must be an approval of the intending emigrants on your side of the world and arrangements for their prompt and efficient settlement on this side when they arrive. Mr. Rider Haggard’s recent report to the British Government has made it perfectly clear that without these arrangements attempts at colonisation will always be chequered with failures. There is too much at stake both for the emigrants and for us to allow risks to be run in the initial experiment. Mr. Carruthers did not overlook this obligation, but neither did he rest upon its contemplation as his fellow Premiers are inclined to do unless public opinion is brought to bear upon them. Tasmania’s Ministers are either content with things as they are or too timorous to endeavour to reshape them. Mr. Price, the Labour Premier of South Australia, postpones the question on the plea that he intends to cater first for the unsatisfied local demand for homesteads in his State. Mr. Morgan is already doing something to assist to bring in immigrants, but hesitates to make special efforts to meet the “General’s” offer. Mr. Bent seeks shelter in the usual convenient suggestion for a Conference of the States. Western Australia is anxious to obtain a share of the influx, but indefinite in her response. New South Wales alone came forward at once with a tender of 1,800,000 acres known as the Pilliga scrub, consisting of good wheat lands capable of artesian watering. Situated 350 miles from Sydney by railway, the area named needs clearing in the first instance, and irrigating in the second if it is to be cut up into small areas or utilised to the best advantage. It is not land that could be taken up for grazing or upon a large scale without being first improved, and hence has remained unoccupied. The distance from the Metropolis and also from the seaboard at Newcastle have deterred cultivators, though our low freights for produce are now overcoming that obstacle to farming. If 5,000 families, or even one-fifth of them, were placed upon this tract the disadvantages would be rapidly removed, because it would then pay to carry on the work of reclamation, of water supply, and of production in wholesale fashion. The lot of the isolated inexperienced “selector” in the “bush” is hard, but that of the farmer or grazier after it has become a settled district, with schools, churches, post and telegraph offices, stores, workshops,

and local centres of self-government, is very different. Prosperity is assured to the sober and thrifty, while those who are more enterprising steadily rise towards what men of their type in the Old World would properly reckon affluence. Decidedly Mr. Carruthers scores as against his competing rivals, for, though Queensland and Western Australia have much larger areas available, neither of them has ventured to act with the same promptitude in this matter.

THE IRON INDUSTRY.

He scores again, and this time by comparison with the Commonwealth, in the completion of a contract which will commence the development of the iron industry in a practical way at Lithgow on January 1, 1907. Preparations for the works will start at once, since the blast furnace and plant are ready for immediate shipment from England. Ninety per cent. of local iron ore is to be used in making the pig-iron and steel needed by our railways, though large sections of rolled iron and steel will be above the capacity of the works for some time. Nevertheless, we have here a beginning of what is bound to be a great Australian investment, means of employment and source of wealth. Huge deposits of ore exist in every State which can now be tested thoroughly upon a scale that will give confidence to capitalists. The Commonwealth set out to accomplish the same excellent aim in 1901, when it proposed to devote a quarter of a million in bonuses for the manufacture of iron and steel from local ore. But then the Labour Party insisted that public money should only be paid to public bodies, in other words, to the States, and should not be put into the pockets of private firms. The Bill being wrecked by them with the help of the Free Importers, who, of course, were entirely opposed to subsidising either States or business men, was reintroduced by the Deakin Ministry of 1903-4, and again in the present session. Once more it has encountered the same combination between the followers of Mr. Reid and those of Mr. Watson, though the latter, genuinely suspicious of their temporary allies and willing to assist the Ministry, are this time hoping to find a way of escape from their pledges to insist upon State proprietorships. When pitted against party ties their sympathy with Ministers will not stand much strain, and though the second reading of the Bill is believed to be safe there is but a small chance of its surviving the traps and pitfalls sure to be set by opponents during its passage through Committee. Still, Mr. Carruthers has been cautious enough to stipulate that if the Federal bonus is granted any part of it received by the Sandford Company on account of pig-iron sold to this State shall be paid over to the Treasury. While this will not weaken the antagonism of the Free Importers it will strengthen the antagonism of Labour members, who will see no virtue in paying a bonus since without increasing the production of iron it will go straight into the coffers of a

Government with which they are at war in the local arena. If the Bill fail to please, as apparently it must, Mr. Carruthers will enjoy the sole credit of founding the iron industry, from which more is hoped than from any single enterprise within the range of Australian manufacture.

LABOUR PARTY CHANGES.

The Labour Party has its trials only a few of which become public, since it enjoys an immunity from personal indiscretions on the part of its units and from revelations through its own particular newspapers that no other section possesses. Whether this is to be credited to the loyalty of those who know or to the suspicion with which they regard those outside the class to which they belong need not be discussed. Their organisation, great already, is always growing. Periodically there are conferences at which the party in each State reviews its programme and policy. The latest State to discharge this duty is South Australia, where, as the last elections proved, its power is extending. The present Premier is one of its most active members, and his Ministry lives by the votes of Labour members. If the word Conservative could be applied to the party anywhere it is there, for though the purposes are as Socialistic as elsewhere the methods preferred are those of cautious expediency. The Federal Conference three months since adopted a new "objective", more guarded than that which it displaced, yet this was struck out in South Australia, as was the resolution bringing them into relationship with the international movement in Europe. More remarkable still was the refusal to oppose a re-enactment of the Braddon clause which the Federal Conference desired to have struck out in order to bring the States to their knees and increase the scope of Commonwealth expenditure. More surprising still is the rumour that their late leader, Mr. Price, is already breaking away from the control of the Caucus over which he has presided for several years by asserting an independence for his Ministry which may bring him into conflict with it. Then, on the other side of us, we have a wrestle between Mr. Kidston and the Labour members who support Mr. Morgan against the decisions of their State Conference expanding into an attempt to assert their independence of the local leagues. Mr. Watson, the former Labour Prime Minister, and his late colleague Mr. Hughes, both of whom sit for constituencies in this State, are according to report at issue with many of their fellow Labour members, because of their unwillingness to amend what is known as the contract labour clause in the Immigration Restriction Act. They are also supposed to be anxious to tone down some of the resolutions carried at the Federal Conference of July last. The amount of the strain which these indications imply can only be known within the party. South Australian and Queensland politics in general are little criticised and less understood in New South Wales. The objects or rivalries within their Labour

Caucuses are mere matters of gossip and conjecture. What is clear is that these are more agitated than ever before, and that their differences are more public. Their West Australian dissensions are not in evidence any longer, because Parliament is not in session and partly because the *Daglish* Cabinet is no longer in office. It seems to have been hunted out by the jealousies of those who ought to have been its best supporters. In that State, as in our own and in Victoria, the party is in possession of the direct Opposition benches, a situation in which it is not comfortable because of its powerlessness. No Labour Government remains in Australia. Its Caucuses support Mr. Morgan in Queensland and Mr. Price in South Australia, having representatives in both Cabinets. Its Federal Caucus supports Mr. Deakin without a representative in his Ministry and with no agreement for a continuance of the combination at or after the General Election, which must come at latest in the last months of next year. The notable general fact is that wherever the party has been in power or has shared or is sharing power there are signs of a struggle between the men of experience and the extremists without experience of responsibility. The upshot no outsider can predict nor probably those best informed within the Labour ranks.

FEDERATED AUSTRALIA.

THE COMMERCE BILL. ENCOURAGEMENT OF SETTLERS.

FROM OUR SYDNEY CORRESPONDENT.
[Oct. 2 1905]; Nov. 24 1905.

Whether it be the effect of proximity or the more insistent appeal of local interests seen from here the public affairs of New South Wales appear to bulk more largely at present than those of any other State. The same issues, though in different forms, are occupying attention on both sides of us, and in some cases, as for instance in respect to immigration, are stirring up debate all over Australia. But for one reason or another the chief interests seem concentrated in Sydney. One might almost say that with us they are embodied in concrete shapes and attended by striking incidents, while remaining vaguer and less impressive elsewhere. The Commonwealth Parliament itself proses on without catching public attention as the Ministry plods its weary way towards recess through the pretty tangles of minutely critical debates. These are nominally devoted to the words or phrases of a so-called "Commerce" Bill which is being assiduously blocked by the Opposition line by line and clause by clause. It has taken three weeks to pass fifteen sections intended to enforce upon importers and exporters alike the placing upon certain goods of true descriptions designed for the protection of purchasers. Food, clothing, and drugs are not to be brought into our ports or despatched from them with false brands or names. So far so good, would be the general verdict were it not for the means adopted to enable the proper tests to be applied. The measure as drafted for the late Minister, Mr. McLean, but in part disavowed by him, and altogether decried by his late colleagues, hands over the whole administration of the law to the Minister of Customs. He may fine and forfeit upon the advice of his officers with scant prospect of the Courts interfering. His interpretations may be rigid and his rule harsh, to the detriment of our ingoing or outgoing trade, according to the temperament or predilections of the Minister of the day. It is no wonder, therefore, that the members who are in touch with the mercantile and manufacturing community have made good use of their opportunity to inveigh against the possibly arbitrary exercise of great powers. On the other hand, it is admitted that these powers are already exercisable under our existing Customs Law and, according to Ministers, cannot be exercised efficiently in any other fashion. After prolonged discussions, and many divisions, in some of which

the Government majority fell to four votes and the Labour Party itself was divided, the Bill was sent to the Senate. There it is intended to renew the same purposely protracted struggle. The Opposition is untiring; the Standing Orders include no closure, and it would take a session to reform them. The purpose is to prevent as much as possible any legislation whatever from finding its way upon the Statute Book. The sittings are long, proceedings dull, waste of time deliberate, as the evident aim of the “outs” is to make this a barren session.

MR. REID AND THE COMMERCE BILL.

The strong New South Wales flavour imparted to the Commerce Bill debates was accentuated by the return of Mr. Reid to Melbourne with a determination to put himself in evidence. He made up for his absence as much as possible in four days by the delivery of half a dozen long speeches, reviewing all that had been done or attempted while he was away. His obvious intention was to formally reassert his position as leader of the Opposition. It does not appear from the reports in the Sydney papers that he accomplished his desire. The object was too transparent. His summary of the past fell flat, his diatribes against Sir William Lyne and his Bill had been anticipated, his solemn approbation of the “stonewalling” tactics of his followers was superfluous, and the net result of his short “starring” season unsatisfactory. The fault did not lie in his speeches, which were forcibly picturesque and full of rhetorical invective, superior both in form and contents to the similar essays of his faithful followers. But the material was secondhand, did not affect the House, and evidently could not be glorified in its customary style by our loyal Press. It may suit Mr. Reid’s temporary purpose to show how much better he can handle current topics than his deputy, Mr. Joseph Cook, and his other substitutes, yet the conclusion suggested is not favourable to him. The immediate impression is one of disappointment that while leader he should be obliged to forsake his political duties for professional engagements in the Courts of this State. He does not renounce his leadership, but directs the battle from his chambers, and sometimes so as to suit his personal convenience in a way that provokes adverse comment from people who take public affairs seriously. He is suspected of influencing Mr. Carruthers, though probably following his lead, by pressing the Prime Minister to bring the disputed interpretation of the powers of the Commonwealth to acquire a site at Dalgety for the Federal capital before the High Court. Here, again, he has to take second place, because our premier is determined to treat this question so as to suit himself and his campaign against the Federal Ministry without regard to the wishes of Mr. Reid. The best speech of the latter was made when he sought to set aside Mr. Higgins’s motion, which closely followed the Canadian precedent of an address to his Majesty in favour of the granting of some form of Home Rule to Ireland. He submitted an amendment refusing to enter into a discussion of the

question, on the ground that such matters are not within the “legitimate province” of our Parliament. He supported this contention with cogent reasons capable of retaining for him the support of the Protestant Defence Association without giving unnecessary offence to any Irish allies he may possess. On the same day Mr. **Bruce Smith** placed before the House a powerful appeal for exceptional treatment of the Japanese in connection with the restriction of immigration. He did not ask that they should be admitted to Australia but that their “exclusion” should be arranged “in a friendly way” to avoid offending their “just feelings of national pride”. His grounds were that politically, socially, intellectually, and morally they had proved themselves the peers of the foremost European nations. It is a significant circumstance that he was evidently listened to with interest and sympathy.

EMIGRATION QUESTION.

After all allowances made for the prominence of this State because of the aggressiveness of our members in the faction fight in Melbourne, events in Sydney are eclipsing those achievements. Undoubtedly the most opportune and immediate subject for consideration anywhere in Australia is that of the proposed encouragement of settlement from the Mother Country, whether it be wholesale or retail. Proceeding under instructions from Mr. Carruthers, our **Acting Agent-General** has been arranging for the settlement of a score of families of farmers with some capital upon the Myall Creek Estate recently purchased by the Government for subdivision. Then came the sudden proffer from “**General**” Booth of 5,000 families, not destitute but unable to purchase homesteads except upon the easy terms allowed to those who take up land still in the possession of the Crown. The handling of this proposal has been left to the Agents-General, among whom Mr. Coghlan is certain to take first place by virtue of his courage and experience and because of the hearty manner in which he is being backed up by our Ministry. Every other State has paltered with the proposal except Western Australia, whose attractions will doubtless lose nothing in the capable hands of Mr. **James**. If the South Australian Coalition had paid more heed to the excellent advice tendered by Mr. **Jenkins** it also might have emerged from the test less unsuccessfully. Labour influences, Mr. **Watson** to the contrary notwithstanding, have put the brake on in Adelaide, and, most surprising of all, in Queensland too. The Anti-Labour Cabinets of Victoria and Tasmania have been equally behind-hand, so that it is plain we have to face other influences in them hostile to any liberal departure from their do-nothing policy. Compared with our neighbours this State has done well, and yet it must be confessed that we ourselves have little to be proud of in the response we are making. Here as elsewhere the critics of “General” Booth, among whom, strange to say, Sir William Lyne is to be found, complain that our own people cannot obtain land without vexatious delays, and that some farmers are even now

leaving the country in disgust to seek better treatment elsewhere. The testimony given by these men is astounding. The land they have been tilling is good, and they seek no better. They have made money by farming, and are taking it with them. Their own prospects were satisfactory, and if they had only themselves to consider they would have remained. They leave simply because the openings for their sons and relations are not sufficiently encouraging. These cannot secure farms because of unsatisfactory land laws and worse administration of the red tape order. There are millions of acres of excellent land lying idle, but applicants are wearied of fruitless efforts to enter upon it. Some are actually leaving their own country for others less advantageous, but where the land is accessible and where pains will be taken to tempt them to cultivate soils not so rich as those they see but cannot obtain for their sons here. The damning truth of many of these condemnations is admitted by the Press, and properly so because the interests of intending Australian settlers and of those willing to come to us are in these respects exactly the same.

THE LANDS INQUIRY COMMISSION.

Mr. Carruthers is angry, but not more angry than those sitting with him in Parliament, at these untimely impeachments of the present policy of dealing with our lands, because they are made just at a time when he is advertising them abroad. Some of our most foolish members censure the newspapers for publishing statements from the men, and our Premier is much of the same mind. He calls them "dissatisfied", as if these complaints were to be brushed away indifferently on that account. Of course, if only satisfied people are to be heard his task would be much simpler, and reform might be postponed indefinitely. He insists that there is a long stretch of good land along the Grafton line amply sufficient for all local applicants, and apparently contends that this fact was sufficient to silence all criticism. Obviously it is wide of the mark. Even if the North Coast Railway project recently approved by the Assembly should be executed at a cost of two and three quarter millions for its 310 miles the case against the land laws will not be altered. It is this very district that some of our farmers are now leaving, though it is believed to be exceptionally fertile. The land is there, but it is not really procurable. Legislators who are responsible for the statutes that have kept it locked up are naturally unwilling to have responsibility sheeted home to them, but it is to the interest of the electors that they should be amended out of hand, however inconvenient the process may be to our representatives. Ministers are also naturally averse to having their administration as roundly abused as is the network of acts under which it is conducted. But here again the unsavoury revelations before the Lands Inquiry Commission, which are steadily becoming more startling, admit of no superficial dismissal. At last Mr. Crick, a former Minister of Lands, has been openly accused of accepting bribes while presiding over the

Department, and will commence his defence within a few days. Supposing two million acres of splendid agricultural land be opened up by the North Coast Railway and be nominally ready for settlement according to law, the great public work and the satisfactory statute under which it can be selected by farmers can both of them be rendered worthless for that purpose by maladministration, whether corrupt or simply blundering. There is a great want of knowledge, or at least of advertisement, of suitable lands for closer settlement. Mr. Coghlan pointed this out in his famous **report**, which is being widely circulated throughout the Commonwealth. Referring to all the States without exception, he wrote that no Australian representative could unhesitatingly affirm that plenty of land within the rainfall area was always readily available for newcomers upon their arrival. Sometimes it is and sometimes not. By way of a remedy Queensland and South Australia are bent upon taxing the owners of great grazing estates fit for cultivation when they shut them up from the plough. New South Wales and Victoria are repurchasing and reselling such holdings, though they are not keeping up with the demands within their own borders. Tens of millions of acres lie unoccupied for one reason or another throughout Australia while would-be settlers go from State to State, or even in a few cases set sail from the Commonwealth, because of the delays and disappointments that they have been exposed to from the official custodians of the soil. Who can say that we do not need a strong effort to break down these artificial barriers to rural progress which have been raised and are maintained against the best interests of the Commonwealth?

THE THRIFTY AND THE HEEDLESS.

Mr. Jenkins, the Agent-General for South Australia, in a letter to his **Premier**, regrets that our local newspapers are filled with “the lamentations of the tired toiler who never toils and the prospective poverty of the prosperous producer”, complaints that he says are greedily copied into the British Press and circulated broadcast by those interested in detracting from our reputation. In this there is a great deal of truth, though the complaints themselves are actual. But they arise, as a rule, from a few disqualified persons who insist upon a standard of living comparatively rich in comforts, which they are, under any circumstances, too idle or incompetent to earn for themselves. The average Australian farmer and workman makes money and saves money probably faster than men of the same class anywhere, and this notwithstanding the fact that he is subject to losses that are severe if he neglects, as he often does, the most reasonable and simple precautions. The man who spends freely because of fine prospects and is caught napping whenever times are hard, even while confessing that he has made and is making money, will sometimes throw up the sponge instead of mending his ways. A few of our farmers do so now and then because others who are more energetic pass them in the race. A general expectation among all classes seems to be that they

shall either have constant employment, short hours, and high wages in the towns, or that they shall become freeholders, who may almost be termed small squires in easy circumstances, in the rural districts after a few years' labour. They see prizes of this kind secured by the intelligent, thrifty, and persevering, and attribute their own inability to attain the same results to anything but their own fault. It is partly for this reason that the Pilliga land offered to "General" Booth has lost the occupiers, such as they were, who used parts of it for cattle raising, partly also because better pasture was to be had and they went to it. Now we find the Sydney *Daily Telegraph* suggesting that it is doubtful if Pilliga will yield more lucrative results to immigrants than it did formerly to its graziers. In all probability it will at first yield less, if put to the same use in the same way. But that from the immigrant's point of view may be immaterial. If these scrub lands give him a home instead of no home, and a fuller reward for his labour than he got in his old village he is repaid. Moreover, if he attacks the problem with greater energy and application and under expert advice from our Agricultural Department with new methods he could perhaps make even cattle raising more profitable than it was. In addition he can now make wheat and fruit growing pay much better than cattle did or could when they were the only means of livelihood afforded. Immigrants will be strange to their task at first. They must needs buy local experience. But there is no reason why if they entertain less exaggerated anticipations of immediate affluence they should not surpass their own more reasonable forecasts and the shiftless devices adopted in former times. The *Daily Telegraph* thinks their success doubtful owing to the character of the land and its distance from the Metropolis, and that a first failure would do harm. In advising caution under such assumptions it is wise, but when it suggests that new arrivals must be provided with "land of good quality and handy to markets" its writers forget that our own young people have been asking for opportunities of this kind and have not been obtaining them. Complicated regulations and bad administration have barred them out. There has been little reality in many of the familiar demands for immigration or for an up-to-date land system ostentatiously put forward from time to time. These were often given an airing merely in order to achieve a pose or attack a political adversary. The present need of finding practical means of peopling Australia by making its unused areas at once available for production has exposed the hollowness of much of the advocacy employed in all the States. Under this pressure even Tasmania is awakening. A meeting of citizens has been held in Launceston for the purpose of galvanising her Government into action. We have just celebrated the fiftieth anniversary of our first railway, and may perhaps be inspirited by that occasion to inaugurate another equally beneficent agency of progress in the use of the immense territory within the borders of New South Wales which has been brought close to the seaboard by the railways. Upon this many times five thousand families can find prosperous occupation and comfortable homes if they are not too eager for strokes of luck, or are not tempted to repose upon the hope of unearned increments instead of upon their own industry.

FEDERATED AUSTRALIA.

“GENERAL” BOOTH’S OFFER. ITS EFFECT ON THE STATES.

FROM OUR SYDNEY CORRESPONDENT.
[Oct. 9 1905]; Nov. 30 1905.

The collapse of “General” Booth’s offer, for causes that are not yet clear, closes a very picturesque and unprecedented incident in an unexpected way. As was remarked in my letter at the time of its sudden appearance his cable was universally accepted here as bona fide in every respect. There was a curious credulity on every hand which led to the discussion of that offer without the suggestion of a suspicion that the head of the Salvation Army might not have the 5,000 families or any of them whom he tendered for export to Australia. His recent visit to us had deepened the impression made during his previous tours by the sincerity of his speech and power of platform influence over large audiences. Quite apart from his admonitions to his “Army” he then addressed meetings in every centre upon the social work in which he is engaged in the Mother Country among the unemployed, the dispossessed, and the poorer classes generally. These enterprises as conducted in Sydney and elsewhere are practically managed and effective agencies which receive a large measure of public support. When therefore the “General” proffered 5,000 families to the Commonwealth the **Prime Minister**, to whom he is personally known and whose enthusiasm for immigration seems untiring, welcomed it unquestioningly, and transmitted it to the Premiers of the States. They were less cordial in their reception, and the more they thought of it the less they liked the dilemmas into which it threatened to plunge them. But they did not venture to challenge its reality, though they would have been glad of that or any other pretext of putting the troublesome question aside. All had complete confidence in the “General’s” powers to despatch regiments of emigrants to the ends of the earth. Not a doubt of that kind suggested itself, or else the perturbation produced in their Cabinets would have been much milder. They saw above the horizon a patriarchal figure in a quaint uniform propelling towards our shores a fleet of ships laden with thousands of men, women, and children for whom they had to provide homes. Too surprised to criticise they clattered desperately to their Legislatures about the things they intended to do when the shiploads got here. The picture has vanished as suddenly as it came, and we are still in the dark as to the reason why the projected exodus is not to take place or whether it was anything more than a venturesome forecast of the possibilities

of your coming winter. Mr. Deakin, to whom the original offer came, has received an apologetic notice of its cancellation couched in language which points to some antagonisms in England that have intervened. The cables have told us of a few protests from Trades Unions and politicians against the depletion of English counties if such effluxes were to occur, but there our information ends. It is enough for us to know that the promised argonauts from your agricultural districts are to remain in what we ourselves call "home".

MR. CARRUTHERS'S CO-OPERATION.

No Australian will regret the incident, and there is no inclination to reproach the remarkable man who evidently made his offer in all good faith. The Prime Minister has several times described it as a touchstone applied to our sincerity in the matter of immigration, and most certainly it has revealed to every one the true position of our politicians in this connection. At first it seemed that New South Wales had cut the most creditable figure. At all events Mr. Carruthers was congratulated in the belief that he had grasped the occasion with better grace and more promptness than his fellows. He was willing that we should absorb the whole influx, authorised our energetic *Acting Agent-General* to come to terms with its Controller, and set apart the "Pilliga" scrub as a site for immediate occupation. It is now doubted whether he deserved the praise. His activity was not guileless since this was far from being the most fertile land in his control. That fact enabled him to tender a great area without awakening the least local jealousy, though it did provoke a cross-fire of adverse criticism from men of experience who asserted that its prospects were not sufficiently good to tempt farmers to make their homes upon it. The inference that it would not pay newcomers to take what our own experienced men pass by is not conclusive, because all depends upon the men and the manner in which they tackle the country. Operating together under advice, and with the assistance which the State willingly finds for all its settlers, unpromising districts can be made fertile in very few years. Whether this would be the case at Pilliga is at present an open question upon which authorities differ. However this may be, ours was at least a definite response to the "General's", offer; or at least the only one advertised. Western Australia came next, as, according to latest intelligence the new Premier, Mr. Rason, is seeking to make a bargain directly through his own *Agent-General* in London. Whether that will come to anything the future will show.

The other four States have remained passive, two of them frankly acknowledging their dearth of opportunities to provide at short notice for settlement on any large scale. Mr. Price was the first to admit that South Australia has enough to do at present to find land for her own earth-hungry sons who have been hiving off to Western Australia, to

Victoria, and to this State. The Tasmanian Government, after a feeble confession of the same kind, babbled of the green fields to be found in its forest country and then relapsed into its customary slumbrousness. Queensland, though with almost boundless areas of rich virgin soil, some of it in its sub-tropical coast lands, and everywhere in need of more people, appears to have remained deaf to the voice of the Salvationist. This may be due to a fear that his recruits will come from the “submerged tenth”, and consist of the city “hooligans” against whom Sir *William Lyne*, though a member of the Federal Government, entered a public protest in his own constituency. But this suspicion is scouted by Mr. Deakin, who further contends that the despised tenth contains men and women who could make their way in a new country to its advantage and their own. He understood that the bulk of the immigrants would be agricultural labourers. The Victorian Premier, Mr. *Bent*, eagerly seizing upon the assumption of the unsuitableness of the intending immigrants, has adopted it as the easiest manner of shelving the whole subject. He is now avoiding any conflict with his Labour members, to whose wishes he is often as amenable as if he depended upon their support. They have cast their weight against “General” Booth’s overtures in every State; not unitedly and not openly, but steadily. Their policy is to safeguard the interests of the land-seekers among us, who have votes, rather than to risk their suffrages for those of others far away and from whom they expect less.

SOME OF THE RESULTS.

The fruits of the Booth incident are a few very valuable lessons to Commonwealth citizens hitherto unappreciated in the centres of population, and vainly dwelt upon by those who know our outlying districts. We have much to learn and a good deal to undo. First and foremost the inertia of our Lands Departments and the tangle of our land legislation, dictated by fear of building up great estates, are shown to have contributed to drive away settlers and to be gravely embarrassing many who have obtained a conditional title to their homesteads. New South Wales has furnished the most shocking example of incapacity and neglect in these directions. The revelations before the Inquiry Commission have gravely compromised Mr. *Crick’s* reputation because of his alleged acceptance while Minister of Lands of a share of the large fees paid to a certain land agent for what in ordinary cases ought to have been unnecessary interferences. Even if he is able to disprove the charges of complicity in these strange transactions when they reach a court neither his evidence nor that of any number of other persons can explain away the payments to agents made by applicants for concessions, transfers, or other departmental dealings which were far in excess of any legitimate sums that could be fairly claimed for services rendered. Who really received or shared the money we do not yet know, but the incontestable circumstance is that

it was paid by men who ought to have been able to have any honest business put through for a small fraction of what they actually paid. The plain inference is that when the man who could pay only secured his rights by scattering largesse the man who could not or would not pay his footing, even though his plea was just, must have been left lamenting. The case against Mr. Crick has only been outlined, and the application for bringing back Mr. W.N. Willis from South Africa has not been heard there, but whatever happens to them the old departmental system is already doomed in this State. Our Government promises to place it under a Commission analogous to that which has successfully controlled our railways for the last twenty years. The change cannot be made too soon; its urgency is at last becoming recognised. No more damning indictment of our present cumbrous system of dealing with Crown lands or of the indifference in the public which has permitted it to continue has been uttered than that delivered last week by Mr. R. J. Black, M.L.C. A long experience of country properties extending over a number of years qualified him to pronounce judgment, and a large audience of business men applauded his findings. These condemned root and branch the present complexity of interlaced, over-elaborate, and often varied statutes under which we are disposing of the national estate. His story of how millions of acres were sacrificed notwithstanding the excellent intentions of our earlier laws was not pleasant hearing. It was followed by a daring proposal to suspend the alienation of Crown lands for a year in order that there might be a simplified consolidation of all our Acts and a proper classification and survey of whatever areas now remain to us. Without these reforms, says Mr. Black, we can neither satisfy the wants of our own farming class nor offer attractions to emigrants from the Mother Country. According to the mover of the vote of thanks to him, "to go back was disaster, and to stand still highly dangerous". The question now is if we can persuade the Ministry to go on, and convince the Legislature that the Cabinet should be encouraged to face a revolution in the prescribed methods of securing the utilisation of our lands?

NEW SOUTH WALES LAND SYSTEM.

New South Wales is unhappily typical of Australia generally in its clumsily intricate land system. When the first leaseholders, or "squatters", had their runs thrown open for settlements they were exposed to the competition of "blackmailers", who compelled them to purchase the freehold blocks carved out of their pasturage in order to save their stock. The squatters in their turn retaliated, excluding the honest invaders of their leased "runs" by acquiring the best parts of them through pretended selectors, or "dummies", who were in their pay. By this means "the eyes of the country" were picked out, and great estates formed of valuable agricultural lands, which were intended to be brought under the plough. As a consequence our selectors were pushed

out from the well-watered areas near the coast into distant districts of uncertain rainfall. Then another movement began. South Australia nominally “occupied” in this unsatisfactory and haphazard fashion, though still unpeopled, saw her farmers’ sons driven on into Victoria. In that State, with tens of thousands of acres locked up in the same way, the younger generation soon found itself in the same plight. Again, when the land obtained at a pound an acre became worth many times that amount because it was favourably situated for markets, while other tracts of equal quality in the possession of the State were open at the old rate farther back or across our border, their fathers, too, sold out, usually to the owners of large estates, and trekked inland. Thus Victoria too lost population to our gain for many years until now the same process having continually proceeded we are coming to the same condition. The movement setting in is from us to Queensland, where rich land is open for selection on easy terms. We have parted with hundreds of selections that are no longer held by their selectors, but are now parts of huge “stations” used only to grow wool. Hence it happens that in this spacious continent with but a handful of inhabitants we have still an unsatisfied cry for land and have been forced to initiate a policy of closer settlement involving the repurchase of some of the most fertile large estates. The Crown, which gave them away at a pound an acre a few years ago, is buying them back for several times that amount in order to subdivide them among eager applicants at the higher figure. It is upon the Myall Creek estate thus obtained that the families for whose passage out Mr. Coghlan is now arranging are to be placed when they arrive. These happen to be possessed of sufficient means to become buyers on the long terms offered by the State, though favourable as they are they do not provoke local competition, when as in this instance the prospects of a resale soon are not certain, because the estate is far from the metropolis. The new settlers need not hesitate to come on that account if they mean farming and not land dealing. Then, on the other hand, the alarm expressed in England at the transference of 5,000 families to Australia is scarcely reasonable. From our point of view the enterprise it betokens is an excellent testimony to the quality of the emigrants. If they were really “hooligans” from the slums there would be no opposition to their departure. In the next place, it is strange that the outcry should have been reserved until it was determined to send them to the Commonwealth. Thousands of families have been going and are continuing to leave for Canada every year without protest of any kind, and indeed with the approval of all classes. If baulked in their desire to come to us they may go there still, and probably will without objection. We are under the same flag, are at least as flourishing, and with greater possibilities of development, but because we are remote, have cumbrous Land Laws, and have obtained a name for narrowness are to be refused our share of the tide of human beings which has been flowing out from Great Britain for many years. Let the competition between us for your surplus population be fair and free, and not decried only when it turns southward.

THE EIGHT HOUR DAY.

Eight Hours Day in Sydney is the great festival of our working classes, and is invariably attended by its high priests who sit as representatives in the Federal or State Legislatures. The demonstration this year was a distinct success. The dinner, postponed till the evening instead of being held in the middle of the day, was a much more imposing function than usual, being attended by several Ministers, a score of members of Parliament, and the **Lord Mayor**, with some of his aldermen, in addition to the leading Trade Unionists. It was fitting that Mr. **E. W. O'Sullivan**, whose grandiose public works policy raised our expenditure to its height, should open the speaking with a strong plea for an almost universal eight hours day. The **President** of the Sydney Labour Council responded to the toast by advocating a universal Saturday half-holiday. The **Chairman** himself, with these pleasant ideals in his mind's eye, began by commending the Immigration Restriction Act, and inferentially objecting to any alteration of its embargo upon contract labour unless it was specially required in this country. Sir William Lyne, who came next, was entirely sympathetic with the distrustful attitude of the Unions towards State-aided immigration, and even Mr. Carruthers's colleague, Mr. **Lee**, the present Minister for Works, deprecated the introduction of the "submerged tenth", though his Premier was at the time conducting negotiations with "General" Booth. His success with his audience was obtained by a reference to the contract for the local manufacture of iron recently entered into by him. This evoked great cheering, and his promise of a water supply scheme to ensure the settlement of our western lands was of equal importance. But a cloud overshadowed the gathering despite these prospects, due to the character of a Bill amending the Arbitration Act lately laid upon the table. This measure will practically supersede our present Arbitration Court by dividing up its powers among some 40 wages boards of from six to 18 members each, chosen in equal numbers from employers and employees. Each board will deal with its own trade, deciding finally all questions of wages, hours, and apprentices, altering any arbitration awards now in existence at pleasure, and in fact taking the whole control of all industrial issues from this time forward. When once constituted they will be able to cope with disputes much faster than the existing Court and in a more practical manner, since all their members will be familiar with the needs and customs of their own trades. The Arbitration Court will remain to be invoked if necessary, but it will play a very small part for the future in our industrial affairs. The consent of both parties to a dispute and the absence of a wages board or an application for one must precede any appeal to its jurisdiction after this Bill is passed. The glory will then have departed from it, together with whatever measure of usefulness it now possesses. In the opinion of our Ministry the Arbitration Court, of which so much was anticipated, has failed in New South Wales, while the Victorian Wages Boards have succeeded. The latter are therefore to be copied, if the Attorney-General can persuade our Legislature to adopt the Bill which he has brought before them repealing the present Arbitration Act in effect though affecting only to add to it the boards which will be substituted for its tribunal.

FEDERATED AUSTRALIA.

PREMIER'S PROGRAMME. IMMIGRATION QUESTION.

FROM OUR SYDNEY CORRESPONDENT.
[Oct. 16 1905]; Dec. 5 1905.

Immigration is still the touchstone, though it is being curiously applied. The fact that it provides a popular cry is interfering with the immediate and visible success of the movement. All astute political leaders desire to annex it for themselves and to prevent others annexing it, or by strategic moves to oust them from their positions of vantage in regard to it. To the cynical onlooker this may seem very amusing, but to the thoughtful the subject is too serious to be trifled with. To see it utilised as a cover for mere party ends or personal jealousies is becoming repellent. It is hoped that public opinion will soon come to grasp the selfish character of the unseasonable coquetting now proceeding. Though the cry is popular the schemes proposed are not, at least up to the present. This may be because they are indefinite or misunderstood. New South Wales has made an actual beginning. Mr. Coghlan has despatched a first group of families from England, and recently Dr. Richard Arthur, M.L.A., presided at the inauguration meeting of the first Australian Immigration League. The manner in which this was conducted betokened no excess of confidence, since admission was by ticket, and the attendance, considering the question, not large. Nor was it as representative as had been planned by the enthusiastic and capable young politician responsible for its being held. The announced intention was that the importance of the movement should be signified by the presence of the leaders of our three Federal parties, who were to be united for once in their personal advocacy of an active policy of immigration. Sydney was chosen as the place of meeting, and every effort put forth to impart to the occasion a distinctively national character. The evening was very wet, the date unsuitable, and the events of the past few weeks in our local Legislature unpropitious. The influential platform facing a large and representative audience would have made any other meeting a marked success, but seemed overshadowed in this case by the magnitude of the interests at stake and by the general expectation that the demonstration was to be something remarkable. Nevertheless, the League made a good beginning. Dr. Arthur's persistent activity has had its reward. His introductory address, brief though it was, dwelt convincingly upon the immense

stake that Australia is risking while we allow the continent to lie waste waiting upon the convenience of party politicians. The liberality of his views was wisely reflected in the breadth of the programme he outlined for his League. His object was to educate the electorates to an insistence upon the encouragement of immigration, leaving the particular means to be employed to be freely selected by our Legislatures. His principle is expressed in the simple demand that more people must be obtained. So far he has gallantly carried on a propaganda almost single-handed by his voice and pen in the city, in our Assembly, and in the country. A few weeks ago this part of his labours came to a successful close with the establishment of an organisation through which he will continue his indefatigable work. Probably he will press on without the effective aid of his fellow-members, who either envy his success or are adverse to his aims; without the effective patronage of the Ministry he supports, of the Free Trade Party to which he belongs; or even of its powerful Press, except in an impalpable way.

PRIME MINISTER'S VISIT.

A good deal of the lukewarmness towards Dr. Arthur arises because he really does sink all purely party motives for the sake of the cause he has espoused, and does not simply affect to do so according to the example of his seniors. No protestation is more familiar, trite, and insincere than that of an independence of ulterior considerations, and possibly it is because he is still new to public life that he attempts to put his profession into practice. His manifest surprise and disappointment at the fashion in which he has been evaded do him credit. At his solicitation the **Prime Minister** himself made one of his infrequent appearances in Sydney. It was a flying visit solely for this purpose, in which he travelled twelve hundred miles in order to assist this effort in furtherance of one of his pet projects. More courageously still, Mr. **Watson** came too, for though his home is here, he is not often heard in the Metropolis except when advising his Labour followers or engaging in an electoral contest. No doubt when securing the chiefs of the Protectionist and Labour Parties Dr. Arthur believed that he had accomplished his design of founding a genuinely non-party League with the approbation of all sections. But his success with his opponents was his undoing with his friends. Mr. **Reid** was absent on professional business in the country. Probably this was unavoidable, but it was notable that his following was absent also. Though two or three Senators were present, the deputy leader, Mr. **Joseph Cook**, was away too, while not a Federal member of the House of Representatives nor a member of the late Coalition Cabinet, though several were in Sydney, put in an appearance. The party, its chiefs, and its organising agents were none of them visible. The State **Premier**, who, like Mr. Reid, had consented to attend, presented his apology by the lips of his colleague Mr. **Hogue** who, evidently acting under instructions, was careful

to dissociate himself from the League and to damn its platform with faint praise. Our Ministry was therefore also unrepresented in any real sense. These abstentions were not casual but deliberate, and were not due to antagonism to the movement, but to party hostility. Had Mr. Deakin remained in Melbourne the Federal Opposition here would have brought either Mr. Reid or his lieutenant or both to the front. If Mr. Watson had refused as well, they would have summoned all their forces with beat of drum. Mr. Carruthers would have joined them with his satellites. We should have had oratorical fusillades in honour of a non-party agitation, with grave deprecation of the party spirit which led the Prime Minister and the leader of the Labour Party to shun a national movement to which the sincerity of their adhesion would have been challenged. Remembering that our dominant party in New South Wales is unanimous in its desire to promote immigration the manner in which Dr. Arthur was resorted to was indefensible. The chance of giving the meeting the party colouring which he particularly sought to eschew was too tempting. By leaving Mr. Deakin and Mr. Watson its sole speakers their partial harmony on this question was made to appear part of their Federal alliance. The Labour leader was careful to guard himself against misconception by declaring against any payment towards the passages of immigrants and to point his sympathisers to the alterations in our land laws which must precede the introduction of settlers. None the less the boldness with which he took the platform in defence of proposals that are being either condemned or queried by most of the Trades Union Councils upon whom he relies is another proof of his capacity as a leader.

EMIGRANTS WITHOUT MEANS.

The Prime Minister's fervid speech on immigration contained nothing new, though it provoked much enthusiasm. His faith in "General" Booth's *bonâ fides* appears unshaken, for he is still hopeful that by his means suitable families may be brought to Australia. The cables from London suggest that none of the State Ministers share this opinion or else that they do not desire to owe their recruits to the Salvation Army. What is assumed here is that Mr. Coghlan, our active Agent-General for the time being, is either hampered by adverse instructions or else embarrassed by the absence of support from our State Administration. If "General" Booth or anyone else had good emigrants under his influence Mr. Coghlan, if his hands were free, would be first in the field to capture them for New South Wales. But even on this question Mr. Carruthers is sulky as usual, grumbling because we are confused with other States, while, as a matter of fact, we seem little more disposed than they are towards men without means. We are better qualified to put purchasers in possession of farm lots resumed by the Government or under offer from private owners, but

that is all. It now transpires that Mr. Carruthers's declaration that he was prepared to provide for the whole five thousand families tendered by "General" Booth was mere "bluff". From the cables we gather that not even the questionable Pilliga scrub lands have been mentioned to them. Our Premier has done nothing and proposed nothing definite himself. When Mr. Bent, who is just as anxious to shelve the "General's" offer, invited him to a conference of Premiers in order to find plausible excuses for eluding it he would not even join his fellows in that performance. New South Wales has fallen back, and it is now left to Queensland and Western Australia to take up the running. Small contingents of emigrants are tendered to these States, and would be eagerly welcomed were it not that Mr. Morgan is weighted by the prejudices of some of the Labour members behind him, while Mr. Rason is facing a general election in the endeavour to obtain a majority from the country. There are encouraging omens for the latter in the secession of Mr. Daghish, the late leader, and a serious assault upon the constituency of Mr. Johnson, the new leader and ablest member of the Caucus. Western Australia has ample room for 50,000 families in several of its rural districts and it is hoped that some will be transferred there after the polling is over. But for the moment the application of the offer of the "General" as a touchstone has brought into strong relief the need for arrangements by which large bodies of immigrants can be received and allotted homesteads. These are yet wanting in all the States. In the next place it is plain that our Ministries are much incommoded by the proposition made to them, to which they neither dare to say "Yes" or "No". Immigration as a cry is popular, but a practical scheme for providing for immigrants is beyond their powers or their inclinations, and not until pressure is applied to them will it become possible for us to take the necessary steps to get one. The Prime Minister is making himself cordially disliked by the State Premiers because of the manner in which he keeps "General" Booth's offer and their inability to accept it before the public. Mr. Carruthers especially resents what he terms the interference of the head of the Federal Government, and either on this account or because of their protracted correspondence about the Federal capital absented himself during Mr. Deakin's visit to this city. The smouldering ashes of his various anti-Federal resentments are now threatening to burst into flame upon the slightest provocation.

THE PRIME MINISTER'S THREE Ps.

The Prime Minister's *most significant speech* in New South Wales was made at the annual dinner of our Chamber of Manufacturers, where he drew the curtain from his policy for next year a little further than he had done at the *Lord Mayor* of Melbourne's *luncheon* earlier in the week. Taken together with his immigration speech his recent utterances amount to a renewed declaration for Protection, Preferential Trade, and Population, the three chief planks of his original platform of

1903. He says plainly that the next general election is to turn upon these questions. This announcement has occasioned much irritation in our city newspapers, to whom the first two are objects of inextinguishable aversion. The promulgation of such a policy, which was heartily welcomed by our manufacturers, becomes excessively obnoxious to their favourite pose, in which they rigorously ignore facts that they find distasteful. Once more, therefore, they are forced to explain that the Deakin Ministry is not a Ministry, and that there is no Protectionist Party worthy of the name, that the Prime Minister is a usurper of that office who exists only upon the sufferance of the Labour corner, that Mr. Chamberlain's proposals are impossible in Great Britain, and that no preference can be granted in Australia to goods from the Mother Country. Exactly what is happening in the Commonwealth Parliament their readers may be puzzled to divine, but apparently some kind of interregnum is admitted in which it becomes possible for proposals to be made that coerce them into contemptuous criticisms. The new features in the Prime Minister's forecast, though attempted to be treated much in the same fashion, are, as the public perceive, unquestionably substantial. The novelty at Melbourne was the statement that a sub-committee of the Cabinet is taking expert evidence upon new products and new methods of treating rural products which are to be assisted by bounties in order to acclimatise them and foster settlement in the interior. Much is hoped from this activity, even if it should result only in an advertisement of our neglected opportunities and a focussing of attention upon some of them. In addition preferential trade was once more put in the foreground in his Sydney speech and this time not only with the Mother Country. A formal overture for reciprocity has been received from Canada and is now under review in matters of detail, though the estimates of benefit to Australia from it are not supposed to be sanguine. With South Africa, however, we already do a profitable trade, and in this instance the Commonwealth Government has itself taken the initiative. A response from Cape Colony has been received which is encouraging in its nature though the proposal cannot be dealt with until February next, when it will come before the Customs Convention of the South African Colonies, who in this matter appear to be federated by agreement. It is something, though not much, that this preliminary step should have been taken, but the astonishing circumstance is that it was not taken before. How Mr. Reid came to miss this opportunity it is hard to say, because even his fiscal negotiations do not exclude mutual commercial arrangements of this character. Whether the cause was simple inertia or not, neither in this or any other practical direction was his administration signalised by any practical departures from the ruts of administration. His deputy, Mr. Joseph Cook, has been complaining because the Federal Ministry have been urging the Tariff Commission to present a progress report, thus affording another evidence of the pushful policy in fiscal affairs which is characterising the present Government. Sir William Lyne's administration of the Tariff has given great offence because it is active instead of passive, but even if blunders are committed they are at least an evidence of life.

GOVERNMENT MASTER OF THE SITUATION.

In our own Assembly the Ministry has done extremely well, and here Mr. Carruthers has added to his reputation by his handling of business. The Labour Opposition, on the other hand, in a leaderless fashion and without judgment, has given him opportunities which he has had the good sense to seize in a decisive way. The Opposition corner, dispirited and divided, has ceased to count, and as a consequence the Government has been master of the situation. The Liquor Bill, much the most advanced piece of legislation upon this vexed question ever presented to our Legislature, with drastic provisions well in advance of anything of this nature in the other States, had a triumphal second reading, and is now assured of a safe passage. The Legislative Council is expected to supply a not too friendly criticism, but backed as the Bill is by an overwhelming majority in the House and accepted either expressly or tacitly by all parties except that which represents the interest of the trade, the measure is certain to become law this year. A second victory no less complete, but secured only after a prolonged all-night sitting and the repeated application of the closure, was gained by the passage through Committee of the Shires Bill. Here again the opposition was unreasonable and futile though loud and wearisome. It was defeated by the discipline preserved in the Ministerial ranks, which remained solid and silent hour after hour, voting steadily without pause or comment as clause by clause the Bill was submitted to the House. There was no debate, there was no amendment from them, though the drafting was susceptible of improvement in many minor particulars. The majority treated it as perfect, just as the minority assailed it as if every syllable of it was intolerable. Unreason was met by force. It cannot be pretended that this is legislation according to constitutional modes or that it affords anything like a sufficient guarantee to the public that the laws under which they live will be apposite or intelligently adapted to the circumstances in which they are to operate. It is legislation by mechanical means by two political machines pulling different ways, in each of which the individuals whom it combines into a mass act as if they were mere cogs in its wheels. Knowledge, intelligence, and individuality are temporarily suppressed in them. The more powerful machine at last succeeds by printing with the precision of a die a legislative pattern placed in it beforehand. Still, so far as we can learn, the Bill is a good Bill, and much better passed in this way than not passed at all. We shall find out where the shoe pinches presently, as no doubt it will pinch us in many places, notwithstanding the excellence of the theory upon which it has been shaped. When it does pass we shall have the local government throughout the whole State for which we have been asking in vain for a score of years. Residents of the interior will cease to be the dependents of a bureaucracy in

Sydney whose authority was tempered by political interference and influence. To some extent the Treasury as well as members of Parliament will be relieved. Self-help will be promoted, and with it a political education of the electors, all of whom except nomads and lodgers will enjoy a municipal franchise. For these manifold advantages Ministers and their supporters are entitled to praise. They have removed a reproach to which New South Wales has always been subject when compared with our Sister States. The Premier, as leader of the House, may fairly claim the chief share of the commendation awarded under the somewhat unfortunate conditions in which legislation has to be obtained, and which must continue while persistent obstruction remains permissible in our Legislatures.

FEDERATED AUSTRALIA.

NATIONAL DEFENCE LEAGUE. PARLIAMENT AND IMMIGRATION.

FROM OUR SYDNEY CORRESPONDENT.
[Oct. 23 1905]; Dec. 20 1905.

The **Prime Minister** spent no more time in Sydney than was absolutely necessary, making two speeches in one evening here and then leaving; two nights out of his three were passed in the train. Yet his visit accomplished a great deal more than our newspapers are prepared to admit. To them he is only Prime Minister, in fact, the usurper of a dignity which belongs to another. Compared with him Mr. **Reid** remains in their eyes the rightful heir, first, federally, because he reflects their fiscal views; and next locally, because he is member for East Sydney. Owing, however, to his unconquerable indolence while in office, and to his professional pursuits since, he has allowed his rival to take the lead in the most prominent movements of the time. As a consequence of last week's meeting Mr. Deakin stands at the head of the immigration agitation in this State as well as in every other State. The timidity of the Premiers and their embarrassment in the face of "**General**" **Booth's** offer of some thousands of families, has put them out of the race as much as Mr. Reid's silence and absence last week further impaired his claims. Then, during his term of office he did nothing for the improvement of our defences. It was Mr. Deakin's explicit impeachment of them while he was still a private member that first caught the public ear. He has always linked together his proposals for increasing population and for enlarging our military preparations as parts of one and the same scheme, and repeated his affirmation of their close connection as Prime Minister at the immigration meeting on Saturday night. Though he did not stop for the Town Hall meeting on Monday night which inaugurated the first Australian National Defence League he was present in spirit and by deputy. Mr. Reid, for some unexplained reasons, did not return from the country to take part in it. Mr. **Watson** spoke at both with the caution befitting his obligations as leader of the Labour Party, though he displayed more freedom and enthusiasm in support of the training of all citizens in martial exercises. Mr. Deakin's emphatic repetition of his profession of faith in Protection and Preferential Trade at our Manufacturers' Dinner was no more than was expected from his position as political head of the Protectionists. But it seems very poor tactics for our Free Traders to have

permitted him to assume without challenge the Federal leadership of the movements for immigration and for effective defence at the establishment of organisations founded for their furtherance. To have left him the lead in Sydney itself at the head centre of the Opposition to his Government betrays a most curious failure of foresight in both Mr. Reid and Mr. Carruthers. They have now a good deal of leeway to make up if they intend to dislodge him.

OFFICIALS OF THE LEAGUE.

Defence is in the hands of the Commonwealth, and on this account the chief spokesmen for the new National League were drawn from its representatives. First came Mr. Ewing, whose titular office is that of vice-president of the Executive Council, but who practically fulfils the duties of Under Secretary for Defence in the House of Representatives. The Minister, Mr. Playford, an ex-Premier of South Australia, sits in the Senate. Then came Mr. Watson, who on this subject seems as much in alliance with the Government as upon their political programme generally. Sir William McMillan submitted the second resolution, and though out of public life at present, was an acceptable representative of the Reid party. Mr. Hughes, who seconded it, was formerly Minister for External Affairs in the Watson Administration. He has always given a whole-hearted support to the proposal for compulsory military training. Mr. Holman, the deputy leader of the State Labour Party, though more suspicious of unspecified "Imperial intrigues", was almost equally cordial when following Mr. Hughes. Sir Normand MacLaurin, who ranks as a staunch Conservative and Protectionist in our Legislative Council, proposed a vote of thanks to the Mayor for presiding, which was endorsed by Senator Walker, a highly esteemed banker attached to the revenue tariff policy of this city. Though Mr. Moore, a State Minister, was present he did not speak, so that the Carruthers following was not actively represented at all. Of the seven speakers two were Protectionists, three were Labour members, and only two associated with Mr. Reid, none of whose late colleagues or influential fellow-members appeared upon the platform. Classified federally the speakers included five Ministerialists, including the Labour members, aided by two Oppositionists, only one of whom is in Parliament. Such an abdication by the dominant party in Sydney as this implies has not been witnessed for a long time past, and is hard to justify even as a piece of party by-play. From a national aspect it is still less excusable. The Minister, Mr. Ewing, confessed to defects in our harbour fortifications and armaments that will require a million sterling to perfect. He expressed dissatisfaction with our land forces, because if we were called upon to protect ourselves twenty-nine young men would require to look on while the thirtieth fought for them. Our chief difficulties are financial. Mr. Watson echoed his apprehensions because of the "appallingly small number of able-bodied men for

the protection of our vast territory". He hinted at a project for the replacement of our partially-paid Militia by a force three times as large for about the present annual outlay. His fellows, Mr. Hughes and Mr. Holman, were most affected by an ambition to replace a "military caste" by a "citizen soldiery", with which Sir Norman McLaurin disagreed. Still there was no discordant note struck during the whole meeting, which, under somewhat unfavourable circumstances, achieved a distinct success. When introducing the departmental estimates in Committee last week Mr. Ewing gave a few more details relating to defence, though it is plain that most of the Government policy has yet to be announced.

INTEREST IN IMMIGRATION DECLINING.

The stir about immigration caused by "General" Booth's overture has died away unfruitfully, for the present at all events. Mr. Carruthers is inclined to disparage it now that it has served its turn, and like most of the Premiers exhibits annoyance at the exposure of the poverty of his efforts to provide for settlers in any number unless they are prepared to purchase farms. The *Sydney Morning Herald* disposes of his plea and puts the case bluntly, heading one of its agricultural articles "No Land, No Immigration", and maintaining that "When this State has land to offer there will be no difficulty in securing thousands of men able not only to work the soil but also to set something of an example to local people by the thoroughness of their methods. Our own people are clamouring to the Government to make lands available, and it seems to be forgotten that there is very little good country in the State that is not held under some form of tenure". If the land leased be resumed and thrown open in the central and eastern divisions, together with the reserves on the north coast, and some almost inaccessible areas in that region are made available, we should have homesteads for our own people and for thousands more. But until the State Legislature or the Government take action it is idle to encourage men without either capital or knowledge of agriculture to face the less promising portions of our territory that are still in the grant of the Crown. We can always find first-class openings for the class of immigrants that New Zealand has been gaining by lending assistance to men who have £50, a minimum which in the case of farmers Mr. Reeves advises should be reduced to £25. Before this assistance was given the annual increment of that Colony was not 300 persons, possessing altogether less than £60,000, while last year there were "a couple of thousand of new settlers with about a couple of hundred thousand pounds at their backs". It is not too much to say that these men could have done quite as well in New South Wales if Mr. Coghlan had been there to lay his hands upon them. But to all appearances he is not receiving the vigorous support to which his energy entitles him. Yet when one remembers how upright and capable a man Mr. Ashton is his supineness in this matter is perplexing. Queensland

and Western Australia have trickling little streams of immigrants, more a promise than a performance, but the remaining States have not even that trifling gain. Mr. Bent having bided his time until the Salvation Army proposal had lost some of its attractiveness has now relegated it to a conference for January next, when all the Legislatures will be in session, and nothing but administrative action will be possible. From that gathering our expectations will be extremely small. For reasons already explained State politicians have played with the question since "General" Booth startled them until the interest of our fickle public has dwindled, leaving them to jog along in their old way with their excellent but inconsiderable methods of closer settlement for local applicants for land.

PREPARATION FOR SETTLERS.

The Commonwealth Parliament itself is not too eager to undertake its share of active propaganda work. It is easier for its members to contend that the States must begin by making land available in order to tempt and reward the newcomers. That is undeniable. But the fact remains that there is little real disposition on their part, even if land were readily acquirable, to authorise any extensive scheme of attracting population. Mr. Watson is the spokesman of more than his own party when he explains that his aim is to amend local laws and alter local conditions so as to make Australia so good a country for its own people that immigrants will hasten to us of their own accord. Reasonable as this sounds it is here that the Ministry, or, at all events, the Prime Minister parts company with him because he believes that the Mother Country cannot much longer be drained of the desirable class of agricultural settlers, who have been flowing into Canada and the United States in recent years. These countries are now receiving foreigners in increasing proportions and many of them not of a type to be readily absorbed. If we are to get our share of British emigrants we ought to be instantly in the field. A still deeper divergence of views between Mr. Deakin and the Labour Party as a whole is likely to become apparent when he attempts to recast the Immigration Restriction Act. Mr. Watson and a few of his more experienced associates will go some distance with him, but the bulk of the Labour Party are either very suspicious or unmistakably hostile to the whole project. The Act suits them very well just as it is, and the more it is abused by their opponents the more they harden in its support. There are not a few matters in which they openly disagree with the Prime Minister, and this is one of them. Their reliance is upon some members of his Cabinet always in close touch with the Caucus, and upon whom it relies to prune the aspirations of their chief into a more acceptable shape. There are the makings of a very pretty quarrel here, because the Opposition, whether lukewarm or not in its views, will make common cause with Mr. Deakin for no other purpose than to embroil him with his Labour allies. He wishes to reshape the famous contract

labour clause by reducing its operation to a few classes of immigrants; those who become parties to unfair agreements in their ignorance of our local conditions or are being used as pawns in some industrial strife. The Labour members are fanatically against any weakening of the absolute control at present exercised by the Minister. Either he or they must give way, and that very soon. Their anxieties have just been rekindled by the sudden discovery that he has been privately negotiating with the Japanese Consul-General, holding out hopes of amendments of the Act in order to remove expressions which offend Japanese susceptibilities by drawing a distinction between their people and the nations of Western Europe. When challenged he admitted that this was one of his aims. Another was an extension of the passport system originally introduced by him under which Japanese merchants, students, and tourists are able to visit Australia without being subjected to the education or any other test. He does not seek to alter the White Australia policy of the Act, but he does propose to amend it so far as it relates to British immigrants under contract or to our allies the Japanese. These are fundamental issues with the Labour Party which is regarding with manifest uneasiness and jealousy the independent fashion in which the head of a Government that requires their votes is handling their most cherished achievements.

PARLIAMENT AND IMPERIAL ISSUES.

Upon two Imperial issues last week the Commonwealth Parliament was oddly divided. A resolution submitted by the Prime Minister for a grant of £25,000 towards the Queen Victoria Memorial was passed by a majority of two to one. Almost the whole of the Labour Party voted for raising the sum by private subscription or else for devoting it to a memorial hospital in London. The Opposition voted solidly with the Government, though Mr. Reid merely paired in its favour. In the Senate a division on this grant is likely to be critical. The second resolution, proposed by Mr. Higgins, K.C., the Attorney-General of the Labour Ministry, a Protestant member sitting for part of Melbourne, in favour of "a just measure of Home Rule" for Ireland, led to a more confused division, or rather series of divisions, owing to the manner in which it was submitted. The final result was that the Prime Minister and four of his colleagues, three members of the Opposition, and the whole of the Labour Party secured a majority of 12 for Mr. Higgins against two Ministers, four of their supporters, and the whole of the Opposition. The latter relied upon an amendment moved by Mr. Reid expressing sympathy with the Irish people and confidence in the British electorates, but declaring that any Parliamentary decision on such a question was beyond our legitimate province. On this motion also the Leader of the Opposition was content to pair. On the same day the Senate accepted a parallel resolution by a majority of five made up of the Labour members, plus one honorary Minister and

one supporter, one of Mr. Reid's late colleagues, and one Oppositionist. This motion declared that its object was "the cementing of the Empire into one harmonious whole", while Mr. Higgins's address to the King, after the usual expression of "unswerving loyalty and devotion to your Majesty's person and Government", went on to "humbly express the hope that a just measure of Home Rule may be granted to the people of Ireland". It concluded with the assurance that "It is our desire for the solidarity and permanence of the Empire ... that must be our excuse for submitting to your Majesty this respectful petition". No exception can be taken to these phrases, without which neither motion could have been passed. Mr. Higgins under pressure had agreed to content himself with the simple record of the opinion of the House asked in the Senate, but the mistake made in submitting his elaborate resolution prevented the paragraph directing a petition to the King from being struck out. This had been promised to meet the objections of Mr. Deakin and others, who favoured the general proposal because it appeared to them a step towards Imperial Federation. Those who held this opinion were but few, the members being principally affected by sectarian or hereditary considerations. Out of some 15 members of Irish descent in Parliament only two voted against the resolutions. The Orange lodges were active in antagonism, and are forwarding counter-resolutions passed at public meetings.

From every political point of view the introduction of the question in any form has been properly deprecated by those concerned for the unprejudiced transaction of our own public business. It is not clear what good our intervention can do at home, but the mischief it will lead to here is unfortunately only too plain. Mr. Higgins and his following relied upon the Canadian precedents they have followed, though they attempted no proof that these had exercised or could exercise the slightest effect upon your politics. It is true that the Secretary of State for the Colonies sanctioned without qualification the consideration of all such questions by self-governing dependencies, but he said nothing of the prudence of proffering our opinions even in the vague terms adopted in regard to some kind of Home Rule in both our Houses of Parliament. Another mode of expressing them upon a kindred theme was afforded by the celebrations of Trafalgar Day, when a really extraordinary series of demonstrations were held in every State, in every city, and almost in every township. The sincerity of the public feeling evoked, unforced, unofficial, spontaneous, and universal, was a tribute to the hero whose victory and death were commemorated with enthusiasm. It was also a tribute to the Navy, always popular with Australians. But it was above all a manifestation of patriotism and of loyalty to Imperial ideals from which much good should spring through the younger generation of an impressionable age to whom the triumphs of the flag have been brought home in the schools and out of them by many stirring appeals and appropriate displays.

FEDERATED AUSTRALIA.

LABOUR PARTY'S INFLUENCE. ADVANTAGE OF SOLIDARITY.

FROM OUR SYDNEY CORRESPONDENT.
[Oct. 30 1905]; Dec. 23 1905.

The Australian political puzzle has put on a new face. Formerly it meant, What shall we do with the Labour Party? Now it means, What shall the Labour Party do with itself? That problem arose when it first came into office under Mr. *Watson* in the Commonwealth and under Mr. *Daglish* in Western Australia. The answer proved so hard to find that both leaders despairingly abandoned the attempt to run a Caucus and a Cabinet in double harness. Even the responsibilities of a direct Opposition seem to have atrophied the energies of the party. Mr. *Carruthers* and Mr. *Bent* are not Premiers to evoke enthusiasm in those who sit behind them, but they are quite safe while the choice lies between their practical policies and the impracticable aims of the Labour programme. New South Wales and Victoria agree that, whatever type of politician they prefer, any man who does useful work is better than those who are always chasing chimeras. Mr. *Carruthers* is too sour and Mr. *Bent* too flighty, making himself ridiculous by his behaviour at public entertainments owing to his ambition to be applauded as a comic singer and reciter. But whatever their own weaknesses may be their following includes the sober-minded men who are ready to forgive the eccentricities of their leaders for the sake of the needful legislation they can obtain by their means. Both have been making excellent progress with their measures, though Mr. *Carruthers* has only carried his points by means of disorderly all-night sittings and the frequent application of the closure. His Labour Opposition has been content to begin and end its functions by discussing only those parts of the Bills submitted which could be made use of to launch extreme or abstract propositions or give currency to an electioneering cry. Occasionally its criticisms have done good service by exposing minor mistakes, oversights, or omissions, but on the whole their harvest has been barren. Whatever is being done is accomplished either without their aid or in the teeth of their uncompromising resistance. Mr. *Bent's* antics in Victoria have shaken his hold upon a majority willing to pardon his performances outside of the House but not in it. If rumours from Melbourne can be trusted, his fast and loose triflings have momentarily put him in peril. But in spite of the annoyance induced by

his singularities or those of our own Premier there is no disposition to change them for Mr. McGowen or Mr. Prendergast, whose performances, though less diverting, are decidedly more dangerous. The Labour members here and across the border are under a taboo because of blunders in their tactics. The coveted Treasury benches are not to be climbed by extremists in these States.

LABOUR PARTY CO-OPERATION.

In Queensland and South Australia the existing Administrations are partially composed of Labour men. They owe their existence to Labour support, as does the Commonwealth Government, though the latter has no direct alliance with the Caucus except of a general character. In these three instances the experiment of co-operation has been fairly successful up to the present. But the longer its continuance the greater the strain imposed upon both parties. Mr. Deakin and Mr. Price having but recently entered office have been able to preserve amicable relations in these mixed companies. In the first instance the risks of a General Election are exercising a steadying influence, but both Governments are benefiting by the unrest which obtains in the Labour Party everywhere. This is becoming so marked that it is being interpreted by the Press to be the forerunner of radical changes in the Caucus system. The solid majorities in the Federal House of Representatives as well as in the Queensland and South Australian Assemblies have been gratifying to the heads of each Government; but in the former, where the experiment has been longest, the coalition is being held together with increasing difficulty. Allusion has been made in the *Morning Post* to the schism in the Labour Party in that State, which became undisguised in August last. That has now attained serious proportions.

A Federal Conference last July endeavoured to tighten the grip of the local Labour Leagues upon its members in all the Legislatures, who have always been elected upon their nomination to carry out a programme to which they are pledged in advance and from which there is no release. The Queensland delegates to that Conference had already been instructed by a State Conference to take that course, and did as they were directed. But apparently even while obeying the mandate they discussed with their fellow delegates the constraints which they were helping to rivet upon their actions as representatives. At all events, they proceeded to contest it immediately upon their return. The Queensland Parliamentarians in their State Caucus decided to challenge the local Leagues upon the question whether Conferences at which the majority present were without experience in the Legislature should dictate an unalterable platform to those who had to carry it out. They then issued a manifesto calling for a fresh Conference for the consideration of this important point. The

bodies challenged picked up the gauntlet and the fray began. The most conspicuous member and influential Minister of the party who led the revolt is Mr. *Kidston*, the present Treasurer and possible successor to Mr. *Morgan*. His personal force enabled him to carry a public meeting in his own constituency against the Leagues. Elsewhere, however, against weaker members the local men naturally prevailed. They might be only a handful, but they were the Official League, and nominally entitled to speak for all the rank and file, of which they might be called the resident non-commissioned officers. The conflict was really between them and the members necessarily absent from their meetings, but they were clever enough to put it as if it was between the electors and the elected, between the men who paid and the members who spent the taxes, between men who earned a precarious living by hard work in private and those who earned high wages easily by talking in public. While, therefore, the great majority of the Caucus in Parliament hoisted the flag of independence the great majority of their political organisations became more determined than ever. They were resolved to continue to choose the party colours and then with their own hands nail them to the mast as those under which their representatives must fight, sink, or swim. The issue was plain. Its coming had often been predicted and now it was upon the Labour Party for a decision in the full light of day.

THE ADVANTAGE OF SOLIDARITY.

The Labour Party has owed no small measure of its remarkable successes to the rigidity of its rule and the solidarity that has resulted. Its vote has always been a block vote. Introduced into Legislatures in which party lines have been faint and policies pliable, its iron programme supported by an indivisible phalanx has inevitably conquered in most assemblies and proved powerful in all. Still, these had to meet a greater force in public opinion which, though vague in expression and fluctuating in action, when brought into play upon the rigidity softened it while gradually permeating and weakening the apparently invincible array of Labour legislators. The most capable of these became susceptible to the influence of their constituents generally, and to that of all the constituencies focussed in Parliament. As a consequence they commenced to look beyond their supporters and the local leagues. Though they might stop their ears for a time they were obliged during debate to listen to refutations of their fallacies and to feel the need of showing some acquaintance with both sides of a case. Slowly but surely they became seized with a sense of responsibility and of their duties as representatives. The gulf between them and their local leagues widened because, however closely their member kept in contact with them, he could not subject them to the experiences which were insensibly weaning him from his old associates. Estrangement came, and then conflict, and now the veil

of privacy which has hitherto enshrouded all the inner frictions of the leagues and caucuses has been torn away. For the first time the spectacle of dissension has been made public. With it comes an explanation of the points in dispute. The Extremists are arrayed against the Moderates.

Those who favour the supremacy of the local leagues do so because only by rigorous suppression of the individual freedom of their political representatives after they are elected can they bind them to an unqualified adherence to the extreme doctrines adopted in their days of inexperience. For the same reason their members rebel against this subordination because they find themselves debarred from reasonable compromises in Parliament or from varying their views in the light of fresh knowledge. With experience comes moderation. The dogmatists are those who have had no actual part in public affairs. The constituencies incline to those whom they have proved, and lean to moderate counsels. The Extremists by seeking to cast out the men who have outgrown their shibboleths are obliged to reduce the number whom they recognise as true to the party. In such circumstances the vote for Labour is being divided. A considerable section aiding them because they prefer a positive platform such as theirs to the rather nebulous outlook of other factions and who respond to the enthusiasm for humanity professed by its leaders, are first to fall away. The Labour Party has no monopoly even of Labour votes and is always dependent except in special constituencies upon support from other classes. A disruption and its explanations are the more fatal because up till now the absolute unity of the party has immensely added to its prestige.

THE NEW PRINCIPLE.

If the Labour Party were in this pickle only in Queensland their plight might be set down to special causes inherent in that State. An explanation might have been offered that a reaction was to be expected in the place where Labour politics had commenced with the cry for "Socialism in our time". To-day, however, there are none who raise or respond to that watchword. Moreover, a similar disorder affects the same party in New South Wales and in Victoria, though it has taken another form under their different circumstances. In Western Australia some thousands of miles away, where constituencies of sturdy miners have accepted the new labour gospel with avidity, there has been an outbreak of exactly the same type. It is only a few weeks since a Labour Ministry went out of office, not because of the assaults of its foes but by reason of internal dissensions which it could not quell. Mr. Dalglish as Premier had become quite friendly with the Opposition and much appreciated by them. It is true that he had quietly dropped all the extreme proposals in his platform and put out

of his Cabinet two extreme but inefficient colleagues, but he might even then have retained the bulk of his party if he had not attempted to assert his own independence of Caucus control nor put forward a moderate policy, including the purchase of a private railway. He was defeated almost with his own consent, and with expressions of satisfaction at being relieved of a Premiership which kept him dependent upon Labour men, who had made his official life miserable by their unreasonableness. A Caucus meeting smoothed over their dissensions, but only for the moment. When the Ministry fell he took the first opportunity of resigning his leadership and next his membership of the party. The new Premier, Mr. Rason, realised that while the Assembly contained 22 Labour members and four Independents against 24 Ministerialists, including the Speaker, that his possibilities of useful work must be very precarious. Taking a leaf out of Mr. Reid's book he sought a dissolution immediately after the House met, and obtained it without difficulty by challenging a division on the land question. He at once put a practical programme before the country, and hurried his opponents to their constituents while they were still confused and divided. The appeal has been justified. Mr. Johnson, the first lieutenant of Mr. Daglish, and his successor by virtue of experience and ability, has been rejected in Kalgoorlie, Mr. Angwin, another colleague, lost his seat for East Fremantle, and eight other members of the Caucus went down, together with Mr. Moran, the leader of the four independents who kept the Labour Cabinet in being. Only one seat was won from the Ministry, and that in consequence of a divided vote, so that a baker's dozen of Labour members true to the Caucus and the platform are all that will be found in the new House, unless the two or three outstanding contests alter this. Mr. Daglish becomes an Independent. He must either drift among the Ministerialists or consent to be beaten sooner or later by the Caucus he has left, and to which he can never return. So far as can be judged after this debacle Mr. Rason begins his reign with sound supporters sufficient to give him a working majority of fifteen at least. With this he should be able to resume the traditions of Sir John Forrest's time and revive his policy of expansion to something like its former proportions. The Labour Party for the second time has tried to maintain a Ministry of its own, and on both occasions the effort has broken down badly after a brief trial.

BATTLE OF EXTREMISTS AND MODERATES.

The significance of the election in Western Australia was not overlooked in the east. An appeal from the Federal members in Melbourne who represent the State, made on behalf of the Labour Party, was published far and wide. The returns were awaited in Sydney with more than usual interest. In Queensland, Charters Towers, one of the safest seats held by Labour, in which they were regarded as impregnable, was lately lost by a large majority. The selected candidate was an extremist and the blow fell

therefore upon the local leagues rather than upon the Moderates in Parliament. One effect of it was to bring about a general caucus of all the supporters of the Morgan Ministry, including those who compose its Labour Caucus, at which it was decided to support the Government. As this is what the Moderates all desired to do they are entitled to claim the decision as a victory over their fellow members who have stood for the leagues. All of these with a single exception have now accepted the situation. The Morgan Ministry should be safe for the session. But the battle between the Extremists and the Moderates of the Labour Party is by no means concluded. The unprecedented circumstance is that there are separate sections within its ranks in Queensland facing each other in open hostility, and that while this lasts the party's progress is paralysed. Unless a compromise can be devised one of the segments must be cut off. Whichever goes the authority of the Caucus must be diminished either with the public or over the leagues that select its members. In Western Australia the thirteen survivors, much chastened, are at least united. Having found a new leader who will abide by the old policy they will require to readjust their relations with the local leagues, which will now be more domineering than ever. The party may have been purged, but it has been greatly weakened in the process. Mr. Daghish will not occupy an enviable place, but the joys of freedom in his case ought to be compensatory. As he put it to his electors either the Caucus must rule the Cabinet or the Cabinet the Caucus. Two supreme powers cannot co-exist in the same organisation. His own action leaves him outside of both—a simple private member unless he be fortunate enough to be chosen as Chairman of Committees. He is sure to be made the scapegoat of the situation. Having failed either to cure or endure the defects of his late party he is certain to be saddled in his foes' judgment with full responsibility for all that they have suffered or will suffer.

Far apart as Queensland and Western Australia are, and slight as are the commercial or social ties between them, their Labour Parties resemble each other as closely as two peas, and oddly enough they have split upon exactly the same plank of their common platform. Mr. Daghish was a convert from the doctrine that land should never be alienated by the Crown except to leaseholders under stringent conditions, and apparently his Cabinet was not unwilling to go some part of his way with him in setting it aside. His secession and the determination of the local leagues to stamp out all signs of rebellion will leave the Western Australian Caucus committed to the doctrine more deeply than ever, though it will not be strong enough to have its way. Mr. Kidston has been more successful in Queensland, where he has obtained the support of the great majority of the party to his sales of land for revenue purposes and as one of the best means of encouraging settlement. This plank of their platform to which they were pledged has been set aside with little ceremony on the plea that there is other urgent legislation to be obtained by means of its sacrifice. The

Labour Parliamentarians have thus adopted a workable expedient in the shape of a compromise which their irresponsible leagues would never tolerate. The breach between them is one not merely of methods, but affects the principles upon which the party was founded and is maintained. It will be most interesting to see whether the Labour voters will give their representatives the right to judge for them upon such matters or whether, as is more probable, they will stand by their leagues and the letter of their programme. Should they take the latter course in Queensland the next question will be how many recalcitrants will imitate Mr. Dalglish by going into exile and independence. Probably few in any State; but these will be of a stamp which the leagues will find it very hard to replace, while their appeals to the general public will be less favourably received when the inflexibility of their creed in politics is advertised in this way.

FEDERATED AUSTRALIA.

MINISTERS AND BRIBES. IRRIGATION SCHEMES.

FROM OUR SYDNEY CORRESPONDENT.
[Nov. 6 1905]; Dec. 25 1905.

The most important occurrences in Australia are not necessarily the most interesting even to its own citizens. A horsey people may be forgiven for the excitement which rages at this season of the year, when racing news fills the papers and the thoughts of the very large proportion of our people who take an interest in sport turn from the Melbourne Derby to the Cup. For the moment other events are obscured or forgotten. But when this periodical festival has passed it will still be difficult to select from the many incidents of a public character those which ought to possess some permanent value. Personalities here, as everywhere, are always attractive to newspapers and newspaper readers. The trial of Mr. **Crick** upon the charge of accepting bribes while Minister for Lands from tenants of the Crown, applicants for concessions which were in his gift, is being followed closely from day to day. So far as can be gathered his defence appears to resemble that of **Lord Bacon** when he contended that whatever sums he might have accepted he did not allow their receipt to affect his judgment. The fact that Mr. Crick is conducting his own defence with the shrewdness, boldness, and effectiveness that have always characterised him when practising in the courts or debating in the Assembly adds to the dramatic quality in this most deplorable case, which unhappily rivets popular attention. Our public life, with all its blemishes, has on the whole been free from even the suspicion of corruption. Our leaders, from Sir **Henry Parkes** downwards, have lived and died poor, and without a breath of suspicion to taint the great transactions with public funds and the public estate that were in their hands. Most of our Ministers and nearly all our legislators have been men of small means. We have seven separate Parliaments, more than two score Ministers, and upwards of 700 members always in being who deal often in an arbitrary manner with the immense resources of a new continent. It is, therefore, a really remarkable record that out of the several thousand politicians Australia has trusted during the last half century the offenders can be counted upon the fingers of one hand, or very nearly so. Even if Mr. Crick should be added to the number, and that is by no means established, New South Wales will have small reason to complain.

FINANCIAL ESTIMATES.

The Federal Parliament has been passing estimates with a painful slowness that does not deserve the name of deliberation. Ministers were led to withdraw two grants to retired military officers in order to submit them in a special Bill, but beyond this the expenditure proposed by Sir **George Turner**, and adopted with few alterations by Sir **John Forrest**, has been approved. The items under such conditions could have been dealt with in a tithe of the time actually occupied were it not part of the Opposition policy to wear out the session as much as possible without permitting Ministers to achieve the large programme of legislation submitted when they took office four months ago. Christmas is now in sight, and much remains to be done. Ministers continue to launch new Bills, which, though brief, involve contentious subjects—immigration restriction, sugar bounties, and last, but not least, the Federal capital. After twelve months' letter-writing between Mr. **Carruthers** and Mr. **Reid**, and lately with Mr. **Deakin**, the latter has closed the correspondence with an intimation that he will submit a measure precisely defining the site. As this must mean that a beginning is to be made at Dalgety, it is exactly the course that our Premier does not desire to have followed. In this our Legislature coincides, having expressly declined to add that place to the three others which it was prepared to offer for Federal choice. The anti-Federal feeling manifest in the smouldering hostility of our Press and the occasional utterances in the State Assembly will probably burst into flame at this provocation. Mr. Carruthers, if he does not set the match himself, will feed it with inflammatory material to the best of his ability. He will have the ready assistance of our representatives in the Commonwealth Houses, though Mr. Reid curiously enough now declares for Dalgety on the ground that if the future capital be not placed in that locality it will be moved nearer Victoria, and possibly to the very border. Such a possibility will not prevent a warm reception for any proposition from the present Ministry, whatever shape it takes. There are also some very debatable Bills already on the table. That providing for an iron bonus is certain to be remodelled, but in any form will arouse hostility. The Commerce Bill is threatened in the Senate after being forced through the Lower Chamber by Sir **William Lyne**. Then there are the additions to the Trade Marks Bill protecting any proposed "Union labels" which employers or workmen may choose to attach to their work from fraudulent imitation. As Ministerial supporters are for the most part apathetic or antagonistic the battle for this new device will be left to Ministers and to the Labour members. It is anticipated that the House will be evenly divided and that the fight on this Bill will be bitter and prolonged as well as uncertain in result.

LARGE IRRIGATION SCHEME.

Quite possibly the matter of most import even federally is to be found in connection with the resolution submitted by Mr. Lee, our Minister for Works, to the Assembly last week. This referred to the Standing Committee on Public Works the expediency of constructing a great dam, a diversion weir, a main canal, and a series of distributing channels upon the Murrumbidgee. These are to be considered in conjunction with a large scheme of a local landowner for irrigating his property in the same district with the intention of disposing of it to small holders. The project is the most considerable of the kind yet submitted in this State. Its cost to the Government would exceed one and a quarter million and would imply a local outlay independently of the private scheme, of probably an equal amount. The area commanded would be 358,000 acres, part of which is intended to be cut up into 1,400 blocks of from 20 to 100 acres each. Though nearly 400 miles from Sydney the land, already close to a railway, is of excellent quality and enjoys a charming climate. When in full operation the works are to sustain 35,000 people upon a tract which now has nothing like 3,500 inhabitants and would furnish an object lesson in closer settlement for similar enterprises elsewhere. At the outset the dam is to be 170ft. high, though capable of being raised another 30ft. when the demand for water requires its enlargement. The approval of the Works Committee is taken for granted, because the project has been carefully prepared and because all State investments of this nature receive the ardent support of the Labour Party. Mr. Lee has taken up the project with unfeigned sincerity and recommended it with enthusiasm.

In the same week in Victoria the waters of the Goulburn were turned into the Waranga storage reservoir just completed. This will receive during the next month 3,000,000,000 cubic feet, though next year the quantity will be increased until thrice that amount is available. The magnitude of such works, as well as their promise, takes them far out of the category of ordinary undertakings, but their Federal bearing is mainly derived from other and less satisfactory circumstances. When the Premier of South Australia read the report of the launching of Mr. Lee's project, infelicitously entitled the "Barren Jack scheme", he promptly telegraphed to our Premier a strong protest "against the construction of such works being authorised before the proposed Conference of Premiers to be held with a view to an amicable settlement of the rivers question". Of course, his objection will have no effect, nor can he expect that it should. Nothing short of a decision of the Privy Council will stop this undertaking. It may not come up for adoption this session, and in that case another Conference can be attended, though even then there is no prospect of an amicable agreement. South Australia has been protesting against river diversions and storages in Victoria for the last twenty years, but without having the least attention paid to her complaints.

Whatever Federal sentiment there is in either State has never yet shown itself strong enough to endure any real strain of self-interest. In this instance the contest is for water, the life blood of the interior, more highly prized each year as its potentialities are more appreciated. Mr. Price does not appear to have a good case, but if he had and it were the best possible he would appeal in vain to a Ministry whose existence depends upon the representatives of this State, while it owes nothing but a sentimental allegiance to the principles of generosity on which he relies. Counsel have for some time past been engaged in preparing the South Australian case for the High Court, and have held out flattering hopes of a future judgment in favour of the claims of the Central State, as our neighbours prefer to be described. They will need a very clear and emphatic decision of the highest Court to which we have access before they obtain a drop of the water that has touched the territory of New South Wales.

INSURANCE AGAINST DROUGHT.

Then, again, much of the future of Australia depends upon the utilisation of its waters. It is not merely a question of maintaining more stock or offering an insurance against drought. The population of the country will be governed to a large degree by the extent and care with which irrigation is practised. Our present farmers are prone to prefer the system of large areas. They prefer to set the splendid profits of good years against the losses of bad years rather than cultivate reduced areas upon which water can be applied to the soil, though it evokes marvellous fruits if the proper measures are taken. This new system would require closer, more continuous, and more thoughtful husbandry. As a rule our agriculturists cling to the happy-go-lucky methods by which they have thrived and are thriving. In this way immigration comes to be associated with irrigation, since newcomers would be free from the prejudices of habit. Having to begin at the beginning with a study of cultivation in colonial fashion, they would start almost at the same point as the experienced farmer in the practice of irrigation. Mr. Coghlan's first recruits are now arriving. A small handful of men with a little capital, who are being taken in hand by our new Intelligence Department, are already here, and others, tempted by the Myall Creek allotments, are almost due. In the meantime we have among us a representative of the Queensland Lands Department engaged in luring our farmers and their sons away from us. In answer to the reproaches levelled at him for this unfraternal competition Mr. Pulsford, the agent in question, replies that our young men ask for land and are offered a ballot. He speaks of one unlucky balloter who has tried his fate in his district at every opportunity during the last eight years without success. He has already conducted across the border more of our young farmers than all the intending settlers whom Mr. Coghlan has sent out. Strange to say, our capable and energetic

Agent-General has been publicly challenged in the House because he paints this State in glowing colours in his advertisements. So does every competitor for immigration. By comparison Mr. Coghlan has been moderate in his tale. Yet he is at once taken to task for overstepping the mark. A member of our Assembly, apparently in a state of panic, has declared that we shall be “rushed by millions” if such sanguine estimates are employed. Where except in Australia would alarm be expressed on such grounds? As a corrective we have had the story of a young Englishman with £200 who passed through Canada, dissatisfied with the openings it afforded, eventually landing in Sydney with only £20 of his capital remaining. Obligated to commence as a labourer, he has yet acquired in five or six years property worth £1,000, while all his family are healthfully and profitably employed with or near him. Such an experience points sundry morals. What is wanted is land, and, as Dr. Arthur, M.L.A., shows where we have unoccupied areas Ministers are not making them acquirable. He says with emphasis: “The question of the day and for years to come is the land question”.

LAND AND IMMIGRATION.

Land made available and immigrants brought to use it are the two needs of New South Wales and of Australia as a whole. They ought to be met without much difficulty, for all our rural pursuits are prospering. The area under wheat and under all sown crops is larger than last year, prices are good and money is cheap on freehold securities. Our closer settlement under State control crawls on at a snail's pace. Private enterprise does better. Not a fortnight since 40,000 acres of rich land in the Liverpool Plains were sold to dairy farmers and realised over £120,000. Bidders were plentiful and the competition brisk. But the demand exceeds the supply of this class of country. As a consequence we have our *Morning Herald* admitting “until we can supply living-making areas to our own people it is worse than idle to go abroad for new population” and acknowledging that it is General Booth's “touchstone” offer that has revealed our condition to ourselves. Every district has reserves, thousands of acres in extent lying unused under one pretext or another. Many of these are reported to be perfectly suitable for grazing and farming. It has been suggested that the branches of the Farmers' and Settlers' Association should inspect and classify these instead of waiting for the Department, and the proposal has much to commend it. The Victorian Government is making an essay based upon Danish experience of small holdings, but, like all the other, ventures of the kind, it is upon too small a scale to meet the requirements of the time. None of the older States appears to understand that the networks of land laws which they have allowed to accumulate have become burdensome. They are now obstacles to progress, and especially to immigrant enterprise. Mr. R. J. Jeffray, the Board of Trade Commissioner, told our

neighbours recently that the fiscal fight in Australia was concluded, and that "it was hopeless to attempt more than a mitigation of the severity of some of the duties". It is free land and not Free Trade that must become the object of our next campaigns. The borrowing craze has been scotched, if not killed. Last returns from Australia showed that less than £2,500,000 was added to our total indebtedness during the year. More than £1,000,000 of that was debited to this State. Apparently we shall be the last to adopt a policy of self-support, though until we add to our population more rapidly the disparity between our debts and our taxpayers must be numerically unfavourable. Unless Mr. Carruthers is kept in check the healthy advances we have been making towards sound finance since he took office may be diminished instead of increasing as they ought to do.

LOCOMOTIVE CONTRACTS.

In all probability, therefore, the most hopeful practical work of our Administration is that which Mr. Lee has accomplished by making contracts for £300,000 worth of locomotives, and for the iron and steel required for our railways being manufactured at Lithgow from local ore. The deposits of hematite seem inexhaustible in that district. Some expert blast-furnacemen will be introduced, whose engagement will mean the putting on of a number of local labourers, probably two hundred in all. Many more will be required if the Federal Government pursues its promised policy of encouraging this industry, either by means of a bounty or a duty. Our manufacturing development, like our agriculture, will be greatly affected by the immigration we are able to command. The Barren Jack dam, like the Lithgow ironworks, means an enhancement of production, of employment, and of wealth in our midst, though they will by no means exhaust our capacities in these directions in this State. Whether the disputes about the ownership of the waters of the Murray and its tributaries are settled by legal proceedings or not, or whether the Federal capital site is determined by the same methods, the distribution of water upon a great scale from the Murrumbidgee and the Goulburn, the initiation of the iron industry at Lithgow, and the possible construction of a new city upon the Snowy River are undertakings of a practical character whose outcome may soon overshadow all other achievements of our present period. They will contribute to attract immigrants, and thus benefiting us in many ways become to the future the most memorable and important events in Australia during the year 1905.

FEDERATED AUSTRALIA.

THE PARLIAMENTARY SESSION.

LEGISLATION ADOPTED.

FROM OUR SYDNEY CORRESPONDENT.

[Nov. 13 1905]; Dec. 27 1905.

Interest centres or ought to centre in the Federal Session as it draws to its close. It would concentrate there if the approaching crisis were understood; but, assuming that the other States are no better informed than our own, there is probably little grasp of the situation anywhere. This is due in our case to the persistent translation of all Commonwealth events into the party politics of New South Wales, as seen through Sydney spectacles. One needs only to glance at the Brisbane, Adelaide, or Perth papers to perceive similar processes at work in each. We all have the excuse of distance, which Melbourne has not, and yet the provincial note dominates even the city where the Federal Parliament is sitting. A patient student, whose aim was to reconcile these sources of information so as to construct a trustworthy interpretation of national politics, would find his labours severe and his results inconclusive. It is only from the chit-chat of members or those associated with them that one is able to correct partisan views by each other and by the facts. But even our representatives are often baffled by the conflict between what they see to be happening and what they are told in our own papers is supposed to be happening through and around them. The outside opinion propagated is that confusion reigns in Melbourne, where trivial measures hacked out of shape are being bandied to and fro with little possibility of becoming law this year. The fact appears to be that, though confusion does exist and is deepening, the first crop of legislation is almost harvested. This included the endorsement of two mail contracts, *vià* Suez and *vià* Vancouver, and also a group of very useful Bills, including some for which in this State we have been clamouring for a long time past.

A favourite theory has been that we have suffered from the want of a readjustment of the electoral rolls at the last election, by which our Protectionist country districts profited at the expense of our Free Trade Metropolis, and that we were to be still worse treated at the next election in 1906. New South Wales was to be refused the extra member to which our numbers entitled us, while Victoria was to retain a member beyond the number that she could legally possess under the Constitution. The passage of the Representation Bill provides against either of these much-denounced

dangers. A subsidiary measure relating to census and statistics supplies the necessary machinery for avoiding any such contingency from arising in the future. The Reid Ministry intended to have cured the immediate evil by an executive Act, but the Deakin Ministry have prevented its recurrence as well. Another Bill passed is that forbidding secret commissions, against which there has been a great outcry ever since it was discovered that almost the whole of the bounty paid by Victoria to encourage its production of butter had been appropriated by shipping and other agents instead of reaching the dairy farmers for whom it was intended. The new Bill like those proposed in Great Britain under the same title, deals radically with all abuses of that character in connection with private businesses. A third Bill, probably the most fruitful of all, is the Constitution for British New Guinea, which has now become a territory of the Commonwealth under the name of Papua. Its Government will be carried on by a Lieutenant-Governor, assisted by an Executive and Legislative Council, the latter containing nominee members taken from the non-official residents. Both will be subject to the Federal Parliament and Ministry. Though this Constitution has been urgently needed for the past three years and was accepted by both Houses twelve months since it was held back by the Total Abstinence members, who insisted upon its containing an extension of the prohibition of intoxicants now in force. At present it is a penal offence to supply the natives with liquor, and though the white residents in the malarious districts, and particularly the miners, consume it freely the taste has not spread even to the men who work for them. It has now been agreed that the white inhabitants themselves shall decide by vote whether they will retain any or all of the few licences to publicans now in force. Papua has its constitution and the development of its very promising mineral and agricultural wealth can now proceed.

BILLS ADVANCED.

A second batch of Bills is well advanced affecting electoral methods, copyright law, and the fraudulent trade descriptions, labels, or adulterations employed in commerce by unscrupulous persons. The last measure, which was driven through the House in the teeth of angry opposition because it clothes the Customs Department with even larger powers than it now possesses, is being angrily resisted in the Senate, and will need to be forced through by the same means. Protectionists accustomed to rely upon the intervention of the State welcome this further instalment without alarm. The Free Traders, however, are still animated by the spirit which led their first and greatest leaders in England to prefer the risks of selling "shoddy" to those of Government interference with private enterprise, and stand stolidly to their guns against this fresh invasion of their preserves. All these Bills have already passed in one Chamber, and may therefore be expected in the ordinary course to become law. But, in addition to them the Appropriation Bill has now gone from

the Representatives to the Senate. There it will be open to close scrutiny, because of the power of suggesting amendments guaranteed to the Second Chamber by the Constitution of the Commonwealth. Whether this be exercised or not it justifies an examination of all the many items of expenditure and permits of great delay in their debate. Irrespective of this right and its exercise, the passage of this Bill means that so far as the popular Chamber is concerned its control of the session has gone. With the concurrence of the Senate Ministers can become completely masters of the situation, and may prorogue at any moment. The critical nature of the position in Parliament is heightened, though not occasioned by this circumstance. It is mainly due to other causes. Hitherto the tactics of the Opposition under Mr. Reid's inspiration, carried out with some acrimony and much consistency by his deputy, Mr. Joseph Cook, have all made for delay. The late Prime Minister having asked for a dissolution on the ground that no practical work could be obtained from the existing House, and the present Prime Minister having accepted office on the ground that it could and would do the business of the country, the gage of battle between the two parties was unmistakable. To justify himself Mr. Reid and his friends have tried to make legislation impossible; to justify himself Mr. Deakin must force it on. Pulling well together the Protectionists and the Labour Party have already done a good session's work, though Mr. Cook and his allies have talked day and night, in season and out of season, on any and every pretext possible in order to postpone and obstruct. They have been limited in their resistance only by the necessity of avoiding an adverse reaction from the public, which would have been caused if they made their "stonewalling" too flagrant. Short of that they have omitted no means of hamstringing business. Their hopes run high still because, besides what remains to be done in connection with the Bills already on hand, there are others either just launched or about to be launched which they are bent upon blocking at any price.

THE HIGH COMMISSIONER PROPOSAL.

Pressed prior to the passage of the second reading of the Appropriation Bill to announce the usual sacrifice of measures prior to the close of the session, the Prime Minister consented to abandon nothing except the High Commissioner Bill. He abandoned this on the plea that the immigration and other proposals which would make the appointment of a Commonwealth officer in London imperative were not sufficiently advanced—he has not yet received the report from the Committee of Agents-General, nor can he obtain a promise from the States that they will curtail any of the £35,000 a year which they are spending upon their offices at home when a High Commissioner is appointed. The Opposition having determined that no such office shall ever be in the gift of the present Government are rejoicing in this evidence that their campaign against all legislation has led to this sacrifice. But that

is their only trophy so far unless the dropping of the preferential trade resolution is taken into account. Everything else is to be pushed on this year. Even now something is possible in the way of immigration. Mr. Deakin once more publicly offered to ask Parliament for any funds necessary to advertise Australia or help to obtain suitable settlers from home if the States will make available the land and assist in giving it to the newcomers expeditiously. So far not a single State has taken up this challenge though Western Australia, Queensland, and to a lesser extent this State also, are bringing in small detachments from the United Kingdom by their own agencies. Why they do not take concerted action in their common interests, especially after this often-repeated promise on the part of the Prime Minister, it would be hard to say. Apparently, the jealousies and rivalries between them are still potent enough to prevent their co-operation with each other or with the Federal Government. As sole possessors of the soil of Australia they have the keys of the position in respect to population and appear resolute to keep them in their own pockets despite the offer of Commonwealth funds to assist them in improving their idle lands. The States and the Opposition have for the time deprived us of a High Commissioner, of preferential trade proposals, and of a Federal immigration scheme. The Tariff Commission's dilatoriness will carry over their progress reports to 1906. Accepting newspaper theories of the intentions of the Prime Minister Sir John Quick has postponed the meeting which was to have weighed the recommendations he has prepared to submit with progress reports upon nine industries. These can scarcely be ready before Christmas, when, unless an extra summer session is undertaken, the House must close for a few months. In any event with a dissolution due this time next year the ordinary session cannot be later than June next, and may be some weeks earlier. The question therefore narrows itself to a consideration of what can be done legislatively during the coming month. Government business is to take precedence every day; there will be extended sittings and possibly sittings on five or six days a week. The Bills partially passed might all be dealt with in that period, but what the fate will be of the Bills just introduced and of the others promised absolutely or conditionally by Mr. Deakin last week, and in spite of the angry protests of the Opposition, who can say? It is these which by the mere quantity of legislation they imply must bring about a crisis which the contentious nature of their subjects will make bitter.

CONTENTIOUS MEASURES.

Recently the Prime Minister moved the second reading of two Bills which, if submitted to the first Parliament of the Commonwealth would have set the whole House aflame. They may do so now, though the period of the present session and the altered circumstances of parties may mitigate the heat. His most potent supporter in the Press has already condemned both of them wholesale. The first Bill seeks to

amend the Immigration Restriction Act by increasing the safeguards associated with the education test, the object of which is to exclude coloured aliens from becoming permanent residents of Australia. At the same time it proposes to omit the limitation of languages to Europeans and provides for arrangements under which the restrictions upon immigrants may be set aside so far as any country is concerned which agrees to control its emigrants efficiently. Of course such an agreement would not alter the present policy of exclusion, but is intended to make it more palatable to the peoples affected, particularly to the Hindoos and to the Japanese, nations to whom Mr. Deakin paid high tributes. He was at once challenged by interjections from Labour members to the effect that he was abandoning the White Australia policy with which he has always been associated. The Melbourne *Age* is repeating the same charge. Extravagant as such a charge is, it is a significant indication that he is likely to find himself on this issue at war with the Victorian Protectionist paper, and with the party which composes his majority. The second measure introduced the same day is complementary in its provisions. It is abused by Mr. Reid, unacceptable to the Opposition, and still more repugnant to the *Age*, and to the Labour members. Mr. Deakin proposes to strike out of the Immigration Restriction Act the existing prohibition against contract manual labour, whether white or black, British or foreign, if it seeks to enter Australia. It can only enter if specially exempted by the Minister, and if the labour is specially skilled and required in the country. Any manual workmen infringing this law were liable to the arrest, imprisonment, and deportation originally provided for coloured aliens only. Those penalties were applied to all manual labourers as well by the amendment introduced by the Labour Party into a Bill which had been drafted for Asiatics alone. The Prime Minister's new measure deals with contract labour alone, and authorises its introduction providing the proposed contract is submitted for Ministerial approval before the manual labourers are brought here. If they are brought and landed without consent and before the contract has been approved they and their employer are liable for fines while the contract is declared void. Domestic servants and personal attendants under contract are admitted unquestioned, but to all contract immigrants sought to be imported in connection with industrial disputes the door is absolutely barred. For them and them alone the rigour of the present Act is preserved; all others are admitted conditionally. These concessions roused the ire of the extremists, who became mutinous when Mr. Deakin declared that providing any contracts made hereafter recognised Australian conditions the immigrants would be welcome. If they were introduced in connection with schemes of land settlement they will be thrice welcome to the Commonwealth. If he expects to pass this Bill it must be despite the hostility of his Press and of a majority of his present majority, many of whom will treat any modification of the exclusion law among the political offences that are wholly unpardonable. How he expects to weather the storm that he is wilfully provoking by such proposals is more than onlookers can surmise.

THE FEDERAL CAPITAL SITE.

As if this were not sufficient the Government are pledged to bring forward a Bill precisely defining the Federal capital site at Dalgety. This will place a third of the House against them, more than strong enough to defeat the Bill at this stage of the session, without reckoning the threats of our Premier, who, upon this subject, has his Legislature behind him. Should the Tariff Commission make a progress report of sufficient urgency we may have some proposal to give effect to it, while finally, if the Cabinet can devise means we shall see a measure aimed directly at trusts and their imports. This would be hurried on, principally because of the action of the International Harvester Company of the United States, said to be an offshoot of the Standard Oil Trust, which is selling agricultural machines built after Australian patterns at prices believed to be lower than the cost of construction, or, at all events, of importation in order to capture our market. To introduce so thorny and disputable a problem as this in the last month of a session looks like sheer recklessness; possibly it is done under the pressure of sheer necessity. The Protectionists and Labour Party united could carry it if time permitted, but as the Labour members may be rallied against Mr. Deakin, even if he has Mr. Watson's support upon his Contract Labour and Immigration Restriction Bills he cannot count upon an unqualified support from them. Yet if he proceeds with the Union Label clauses in the Trades Marks Bill he will place another insurmountable barrier between the Opposition and himself and this at the very time when he may be dependent upon its votes to make up for the loss of the Labour corner. A fiscal issue would give him some Labour aid and some antagonism, while his own party will probably be divided from him when he supports the Union Label. With these cross divisions multiplying around the Ministry upon a series of contentious measures introduced to a crowded notice paper in the last days of a busy session the portents are grave. The Federal Ministry is about to encounter a cyclone season sufficient to try the strength of a far more powerful Government than we have ever seen or seem likely to see in the Commonwealth. To predict its fate or that of even one of these measures is impossible, at all events from Sydney. Indeed, perhaps from this distance the impartial may see further into the turmoil than the Pressmen in Melbourne, where the clash of so many hostile interests seems to make the confusion worse confounded. The crisis is there without any visible appreciation from most of those engaged in it. What it will lead to cannot be guessed, but it may reasonably be doubted whether this session under the most fortunate circumstances anything but wreckage can be saved.

FEDERATED AUSTRALIA.

PARLIAMENTARY BUSINESS.

WINDING-UP THE SESSION.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Nov. 20 1905; Dec. 29 1905.

At last Federal politics have become popular, that is to say, interesting to the great mass of Australians who as a rule take little or no notice of them except at election times. What appeals to this large audience must be sensational, spectacular, or dramatic. Unless Parliament for the moment rivals the theatre it has no more attraction for them than the betting odds have for those who make no bets. Undoubtedly even a rough comparison of the rival charms of sport and public affairs among the serious classes would show sporting events to be more seriously and consistently studied. The Australians as a people rarely take public affairs seriously enough to go beyond their newspapers or their coteries, or to demand real consistency in their verdicts. A few general ideas and serviceable prejudices are often a sufficient political stock-in-trade even for the educated. Unfortunately even they are affected by local feeling and class interests to an inordinate degree. The present crisis having come to Sydney onlookers like a bolt from the blue it seemed a favourable chance to correct my impressions by a visit to Melbourne, whose surroundings sometimes exercise a marked effect upon the Parliament of the Commonwealth. The difference between the State capitals proved, however, to be less noticeable than usual. Both have been taken unawares by the sudden development of party heat. In Sydney the approaching close of the session of our own Legislature has seemed more important. The Shires Bill is safe, the Liquor Bill beyond danger, and the Estimates are being criticised in the customarily captious and inconsistent way preparatory to a prorogation. Federal agitations have appeared remote, though no less aggravating, than usual; indeed, the capital site question will soon come up for consideration with a view to another assertion of our wrongs. In some unknown way we are going to insist upon our rights now that Mr. Deakin's final letter to our Premier refers us to the High Court for any redress to which we believe ourselves to be entitled. For the rest there were plenty of matters to occupy our attention. Though the battle being waged in Melbourne is gradually fixing all eyes and gossip about it filling most ears, the burst of summer and the golden prospects of the season still occupy the largest place in the conversation on trams and ferry-boats when the morning's news is read.

MINISTERIAL CRISIS.

The cleavage in opinion between Ministerialists and Oppositionists is now much the same here as in Melbourne, where Mr. Deakin's Conservative friends and allies are either estranged or anxious because of his decisive action. They are obviously taken by surprise by the unexpected developments of the last ten days. So are the Opposition. Both evidently counted upon a close of the session which should be signalled by the dropping of Bills and a hurry into recess. The country generally anticipated that, because most of our Legislatures finish in that fashion. The **Bent** Ministry, numerically strong as it is and apparently all-powerful, has been wavering to and fro under the hope of escape from the Victorian Assembly and in fear of accidents if it remains sitting longer. Good work has been done, but there will be a rapid jettison and then the dart into recess which completes political history year by year in every State. The long breath of relief that follows from that part of the public which takes account of politics is generally mingled with some derision of the legislators who evade part of their task so as not to miss their Christmas holidays. The Commonwealth has been eccentric before under the special pressure of its novel surroundings and evidently is about to be eccentric once more. It commenced by labours lasting seventeen months in order to pass its organising Bills and complete the tariff. A summer sitting is now before it again. In 1901–1902 the need for a prolonged session was imperative, but this year it was not even necessary from an outsider's point of view. Disaster is predicted as its consequence to a Ministry foolhardy enough to run such risks when the door was wide open to permit its withdrawal into the haven of rest. Even the politicians are taken aback by Mr. Deakin's determination. One inquires in vain in Melbourne for a satisfactory explanation. To all appearances the Labour members are no more enlightened than their neighbours. Always willing to attend the House and always eager for fresh legislative experiments they take his new departure not unkindly. But they are not able to explain it. Cabinet Ministers themselves cannot or will not attempt to do so. Whether the crisis is the result of drift or not on the part of the Prime Minister it has come about in that manner so far as everyone else is concerned. As he keeps his own counsel, or gives the impression that he does alike to his supporters and colleagues, the only thing positive is that the crisis is here, that he has staked the life of the Ministry upon it and is forcing on a continuance of the session. He must, therefore, be playing for high stakes, whatever they may be.

OBSTRUCTION IN THE HOUSE.

In a previous letter the critical position of affairs in the Federal Parliament was described in some detail. A choice had to be made by the Government, and that at once, between an inglorious recess and a very dangerous conflict. When the House met on Tuesday the Trade Marks Bill was called on in Committee, whereupon without a moment's delay the deputy leader of the Opposition, Mr. Joseph Cook, moved the Chairman out of the Chair as a direct challenge to Ministers. After some hours of debate it was proposed that the non-contentious clauses of the Bill should be passed as a solatium to Mr. Isaacs, the Attorney-General, in whose charge the measure was placed. As this arrangement fell through obstruction was renewed all night and only ceased next day at one o'clock, when he moved the adjournment of the debate and then of the House. On meeting again at the ordinary hour after lunch the Prime Minister gave notice of his intention to move next day for the introduction of a Standing Order enabling the House to order that the previous question should be put without amendment or debate if a motion to that effect was made at any time by any member and supported by a majority of not less than a third of the House. He had declared his choice. After this warning the Opposition resumed its obstruction until after midnight on Wednesday, when Ministers gave up the attempt to make progress. On Thursday the Prime Minister moved the new Order in a moderate speech, in which he reminded the House that it was working under temporary Standing Orders which did not include a single provision for curtailing abuses of the forms of the House by one or more members. Every other Legislature in Australia possesses some means of protecting its majority against the minority. Those in use in Queensland and in New South Wales are more drastic than those employed in the remaining States. The House of Commons Orders, as a whole, are far more potent. He believed its dormant influence would soon become valuable even if it were rarely employed. Directly he resumed his seat Mr. Cook attacked the proposal as untimely and unwarrantably severe, concluding with an amendment excluding the business of the present session from the operation of the rule. This was discussed all night, and when the debate appeared likely to become exhausted another amendment was moved limiting the matters upon which the closure could be applied to those which had been submitted to the country. The same company of speakers discoursed upon this side issue until it, too, was worn threadbare, when a third amendment was proposed excluding the operation of the Standing Order for the whole of this Parliament. These amendments were interspersed with motions for the adjournment of the debate, during which the Opposition discussed every conceivable contingency under which such propositions could be justified. When Saturday night closed the Speaker, admitting that his action was almost unprecedented, left the chair, suspending the sitting until half-past ten o'clock on Monday. The Government had not advanced a single step in the meantime.

THE SEEKERS AFTER SENSATION.

Parliamentary wrestling of this character is uncommon in Australia because of the closures in the States. Its rarity, therefore, made it the more savoury to the seekers after new sensations, as numerous in Victoria as elsewhere. Its political stage is finer. Parliament House in Melbourne is by far the most imposing building of its kind south of the Line. Though unfinished its exterior is impressive in design, but while spacious in hall and corridors the accommodation within is cramped. Last week it was crowded with visitors beyond its capacity after scores, if not hundreds, had been turned away and even the Press galleries invaded by an excited throng. The Chamber of the House was rendered unwholesome by the protracted sittings, continued from Tuesday afternoon until Saturday at midnight with only one break on Wednesday morning. The bells were so often ringing to keep a quorum that a number of members brought rugs and pillows in order to sleep as much as possible in the Chamber during the night. A few scenes occurred as the nervous strain increased, but, on the whole, the proceedings were orderly, though at times burlesqued good-humouredly by way of relief. Mr. Reid, who was engaged in a cause célèbre in our Divorce Court, being rebuked by his Press for absence, flitted over on the Saturday to take part in the struggle for a few hours, returning to Sydney to resume his brief by a special train on the Sunday. A consultation with his colleagues and with leading Victorians of his party as to the future conduct of the campaign took place during his stay. Although somewhat embarrassed by his previous utterances in this State when the closure was first proposed and by his own frequent use of it afterwards when head of our Government, Mr. Reid made a stirring speech amid the ringing cheers of his followers. He lashed his successors for their assaults upon the liberty of members and the independence of the Legislature to his heart's content. The Prime Minister's rejoinder was brief and practical. Unless the House conceded a closure efficient for the control of its business and then proceeded to transact the business he recently outlined it must find another Ministry. As no other Ministry is possible, this means that either he has his way or a dissolution is to be faced. The opportunity for that will not be this side of Christmas, for he plainly said that the House should not rise until it had disposed of his programme. This is impossible before Christmas, or possibly after Christmas. It will reduce the recess and postpone the final session of 1906 leading up to a General Election. The whole outlook has been transformed, and at one blow, by Mr. Deakin's deliberate declaration of his plans.

THE PRIME MINISTER'S LEADERSHIP.

A short visit to Melbourne does not explain the situation or the meaning of the Prime Minister. Though he has lived all his life in that city, and has been prominent in politics for twenty years, there is no consensus of opinion regarding him or his policy. To some his course of conduct is thought to be taken always on the line of least resistance, while to others he is a bookish theorist recklessly pursuing impossible dreams. His leadership has been imposed upon him rather than sought, just as it has been imposed upon his following rather than desired, unless, perhaps, by his personal friends. The Protectionists would have preferred Sir *William Lyne* or Mr. Isaacs, and the Labour Party also, though they would have reversed the order of those names. The Conservative Liberals have more confidence in Sir *George Turner* or Mr. *McLean*, while the Radicals, and particularly the Trades Unionists, have not forgiven and are not likely to forget Mr. Deakin's ruthless criticisms of their tactics, doctrines, and organisation. Yet perhaps because he is not identified with any section and has a curious aloofness even from his political intimates he is accepted without question as at present the only possible leader of the conglomerate party, whose main principle is Protection and Preferential Trade. Mr. Reid, on the other hand, is heavily handicapped on this side of the Murray by his Free Trade associations. Though his ability is universally admired and he is served with the utmost loyalty, he has little hold upon the affections of the Victorians who fight under his banner. They keep apart as a separate wing of his forces under their own commander, Mr. McLean. In fact outside of his own State Mr. Reid reigns over his party because his oratorical powers and strategic resourcefulness are immensely superior to those of his competitors. Within this State he has an unapproachable prestige with the Free Trade, aggressively Protestant, and Temperance associations. He is thus far more representative of opinion in New South Wales than Mr. Deakin is of that of Victoria, and in every sense a better local man. It is unfortunate for both that State jealousies should operate against them continuously, though the Prime Minister suffers most, seeing that he has no friendly newspaper in Sydney, nor, indeed, in New South Wales, where even the *Bulletin* mocks at his excessively "affable" and invariably conciliatory demeanour. Mr. Reid, on the other hand, has the Free Trade Press of every State at his back, and the absolute control of the funds raised by the opponents of the Labour Party. As against these forces those of the Protectionist leader are puny and scanty. If a dissolution does come soon the odds are in favour of the Opposition to begin with, while it remains to be seen how Mr. Deakin's defiant attitude will be justified by that time in the mixed bodies now behind him.

THE LABOUR PARTY PUZZLE.

The Labour Party in Australia, while continuing to be a conundrum to the public, has latterly become a conundrum to itself. Everywhere it has received a set-back, and its tide is still on the ebb in the very States where its prospects were most promising a few months ago. Internecine strife threatens the disruption of its phalanx in Queensland, once the guide and model of the party in all the other States. In Western Australia, where it had half the House it has now only a quarter. In New South Wales, as in Victoria, it is relatively weaker than it was three years ago. Strong in the first Federal Parliament and somewhat stronger in the second the current opinion is that there too it has reached high-water mark. The lesson of the **Watson** Administration has not been lost upon that able, cautious, and temperate leader who is now giving a whole-souled support to the very man who first put him into office and then put him out. Mr. Reid having passed through a similar experience is unable to restrain his wrath against Mr. Deakin, while Mr. Watson, so far as can be judged, bears no malice. If his followers were as open minded the Ministerial course would be comparatively clear, but they are opposed to the amendments of the Restriction Acts which the two leaders favour, and may at any time wish to separate them upon other issues. Sobered by recent experiences they are content for the present to shelter under the wing of the Prime Minister, because they feel that the current is against them. When it turns in their favour, if it does turn, they would be as intransigent as ever. Mr. Deakin cannot rely much upon such allies, and yet he is proceeding as if they were indissolubly united to his own supporters. By bringing forward the closure in connection with the Union Label Clauses of the Trade Marks Bill he has brought them behind him almost to a man in his fight for the new Standing Order. If he fails to carry it both he and they would be too seriously discredited to last. But if he carries it the war will begin again, first for the measures upon the business paper, and next for those lately conditionally mentioned by him. The Tariff Commission may present reports requiring action, or the Bill to cope with the American Agricultural Implements Trust may be pressed forward. Anything is possible, and storms are probable. No one in Melbourne seemed to know whether the Prime Minister has been leading up to this reopening of the campaign just when his opponents believed they could finish their operations to their entire satisfaction or whether things have simply happened without guidance. There is a strong suspicion that the Opposition intended the session to end with a furious attack upon a Ministerial retreat into recess. If this be so the counter stroke will be the more severe if they are compelled to retire themselves before a Ministerial onset carried out at their expense to their discomfiture. Even when this crisis is over there will be another ready in its place.

FEDERATED AUSTRALIA.

PARLIAMENTARY CLOSURE.

THE TRADE MARKS BILL.

LORD JERSEY'S WELCOME.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Nov. 27 1905; Jan. 4 1906.

The Federal Parliament has won in the House a closure more complete than that which the Senate has possessed for a long time without ever putting it in force. What our papers call "the great stonewall" of obstruction, reared in "the greatest political battle in Australia", broke down badly by a capitulation of the Opposition, which the same papers are now endeavouring to disguise as best they can. Mr. Reid's party set out first to prevent debate upon the Trade Marks Bill, and next to make the passage of Standing Orders curtailing speeches impossible. After a fortnight's struggle the Government's Standing Orders have been passed without alteration, and the Trade Marks Bill is set down for hearing to-morrow. This leaves no possible doubt as to who has triumphed. Moreover, the power of unlimited obstruction exercised intermittently ever since federation was accomplished has been immensely curtailed. Formal motions, "that the chairman do leave the chair", and others of the same class, upon which from time to time days have been spent in discussion merely to block business, will in future be decided without debate. An individual member who monopolises the time of the House can be silenced at any moment by a majority vote. Any question submitted can be brought to a decision at any period in the same manner on the motion of a single member if a majority including not less than a third of the whole House endorse his proposal. We are still without the closure at fixed dates or by compartments which is often employed in the House of Commons, but we are much nearer to it than anyone thought possible a fortnight ago. Mr. Reid while Prime Minister intended to have spent a major part of this session in revising our temporary Standing Orders, but under the changed circumstances his successor has done more in a few days than he could have accomplished in as many weeks. Seizing the occasion promptly he snatched what will probably prove to be the most valuable victory of the session from the Opposition before its commanders realised that it was in danger even of a repulse.

“The greatest political battle in Australia”, as it was styled, began on Tuesday week last, when Mr. **Cook**, as Deputy Leader of the Left, in Mr. Reid’s absence, defiantly challenged the Government to proceed with the Trade Marks Bill if it could. After sitting for thirty-five hours there was a breathing space of thirteen hours, the conflict beginning again on Thursday upon the first Standing Order and lasting without intermission except for meals until midnight, on Saturday. On Monday morning the Ministerialists reassembled ready to sit silent and vote often for the whole of the week, or until they wore their adversaries down. With that prospect before them even the well-trained talkers of the Opposition were discouraged. The **Speaker**, whose impartiality and keenness had won golden opinions, was gradually tightening his hold upon the discursive “stonewallers”, keeping them closely within bounds. The task of keeping up a pretence of debate was becoming excessively burdensome. Despite a system of relays the strongest speakers commenced to flag. Mr. Reid’s visit on the Saturday had failed to inspire the rank and file. His last words on leaving counselled a truce. A conference was held in the Prime Minister’s room between half a dozen leaders, and before midday the terms of an armistice were announced to a Silent House. The Government granted a respite for a day upon the Opposition abandoning its stonewall. Outside the Chamber, notwithstanding the success of their tactics, the Labour members did not conceal their chagrin. They were full of fight, eager to enforce a complete surrender, and anxious to punish the men who had blocked them for five long days and nights. For a time it seemed as if the victory of Ministers was to be their undoing. The phalanx that had stood at arms behind them became at once a discordant group of angry units. For the moment it appeared as if the defeated Opposition would win, because the manner in which it laid down its arms had turned the conquerors into mutineers.

Mr. **Watson**, who had been one of the negotiators of the treaty, needed all his influence and ingenuity to induce his followers to refrain from an open revolt, to count their substantial gains, and to look forward to the immediate future with confidence. Gradually the storm of dissent died away. On Tuesday the House met quietly, on Wednesday the fighting instinct revived again behind the Ministry, and on Thursday Protectionists and Labour members marched victoriously through division after division. The Standing Order was carried without the dotting of an i or the crossing of a t by majorities that ranged from ten to thirteen; next day the second and third Standing Orders were disposed of in the same fashion with the same unbroken discipline. As these were expressed they were not wholly approved by many who endorsed them, but the stage for considering amendments had passed. Nothing would be accepted from such a foe, and nothing attempted in face of them. The agreement on the Ministerial side was known to be temporary and due to the pressure of circumstances. Labour members realised that they were parting with

powers which they had often used when in opposition, and must need to use again. The Opposition, while bitterly resisting two out of the three orders, rejoiced in the prospect of applying them hereafter to the representatives of the Caucus. The only wholehearted enthusiasm for the closure was that of Ministers, and of the **Prime Minister** in particular. He has always held with Mr. **Balfour** that without restrictions of this character the transaction of business in modern Parliaments is becoming impossible. Fortune favoured him with an opportunity of giving effect to these views which he did not hesitate to grasp and employ to the fullest extent possible.

UNION LABELS.

Having got his weapon the question that remains for Mr. Deakin is, "What will he do with it?" The Trade Marks Bill, a useful, inoffensive, technical measure, has had tacked on to it in the Senate a set of clauses protecting what are called "Union Labels" from being pirated. This apparently proper provision derives its real importance from the fact that it recognises for the first time the right of union workmen to brand goods made by them with their mark in addition to any ordinary trade mark belonging to their employer or the owner of the goods. In the United States and Canada similar labels have become potent instruments of industrial warfare, are being employed for this purpose in the great majority of the States, and are therefore associated with litigation, strikes, and boycotts. Warned by American experience, our Chambers of Commerce and of Manufactures, employers' associations, and political leagues have all been active in protesting against the introduction of any such fresh source of strife into Australia. Its upholders reply that there is nothing to forbid its use at present, and that all they desire is to prevent fraudulent imitations. The fact remains that so far the label is unknown here, and that if legalised it is sure to be employed to some extent. Ministers contend that the Attorney-General's amendments transform the label, taking it out of the control of the unions and making theirs one out of several labels capable of being registered by non-unionists as well as unionists, individually or collectively, and that there are precedents in English law paving the way for the new departure. That, after all, leaves the main consideration unaffected. We have no union or other labels now and cannot foresee the consequences of introducing them.

A general opinion is that the whole of these provisions are surplusage, because our labour conditions and methods differ fundamentally from those in America. Labour labels have not been adopted in Great Britain and will not acclimatise here. Labour members themselves expect little if anything from the innovation, but the more it is resisted the more they are determined to assert their claim to have it if they choose. This mood brought them behind the Ministry in carrying the new

Standing Orders in defiance of their own previous hostility to all such expedients. In common gratitude Ministers must now give them the prize for which the Labour members were contending when the Opposition was foolish enough to boastfully build its "Great Stonewall". To justify their resistance to the "Gag" now authorised the same Opposition will now endeavour to compel Ministers to use it in order to force that measure through. Mr. Reid's contention has been that it has been brought in to pass the Union Label, and they will naturally do all they can to prove their case. If the Cabinet is wise it will be reluctant to use the new powers of the majority, but it is hard to see how the Bill can be passed without them. The coming week is certain to be stormy. Perhaps its combats will be as protracted as that which has just ended in bitterness. The Prime Minister has been assailed because when making the arrangement for the surrender of the stonewall he said nothing of the two additional Standing Orders which he tabled next day. His explanation that his express offer to discuss them was refused is not denied, but it is maintained that he was under an obligation to disclose his intentions to those not aware of them. Then again, the Ministerialists, who were not united even upon the Standing Orders, will be more dangerously divided upon the Union Label. Few, if any, of the Protectionists will support that in face of the opposition of the Melbourne *Age*. If the Label is carried at all it will be by Ministers with some half a dozen of their followers and the solid vote of the Labour Party. As this will mean a narrow majority, the ultimate fate of the proposal must remain extremely precarious. It can scarcely be adopted in the teeth of a numerous resolute minority, inspired by the expressed approval of many various organisations outside. All the influential interests except that of the Unions are hostile, and it will be strange indeed if the Label is approved under such circumstances.

The Trade Marks Bill is the immediate problem, but it is neither the last nor the greatest of those already visible. We are now scarcely three weeks from Christmas, with a series of contentious measures on the business paper and the probability of others. If they are to become law it must be by means of the closure, and it may be taken for granted that the Opposition will lose no opportunity of coercing the Government into making a choice between shutting off debate or sacrificing its Bills. Given the ordinary restiveness at the end of a session, the heat of summer, a big batch of legislation, a great deal of party resentment, and a Chamber containing three parties led by a Minister that controls—and that imperfectly—only one of them, and we have all the ingredients for an explosion. The Prime Minister has but one obvious power of control, and this capable of application to his majority alone. It is his House, and he holds the key of dissolution. Last week, when it appeared incumbent upon him to make terms with the Opposition in order to close the disorderly scenes inevitably associated with prolonged obstruction, he did so, notwithstanding the

fierce hostility of the Labour members. When a day later he brought forward two more closure resolutions he deeply incensed the Opposition and probably surprised his own supporters. This week he will be forcing on the Union Label clauses, though it will cost him more than half his own following. When that is disposed of his Immigration Bills will bring him into conflict with the Labour Party. Yet he must pursue his policy in this fashion or consent to see his term of office discredited by failure to realise the many objects he has held up to public view. Protection, Preferential Trade, and Population have not yet been advanced to any notable extent. The two former cannot be until next session. His constant efforts to combine the State Governments for the encouragement of immigration have not yet borne any fruit. As he explained to Parliament last week, the measures now on hand are all practical and necessary in themselves, but their passage is more necessary still in order to get them out of the way of next session. Preparatory to an appeal to the country there must be a comprehensive policy submitted clearly and completely defining the Ministerial programme. This may take the shape either in measures, resolutions, or declarations explicit enough to evoke a verdict from the country. If it is the aim of the Government to present such a policy, as no doubt it is, the aim of the Opposition will be to defeat it now in view of next session.

NEW SOUTH WALES AND LORD JERSEY.

Fortunate as New South Wales has been in her Governors, there is no one of them who would have been as welcome as **Lord Jersey** is, though in his case the warmth of the greeting was doubled by the fact that Lady Jersey accompanied him. From the moment that they entered this State they have been recipients of the most gratifying manifestations of public esteem. Our Ministry tendered an official welcome accompanied by an address expressive of gratitude to our guest for the many valuable services which he has rendered us out of pure goodwill. The Australian Chambers of Commerce honoured him in Melbourne, while here he was also entertained by a very large and thoroughly representative gathering of commercial and business men. This was a unique compliment to a nobleman whose office when here did not bring him in direct contact with men of this class except in social functions. One of the chief distinctions of both the Earl and the Countess during their stay with us twelve years ago was the sympathetic relations they established between themselves and widely-differing sections of our people. Lady Jersey was more sought by those of her own sex outside the guests of Government House than the wife of any Governor before Federation, because of her intellectual tastes and sincere interest in many public activities. It would be an invidious task to contrast our visitors with Sir **Harry** and Lady Rawson, now happily on their way back to Sydney, where they are most affectionately appreciated, but it would also be impossible to compare them owing to

their unlikeness. Perhaps Sir Harry Rawson is more popular with the masses because of his sailor-like camaraderie, while Lord Jersey appeals more directly to city men and those interested in finance. Both are great favourites. Sydney has been partly consoled for the absence of her Governor by the thoughtful kindness which induced her Excellency Lady Northcote to come to Sydney with her friends and enable them to make their home with her at Government House during their stay. Thus everything has been propitious to our guests for the revival of happy memories and for the making of fresh friends among the new generation that has come to the front since we lost Lord Jersey in the early Nineties. But his association with New South Wales was far from being terminated. When we lost a Governor we acquired a loyal and most indefatigable Ambassador and honorary Agent-General in London.

Lord Jersey's speeches notwithstanding, the restraint imposed upon him by the necessity of avoiding local political issues have been as shrewdly sensible and as tactfully wise as of old. Nothing could be saner than his summing-up of our position—the signs of prosperity on every hand, a rapid increase of exports, the attention paid to questions connected with the land. Nothing could be more judicious than his advice to send abroad none but the best products, to avoid borrowing, to multiply settlers, to mark out holdings beforehand so that men in our midst and those from the Mother Country could make homes for themselves without delay or difficulty. It may be said that these counsels are familiar, but they are little followed, and come with fresh force from the lips of an experienced statesman, possessing public confidence in an exceptional degree. He touched the right note just as happily when addressing his mercantile hosts; he reminded them of their need for new markets and pointed to their opportunities in the East. This enabled him to assure his hearers that Lord Lansdowne was not permitting any unavoidable delay in the presentation of the claim of Messrs. Burns, Philp, and Co. against the German Government for losses sustained by the unlawful exclusion of their vessels from the Marshall Islands in breach of the Convention between the British and the German Empires. This assurance was much needed in Sydney, where it appears amazing that a claim so just and clear should have been buried between the Colonial Office and the Foreign Office for so many months without any apparent cause. The commercial community here are well aware that, as Lord Jersey said, the extension of our trade depends upon individual initiative among our traders, who at their own cost and risk carry the flag into distant regions. But when they find that they can be boycotted and fleeced in the South Seas by foreign officials without being able to obtain even a tardy recouping of their losses from the Government by whose connivance the wrong was perpetrated they may reasonably conclude that there is little wisdom in following Lord Jersey's sound advice until Lord Lansdowne is prepared to protect British interests more effectively than heretofore.

FEDERATED AUSTRALIA.

ADMINISTRATIVE QUESTIONS.

THE FEDERAL CAPITAL.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Dec. 4 1905; Jan. 16 1906.

The Commonwealth Parliament is making a chequered record, awakening fierce hostility while doing some things to redeem its character. The new Standing Orders prevent that reckless waste of time by its least practical members which has long sullied its records. Last week the Trade Marks Bill was discussed under their shadow with an effort at relevancy to which the reports of its debates have long been strangers. On the other hand, although the legalisation of trade marks intended to be used by unions is now accompanied by their legalisation for all other associations or persons, employers or employees, the antagonism to the innovation continues wide and deep. Mr. Isaacs's speech in support of his addendum to the Bill of subtly reshaped clauses afforded an admirable exposition of the whole subject by a most capable King's Counsel, learned in the law and a master of ingenious advocacy. Mr. Watson supported him in several clear restatements of the claim of Labour to enjoy the same protection for its trade marks as the owner of goods is having conferred upon him by the same Bill. "Why", both speakers asked, "should fraudulent imitation of an union or a workman's own trade mark be permitted while forbidden under penalty in the case of the manufacturer?" Answers to their arguments were made not merely by members of the Opposition, who are unanimous among themselves, but by leading supporters of the Government, many of whom are breaking away upon this question. Some of them are Radical and some Conservative, but everyone who represents a country district has cut adrift. Trades Unions are not popular with the farmers, and are weak in numbers outside our large cities. There they are identified with the Labour Party to such an extent that hardly a candidate of any other colour can rely upon their suffrages. Hostility to the Unions and to their domination is the source of all the resistance to the present proposal. Despite the safeguards devised by the Cabinet it would allow them to distinguish goods made by their members from any others, and thus establish a new method by whose means they could recommend or force their products upon the market and their membership upon non-unionists. Unionists might boycott; they certainly would do all in their power legally to make

their label an exclusive privilege. They can do that now, but they could do it better then. Consequently the Protectionists in Opposition, Mr. Reid's late colleagues, like the Protectionists who follow Mr. Deakin, dread the possibilities of industrial strife. They are resisting Mr. Isaacs's scheme with all their energies, in spite of his assurances that the risks are imaginary. Probably there will be a small majority for the Bill, but its opponents will sit over against it, well contented in one respect, because they are convinced that they have driven another nail in the Ministerial coffin.

THE TRADE MARKS BILL.

Any commendation of the Parliament in connection with the Trade Marks Bill is due to its manner of dealing with the measure, and not with its contents. All things considered, the debates have been decorous and apposite. The Union Label is being affixed to the Government to the delight of its adversaries, who believe, and with good reason, that nothing except the Home Rule resolution will be more damaging to it at the next election. A minority of Ministers voted against Mr. Higgins's motion, although all of them voted with their Labour allies for the Union Label. But the fact that many of their own supporters for various reasons followed the Prime Minister with their votes without reference to his theoretical plea for an Imperial Federation based upon a devolution of local governing powers throughout the Empire gave the resolutions a Ministerial relation. This has been sufficient to arouse the Protestant Defence Party throughout the whole of Australia, and to range it against the Government. In this State, where no stimulus was needed, the vote is reinforcing the serried ranks of the Orangemen with shoals of fresh recruits. Even, in Victoria, where sectarian strife has always been less pronounced, one of the largest and most enthusiastic meetings ever held in its Town Hall condemned the interference of the Federal majority with passionate unanimity. Similar gatherings are being organised in all the States and monster petitions are being signed by thousands who resent any attempt on our part to interfere in the domestic politics of the Mother Country. If an election were held to-day the effect of the resolutions would be felt in every constituency of the Commonwealth. The influence of the vote will not have died away, though it may be diminished a year hence when the General Election comes. The question will be revived next session by a counter motion from the Opposition in order that the public may not forget the issue raised. They are in no danger of forgetting it. Whether Mr. Higgins has or has not helped Mr. Redmond by submitting the resolution, he has helped Mr. Reid amazingly by his untoward introduction of this vexed question into the Federal arena. The heaviest blow by far that the Ministry has yet received has come from his hand, though probably without the slightest intention on his part of injuring their fortunes. Protection

and Preferential Trade mean a great deal to Australia, while further advances towards Local Government in Ireland have but a sentimental interest even for its sympathisers. Yet for the sake of a mere demonstration for a movement on the other side of the world, the National policy here has been wounded in the house of its friends, perhaps fatally.

THE QUEEN VICTORIA MEMORIAL.

On the other hand, the Senate has done honour to itself and to the country by carrying the vote of £25,000 to the proposed Queen Victoria Memorial in London upon the voices. The manner in which last year Mr. Reid put this proposal aside in his usual procrastinating manner, was the least creditable of the sacrifices his Cabinet made in order to scramble into recess. But if it had come from him it would have been solidly resisted by the Labour Party, partly because they were at war with him. This year most of them resisted only the particular form which it is to take on the ground that the money ought to be devoted to a more utilitarian structure. The same objection was put forward in both Chambers, but their representatives in the Senate contented themselves with repeating their suggestion, withdrawing their amendment before a vote was taken, and thus allowing the original motion to be adopted with unanimity. Queen Victoria's reputation restrained the unruliest Senators from even an appearance of antagonism to her memory. All joined in bearing testimony to her virtues and services, in applauding her constitutional wisdom and labours in the cause of peace. In the House of Representatives the chorus of eulogy was equally harmonious, but the Senate surpassed its achievement by acting with absolute unity in demonstrating Australian loyalty. It is not to be concluded from this that the feeling evinced in Parliament is any stronger than outside because its members are more appreciative or more ardent in their gratitude. So far as a resolution of this character involving expenditure becomes part of the game of politics, the tendency of trimmers is always to oppose a grant either on the ground of economy or because it is to be spent in a far country or might be set aside in favour of a local project that would obtain local support. But in this instance the pressure of public opinion was quietly and steadily in its favour, notwithstanding the jests of the *Bulletin* and the imitators of its exaggerated local ambitions. No action was taken in the constituencies and no agitation conducted by the Press. The silently universal verdict was that the tribute to the great Queen must be paid, and that promptly. No paltering was permitted. The unqualified assent of the Senate expressed in an incontestable manner the deliberate judgment of the whole community, which on patriotic issues has never hesitated. The Federal Parliament had the whole Commonwealth at its back in supporting the Queen Victoria Memorial.

GOVERNMENT HOUSE MAINTENANCE.

The Senate figured in another episode which promised to be sensational so far as Sydney was concerned. Without warning it decided to strike out £1,000 of the sum set down in the Appropriation Bill for the maintenance of our Government House, in which the Governor-General takes up his residence during part of each recess. No similar provision is made in any other city or State, because their Excellencies are made the guests of the State Governors during the brief visits that they are enabled to pay. The size, wealth, and general status of our Metropolis entitled us to this special recognition apart from the fact that the Constitution requires the permanent seat of government to be established in New South Wales. The temporary nature of the occupancy of the Parliament House and Government House in Melbourne are thus emphasised by the two States being placed upon the same footing in respect to the provision made for their Excellencies in each. The **Barton** Administration adopted this course from the outset, though there has always been opposition from the representatives of less favoured States. Last year the Reid Government only succeeded in persuading the Senate to allow the vote upon an assurance from Sir **Josiah Symon** that it would be reconsidered upon this year's Estimates and probably omitted altogether. When those Estimates fell into the care of the Deakin Cabinet the vote was found as before, and passed under its auspices through the House of Representatives without question. The Senate was in sterner mood, insisting upon fulfilment of the pledges given. The late Attorney-General and present Leader of the Opposition in the Chamber, though not explaining why he had not kept his promise as to the Estimates while in the Reid Cabinet, proved the sincerity of his own opinions by strongly supporting the omission of the item. It might almost seem as if a personal antagonism to Sydney and its interests is an actuating impulse with Mr. Reid's first lieutenant if his attitude had not been consistent. He endeavoured to deprive all the States of the visits of the High Court on the ground that the temporary seat of Government was at present in Melbourne. That would have affected Sydney most, because we have most litigation, but made no discrimination against us. Now he has sought to deprive us of the one discrimination made in our favour, a Federal outlay for the upkeep of our Government House, such as is voted for no other State. His consistency is undoubted, but we are hardly likely to forget that it was by his aid, and that of his principal ally, Mr. **Clemons**, of Tasmania, that in spite of Ministerial advocacy the appropriation was struck out.

NEW SOUTH WALES'S ATTITUDE.

One may be forgiven for dwelling upon this minor incident of merely local significance because of its connection with the larger relations between this State and the Commonwealth Parliament. Except our constituencies on the Victorian border and those represented by Labour members, it is safe to say that New South Wales is still anti-Federal. Northern districts benefiting by the sugar bounty, whose interests are therefore in common with Queensland or Broken Hill, which remains for most purposes associated with South Australia, are no doubt indifferent. Indeed, the country generally is not more than superficially hostile, but Sydney and all that Sydney influences is convinced that we are being exploited by the Federation generally and by Melbourne in particular. There is a certain measure of truth in this tradition, because politically we are at the mercy of the other States. We contribute most to the Federal revenue because we have the largest population. We have the largest city, enjoying the finest port and the best situation, and yet we are far from exercising the control of public affairs to which these enable us to lay claim. No doubt this is due to the fact that we are divided among ourselves; but the fact that we are ruled in accordance with the wishes of our Protectionist minority instead of those of our Free Trade majority, are represented more often by Sir Edmund Barton, Sir William Lyne, or Mr. J. C. Watson than by Mr. Reid, is very galling to the party of which the member for East Sydney is head, in which our Premier, Mr. Carruthers, stands at his side—not that there is much love lost between our two leaders. Even while colleagues in the same Cabinet their relations were not cordial, and when they met as Prime Minister and Premier at Hobart at the beginning of this year the want of comradeship was notable. But they are always united in defence of the State which has entrusted them with the conduct of its public affairs and in consistent antagonism to Protection. Their animus is raised to a higher power when the Protection in vogue is Victorian. It is furnished with its most taking cry when it is illustrated by the manner in which the desires of Sydney are being ignored in the matter of the Federal capital. Sydney herself was excluded with Mr. Reid's consent, but he has done his best since to atone for that fault by endeavouring to secure a site which would be connected with the sea only through Sydney and as much subject to Sydney influence as possible. He has done this for his own sake as well as for the sake of his constituency. Mr. Carruthers has these motives and others of the same kind. His own part in the Federal movement was inconspicuous, and inglorious. But for Mr. Reid's withdrawal to Federal politics our Premier would not have gained his present post. Having gained it he objects to being overshadowed by his old chief or any other Prime Minister. Suspicious by temperament and anxious to divert attention from defects in his own policy, he has been and will always remain openly or secretly a foe to Federal autonomy or dignity or power.

THE CAPITAL SITE.

The correspondence between Mr. Carruthers and Mr. Deakin which appears to have closed without advancing the settlement of the capital site, commenced with complaints of the short period spent at Government House, Sydney, by the Governor-General. When it was shown that Lord Northcote had spent as much time here as was possible the matter dropped, though our discontent was again expressed a few days ago by an inspired statement in both morning papers. The effect of this was that the agreement under which our Government House was made available being about to expire, the Federal Government desired to renew its lease, but the State Ministry were not favourable to any extension. They preferred to see our own Governor installed there, making him an extra allowance for the three months of the year during which the Governor-General might be his guest. The rental and upkeep of Cranbrook, where Sir **Harry Rawson** resides, would be saved as a contra. The considerations that our present Governor is understood to prefer Cranbrook and that Government House could not accommodate both establishments at the same time are ignored. The object of the intimation was to provoke a fresh wrangle with the Federal Government and pave the way for further protests against the delay in beginning the Federal capital. The fact that Lady **Northcote** is at present in residence among us as hostess to Lord and Lady **Jersey** made Mr. Carruthers's notice to quit singularly inopportune. In the face of this the action of the Senate in at once adopting his suggestion seemed still more embarrassing. Evidently taken aback, he received the news with a darkly tragic intimation that the Federal "cup of iniquity was being filled to the brim". This extraordinary utterance proved too much even for the *Daily Telegraph*, which tartly rejoined that in this case it contained "not only a harmless but a positively wholesome concoction". One Government House was quite enough for one Governor-General and for the States, which had six others to maintain. His official place was at present in Melbourne, and his "social visits" to Sydney were to be decided by his own inclinations and those of our State taxpayers. The existing arrangement is "distinctly humiliating to New South Wales", and our people "are not to be cajoled with social ties into tame submission to an arrangement under which they are deprived of the rights that the Federal compact confers upon them ... We do not want the Governor-General's establishment except as part of what goes with the seat of Government ... The Senate has done well". It would appear after this retort that our Premier must adopt a less melodramatic pose. He was apparently prepared to turn the Governor-General out of doors, but became furious when the Senate fell in with his notion by asking him to walk out instead. Of course, Mr. Carruthers's real grievance has no reference to Government House nor to the delay in building a new capital. It is the determination of the Federal Parliament to build it at Dalgety, as far from Sydney as from Melbourne, and with a possible port within 100 miles,

that rouses his inextinguishable ire. What he wishes is to coerce it into renouncing its chosen site and taking another further north in one of the two or three localities of which he approves. Then it must build as quickly as possible. To get the capital away from Melbourne and under the wing of Sydney would be a triumph for him, and an exhibition of authority which would greatly enhance his own position. He proposes to ask our Legislature to discuss the “cup of iniquity” before proroguing, when the occupation of Government House and of Dalgety will be considered together. The impending debate may be better understood when the story of his several attempts to pick a quarrel with the Commonwealth Governments is kept in mind. One thing is certain: as long as Mr. Carruthers conceives it to be to his advantage to have grievances some grievances will be found. At present his role has been rendered more difficult by the prompt action of the Commonwealth Ministry. Promising that any future vote of the kind will be submitted by a separate Bill [Senator Playford](#), as Leader of the Senate, induced that usually bellicose Chamber to retrace its steps and rescind its previous decision against him. The vote for our Government House remains as before, Sir Josiah Symon notwithstanding. The cup of Federal iniquity is not yet filled to the brim. But Mr. Carruthers may be relied upon to prove himself just as heartily in opposition to the paramount power and its present Administration as if it were running over.

FEDERATED AUSTRALIA.

THE PARLIAMENTARY SESSION.

FROM OUR CORRESPONDENT.
SYDNEY, Dec. 11 1905; Jan. 20 1906.

Political events succeed each other so fast at this season of the year that it is impossible to keep pace with them. The unwritten law and practice of our Legislatures is to close their sessions before Christmas, always in a hurry, with a crush and with accompaniments of acrimony and confusion. Up till the last day or two Tasmania, where what may be termed parish politics prevail to a greater extent than elsewhere, was the only State where recess had been reached. A list of the measures passed in the island shows that they were local in character and inconsiderable in effect. This may be a satisfactory record for the Tasmanians, but it is necessarily barren for an Australian chronicler. On the mainland every State has closed or is closing Parliament. The customary dawdling with which each session begins gave place as usual to a gradually accelerating speed. The last weeks of the year found members wearied and Administrations desperate in their struggle with accumulated Bills in various stages. Western Australia is an exception because Mr. Rason having just met a new House with a sweeping majority behind him is concerned only with necessary preliminaries to the submission of his complete policy next year. In the four remaining States the temperature of the Legislatures rose with that of the season. The regular wrestle between the two Chambers has reached its height in Queensland and in South Australia, where two Cabinets supported by the Labour Party are at odds with their Legislative Councils. In each the popular House has been worsted. A chapter would be needed to make the pros and cons of each combat plain to English readers, to whom, after all, the combats would appear, in Burke's phrase, to resemble those of "kites and crows". A Londoner looking abroad has many events, and often a plethora of sensations, spread before him when he opens his morning paper. The relations of the Great Powers, the revolution in Russia, the change in his own Government occupy the field of his attention almost exclusively. The Colonies must always seem in the background, especially those that are remote, whose populations are small, and whose special political crises remain unattractive and obscure. Any attention he can spare to Australia is naturally given to the Commonwealth, where

our whole territory is dealt with legislatively but under constitutional restrictions that are little understood outside our borders. Yet State politics are very important to us, interesting to the student of contemporary public affairs, and upon some subjects fundamental to the whole Commonwealth.

MEASURES ADOPTED.

In New South Wales, for instance, our Premier has at last carried out his often repeated but always veiled threats of reprisals against the Federal Parliament. He has commenced with formal resolutions that have been passed by both Houses without hesitation and with perfunctory criticism. The story of the quarrel of which these are the outcome cannot be understood unless the relation of New South Wales to the whole Federal movement is appreciated. To unravel that would take us a long way back and involve references to many different topics. Putting this aside it must be noted that we have passed a Shires Bill for this State which in course of time will lead to many novel experiences of municipal administration conducted over areas larger in some instances than those of the smaller European nations. This will be completed by another measure for local government extension promised next session. The principles upon which both have been drafted are worthy of examination now, and will certainly repay a close scrutiny of their operations by and by. Then there is the new Liquor Bill already sketched in outline in the *Morning Post*, full of suggestiveness alike to publicans and temperance reformers. Besides these we have a Land Bill, cut down, it is true, from its promised proportions, but authorising a number of alterations in our existing laws intended to make the millions of acres of which our Legislature has possession or control more readily available to seekers after homesteads whether among ourselves or from oversea. The substitution of control by Commissioners in place of the Minister has been abandoned, at all events for the present, though we are assured that it will be revived next year. To make the land legislation we shall have in force when this amending Bill becomes law quite intelligible would require at least a column or two of comment. To render the details of its working clear would demand a small volume. It would be idle to suppose that the busy Londoner can have leisure or inclination to thread the legal labyrinth through which in New South Wales intending lessees, freeholders, or settlers on conditionally-purchased lands must find their way according to their divers aims. All these questions are before the electors of New South Wales at the present moment, because they are being dealt with by their representatives and are much more important to them than any anti-Federal resolutions. They do not pretend to fathom the intricacies of the Acts now in the making, being content to glance at the broad lines upon which they are being shaped.

The Londoner will be satisfied with still less. But he would be misled were he not to be reminded that besides the Commonwealth issues that catch his eye there are many others upon which our Legislatures are busily engaged, most of them of direct value to their constituents. Few of these can be fairly classed as over-legislation when it is recollected that the ownership and disposal of immense stretches of country and the gradual organisation of local government among the cultivators planted there supply, and will long continue to supply, motives for Parliamentary action that cannot obtain to the same degree in the old world. What is true of New South Wales is also true of other States. In all of them matters of magnitude are being handled afresh in the last hours of current sessions under great pressure and with undue haste.

COMMONWEALTH PARLIAMENT'S WORK.

The Commonwealth Parliament itself is no stranger to these scurries. It is, in fact, later in sitting and more seriously overtaxed than the State Houses have been. The Trade Marks Bill passed by a narrow majority by the Representatives on Tuesday last was accepted without amendment by the Senate. One verbal alteration has to be assented to, and only one, before this most controversial measure becomes law. The possibility is that it will be little heard of again. The amendments made by the Ministry transformed the Union Label from its American precedents to such an extent as to make it unrecognisable. Another amendment accepted by them cut out of the operation of that label all rural products. Thus its area was narrowed to those manufactured articles of the towns which admit of the application either of a public, personal, or Union Label. Considering that a great number of these articles really made in our midst are now sold as imported because of the popular prejudice that imported goods are best there is no risk of the label being attached to them. If it is applied at all it will be to few articles, and those only that employers believe it to be their interest to advertise in that way. Such, at all events, is the opinion of the better-informed Labour members who have been pressing for the legalisation of the labels rather as a demonstration of their political power than because of any pecuniary advantages expected for Union workmen. The rest of the week has been devoted to the two Immigration Bills which the **Prime Minister** has succeeded in pushing through his own House in two protracted sittings. Whether by accident or diplomacy he has contrived to manage this in the face of opposition from almost every quarter. His proposals were too mild for his supporters, too severe for his opponents, and hardly approved even by his colleagues. Whether they were worth the pains spent upon them remains to be seen. The Senate has still to review them, and what its verdict will be when less enthusiastically pressed, and in the face of stronger

opposition from the Labour members, the Melbourne papers do not attempt to predict. Our Sydney Press was hostile from the first, and unanimously, the *Morning Herald*, and *Bulletin* for once fighting side by side against both Bills. In Victoria, and indeed in all the States, there was a most unusual unanimity of judgment adverse to them. Some papers expressed a tepid content with that part of the first Bill which sought to study the susceptibilities of our Japanese allies by removing the word "European" from our restrictive statute. Rarely if ever has it happened that Bills which no one except their movers really cared about, and which our newspapers and parties united in banning, survived attacks from all quarters, and were sent from the House supported on every division by large majorities.

A VOTE OF CENSURE.

No doubt to onlookers the chief event of the final weeks will have been the passage of what is equivalent to a vote of censure upon the Federal Parliament by the Legislature of New South Wales. The resolution proposed expressed profound dissatisfaction with the treatment accorded to this State in many matters of serious concern, more especially in the selection of the capital site, and authorised our Government to provide for a popular vote upon the subject. The debates were brief, and with the exception of Mr. Carruthers's own speech threw little light upon his grievance, and less upon its remedy. Mr. Hughes, who leads the Upper House for the Ministry and to whom it fell to begin the fray, was vague in the extreme. He introduced the resolution as "not offensive", as tabled in protest, and only more than an abstract motion because it provided for an endorsement of its protest by the electors of our State. He insisted that he had not recanted his Federal opinions, but was bound to resist the unfairness to which we had been subjected. Appropriately enough his chief supporter was Sir Normand MacLaurin, the universally trusted leader of our Anti-Federalists. Taken together their complaints do not appear very serious. The Minister did not allege anything more than a departure from certain "understood" conditions never reduced to writing, and omitted from the Constitution under which the capital was to have been as near as possible to the one hundred mile radius around Sydney. Sir Normand MacLaurin could find nothing more flagrant on the part of the Commonwealth Parliament than the "flippancy" with which our appeals have been received and the "indignities" thereby heaped upon us. No other man of note spoke. The resolution, professedly intended to be momentous in consequence, was minimised in effect by the manner in which it was disposed of by our Legislative Council. What weight can be attached to a declaration so indefinite, practically moved without notice, approved without argument, and carried without debate or dissent?

MR. CARRUTHERS'S INDICTMENT.

Mr. Carruthers endeavoured to supply some of the deficiencies of the Council's conduct when on the last day of the session he submitted the same resolution to the Assembly by specifying all our wrongs—great and small. Many were very small. Besides, his catalogue was curiously compounded and poorly prefaced. A certain trepidation was visible while he urged moderation and dignity, contending that he had never “humbugged” the Federal authorities and announcing that he was a Federalist “in principle”. He certainly was not and is not one in practice. According to him there is “dismay and dissatisfaction” because the capital site has not been selected speedily, and because the Victorian Press and “hostile Federal members” have shown “contempt and hatred” for this State. After launching this substantial indictment his line of thought became obscure. He wishes the capital within the reasonable distance of Sydney proposed by the State Premiers before the second referendum, and refuses to admit that 900 square miles is needed for territory. He believes the consent of New South Wales to be necessary to the choice of any site, and will not give that consent for any area unless the present locality is changed. Trespassing upon delicate ground he questioned by implication the competency and fairness of the High Court in this connection because Sir [Edmund Barton](#) and Mr. [O'Connor](#) before they became Judges had formed definite opinions upon the rights of the Commonwealth in this regard and upon other matters now in dispute between the State and the Federation. He holds that the Privy Council is the only arbiter for such questions. He complained of the claim of the Commonwealth to collect duties upon State imports, and to protect its officers against State taxation, and of the absence of the Governor-General from Sydney Government House. He went back to Lord [Beauchamp's](#) departure for another cause of complaint. On financial grounds he objected that while our population contributed £167,000 a year only £90,000 was spent upon new works within our borders, the balance of £77,000 going to other States which contributed nothing to New South Wales. Many minor and even petty details followed. Finally, he contended that an appeal to our people would prove that they shared his views unanimously, and asserted that they were entitled to assist in administering the Federal Constitution in its initial stages. “There was no constitution so inelastic that it would not give way to public opinion.” Though he differed in opinion from the leaders of all three Federal parties, Mr. Deakin, Mr. [Reid](#), and Mr. [Watson](#), he believed that they would act upon an expression of popular opinion from New South Wales. What they are expected to do if the opinion of the people of the other States differs from ours and is upheld by a majority of another way of thinking, as our own Press points out, he did not explain. He was taunted by members of the Labour Party and a few others with the inconclusiveness of his speech and the futility of a referendum upon such a matter. Mr. [Waddell](#) endeavoured to confine our

complaint to the choice of a capital site, but hysterics excluded any debate worthy of the name. The leaders were silent or silenced, and the closure was applied. Thereupon what opposition there was left the Chamber. The Premier's motion was carried before dinner by 42 votes to two. Parliament was prorogued next day. A full statement of our case had been put forward by the Premier, but it had not been discussed; it had not been properly supported or opposed. It cannot be said that a decision arrived at in this fashion after a single speech, at a single sitting, and that the last of the session, was in any way worthy of the occasion.

OPEN DISAPPROVAL.

Neither in Parliament nor out of it has this demonstration been approved. While Mr. Carruthers spoke he was met with ironical inquiries whether he would hoist the flag of secession, and his utterances are now being freely interpreted in that sense in Melbourne and other centres of antagonism. His disclaimer of any aim of that kind, such as it was, meant that at present he cannot go so far. But it also implies that if he dared he would be found at the head of a hostile movement asking either for an amendment of the Constitution or its abrogation. The *Daily Telegraph* would have welcomed that campaign, but mocks at the blank cartridge he has fired. The *Morning Herald*, more Federal, is no more friendly. Our Premier's complaint that under the Federal Tariff we have had to pay 7 per cent. more upon dutiable goods and 11 per cent. more upon all goods except stimulants and narcotics is true, but the fact remains that we have had the greater part of the extra amount we have paid returned to our State coffers month by month. How we have spent it is our own affair. Under that tariff our manufacturing industries have developed, and will continue to develop, carrying with them a growth in the strength of our Protectionist vote and in the disinclination of business people to permit our nascent industries to be interfered with. The Premier bewails the reduction that annually occurs in the surplus repaid to us by the Federal Parliament instead of its being spent by them upon public works. His attacks are likely to be remembered to our cost when the next Appropriation Bill is being prepared in Melbourne. His reference to Mr. Reid was not cordial, and Mr. Reid's comment upon his proposed popular vote was not gracious. Neither the late Prime Minister nor his followers in the Federal Parliament are anxious for the extinction of that Parliament. They do not wish to retire from its larger range, while to some extent they share the censure passed upon that body, of which they are members. They, too, will have to be reckoned with if ever Mr. Carruthers should venture a declaration of war. It is a pity that he cannot confine his energies to the practical affairs of this State, for which he is doing good work in a clumsy but useful way. To attack the High Court as he did is some proof that he

doubts whether we have any grounds for accusing the Commonwealth of having exceeded its Constitutional powers. It is still a moot point in the judgment of lawyers if we are excluded from reaching the Privy Council by a direct appeal from our State Courts upon some of the issues he has named. In any case it was in the worst possible taste to assail two eminent Judges as he has assailed Sir Edmund Barton and Mr. O'Connor. To have attempted to alter the mind of the majority in the Federal Parliament by abusing their line of conduct, for which they are responsible only to their constituents in this and the other States was tactically unwise. To take the offensive on the last day of the session with a resolution that is certain to be impotent is the act of an angry man who is not strong enough to rely upon his cause or upon himself. It produced, and was produced by, an explosion of temper for which there are some excuses if only they had been put forward. Our resentment is caused by the disappointment of Sydney at the defeat of Free Trade, and of its claim to have the Federal capital placed within its immediate sphere of influence, and, finally, because of the dominance of the Labour Party in the Federal Parliament. Each of these, with the exception of the second, is a general grievance not peculiar to this State and capable of being dealt with Federally if our electors so desire. The strength of our real grievances lies in the fact that they are party and not national or State grievances. They proceed from a minority which admits that it has no prospect of obtaining a majority in a Constitutional way.

FEDERATED AUSTRALIA.

CLOSING THE SESSION.

AN ANTI-TRUST BILL.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Dec. 18 1905; Jan. 31 1906.

Christmas Day is but a week hence, and yet the quiet of the season has not settled down upon the Legislatures of the Commonwealth or of Western Australia. In the former Prorogation Day is not yet fixed. The **Prime Minister** clings with tenacity to his original determination to finish his programme or perish in the attempt. Except so far as the latter alternative applies to the health of individual members, and particularly to his own, little apprehension need be entertained. Daily sittings from breakfast time till past midnight, crowded with anxieties, have told upon the physical and mental capacity of the most diligent. Still the pace is kept up in Melbourne, and still the flow of legislation continues almost unabated. Little Bills suddenly emerge upon a notice paper, on which the longer measures are being slowly and wearily completed. When the tale is completed it may not appear long, but it will be very surprising to those here who have followed the Federal evolution of politics, both because of its extent and variety. There appears to be no doubt but that the session will conclude some time this week. Already some of our members are returning to remain in the State, while those bound for the North are passing through upon their long journeys to their homes. Thin attendances confront the Ministry doggedly driving its mixed team towards their destination. Summer is visiting us in regular course, though not severely, but in the Southern States the spring has been unseasonably delayed. If the heat had come earlier perhaps the recess would have arrived sooner; though it has lagged behind there has been a good deal of warmth generated in the Chambers. For this the exhausted nerves and tempers consequent upon the fierce fight for the Standing Orders a few weeks ago and the rush of business since are principally to blame. The fact is that members have spent their strength, have done their work, and cannot be kept in harness without absolute cruelty. Even Mr. Deakin's ruthless resolution must be appeased by the knowledge that his own health is giving way, and that the end has arrived.

A DARING PROPOSAL.

The Prime Minister's fagged condition has not prevented him from giving both friends and foes a final and crowning sensation. The majority of his colleagues are probably startled by their own daring, for which the responsibility is divided, according to current opinion, between the head of the Government and his *Attorney-General*. No one can imagine Sir *William Lyne* risking, or Sir *John Forrest* enjoying, the bold venture in experimental legislation just sprung upon the country in the shape of an Anti-Trust Bill. But it was the natural offspring of a theorising politician like the Prime Minister, and a fertile draftsman like Mr. Isaacs, K.C., whose Radicalism exults when translating itself into the complex clauses of novel statutes. This time they succeeded in evolving what our *Daily Telegraph* desperately describes in capital letters as "The Worst Protectionist Scheme Yet". Perhaps it is, but at all events it does not adopt a customary form. So far as it is fiscal it operates, not by duties, but by prohibitions, conditional or unconditional as the case may require. Some such measure has been long foreshadowed, appearing in the Ballarat programme of 1903, and having been referred to since from time to time. But there was no suspicion that it was anything more than one of those vague aspirations which the Prime Minister is credited with upon many subjects outside the beaten path of politics. The delay in bringing it forward was attributed to the difficulty of crystallising his idea as well as to the complexity of the problem presented. For weeks past he has hinted that the agitation in Victoria against an alleged attempt of the International Harvester Trust of America to capture the market for harvesters could not be met merely by raising duties, even if an alteration of the tariff had been possible at present. It was not possible, and yet somehow the threatened invasion must be met. The rumour was that large importations of agricultural implements were to be made which would be sold regardless of cost in order to destroy the local industry. That remains a rumour still, but it has been sufficiently persistent to occupy the attention of the Press for some months and of the Cabinet, which has spent much pains in seeking to protect our home trade without resorting to farther Protection by means of Customs duties. It was baffled, as the Prime Minister admits, because instead of levying more duties upon the goods proposed to be "dumped" they were obliged to look to repressive measures aimed at the importing corporation. This had its habitat in a foreign country, where it has hitherto defied all the efforts of angry law-makers to restrain its aggressions upon their constituents under the very eyes of Congress and the Courts. No wonder such a problem compelled our Ministers to pause.

THE "TRUST" QUESTION.

Whether there are in Australia any "Commercial Trusts" as these are defined in the new Bill may be doubted. Sir William Lyne thinks that probably out of the sundry combinations we have which maintain prices and act in restraint of trade the extensive combination which controls the importation and manufacture of tobacco is within its scope. The shipping "ring", which all but monopolises our local coastal communications, is not included, nor is the Colonial Sugar Refining Company, though its monopoly is undoubted. Indeed the Bill does not attempt to reach single firms or companies, no matter how exceptionable their tactics may be. What it seeks to deal with are organisations of companies, businesses, or undertakings which apparently act independently but are actually one body for the purpose of destroying competition to the detriment of the public. If such trusts are within the Commonwealth it makes those who are concerned in them criminally liable in the Courts exactly after the pattern of the Sherman Acts in the United States, but under less severe definitions and penalties. To this part of the Bill there has been no pronounced and open opposition, possibly because it was only before the public for so short a time. Set down on Monday last, introduced on Tuesday, explained on Wednesday, and debated on Thursday, it disappeared before Friday's sitting. The principle of the Bill was affirmed by the passage of the second reading, but upon the motion of a staunch Government supporter the first clause was postponed as an intimation to Ministers that the Committee declined to go further within a week of prorogation. This extraordinary dismissal of an extraordinary measure was accomplished in an extraordinary way. The second reading was carried upon the voices partly because the Opposition feared to be enrolled as supporters of trusts. The postponement of the clause was carried upon the voices because otherwise the Ministry would have been left in a small minority with few of the Labour members and fewer of their own friends. They would have been faced by a united Opposition, Mr. Watson and most of his followers and more than half of the Ministerialists, thus making up a sweeping majority. Yet the Opposition did not dare to call for a division even under these most favourable circumstances nor even to speak upon the motion lest they should give the Government an opportunity of making the vote one of confidence, in which case they would have been left by themselves badly beaten. Ministers, on the other hand, did not challenge a division list because of the severance it would have discovered in their own coalition. The Bill was laid aside, therefore, by mutual consent, unless, indeed, its immediate sponsors, the Prime Minister, Mr. Isaacs, and Sir William Lyne are to be reckoned recalcitrant. But they too bowed to the will of the House with a good grace, because it directly conveyed a decision to close the session before Christmas and give them a most welcome release.

Judging by the debate Ministers have received every encouragement to proceed with the Bill next session so far as it affects Australian trusts or combinations to establish monopolies. Whether they are numerous or their operations are of sufficient magnitude is not at all clear; but there can be little doubt of the trend of feeling. The accepted maxim is likely to be that prevention is better than cure. Trusts will be made illegal, and those engaged in them punishable. The Bill of last week if limited to them would in all likelihood have been accepted in a week under pressure. The Labour Party's only desire was to widen its definition so as to embrace the Sugar Refining Company and the Shipping Combination. Speaking generally our politicians seem ready to follow the United States precedents. They may even have been prepared to follow the Canadian precedent of penalising "dumping", though of course our Free Trade Opposition would have resisted to the last the increase of duties which has been authorised in such circumstances at Ottawa. What really blocked the Bill were the original methods intended to be applied against "dumping". The word is interpreted in its widest sense to cover any importation of goods below their fair value if their admission would disorganise the local market to such an extent as to inevitably bring about a lowering of wages or lengthening of hours in the local industry affected. The Australian manufacturer is not to be sheltered against competition from abroad if he is undersold by reason of his own omission to obtain the latest machinery or processes or his inability to manage his business. He must do everything to keep abreast of the times, but he must not lower the conditions of labour. Rather than he should do that the importations which compel him to choose between closing his doors or cutting down his employees were to be prohibited altogether or upon terms that would prevent the annihilation of the Australian producer. A power of prohibition at the discretion of the Minister of Trade and Customs already exists, but evidently Ministers felt that to exercise it in this crisis would render their intervention liable to misconstruction. Mr. Seddon himself has shrunk from autocracy of this kind, and when confronted by the same peril, or rather rumour of peril, proposed the Canadian plan of raised duties. His Assembly declined to go even this length, though it did authorise the payment of a State bonus and refund of duties upon raw material if these were recommended by a board representative of all interests. The Commonwealth Ministry under the same impulse adopted partially similar machinery and an entirely different penalty, so that its proposals, taken as a whole, may fairly be described as unprecedented.

SOME EFFECTS OF THE PROPOSAL.

What was to happen if the Bill became law was that whenever the Comptroller of Customs found grounds for believing that imported goods were coming into unfair competition with the products of local industry he was to give a certificate to that effect. If his Minister agreed that the case was sufficiently serious he could appoint

a board armed with the powers of a Royal Commission which would investigate the whole case and report upon the facts. Apparently its findings were to relate to the local industry affected as well as to the imported goods affecting it. If the importer was a commercial trust the burden of proving that its goods were being introduced at their true value and sold in a fair manner was cast upon the corporation, and in a number of other instances importers might be placed in the same position. When the facts were found the Government of the day were authorised, by Order in Council, to forbid the entry of the goods of the particular importer in question if inquiry showed it to be necessary, or to fix the terms upon which they could be sold in the Commonwealth. The intention was laudable as expressed in the title of the Bill, "For the preservation of Australian industries", but seeing that the board would be in each case selected by the Minister and that the final determination upon its verdict would rest with the Government the obvious criticism was that everything depended upon the Minister and the Cabinet of which he was a member. Presumably he would have the ear of his colleagues, and subject to their consent would be clothed with the most arbitrary power over all imports. It is true that the Minister already possesses, though he has never exercised, that power in this way. Hitherto it has been reserved for imports morally or for some other special cause undesirable. It has never been employed for economic ends as now proposed. Once used in that sphere it might supplement a tariff in a very serious degree. A Protectionist like Sir William Lyne with prohibition within his grasp would not be hard to convince that certain importations of certain persons demanded an inquiry. Once a board was appointed he could make their introduction into Australia subject to the deposit of their full value pending a final decision of his upon the report of his board. No wonder then that our zealous Free Traders dubbed the whole scheme an "Anti-Trade Bill". They saw in its Anti-Trust provisions only a fresh excuse for granting by Ministerial order any protection that local manufacturers might satisfy the Executive of the day they were entitled to receive in order to keep up wages and profits. Those are the arguments which have been showered upon it from the Opposition with many exaggerations, epithets, and personal allusions to the Minister who introduced the scheme to the House, though he is not generally credited with having elaborated it himself.

CRITICISM IN PARLIAMENT.

The discussion in Parliament was left to the leaders, the mass of members either not having mastered the provisions of the Bill or being unwilling to commit themselves until they had ascertained which way the currents of opinion outside were likely to set. Mr. Joseph Cook, as deputy leader of the Opposition, ran through his whole gamut of invective when anathematising each and all of its proposals. Mr. **Dugald Thomson** supplied a caustic analysis of its possible working from his own extensive

experience of mercantile affairs. Mr. Watson confined himself to the denunciation of the business methods of great combinations and deprecations of the almost unlimited absolutism intended to be conferred upon a Minister. The defence was represented by three Ministers, who, though singing the same refrain, varied their encomiums in characteristic fashions. Sir William Lyne was mainly concerned to show that the Bill conveyed no extension but simply a fuller definition of Ministerial control through the Customs. The Attorney-General was rich in legal precedents and subtle arguments to justify the prohibition of dumping as contrary to the first principles of Protection. The Prime Minister rather minimised the measure itself, treating it as but a first shot in the battle about to begin between Parliament, representing the whole people, and the Trusts, consisting of a small number of enormously rich and capable men who were banded together to extort tribute from the rest of the world wherever *laissez-faire* will permit. Between them they summed up the case for the Bill sufficiently to make it plain that whatever the fate of this particular measure may be the principle of Protection is to be extended for the future to embrace more than the increase of duties certain to be submitted by the Government when the Tariff Commission shall have ended its taking of evidence and presented its recommendations. The fiscal fight due at the next elections this time twelve months will therefore be unexpectedly broadened, making it less possible than it was for Mr. Reid to exclude, or even narrow it as he desires. From this aspect the introduction of the Bill is strategically sound, and also because it makes possible a prolongation of the existing understanding between Protectionists and the Labour Party by means of which the present session has been successfully governed. Mr. Watson has doubts as to the means suggested but none as to the ends to be attained. Some of his adherents who dislike Protective duties may swallow it in their anxiety to circumvent the Trusts and other combinations. These they dread instinctively rather than upon experience, though curiously enough they cite their operations with admiration, as proofs of what is possible in the socialising of industries. When on the declaration of the postponement of the Bill Mr. Deakin interjected with angry emphasis that it would be the first measure submitted next session he put the significance of the proposal to his party beyond all doubt. Whatever may be said of the plan of the Bill he has nailed his Anti-Trust colours to the Ministerial mast and means to stand or fall with them when he faces the country with the new Protectionist Tariffs, of which some such Bill is to be the complement and safeguard.

FEDERATED AUSTRALIA.

SESSION CONCLUDED.

THE MEASURES PASSED.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Dec. 26 1905; Feb. 3 1906.

The second and central session of the Federal parliament has just closed as if by sheer exhaustion, members separating in hurried flights day by day until there was not a quorum of the House and hardly more than a quorum of the Senate to attend Prorogation. The first session began as this closes, with Mr. Deakin in control, but so much has happened since March, 1904, when he laid the programme of a reconstructed Barton Cabinet before members fresh from their election, that it is very hard to turn one's memory back two years to the political conditions then obtaining. That proved to be our starting point for a series of dramatically surprising incidents. The constituencies had generally, but only in a negative way, approved his war cry: "Fiscal Peace and Preferential Trade for a White Australia". They had actually diminished the number of his direct supporters, slightly augmenting those of Mr. Reid, and strengthening Mr. Watson most. But all three remained leaders of minorities, so that the Parliamentary game had to be played imperfectly, according to the Prime Minister's popular metaphor, with "three elevens". To end this state of affairs and restore the practice of constitutional principles by majority rule in January, 1904, he publicly intimated his willingness either to coalesce or to give way to a coalition which would restore the regular methods of responsible government. There being no response he proceeded with his own policy, staking his fortunes upon his refusal to bring the public servants of the States within the scope of his Arbitration Bill. A junction of forces between Mr. Reid's immediate following and the Labour Party placed him in a minority on this point, whereupon he at once resigned. Mr. Watson, though personally always willing to join Mr. Deakin, had stood aloof from him because his party was keen to prove its power. Mr. Reid had declined because he was determined to be Prime Minister or nothing. Having frankly accepted the defeat of his Free Trade platform there was nothing else that need have divided him from a temporary arrangement with Mr. Deakin. The Labour members kept apart on a question of policy, Mr. Reid on a personal issue. Mr. Watson's Cabinet, formed by him with wise apprehension, had but a brief, stormy, and fruitless existence. Then Mr. Reid attained the Prime Ministership

by the help of half the Protectionists, and formed a Coalition Cabinet in which Mr. Deakin's associates were equal in number to his own. The first session closed soon after he took office, having seen three different Administrations. The recess was marked by a series of electioneering visits to the surrounding States. In these Mr. Reid reiterated his attacks upon parts of the Labour platform, which he vaguely condemned as Socialistic, but refused to show his hand any further. Warned by Mr. Deakin that no policy of negation could satisfy the country, that the fiscal issue would emerge according to their agreement in 1906, and that the Government must be prepared to define its attitude more distinctly, Mr. Reid became panic-stricken. Without reflection he sought to rush the House on the first day that it reassembled into an immediate dissolution. Defeated by a large majority he returned the leadership to Mr. Deakin, from whose hands he had received it. The wheel had gone full circle. The first Prime Minister of this Parliament became its fourth leader at the beginning of its second session, and has continued in that post to its close.

PARTY CHANGES.

Each of the three parties has changed its attitude in the interval, but, curiously enough, it is the party which now dominates that has lost most strength. Mr. Deakin's group, divided when Mr. Watson was in power, became absolutely severed under the Reid-McLean coalition, and mutually embittered when some of the dissentients came together to form the present Cabinet. Slightly the weakest of the three sections in 1904, the Protectionists lost their four members who belonged to Mr. Reid's Cabinet when he was ejected. Since then the forward policy pursued by the present Ministry, with the support of the Labour members, has caused the secession of half a dozen more. We have therefore the extraordinary spectacle of the smallest party in the House divided against itself, and yet with one of its wings holding all the portfolios and keeping the lead. Both the other parties remain intact. Mr. Reid's is stronger in numbers than ever, because the more Conservative Protectionists have taken alarm at some Ministerial proposals. But he continues powerless in the House partly because he has been absent during almost the whole session. The three "elevens", though one of them with only half its complement, still co-exist and are active. If the Protectionist split persists they may be treated as four. Mr. Deakin has entirely failed to reduce them to two. Yet he rules the House because the Labour members follow his flag with what is really an amazing docility if the nature of the business done and the severity of his recent criticisms of their methods and aims be kept in mind. He has withdrawn none and qualified none of those censures, and when the work of the session is scrutinised it is plain that he has given them nothing which they desire except by legalising the union label in a modified shape. On the other hand he has divided their hitherto undivided ranks, and, sometimes by the help of a majority

of their number, and at other times assisted by the Opposition, has persuaded both Chambers to modify the Immigration Restriction Act, and to pass a new measure dealing with immigrants under contract in a fashion which would have evoked the unanimous and unappeasable hostility of the whole Labour Party 18 months ago. Upon this and other burning questions during the current session its extremists have consented to be beaten again and again by the help of their own leader and their moderate fellow members of the Caucus. Why, it would be difficult to explain.

PREMIER AND THE LABOUR PARTY.

When it is said that the Prime Minister has done so much, all that is intended to be conveyed is that by his course of action since he went out of office in May, 1904, he has brought the Labour members to such a position that they must either accept most of his proposals or face the country. Subject to the pressure thus exercised it would be more accurate to say that it is Mr. Watson who has persuaded his irreconcilables either to do or to permit what no one else even under such coercion could have induced them to endure for a day. But for his reasonableness the Labour Ministry of which he was head could not have lived a month, but for it Mr. Deakin in his second term could not have lived a week. The lessons of responsibility last year fell most severely upon Mr. Watson, and have borne most fruit. They tempered his already chastened zeal and strengthened his previous moderation in practical politics. By his help the session that has just closed has been made fruitful in legislative work, and its measures moderate in character beyond all expectation. The public understanding between Mr. Deakin and himself has been so faithfully observed that it has in effect, though not in fact, and for the time being compressed the four parties in the House substantially into two. In this way and to this extent Mr. Deakin's original object has been temporarily attained. In a sense, and from the practical point of view, our Parliament has justified itself by seeing and repairing the error of its early ways; at least this is manifestly true of the Labour Party.

THE WORK DONE.

The success of the session, owing to the joint exertions of Mr. Deakin and Mr. Watson, has been undeniable from two aspects. Ministers have never been defeated in the House upon a single division even on matters of minor importance, a very remarkable achievement if the sectional character of the representation is remembered. They lost two Bills at the close of the session; that amending the conditions upon which certain duties on iron and machinery could be imposed was defeated in the Senate by a tie vote, while the ambitious Anti-Trust Bill was abandoned two or three days before

Prorogation. When Mr. Watson and the Opposition asked for delay Ministers were left with but a handful of their followers in favour of proceeding with it. Its second reading was passed on the voices, and its postponement in Committee in the same fashion. At the time and under the special conditions neither of these checks implied any loss of prestige. The Sugar Bounty Bill was altered in the Senate, but only as to payments five years ahead. All the session Ministers have been forcing their Bills upon a reluctant and sometimes a hostile House, and with these exceptions have invariably had their own way in the long run. The record of legislation detailed in the Governor-General's speech last week made the most of its many items, with the evident object of displaying an imposing total. None of the measures were of the epoch-marking character of the first Tariff, the Immigration Restriction, or Arbitration Acts, though the Trades Marks Bill, when the Labour amendment introducing the Union Label was added, probably excited more public attention and Press animadversion than anything except the Tariff. On the other hand, half a dozen of the new Acts are exceptionally noteworthy for their Federal character. Quite apart from the Commonwealth and Association labels, for which it provides registration, the Trades Marks Bill effected a great extension of the sway of the Central Government, since it replaced six Acts of a similar tenour in the six States. The Copyright Act extended very elaborate and extensive provisions in the same manner throughout the whole Commonwealth. The Census and Statistics Act, though it does not invade the province of the States Departments for the same purpose, will render their work subordinate and probably come to supplant them in the future. The Act forbidding Secret Commissions will assist the States that have legislated in this regard, while the Commerce Bill reinforces the measures aimed at adulteration and misdescription of goods, chiefly food products, which some of them have passed. Each of these Acts enlarges national powers. The whole five cumulatively increase the control of the Federal Parliament and Government over the trade, commerce, industry, and the legal obligations of its citizens incidental to these all over Australia. Their authority over Papua has also been rendered complete. If every session were accompanied by as many enlargements of administrative supremacy the Commonwealth would soon be enjoying the whole of the domain over which our Constitution gives it the right of entry and control.

THE COST TO THE COUNTRY.

What has this cost? The Government has been charged with obsequiousness to the Labour Party, though the only trace of it in legislation is in their granting of legal protection to the Union and other industrial labels. There they did meet Mr. Watson half way, though whether this implied any sacrifice on the part of Ministers is not known. That proposition needed no pressing upon the Minister of Customs, in whose department trade marks will be, nor upon the *Attorney-General*, who was in

charge of the Bill and who naturally supported with enthusiasm the amended scheme, for which he was personally responsible. However this may be the Prime Minister obtained full value for any concession, if any were made, in the relaxations he secured in the Immigration Restriction Act; a measure dearer to the Labour Party than any other upon the Statute Book, and embodying their greatest triumph in reference to contract immigrants. What is more, his modest amendments were opposed not merely by the Radicals of all sections, but by the *Melbourne Age* and other influential Protectionist papers for party reasons. How in the face of this antagonism from a large majority of his own following, and with a majority of the Opposition eager to wreck the two Bills which would weaken, if not stifle, some of their most effective cries against the Government, the Prime Minister ventured to submit or contrived to pass them is beyond comprehension to observers here. Members of the Parliament in Melbourne themselves do not appear able to explain the mystery, and if they cannot even suggest a theory it is idle for others to surmise. Not that the Acts really do so much as they suggest. One removes the word "European" wherever it occurs in the Immigration Restriction Act, and thus gets rid of a distinction to which the Japanese have expressed their dislike. In other respects the exclusion of coloured aliens is made easier than it was before. The old Act also dealt with all manual labourers, white or coloured, under contract to work in Australia unless a Minister was satisfied that because of special ability they were desirable immigrants required in this country. This meant that if there was no visible and unsatisfied demand for such men they could not be admitted. Under the new amendment British labourers are now admitted without that question being put at all, though all foreigners are left subject to it still. This exemption is now law because Mr. Deakin accepted with what some newspapers have called "suspicious alacrity" an Opposition amendment. His Bill as drafted did not touch upon that point, but simply abolished the penalties upon white labourers formerly levied upon coloured aliens and white immigrants alike if they entered under contract without permission. The Minister was savagely attacked by the extremists even for seeking to limit the punishments imposed to fines upon the employer and a possible small fine upon the contract labourer who broke the law. Yet he obtained this exemption for white labourers and the special exemption for British immigrants as well. Henceforward if these arrive they are to be paid Australian rates, and if not brought out to intervene in local industrial disputes are to be admitted as if not under contract. In any event they are no longer treated for breaches of the law with the severe penalties, including deportation, to which coloured aliens have been and are still liable. A broad distinction has been made between all white contract labourers and coloured aliens, with a special distinction between Britons and all other nations. So far as British workmen are concerned there are, of course, no restrictions upon their entrance, and never have been any unless they were under contract. If they are under contract the only conditions now imposed are further protection and advantage. That is a real and most welcome change.

REJECTED BILLS.

Among the Bills which did not pass was one in which Sydney had a direct and exceptional interest, since it related to the Federal capital. In the discussion upon it in the Commonwealth Parliament Mr. Carruthers's resolutions, adopted by both Chambers of our Legislature, came up for consideration, and largely in consequence of his ill-starred intervention the Bill was laid aside when the Prorogation arrived. If a review of the session were to be conducted after the manner of our local zealots this topic would exclude all others. To them it was an offence to bring in a Bill defining the territory for the capital at Dalgety, the place already generally fixed upon by the Parliament, another offence to have asked for an area of nine hundred square miles, a third offence to have even discussed such proposals without the permission of this State, and a fourth not to have pushed them to a conclusion according to our wishes. In the *Governor-General's* speech a pious hope was expressed that the "pressing question" of the site "will be determined by this Parliament". It remains to be seen whether our Anti-Federalists will wait so long. Outside New South Wales it is not treated as urgent, and there again our fire-eaters find fresh aggravation. Besides the Bills passed there were other matters of importance disposed of during the session. The new Standing Orders for bridling the obstructionists were jubilantly mentioned. So was the appropriation of £25,000 as Australia's tribute of grateful remembrance to "the personal worth and beneficent reign of her late Majesty Queen Victoria". Then there were the mail contracts via Suez and Vancouver and that with the Eastern Extension Telegraph Company, all of which have been hanging fire for a long time and furnishing food for protracted discussions. These decisions alone represent more real work than was accomplished during the ten months' session of 1904 or was projected by Mr. Reid for this year. The only Bills upon which he appeared to have set store, including amendments of the Electoral Act and a Representation Bill giving New South Wales an extra member, of which Victoria is to be deprived, were made law in addition to those already named. The session has seen more practical business transacted than the previous year's record and that expected for 1906 added together.

THE NATIONAL DEFENCE SCHEME.

Over and above these the Governor-General's references to the future comprised two subjects of paramount importance to the Commonwealth. The "encouragement of desirable settlers" was declared to be a principal aim, and the devising of a practical method of conjoint action with the States is anticipated. Then came the surprise of the speech, the secret of which had been well kept, though the cablegrams laid upon the table in Parliament on the last day of meeting show that the Opposition critics who were jibing at the Government for neglecting to produce their promised

scheme of national defence could have been put to silence weeks ago. Ministers have invoked with success the aid of the Imperial Committee of Defence to enable them to prepare plans of such of our ports as ought to be defended and of the class and extent of the fortifications and floating defences to be employed in and about them. The scheme is “to be a harmonious whole, capable of being carried out by annual votes in the order of their relative importance”. To this bold request the Committee have given a gracious consent. Very appositely Colonel Kirkpatrick, of the Imperial Intelligence Department, has just arrived on a tour of inspection of our defences, and in a few days Colonel Bridges, the head of our local Intelligence Department, will leave for England with details of all our present armaments. The Ministerial appeal for guidance to the highest authority was as unexpected as it appears judicious, and the practical steps taken at once to give effect to it prove that the Government is in earnest. Up till now we have had nothing but General Sir Edward Hutton’s organisation of our Militia, which is now being varied in sundry respects in order to make it fit in with local circumstances. Mr. Deakin’s adverse criticism of our deficiencies and of our utterly insufficient system of coast and harbour defences appears to have been well founded. At all events he has put his hand to the task of reforming them in such a way as to compel public attention. He has already concentrated it upon the unprotected condition of our harbours, and upon the fact that while they remain open to sudden raids the whole of our existing preparations may prove vain in the hour of need. The Governor-General’s speech if it had consisted only of this paragraph would have been memorable. Up till now, though rivers of ink have been spilled and hours of oratory occupied in arguments upon the state of our defences, no settled scheme for protecting Australia has been approved. We have not even decided upon the apportionment of our expenditure between the several branches of the Services. A good deal has been done to arrange and equip our Militiamen and a little to our forts, but in the absence of any governing principle upon which our efforts are to be put forth there has been a general discontent which at last is being met by a reasoned endeavour to begin at the beginning under the best auspices.

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