

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



Volume 1: 1900–1901

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— Volume 1 —

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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.

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Foreword

In 2019 we mark the 100th anniversary of the death of Alfred Deakin—champion of Federation, first Attorney-General of the Commonwealth, and three times Prime Minister (1903–04, 1905–08, 1909–10).

Even today, the scale of his contribution to Australian public life remains unrivalled.

Deakin once famously observed that Federation had only been ‘secured by a series of miracles’, its fortunes having ‘visibly trembled in the balance twenty times’.¹

He himself was instrumental in garnering agreement for key elements of the draft Constitution among convention delegates and colonial premiers. After it had been ratified by referenda in Australia, Deakin travelled to London as part of a delegation to smooth the passage of the Constitution Bill through the British Parliament. Once Federation was attained, Deakin was key to ensuring that Edmund Barton became Australia’s first Prime Minister. And, after the heady inauguration celebrations in January 1901, Deakin and his Cabinet colleagues set about the work of putting in place a Commonwealth administration and of building a new, democratic nation.

A former journalist, Deakin documented the decade leading to Federation in a series of (unrevised) articles which were published posthumously as *The Federal Story*. Unfortunately, ill-health prevented him producing the study of the early years of the Australian Commonwealth which he had hoped one day to write. However, we have in their stead, the anonymous articles he wrote as Australian Correspondent for the London *Morning Post* newspaper from November 1900 until the end of 1914. Urbane, for the most part engaging, though by no means impartial, the letters are, for the modern reader, at times jarring. They provide, however, a compelling, contemporaneous account of Australian life and the Australian political scene, of which he himself was at the very centre.

It is perhaps surprising that these articles have never been published in their full collected form. This might be explained by the sheer scale of Deakin’s output, amounting to over one million words over fourteen years. However, it is certainly fitting that in the centenary of Deakin’s death, we are now able to make a start on making this fascinating work more readily available.



The Hon Tony Smith MP
Speaker of the House of Representatives



Senator the Hon Scott Ryan
President of the Senate

Acknowledgements

This collection of Deakin's letters to the *Morning Post* has been in progress for a number of years, and continues so to be. The Parliamentary Library would like to acknowledge the assistance of the following organisations and individuals who have contributed expertise, permission to use images or archival records, or given access to their collections, as follows: National Archives of Australia; National Library of Australia; Flinders University Library; Dixon Library, State Library of New South Wales; Julia Adam; Robin Bell; Rowena Billing; Barbara Coe; Carlene Dunshea; David Faraker; Catherine Gilbert; Jonathon Guppy; Matthew Harris; Dr David Headon; Nicholas Horne; Joanne James; Maryanne Lawless; Cathy Madden; Mary Anne Neilsen; Charissa O'Sullivan; Matthew Smith; Leo Terpstra; and Ellen Weaver.

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Illustrations

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Herbert Cotton, *Federated Australia*, pen and ink drawing, National Library of Australia, nla.obj-135490036

Crown Studio, *The Governor-General and the First Federal Ministry*, January 1901, Dixson Library, State Library of New South Wales

Introduction

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’.²

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.³ 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’.⁴ 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’.⁵

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.⁶ His appointment was formally confirmed in March 1901.⁷

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.⁸

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.⁹

Menzell went so far as to recommend Deakin find another outlet for his letters.¹⁰ 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.¹¹ 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’.¹² 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 1911.¹³ The letters generally bore a Sydney dateline, and adopted a Sydney, Free-trade, point of view (‘our city’, ‘our Premier’);¹⁴ 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’.¹⁵ Deakin adopted a pseudonym (‘Andrew Oliver’) and sometimes a cypher for his cables to the *Post*.¹⁶ 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’.¹⁷ 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.¹⁸

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*.¹⁹

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.²⁰

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.²¹

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 himself²²—and the shifting fortunes of the Protectionist, Free Trade and Labour movements.²³ The letters chart the course of early Commonwealth governments and parliaments as they '[put] into actual operation the intricate provisions of the Constitution'²⁴ and built 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'.²⁵ His biographer and editor La Nauze, having grappled with the motivation for, and the propriety of, this anonymous journalism,²⁶ 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'.²⁷

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.²⁸

Notes on the text

A complete edition of Deakin's *Morning Post* has been long awaited.²⁹ 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.³⁰

Once complete, this multi-volume series and republication 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, none of Deakin's original manuscripts having survived.³¹ Original headlines and subheadings written by *Morning Post* editors have been retained. 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.³²

Endnotes

¹ A Deakin, *The federal story: the inner history of the federal cause 1880–1900*, JA La Nauze, ed. Melbourne University Press, 1963, p. 166.

² 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, Melbourne University Press, 1968, p. ix).

- ³ *Federated Australia*, *ibid.*, p. vii.
- ⁴ *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, 2, pp. 347–62.
- ⁵ 'Banquet to the Colonial Delegates', *The Argus*, 25 May 1887, p. 5.
- ⁶ Philip Menzell cable to Alfred Deakin, NLA MS 1540/7/8–10.
- ⁷ E Peacock letter to Alfred Deakin, NLA MS 1540/7/14.
- ⁸ J Nicol Dunn letter to Alfred Deakin, NLA MS 1540/7/12–13.
- ⁹ Phillip Menzell letter to Alfred Deakin, 10 and 26 May 1901, NLA MS 1540/1/613–6, quoted in J Brett, *The enigmatic Mr Deakin*, Text Publishing, Melbourne, 2017, p. 252.
- ¹⁰ *Ibid.*
- ¹¹ *Federated Australia*, *op. cit.*, p. viii.
- ¹² 'Alfred Deakin and the *Morning Post*', *op. cit.*, p. 361 and p. 373.
- ¹³ *Federated Australia*, *op. cit.*, p. viii.
- ¹⁴ 'Alfred Deakin and the *Morning Post*', *op. cit.*, p. 369.
- ¹⁵ *Ibid.*
- ¹⁶ J Nicol Dunn to Alfred Deakin, *op. cit.*
- ¹⁷ Brett, *The enigmatic Mr Deakin*, *op. cit.* p. 242.
- ¹⁸ Quoted in *Federated Australia*, *op. cit.*, p. x.
- ¹⁹ W Murdoch, *Alfred Deakin: a sketch*, Constable & Co., Ltd, Sydney, 1923, p. 252.
- ²⁰ Alfred Deakin to Richard Jebb, 29 May 1907, quoted in *Alfred Deakin: a biography*, *op. cit.*, p. 353.
- ²¹ Alfred Deakin to F Ware, 4 January 1909, NLA MS 1540/7/45–48, quoted in *Alfred Deakin: A biography*, *op. cit.*, p. 358
- ²² *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.
- ²³ *Federated Australia*, *op. cit.*, p. ix.
- ²⁴ H Tennyson, 'Prorogation', Senate, *Debates*, 22 October 1903, pp. 6436–37.
- ²⁵ *Alfred Deakin: A biography*, *op. cit.*, 1, p. 199
- ²⁶ *Federated Australia*, *op. cit.*, pp. ix–xii; *Alfred Deakin: A biography*, *op. cit.*, 2, pp. 360–61.
- ²⁷ *Federated Australia*, *op. cit.*, p. x
- ²⁸ *Alfred Deakin: A biography*, *op. cit.*, p. 361.
- ²⁹ *Federated Australia*, *op. cit.*, p. xv.
- ³⁰ *Ibid.*, p. xv
- ³¹ *Ibid.*, p. xvi.
- ³² *Ibid.*, pp. 295–311.

1900



'Federated Australia', Herbert Cotton's tribute to Sir Henry Parkes, appeared in the *Daily Telegraph* on Monday 9 July 1900 and celebrated the passage of the Commonwealth of Australia Constitution Bill (UK) through the House of Lords on 5 July 1900. Queen Victoria signed the Royal Commission of Assent on 9 July 1900, enacting the Australian Constitution.

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THE AUSTRALIAN UNION.

PREPARATIONS IN SYDNEY.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Nov. 29 1900; Jan. 3 1901.

Sydney has been simmering rather angrily for the past month, despite what may fairly be termed a temperate season, and is now fast approaching boiling point. Our preparations for the inauguration of the Commonwealth are the immediate cause, though the high pressure at which the local Parliament has been kept working, with a view to its early prorogation, has contributed to the general friction. Not that the Lyne Ministry is in present peril. If it were the danger must arise from some quarter altogether beyond propitiation, for there are few sacrifices of policy that could be demanded of its leader which he would not cheerfully make in order to retain his position. We are sufficiently accustomed to the undisguised mastery of this motive of political self-preservation in our recent Administrations to note the subservience with equanimity and without any overt manifestation of patriotic indignation. We have also been compelled to recognise that for many months past Sir William Lyne has been battering at the gates of the Colonial Office with many cables in order to assure to himself and to us all the glory which is rightfully ours in connection with the birth and baptismal rites of the Australian Union. If pre-eminent in this he is not singular. In fact, the pose for posterity which has been assumed of late by all the little men who see in this event a divinely provided means by which they hope to float their names to distant ages has rendered many recent public performances more painfully ridiculous than usual. That Sir William Lyne himself and most of those now straining for a front place in the Federal picture fought against Federation with all their might and predicted nothing but ruin as its result in no degree diminishes their determination to make the most of its initiation for their own advertisement.

PREPARATIONS FOR FESTIVITIES.

Sydney itself can claim no credit for any devotion to the cause of Union, but nevertheless, as the capital of the Mother-Colony, now the most populous and prosperous of the group, it was clearly entitled to the pride of place. Though our streets, despite the improvements of the last few years, still afford a more cramped field for civic festivals than even Adelaide or Brisbane, not to speak of Melbourne, our natural

surroundings are so incomparably superior that the festival, as far as background is concerned, will lack nothing in the way of ornament. We are all perfectly satisfied that even more than if it were set on a hill a city on such a harbour as that of Sydney cannot be hid, and must not be passed by for any of its competitors. This superb feature of the landscape will be made the centre of the demonstration, and here, at least, we are certain beforehand of scoring a conspicuous success. On shore the issue is more doubtful. Not that expense has been or will be spared, or that anyone can guess what sum will be disbursed. Parliament has been hoodwinked by being encouraged to suppose that its preliminary grant of £20,000 will suffice for the occasion, but it appears plain already that the bill must exceed five times that amount and may far surpass even £100,000 unless order can be brought out of the chaos that now exists. There are upwards of thirty committees at work planning, amending, submitting, and revising plans, but so far only a few bold outlines suggest the nature of the celebration. A display on the harbour, a procession through the streets, the swearing-in of the Governor-General in a park before an immense concourse of people, a review, and a display of fireworks, will be offered to the masses. There will be dinners, balls, and picnics for the more distinguished guests. The school children are to have copies of the proclamation as mementoes of the great event. There will be photographs of the more important persons in sundry situations in their Sunday clothes. Out of the £20,000 voted no less than £6,000 was promptly invested in champagne, a somewhat extravagant libation, as some may think, except in view of the fact that January is one of our summer months, when it is always possible that we may be gasping in a steamy atmosphere extremely provocative of thirst and anxious to avoid any function save that which can be attended in a bathing dress.

ECONOMICAL CONSIDERATIONS.

The real risk is not the weather, for after all it is likely that we shall be favoured with cool breezes and Italian skies such as belong to us for most of the year. There has been delay, and, of course, there is what seems unconquerable confusion everywhere. Such is the inevitable accompaniment of every great public festivity, however, in the earlier stages. Delays have been intensified with us because the Premier—always very uncertain about his own opinions and never persistent in them unless they are prejudices—has apparently a suspicion that either his colleagues or his committees may in some way or other obscure his personality if he does not keep them well in hand. Of course, the occasion is Australian, and the union of the States could properly be celebrated only by the States in union. This would have rendered the display more significant, more appropriate, and, as far as New South Wales is concerned, more economical. If the other Colonies had co-operated they would naturally have insisted on bearing their share of the federal outlay in proportion to population, as has always been customary hitherto. Such a course, though dictated by every consideration of

courtesy and wise policy, seems to have been set aside because Sir William Lyne was determined to have no partners in the control of the ceremonies attendant on the entry into partnership. Those of our neighbours who visit us will do so as guests, and at their own expense, except in a very few instances. The throng of our own residents will be so dense that few strangers will be able to find accommodation in Sydney. It will be a very general rejoicing as far as our Metropolis is concerned, but, of course, it cannot comprehend half the people scattered over our vast territory, and barely a handful from beyond our borders. The Commonwealth which makes us one people with one destiny will thus be ushered in by an almost purely provincial function.

LORD HOPETOUN'S POPULARITY.

Lord Hopetoun's appointment has been popular even here, in spite of his former association with Victoria as its Governor. The Earl of Jersey would have been preferred, because of his admirable record in this Colony, though he was not more popular with society in general than the present Governor-General, whose tact, liberal hospitality, and genial manners made him a favourite with both the classes and the masses. His unfortunate visit to India not only has obliged the Countess to remain at Colombo till she recovers from fever, but has sent the Earl of Hopetoun on board ship in so weak a condition that he has evidently doubted his own physical ability to face in one day all the programmes prepared for him. Years ago he almost fainted at his Melbourne levee, and naturally dreaded the prolonged ordeal which was sketched out for him on January 1. The plan was that he should land in Sydney unofficially on his arrival about December 12, and remain in comparative privacy until January 1, when he would re-embark and make his official entry from the sea. All invitations have been issued accordingly for January 1. He has now telegraphed to request that his official landing may take place on his arrival, so that his part in the inauguration ceremonies of New Year's Day may be reduced as much as possible. This reasonable proposal involves a recasting of all arrangements so far made, and thus affords another ground for anxiety, though it diminishes the pressure put on us by to some extent dividing the functions.

MR. BARTON'S POSITION.

But for his loss of office and failure so far to regain prestige as leader of the Opposition, Mr. Reid would have been first favourite for the Federal Premiership. His temporary obscurity has left the field open for Mr. Barton, with whom the Colonial Office and the London public have recently made acquaintance. In loyalty to the Federal cause, in character, and in political consistency he stands far above his rivals, though his Protectionist leanings are not popular with us in the city, and he is out of favour with the Labour Party, in whose eyes he is a confirmed Conservative.

THE NEW COMMONWEALTH.

DIFFICULTIES TO BE FACED.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Dec. 4 1900; Jan. 8 1901.

On the 1st of January the Parliament of Great Britain will be at last enabled to behold, Jove-like, the new power which has sprung full-armed from a head which is aching after even a perfunctory discussion of the future estate of its offspring. The coming new Commonwealth is already hailed as, in some sense, a portent, having discovered to a surprised Europe even in the hour of birth a fervent loyalty to her parent as unforeseen as was her capacity for service. Loyalty to herself she has yet to manifest, for up till now the artificial barriers dividing the Australian Colonies from one another have weakened their prestige and to some extent their sisterly affection for each other. Now that their forces are combined and concentrated for certain definite purposes they attain for the first time the dignity and potency of a national life, of which the future consequences are certain to be conspicuous and of permanent influence within and without their territory. Ultimately their union will be seen to have heralded within them a revolution, perhaps the more profound because entirely peaceful, but none the less a revolution, political, industrial, and social, unprecedented in colonial history. With such a prospect apparent to all onlookers or participators in the achievement, the tendency undoubtedly is to form exaggerated expectations of an immediate transformation in our circumstances which calm consideration must show to be unwarranted. Sudden as the birth will be and richly endowed as is the new-born with the amplest charter of self-government that even Great Britain has ever conceded to her off-shoots, much time and toil will be required before we can hope to actually enter and enjoy our inheritance.

FIRST STEPS.

The Constitution, long as it is, contains merely the framework of government, whose substance and strength must come by natural growth. Ministers will, of course, be appointed at the outset to accept the responsibility of preliminary preparations, but the **Governor-General**, acting on their advice, can do little more in the first three months than take charge of the Departments transferred from the States and arrange for the summoning of a Parliament. From this he will next obtain the requisite

legislation providing for the proper control of the public services taken over and the creation of new Federal Departments. Gradually the High Court, the Inter-State Commission, and the High Commissioner's office in London will be created and endowed with the means of discharging their functions. There must be a further period before statutes embodying the policy accepted by the electors can be passed and put in operation. An immense work of administrative organisation must proceed before the new centres of control are firmly established and common principles of action settled throughout the continent. Fiscal freedom lies still more in advance. The several tariffs of the Colonies now in force require to remain untouched for probably twelve months at least, and the new duties of the Federal Customs House are scarcely likely to be passed without a fierce conflict and prolonged debates.

DISAPPOINTMENT ANTICIPATED.

Other causes of controversy lie thickly around. These are likely to be multiplied and rendered bitter because a considerable proportion of the electors of the Federal Parliament are not yet really allied in sentiment nor ripe for concerted action. It is to be feared that the dividing lines which must be drawn before the system of responsible government on the British model can be seen at its best will not appear at the first election, and that much confusion is likely to be occasioned by the absence of even a fairly complete understanding between the representatives who compose the earliest Parliament. These conditions and many unforeseen hindrances will in all probability exasperate the ardent Federalists, fortify the suspicions of their opponents, and disappoint impatient onlookers, especially among the class which has been described by the *late Laureate* as expecting all things in an hour. Summing up the position, then, it may be taken for granted that the Commonwealth will not begin its reign without much friction, much misunderstanding, and much complaint. Not even an Act of the Imperial Parliament can remove by its fiat the antagonisms of thought, aim, and situation existing among the scattered four millions of independent Australian Britons who are taking their destinies into their own hands on a far greater scale than they have been hitherto accustomed to essay. Because they are enriched by the acquisition of a Federal in addition to a State citizenship they will not be at once inspired with Federal feelings. There will be no complete break with their past. Their horizon will be wider than it was, but in all likelihood will fall far short of the actual field of influence now opened to them. The Union, as begun, will be formal and legal rather than vital. In a few years, no doubt, common interests will supply links capable of standing the strain of local divergences, and by degrees party lines will be drawn, determined, not as at present largely by geographical considerations, but by principles of national import.

DISTANCES AND AREAS.

It would be unreasonable to expect such a development at once, though why delay must be anticipated may not be plain to the Englishman who has never visited the Southern Seas. He needs at the very beginning to realise the vast distances and areas which have just been knitted together as one Dominion. Canada has her Trans-Continental Railway, but we as yet have none, and a general election with us will mean a continental campaign covering a section of the globe as large as a Presidential contest in the United States, though at present with means of inter-communication no better than it possessed forty years ago. Our population is but a coastal fringe, whose sole promise of density as yet is at the south-eastern angle. Here it is coagulated in a few capitals, containing in three of them nearly one half of the total of the peoples of three chief Colonies. Greatly preponderating in commerce, finance, and politics, even these are in most senses wide apart. It is farther from Sydney southward to Melbourne or northward to Brisbane than from John o' Groat's to Land's End, and nearly twice as far to Adelaide. Yet these cities are contiguous by comparison with Hobart and Rockhampton. Townsville, the rising emporium of Northern Queensland, is as remote from us in Sydney as Moscow is from London, and takes longer to reach. Perth, the centre for the south-west and west coasts, is only to be attained after a sea voyage of two thousand four hundred miles, which occupies more time than you spend in going from Charring-cross to Tobolsk. The unexplored possibilities of the north-west, lying one thousand miles beyond Perth, or by way of Thursday Island from Sydney, demand a sea voyage of nearly three thousand miles. Difficulties of communication render even these measurements more serious than they appear. For instance, as the crow flies the rich silver mines of Broken Hill are about five hundred miles from here, but, there being no direct line constructed, a visit to them necessitates a railway journey one thousand four hundred miles in length, absorbing three and a half days and three nights. To put a Ministerial programme before the cities and towns will be a herculean task. How the hamlets and immense tracts merely dotted with homesteads scores of miles apart are to be informed is a still more arduous problem. Our country districts are now often politically isolated, caring much more for railways, roads, and bridges than for any questions of policy agitating the capital and its appanages. Our agriculturists are slow to unite even with their neighbours, while pastoralists find union impossible except for certain general purposes of self-protection. The line of communication with the seaboard is the line of travel and of interest to each district. It is drawn as straight as possible to the seaboard, and almost invariably to the capital. Separated from others in their own Colony, the various districts are still less in touch as yet with those across its borders. The picture is not easy to present and very difficult to realise, and the situation is too spacious to be focussed. But it must be comprehended and remembered before the trials of the Commonwealth can be understood.

COLONIAL RIVALRIES.

No wonder, then, that to very many in each Colony the Mother Country is nearer in thought and more frequently visited than their relations next door. The "home" ties are very strong in all colonists, and are in no small degree inherited by their children. Everywhere there is a more intimate knowledge of British politics and public men than of those of our fellow-subjects on the other side of an imaginary border line. The political system under which we have lived has connected each Colony directly with the heart of the Empire, as it has each of our provinces with the capital of the Colony, and the bulk of our commercial and financial operations have tended in the same direction. We have been in law foreign States one to the other, and did, in fact, in times past make commercial treaties with each other, just as in our later years we have waged fiscal war among ourselves and guarded our frontiers with lines of hostile Custom Houses. Each Colony has followed its own line of politics according to what it believed to be its interest. Though men of the same stock, of the same type of thought, and living, broadly speaking, in similar surroundings, our differences, small at first, have been multiplied and increased until some marked divergences have become manifest and have been gradually intensified by various rivalries. When these conditions of Antipodean life are realised it will be seen how vain would be the expectation that the prejudices of years, the ignorance which is the characteristic note of parochialism everywhere, and the inter-colonial jealousies begotten by these are to be dissipated at once by an Act of Parliament, even though drafted and adopted with the approval of the great majority of those whom it is to affect. The Commonwealth Constitution will begin to take effect on the 1st of January, but everything which could make the union it establishes more than a mere piece of political carpentry will remain to be accomplished afterwards.

IMPERIAL SENTIMENT.

Of course, there are issues on which something approaching unanimity already obtains, and these, it is gratifying to note, include what may be called the Imperial questions of the day. Australia has always been "solid", to use an Americanism, for the maintenance of the closest relations with Great Britain. The Colonies have vied with each other in their proffer of troops for South Africa, and even continued their friendly rivalries on the field as to who should be first at the foe and last to stay his pursuit. The recent election in Victoria was signalised by the rejection of practically all the small minority of its Assembly who ventured at the outset of the war to doubt some the wisdom, some the necessity, and others the propriety of sending colonial contingents to the field. With scarcely an exception they had since recanted their opinions, and some had made themselves conspicuous by the zeal with which they

supported the despatch of the later contingents. But it was of no avail. Only one of those who remained defiantly Pro-Boer retained his seat, while the half-dozen others who to a greater or lesser extent had sympathised with him were all defeated. A similar experience would have occurred in any other Colony in which a general election had been held. We are just welcoming home the first considerable body of returned Australians, and everywhere the occasion is being seized for a patriotic display. A *casus belli* was almost created at Albany, where the troopship *Harlech Castle* arrived on a Sunday, because Colonel Price, the commanding officer, declined to allow his men to land. They have been detained at Adelaide till Saturday last in order that they might receive a fitting public welcome. It proved a most successful demonstration—a march by day through streets, which were illuminated at night, and packed with eager patriots of all ages and both sexes.

“INTOXICATION OF PATRIOTISM.”

In Melbourne the demonstration was far less spectacular, because the crowds were of such volume as to be uncontrollable. In the morning the troops were allowed to reach the barracks, where they were banqueted by the Government, and in the evening were royally entertained, with two or three thousand cadets and guests, by the Mayor. But the procession, which was to have been the event of the afternoon, resulted in a rout and defeat such as the returning veterans had never suffered at the hands of their foes. They were not only surrounded, and had their ranks broken, and in some cases their arms taken from them, but they were individually embraced, chaired, cheered, and patted until all semblance of order was lost, and they were only too anxious to make their escape individually when and where they could from their too enthusiastic admirers. The masses meant well, and the telegraphed reports are filled with illustrations of an intoxication of patriotism akin to that of the never-to-be-forgotten “Mafeking Day” in London. If this passionate loyalty is a source of pride and confidence in the Mother Country the lessons of the war which provoked it are perhaps no less valuable to us than to you. Our new Defence Department, uniting all the forces of the six Colonies under one control, will have at its inception a store of experience to guide it, gained on the South African veldt, which ought to be of the utmost service when organising any expeditionary forces we may offer—as we certainly should offer them—in the event of any foreign complications in these seas. Our Naval Brigades have already won high commendation in China for their physique and equipment, and the alacrity with which they are facing the rough work of campaigning. Some day they may be able to give as good an account of themselves on the sea. We certainly have material of the best for an effective marine in our colonial shipping. In these matters the Colonies are already at one. The difficulties which surround the initiation of the Commonwealth are of local origin, and demand

local solutions. These they will undoubtedly find by degrees, though they appear most numerous and formidable now to those who know them best. If our Imperial patriotism is not stronger than that which fires the attachment Australians feel to their native or adopted land, it assuredly has been more manifest and eruptive since the war. Most certainly the tasks of peace in this continent are likely to tax our local patriotism to the full before they are all accomplished, and especially during the next two years.

THE NEW COMMONWEALTH.

QUESTIONS FOR DECISION.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Dec. 11 1900; Jan. 22 1901.

Lord Hopetoun's arrival having been at last fixed for the 15th inst., we are in a position to complete our preparations for receiving him. Of course, this will be done in a comparatively unpretentious manner, the chief rejoicings being reserved for the proclamation of the Commonwealth on New Year's Day. Those arrangements are now proceeding satisfactorily, though they are still retarded by Sir William Lyne's apparent determination not to allow a flag to fly nor a cracker to be fired at the public cost without authority first had and obtained under his own sign manual, though at present he is out of the Colony. It must be confessed that a strong hand was needed to control the outlay and to determine the details of the display, for last week we shone at the expense of Victoria owing to our resolution to be economical in our reception of our returning troops from South Africa. There was quite sufficient heartiness, and a crowd that might easily have provided unmanageable was kept fairly under restraint during their march through the streets, thus escaping the riot and rout to which Melbourne gave itself up deliriously when its warriors were restored to their homes. If the pettiness and penuriousness of our Ministry lead to an equally effective control of the official part of our greater demonstration we shall be well content. We are reserving ourselves until then, intending that it shall eclipse everything yet seen south of the Line. The unofficial will be the perilous part of the celebration. It must be admitted that the numbers of people to be handled will be immense—and uncontrollable if excited—and that the strain on the authorities must be much more prolonged than on Saturday next. Still, it is something to have triumphed over Melbourne in our preliminary effort in regard to the contingent. The victory is a good deal discounted, because our southern neighbours possess a truly British capacity for ignoring their failures and a complacency as to their lucky hits which is extremely difficult to disturb. We are a less united and a less politic community, more easily excited and not so well represented in public affairs. The common complaint of our politicians is that they are always outwitted in their dealings with Victoria; while it is certain that our great Metropolis is municipally much behind theirs. Our city fathers lack dignity and enjoy little public confidence. They speak in our name and impair our reputation by their incompetence. In spite of our admitted supremacy in trade,

wealth, position, and prestige we appear to a disadvantage when their fussiness and foolishness is contrasted with the arrogant but placid self-sufficiency of Melbourne. We are nervously aware that they are noting every detail of our preparations and will patronise us, whether in praise or blame, with the air of intensely superior persons. If the patriotism of the citizens of the future Commonwealth were the sum of the local patriotisms already existing among us it would commence its career with a very handsome endowment of that invaluable quality. The misfortune is that at present the strength of provincial attachments is mainly manifested in our reciprocal antagonisms. A mutual admiration society established between the various Australian capitals would be capable of doing excellent service for the Federal future.

SOME PARTY DISTINCTIONS.

The amenities between New York and Chicago or Boston as reproduced between Australian cities are in many respects healthy or merely amusing. They have been embittered, however, by the power hitherto possessed by each Colony of striking at its rival through its fiscal legislation. Now this is about to be withdrawn from us all, and the circumstance creates a new situation, somewhat obscured to your readers by the different meanings attached here to the party names with which you are familiar in your own politics. A Colonial Liberal is one who favours State interference with liberty and industry at the pleasure and in the interest of the majority, while those who stand for the free play of individual choice and energy are classed as Conservatives. With us the British tradition that a Liberal is necessarily a Free Trader still obtains, but in Victoria a Liberal is necessarily a Protectionist, while in the other Colonies the term embraces men of both ways of thinking. This confusion of tongues is increased by a confusion of facts, furnishing more pitfalls for the European journalist. In Victoria it is Melbourne as a whole that is ultra-Protectionist, while the farming population leans towards freedom of exchange. In New South Wales our Metropolis is almost wholly Free Trade, and it is our farmers who are the backbone of the Protectionist Party. The key to this contrast lies largely in the fact that our agriculturists have felt the pinch of the Victorian tariff, which was levied largely on such of their products as they sought to sell in Melbourne. They became Protectionists in order to make reprisals for this unfriendly treatment. Our superb port and wealth of coal, making Sydney the terminus of the great oceanic mail lines and the great commercial emporium of the continent, have been factors in keeping us true to the principles of Cobden in spite of the provocation given by the heavy duties levied on our goods when sent across the Murray. But the Union into which we are entering sweeps away once and for all the whole of the border custom houses. Their tolls on trade will cease all over Australia at the same instant. This relief will be accomplished when we obtain our Commonwealth tariff, which is to be uniform

in its incidence everywhere except in Western Australia, whose local duties are to be gradually assimilated to the new tariff during the first five years, unless the people themselves prefer to expedite the process. The chief issue to be decided in the coming election must, therefore, be on what principle the first tariff shall be framed.

CERTAIN STATE DIFFERENCES.

That question can only be determined in the Federal Parliament when it meets in March or April next. In the meantime the Governor-General's choice of his first Prime Minister will give a preliminary warning of the policy to be submitted to the country. To New South Wales the issue is doubly important in the eyes of the Free Traders, because the adoption of high duties, while depriving Sydney of her special attractiveness as the one free port on this side of the globe, would also imply a heavy taxation on many classes of products which we should still be compelled to import, since we do not manufacture them ourselves. The fact that most of the receipts would be repaid into one State Treasury would be but a partial consolation for whatever increased cost of living might be thus occasioned. On the other hand, it is urged that the artificially supported manufactures of Melbourne would probably receive a fatal blow if deprived of it altogether by the adoption of one Free Trade tariff for the whole of Australia. Other questions will be submitted to the electors, and in some cases may range New South Wales and Victoria side by side, as, for instance, in resisting the female suffrage already in force in South and in Western Australia. Queensland may find herself opposed to us when advocating the continuance of Kanaka labour on her plantations, but on the fiscal issue Sydney and Melbourne are likely to find their old antagonisms revived and concentrated. Whatever turn the political contest may take, the struggle between them is certain to be the most conspicuous feature of the fray. The Liberals of New South Wales have in Mr. Reid a fighting leader of the first quality as far as the platform is concerned, while neither here nor in Victoria is there any strategist of the same commanding power on the Protectionist side. If he were the first Prime Minister he would no doubt accept the verdict of the country as to the extent of the consideration to be given to the Protectionist views of the other Colonies, with the result that a compromise tariff would be secured which would point to and prepare the way for complete freedom of trade. For party and campaign purposes his present demand goes much further. The margin of compromise is lightly touched and dismissed, and it is by a bold appeal to first principles and brilliantly humorous, though forcible, attacks on his opponents that he is rousing his followers to enthusiasm. Last night a mass meeting was held in the Town Hall which was a triumph for himself and for the cause. The three thousand persons assembled witnessed the reappearance of Mr. McMillan and Mr. Bruce Smith, whose resentment at Mr. Reid's Anti-Federal and Radical lapses have long estranged them

from him. Mr. **Ashton**, the most promising and prominent of the younger generation of politicians, was as vigorous as his seniors in the declaration of his fiscal faith. The first resolution affirmed the necessity of a merely revenue Federal tariff, the second condemned protective duties, while the third eulogised the Free Trade policy pursued both in the Mother Country and in this the Mother Colony. The only prominent Freetrader absent was Mr. **Wise**, the Attorney-General of a Protectionist Government, who cherishes a personal feeling against Mr. Reid and is an aspirant for office in the first Federal Ministry. He has been speaking with Mr. **Barton** at country meetings, at which both have been advocating a compromise tariff and its subordination in the electoral programme. Mr. Reid pointedly condemned such a policy, and the meeting was wholly with him when he flung down the gage of battle to his opponents, protesting his determination to make Free Trade the test question of the coming elections. He certainly has the power to do this, and is already forcing the hand of his adversaries. The politics of the Commonwealth, therefore, are rapidly coming into shape.

THE FIRST PRIME MINISTER.

In a few days Lord Hopetoun will have sent for his first Prime Minister. Public opinion, after a period of oscillation, has gradually settled down to the conviction that his choice must inevitably fall on Mr. Edmund Barton, who lately represented us with so much distinction in London. In many respects no selection could be more grateful, for he is a son of Sydney in every sense, born in our midst, educated at our grammar school, and graduating at our university with first-class classical honours after a brilliant scholastic career. He was called to the bar in our courts, rising to the position of Queen's Counsel and several times since officiating as an acting judge of the Supreme Court. He has been a member of both Houses of the Legislature, Speaker of the Assembly, twice Attorney-General, and once Acting Premier for six months. An excellent cricketer in his youth and a popular club man ever since, he has been "Toby Barton" to Sydney society for the last thirty years—one of the best known and best liked of its leaders in and out of his profession. With such a record, a charming wife, and a winning personality, unimpeachable integrity, and great ability, it is unfortunate that there should be any disquietude occasioned by the natural and proper recognition of his unswerving devotion to the Federal cause and the many sacrifices of ease and fortune which he has made for it. The indolence which has been his besetting sin and his indifference to his own interests, his lack of most of the attributes which attract or amuse the masses and his contempt for the arts by which their favour is won, might be pardoned him. Owing to these handicaps he has always had to fight hard for his seat in Parliament and to keep a party in it when he got there. His leadership has yet to be approved. Owing to his nature and disposition

he is solid, sober, and serious in all his public acts and utterances, tardily following his own line of thought without the quick and tender regard for the currents of outside opinion demanded of those who require to carry the democracy with them from day to day. All this would have commended him to the well-to-do among his fellow citizens, in whose esteem he holds a high place, were it not for the fact that he is bitten with the Protectionist heresy, and appears likely to associate himself with men more pronounced than himself, who, it is feared, will exercise an undue influence over him. Mr. R.E. O'Connor, Q.C., with whom he was associated in the Convention, is a Protectionist, and is his almost certain colleague. Mr. Wise, who may be chosen in his stead, is evidently, in spite of his principles, prepared to enter into a compromise in the tariff. In Victoria Mr. Alfred Deakin and Sir George Turner, and in South Australia Mr. Kingston, three of the staunchest and most determined Protectionists in their Colonies, are sure to be asked to join. Sir John Forrest is not free from the same tendency, though he, like Sir Samuel Griffith, has been willing to employ the custom house as a means of aiding particular local interests. These would compose a Protectionist Ministry. The Free Trade Party is not represented at all, for if one or two members having leanings in that direction were included they would be not only hopelessly outnumbered but outweighed. In the whole Cabinet, therefore, we can find no adequate force of resistance to the policy most dreaded here.

A COMPROMISE TARIFF.

Doubtless its extreme members will be partially kept in check. A compromise tariff seems the most likely outcome, but it will differ from that of Mr. Reid in at all events maintaining if not in extending the present range of Protection. Both the Ministry and the policy will probably depend on the composition of the Parliament, and this will not be determined solely by the fiscal issue. The Ministry itself will be constituted on the basis of being representative of every State in the Union, and not simply on the merits of the men selected. The House and the Senate will in the same way reflect local aims and influences beyond those which may find a place in the Ministerial programme. Some men will be elected on their records in State politics in all the Colonies, while some fiscal proposals will occupy a minor place. The chief wrestle in the tariff will not even be that between Mr. Barton and Mr. Reid, but between Sydney and Melbourne. In spite, then, of Mr. Reid's past lapses from principle and his alliance with the Labour Party and other "ultras", he is assured of our goodwill, and indeed of our active support, during the forthcoming campaign. He realises his opportunity. In his own interest he is seeking to sink everything except the Free Trade issue, and to make this so prominent as to enable him to have, at least, a strong minority in the House of Representatives and a good majority in New South Wales

behind him. It is quite possible that he may carry the Commonwealth with him, for, unlike Mr. Barton, he readily ingratiates himself with the crowd, speaks and acts on its level, and attaches it to himself in spite of his flexibility of purpose and adaptability of opinion. It is, perhaps, by this instability that he captures and retains supporters, but at any rate his influence is a factor. In his present attitude he is for Sydney and Sydney's fiscal faith, and may count on its wealth and business interests, as well as on its working classes, to follow him loyally. His victory would be ours.

THE NEW COMMONWEALTH.

SYDNEY'S CELEBRATIONS.

FROM OUR SPECIAL CORRESPONDENT.

SYDNEY, Dec. 18 1900; Jan. 23 1901.

The Governor-General has arrived. In perfect weather he had an almost perfect welcome—not in the city, the streets of which are like most other streets of modern cities during business hours. “Sydney—it is the harbour”, and our demonstration was made in a theatre which no capital in the world can surpass, and with a display that few ports could hope to parallel. Lord Hopetoun arrived in the flagship *Royal Arthur*, entering from the sea between two lines of men-of-war and merchant steamers, amid the flame, smoke, and thunder of saluting guns. As the vessel passed between the precipitous heads into the calmer waters of Port Jackson the Metropolis came into view in the distance. Between its mass of buildings and the ship the dark blue waters beneath a cloudless sky lay in unsullied sunshine, their sinuous windings broken by hills and coves and promontories that were fledged with fresh green foliage. The harbour was alive with every kind of craft, from which, as from all the promontories, islands, and encircling cliffs about it, flew brightly-coloured flags that fluttered loyal greetings.

THE LANDING OF THE GOVERNOR.

From men-of-war, British and foreign, great ocean-going steamers and inter-colonial traders, tall masted wool ships, tramps, excursion runners, pleasure boats, yachts, and dinghies came the cheers of the immense crowd they carried, and the tooting, hooting, whistling, grunting, shrieking, and blaring of scores of engine pipes yelling at the top of their register and capacity. Not entirely dignified in clamour but altogether hearty and sincere was this reception of Lord Hopetoun as he stepped on to the landing-stage; and, though evidently still weak from illness, he replied in a few courteous sentences to the addresses presented by the Premier and Mayor of the city. Nothing more was attempted and nothing more was needed. The procession to Government House was in no way noteworthy. Nothing could have been impressive after the picture on which he had just gazed. It was wise to rely on the sea pageant entirely, than which nothing could have been more triumphant or appropriate to our race or to the place.

MANAGEMENT OF THE FESTIVITIES.

There were features of the ceremony which, unfortunately, it is impossible to ignore, most eloquently demonstrating the Anti-Federal spirit in which the celebrations are being conducted. The Governor-General has set foot for the first time on the continent over which he is to exercise viceregal control, and has taken up his abode—temporarily, it may be—in what most of us consider ought to be his permanent home. He received a welcome as hearty as it was deserved from all classes of those present, but these were strictly limited to New South Welshmen. Those who pay their taxes into the Treasury of that particular province in which he happened to be were thus secured the full value of their outlay. Not a single public man or representative of any other Colony was present or had received an invitation to be present. The event was in itself in no sense local: it was altogether Australian. Out of the six States composing the Union five were conspicuous by their absence.

HONOURED STATESMEN.

Splendid, therefore, as the display was, all things considered, it was branded unmistakably from beginning to end as a merely local demonstration. Four panels near the landing-stage were adorned with the names of the four statesmen whom it was desired to honour for their services to the national cause. Our Sir **Henry Parkes**, as President of the Parliamentary Convention of 1891, by every right of priority and service occupied the first; but Mr. **Kingston**, of South Australia, the President of the elective and more important convention of 1897, was ignored. Our Mr. **Barton**, as leader of the last convention and politically commander-in-chief of the Federal forces of New South Wales, was properly included, if any living statesmen were to be honoured; but why, then, was Sir **Samuel Griffith**, of Queensland, the leader of the first convention, omitted? Our Mr. **Reid** had his name inscribed, though he opposed the movement at its inception and deserted it in its hour of trial three years ago. This may be apologised for, perhaps, because of his action in bringing about the second convention and his aid in securing the final victory. But there are several men whose claims are at least as great, such as Sir **Edward Braddon**, of Tasmania, Sir **John Downer**, of South Australia, Mr. **Deakin** and Dr. **Quick**, of Victoria, who never wavered in their allegiance, or who, like Sir **John Forrest**, of Western Australia, or Mr. **Dickson**, of Queensland, were even more instrumental in bringing their Colonies into the fold at the last appeal. Not one of these was recognised, though they are of very different shades of political opinion, because not one of them was a New South Welshman.

THE ONE ELEMENT LACKING.

All that was visible at the landing was effective and impressive, but the absence of any Federal or national characteristic made it painful to every thoughtful citizen. For this Sydney is in no respect to blame. The responsibility rests on Sir **William Lyne** and those associated with him, or those who failed to challenge his action on behalf of the bulk of our residents. If even the five Premiers, or five of their colleagues, had been seen side by side with him the occasion would have been saved.

THE PREPARATIONS.

The far more imposing and prolonged demonstrations of January 1 will be attended by many official and unofficial representatives from all parts of Australia and from New Zealand. All the accommodation which the city can afford is already secured, and in spite of every effort there are pouring in applications from visitors who are still unprovided for. The Federal character of this gathering will be beyond question, and the creation of the Federal Government, involving as it will the presence of all its members in order to be sworn in, will of itself supply an impressive illustration of the reality and extent of the Union. Even here, however, we are now threatened with a most unfortunately marked series of abstentions, depriving the pageant of a great deal of the official splendour on which we had calculated. Not a single Governor nor even a Lieutenant-Governor from beyond our borders has so far agreed to be present, though they should have constituted a brilliant array of distinguished men and a significant part of the pageant. It is probable that those who are supreme in their own territories scarcely relished the prospect of forming part of the Governor-General's train, and a telegram received from Mr. **Chamberlain** some time back indicated that they had duties to discharge at home in connection with the change of functions brought about by the placing over them the rank and dignity, though not in direct control, of the Queen's representative in the Commonwealth.

SIR WILLIAM LYNE.

Sir William Lyne, whatever his merits as a working politician, is hardly the most suitable man for the position of Premier at such a time as this. From the first he exhibited a pardonable anxiety to secure for Sydney the distinction of being the chief and permanent residence of the Governor-General, though this would doubtless have been accorded to us as of right and without any exertion on his part. Our late Governor, **Lord Beauchamp**, expressed his willingness to fall in with any arrangements necessary to the accomplishment of this purpose, and looked forward

with evident pleasure to the entertainment of the Earl of Hopetoun as his guest with his accustomed hospitality. He was informed in effect, however, that it was his room and not his company that was desired. Able, active, generous, and well-intentioned as he was, this young nobleman had never succeeded in making himself popular. His want of worldly experience betrayed him into minor indiscretions of manner and procedure which maintained a certain friction between the public and himself that told to his disadvantage, in spite of his many amiable qualities and the invaluable social assistance rendered to him by his sister. Probably Sir William Lyne counted on this to cover, if not to excuse, the inconsiderate manner with which, in order to retain the incoming, he treated the parting guest.

RELIGIOUS DISSENSIONS.

One of the last acts of our late Governor had a most unfortunate association, for which he was in no way responsible but of which he bore the odium. He was present, *ex officio*, at the opening of St. Mary's Roman Catholic Cathedral when **Dr. Redwood**, of New Zealand, delivered a sermon in glorification of his own Church, from which he had the politeness to omit at the time a fiercely and an offensively polemical passage in which he declared that the leaders of the Reformation were notorious for their vices, while Protestantism itself "desecrated the home, polluted the nuptial bed, lowered the dignity of woman, and stopped the progress of science." When his sermon came to be printed it included these fine flowers of oratory, with the result that a storm of angry denial and recrimination burst from the more militant Dissenters and Evangelicals. Our Colony has always offered too free a field for sectarian feuds, and this revived the bitterness of the continuous rivalries of the Orange and the Green. The Orange has always been dominant in a faction fight, and its organisation has been exploited by most of our political leaders from Parkes downwards. When **Cardinal Moran** stood as a candidate for the Federal Convention of 1897 he was confronted by an Orange ticket which returned nine Protestants out of the ten delegates, and left his Eminence to the more familiar occupations of his high ecclesiastical position.

THE NEW COMMONWEALTH.

MR. BARTON'S SELECTION.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Dec. 31 1900; Feb. 5 1901.

When Mr. Barton was sent for on Christmas Eve to undertake the formation of a Commonwealth Cabinet the tension of public feeling, which had been somewhat severe owing to Sir William Lyne's failure in the task, was considerably eased. The Federal spirit was quickened, and the rejoicings of those who had brought about the union, intermitted during the period of doubt, were again resumed. Sir W. Lyne's difficulty was to find any colleagues; Mr. Barton's has been to pick from among the willing throng of capable men, and especially from the group owing to whose generous resolution he was restored to the post he had fairly won. Sir W. Lyne had advised his Excellency that Mr. Barton should be sent for, and consequently an offer of a portfolio was at once made to and accepted by him. His inclusion was the first result of the Governor-General's intervention, and as it implies the exclusion of Mr. R. E. O'Connor, an even abler man, who will probably be induced hereafter to accept the honorary position of Vice-President of the Executive Council, there is so far no gain. Its next result was to render necessary the substitution of Mr. Dickson, Chief Secretary of Queensland, for Sir Samuel Griffith, the Chief Justice of the same Colony. It had been much doubted if Sir Samuel Griffith could be induced to resign the salary of £3,500 a year attached to his present office in order to re-enter the troubled and uncertain arena of political strife. The fact that the High Court of the Commonwealth must be constituted at an early date would probably have sufficed to furnish a sufficient opportunity of his ultimately obtaining a haven of retreat if Mr. Barton had remained untrammelled.

Then again the Premier of Victoria, Sir George Turner, and the Premier of South Australia, Mr. Holder, to whom Sir W. Lyne appealed at the critical stage of his endeavours to make a Ministry, had so staunchly resisted all his temptations that their inclusion by Mr. Barton became in a sense inevitable. In Mr. Holder's case the action was the more meritorious because he more than suspected that the selection of the one Minister from South Australia had been settled. Subsequent events have shown that he was right.

THE MISSION TO LONDON.

Mr. *Kingston* and Mr. *Deakin* were Mr. Barton's colleagues in London in the embassy despatched from Australia to secure the safe and speedy passage of the Commonwealth Bill. Differing widely in disposition, and a good deal in opinion, the three had been so closely associated in that work and by ties of friendship that they were expected to be, and are now seen to be, federally inseparable. Mr. Holder's magnanimity has to be recognised, and it is understood that one of the highest appointments in the gift of the new Government will be his. The general effect of the original selection of Sir W. Lyne is, then, to make the new Cabinet more distinctively Protectionist, to eliminate Sir Samuel Griffith altogether, and Mr. O'Connor administratively, and perhaps to deprive the Free Trade Party of the services of Mr. Holder, to which they had been looking forward with much satisfaction. It gives us a Ministry of Federalists with the single exception of Sir W. Lyne, and representatives of every Colony except Tasmania, from which an honorary member, either Mr. *Lewis*, the Premier, or Sir *Philip Fysh*, will be taken very shortly. The Government has been welcomed as strong, capable, and on the whole harmonious.

SIR W. LYNE'S COMPLAINTS.

Sir W. Lyne has denounced one of his present colleagues as the sole cause of his failure to form a Government, and in these circumstances the relation between them is likely to be somewhat strained. His complaint was that Mr. Holder, Mr. Dickson, and others would not join him unless Victoria were represented by at least one of her two leaders. He asserted that he could have persuaded Sir George Turner to serve under him, but that this Premier would not do so unless Mr. Deakin, the Federal leader in the Colony, would also consent. This gentleman's relations with Mr. Barton were far too intimate to permit him even to consider such a proposal.

With the exception of Mr. Holder those who resisted all temptation for Mr. Barton's sake are now associated with him under conditions of happy augury. Such a Cabinet is the more remarkable considering that the new Ministers are drawn from distant Colonies, and are of a more even standing among themselves than has been customary or possible in local Governments. The Ministry is itself a union of Unionists. Thus closes an episode which is likely to remain almost as unparalleled as the great event which we celebrate to-morrow. It has proved so romantic in its surprises, coherence, and consequences, that like a well-knit drama it has carried men in its sweep from the depths of despair to the heights of triumph. Creditable to those engaged in it, it is inspiring to the country as a whole. It may now be classed as a comedy, because of its happy ending, though it began like the prologue to a tragedy.

SYDNEY'S REJOICINGS.

Sydney is fairly satisfied with the Government, and elated with festal energy. She has transfigured herself, and signalled the occasion by assuming an entirely new dress, under which many of the familiar features are now obscured. The task of breaking the monotony of the lines and colours of modern business buildings has been accomplished simply but effectively by harmoniously blended and far-prolonged lines of emblematic and interwoven draperies or leafy festoons. Streets and squares are poled, pillared, and arched to sustain the countless decorations scattered along and above them, while everywhere on land and on water swing the light cables and cluster the many-coloured electric lamps that are to create a nocturnal fairy land. During the Jubilee rejoicings our gas supply failed under the demands made on it by the innumerable transparencies and figures intended to blaze with light. Warned by that failure, every effort is being made to provide such an illumination as has rarely been beheld in the proudest capitals of the Old World. It will be witnessed by the greatest gathering of people ever assembled on this continent, who are pouring in on us daily in thousands by rail, steamer, and coach from every corner of the Commonwealth.

THE GATHERING OF PEOPLE.

In spite of every preparation in the way of accommodation that care and ingenuity could devise the Metropolis has already overflowed for miles around so that when the country excursionists arrive in their battalions to-night and to-morrow the spectacle of the living multitude is likely to rival in interest the spectacle of form, flame, and many mingled hues artistically combined which will be spread before them in one vast tableau of brilliancy. We are not accustomed here at any time to the massing of human beings, which is familiar in London and in some other centres of densely-populated Europe. Hence, especially on our young country people, who have been born and bred in the sparsely-settled tracts of our vast interior, the impression made is certain to be deep and profound. It will enable them to realise that they are indeed and at last citizens of a Union of immeasurable potencies as well as of a State whose leadership is thus openly accepted by all Australia.

— 1901 —



The Governor-General and the first Federal Ministry, January 1901

Seated (L to R): Edmund Barton (NSW), Prime Minister, Minister for External Affairs;
Lord Hopetoun, Governor-General; Sir William Lyne (NSW), Minister for Home Affairs

Standing (L to R): Sir John Forrest (WA), Post-Master General; George Turner (Vic),
Treasurer; Richard O'Connor (NSW), Vice-President of Executive Council; Sir Neil Lewis
(Tas), Minister without portfolio; Sir James Dickson (Qld), Minister for Defence; Alfred
Deakin (Vic), Attorney-General; AC Budge, Clerk of the Executive Council, NSW; Charles
Kingston (SA), Minister for Trade and Customs

This photo by Crown Studio appeared in the weekly magazine *The Sydney Mail and New South
Wales Advertiser* on Saturday 12 January 1901, two days after Sir James Dickson's death.

(Dixson Library, State Library of New South Wales)

THE NEW COMMONWEALTH.

REJOICINGS AT SYDNEY.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Jan. 8 1901; Feb. 12 1901.

A week has passed since the new century and the new nation were ushered in together. Never was a moonlit midnight in Sydney marked by a wilder, more prolonged, or generally more discordant welcome than was December 31, 1900. Hymns in the churches, patriotic songs in the theatres, glees in the homes, and convivial choruses at the clubs were extensively sung. Outside these places, however, all music was lost in the tumultuous uproar of the streets, where whistles, bells, gongs, accordions, rattles, and clanging culinary utensils yielded unearthly sounds. In the harbour, where the ferries and excursion steamers were all afloat and alight, the blare, hoot, and shriek of the steam pipes were positively hideous. Immense crowds on land and water vied with each other in mocking and echoing the noises about them. But amid all this din the crowds were as sober, orderly, and good-humoured as could be desired. They had to be afoot again soon after daylight to witness the official procession. Never on this side of the world was a New Year so freighted with high anticipations. It was actually, in a sense, the birthday of a whole people.

AMPLE SPACE.

It is certainly a very self-conscious nation that has just made its appearance in the centre of the Southern Seas. Platform orators and the Press have combined to instruct it as to its present importance and future potentialities. The newspapers of late have comprised many retrospects and statistical comparisons as to our progress and relative resources in population and wealth, all calculated to minister to that self-esteem which is by no means wanting among us. One most vivid illustration consists of a map of our Continent, within whose great extent are pictured all Europe—except Russia and Scandinavia—with a large surplus margin. Another diagram depicts in the centre of the Continent a small spot bearing about the same proportion to the whole as a bull's-eye does to a target. In that is indicated the pitiful fraction settled by us if our population were concentrated as densely as that of Europe. The two sheets together proclaim pictorially the ample area remaining to be peopled. The fear expressed in Paris lest the Commonwealth should presume to adopt a

Monroe Doctrine for the Pacific is another tribute to our possibilities, attracting the more attention because it emanated from a foreign source whose ambitions in the New Hebrides are threatened with another obstacle. It was consequently with an abounding sense of the magnitude of our fields of operation within and without our territorial limits that Australians everywhere on January 1 drew deeper breaths as they stepped out of provincial into federated life.

THE GREAT PROCESSION.

The only apprehensions cherished as to the festivities had been in regard to the great masses of spectators for whom provision required to be made. These fears were, happily, removed by the people themselves, whose self-restraint and cheerfulness under many trying conditions were beyond all praise. The occasion was theirs in every sense; they had adopted the Constitution framed under their instructions, and they now celebrated what was entirely their own triumph in their own way. The whole route of the great procession, five miles long, on New Year's Day was guarded by the police and local forces without the slightest difficulty. All the Militia did was to stand at ease a few paces apart on each side of the roadway. The onlookers did the rest, and nowhere was there an attempt to break bounds. During the illuminations the streets were impassable for hours, but no accident was reported then nor at any time, except to an unfortunate inspector of police, who was killed by a runaway horse. Railways, tramways, boats, omnibuses, and every kind of vehicle were very much overloaded, but they fulfilled their purposes without a catastrophe. How many people were present in Sydney is mere matter of guesswork. The best-informed persons estimate the number at more than half a million, and probably three-quarters of a million. That this vast concourse should have been conveyed to and fro, accommodated, fed, and amused successfully is perhaps the most satisfactory feature of the whole celebration. As anticipated by those behind the scenes, what may be termed the aristocratic side of the display was as great a failure as the democratic aspect of it was a success. There was, for instance, no proper provision for the reception and accommodation of many of our most distinguished guests. Partly owing to the unsuitable quarters provided some of them changed their lodgings, and, no record being kept of their new addresses, they were altogether lost to view. There was, again, nowhere any proper discrimination. The official table of precedence was so much departed from that certain dignitaries refused to join the procession. The distribution of seats at the state banquet also produced innumerable heartburnings. The crowds outside were admirably provided for; but the more official side of the proceedings was not quite the success that it might easily have been.

FAVoured CITY.

Our favoured city and harbour lend themselves naturally to the spectacular. There are a background and a middle distance of unapproachable charm. It is difficult anywhere to take the modern street and make it a thing of beauty even for a short period, but this was accomplished here last week. None of those present in London during the Diamond Jubilee can ever forget the superb pageant, the vista from St. Paul's, or the massed millions assembled in its vicinity. Sydney on New Year's Day, however, could sustain the comparison, having regard to the relative size of the two capitals. The baldness of business buildings and their rectilinear monotony disappeared under gracefully-flowing festoons attached to the poles and wires of our electric tram system. The route was divided into sections, each decorated with its own harmony of colours. Every possible space was occupied by wooden galleries crammed with finely-dressed onlookers, thousands of them waving patriotic flags. Tens of thousands of pieces of bunting fluttered in the flooding sunshine of the day. Considering the celebrations as a whole, it may fairly be claimed that they far surpassed anything yet seen on this side of the Line; that in certain respects they might be measured with the great demonstrations of the Old World; and that in the popular character of almost all the entertainments provided they outdid everything of the kind since the Centennial of the United States nearly a quarter of a century ago. The Commonwealth, however fortunate or glorious it may be, will have no reason to complain of its festal inauguration. We have now had a full week of entertainment and practically nothing else—a carnival less theatrical than that of Italy, a saturnalia without excesses, following hard on a Christmas kept with English sincerity and good cheer. Among the splendid arches which still span our streets those of solid coal, of wool, and of wheat remind us of the bountiful stores of wealth against which we can afford to draw, especially at such a season as this. Under the Commonwealth we look for larger investments of British capital, for the development of our immense natural resources, for an inflow of population and an outflow of products which shall secure to us fat years and “many of them”, as we say just now in answer to the season's greetings of our friends.

THE NEW COMMONWEALTH.

FISCAL QUESTIONS. AUSTRALIA AND THE WAR.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Jan. 15 1901; Feb. 20 1901.

Awaking in a somewhat dazed condition from nine days' continuous festivities, the puzzled citizens of New South Wales are looking about them in some bewilderment to discover if they can find some traces of the tremendous change in their fortunes which they have just been celebrating. So far there is nothing visible but the rows of posts, from which flags are being removed, and galleries, arches, and ornamentations in course of being dismantled. Everything else is outwardly exactly as it was before. Sydney looks on its harbour and the harbour smiles back at Sydney. The shops are open, and the trams are rattling by. Our local Parliament remains unchanged, and Sir **William Lyne** is still Premier. Beyond a few paragraphs in the newspapers, telling more or less inaccurately what Mr. **Barton** and his colleagues are doing as a Cabinet, there is no new feature presented to the public mind. Such official statements as the Prime Minister has so far made have mainly consisted of contradictions or explanations of what the Federal Government is not going to do. We have, it is true, a few more titled persons among us. The distribution of honours in connection with the foundation of the Union has been generally approved, except by those who conceive themselves to have been improperly omitted from the list. After all, however, this is no new departure.

THE DEATH OF SIR JAMES DICKSON.

The sad death of Sir **James Dickson** within a few days of receiving his title and accepting office as Minister of Defence was not entirely unexpected by those who knew him, though it came as a shock to the public at large. The disappearance of a member of the Cabinet before he had time to take part in any executive or administrative act has rather helped to deepen to "the Man in the Street" the unreality which seems to surround the new political régime. We keep trying to realise that we are no longer a Colony, but a State, all the institutions of which remain unaltered except in scope, though we have suddenly become citizens of a larger

Union, inclusive of our own State and all its continental companions, containing almost four million people within its nearly three million square miles of territory. This area, very considerable in the British Empire, and marking off in its interests no inconsiderable segment of the land surface of the globe, is now under one control, though as yet there is but one manifestation of it. Our several tariffs against each other are as yet untouched. Our Custom Houses along our interior borders remain to remind us that provincialism is not yet dead, but they themselves are no longer provincial. They are manned by Federal officers, and pour their receipts into the coffers of the Commonwealth. This change means much and implies all.

THE TARIFF.

The Colonies of yesterday, knowing no headship and having no constitutional relationship with each other except through the Queen and the Imperial Parliament, are to-day States with a common purse, knit together in a Union under the Crown, which provides them with a common centre of authority for their common interests. To this they must needs look now with some anxiety. Diminished by the withdrawal of some of their powers, they are rendered specially dependent on the new Parliament, which is to be elected shortly, because it will determine, according to the instructions it receives from the electors, the character and fruitfulness of the Australian tariff presently to be framed. In our history, so far, the separate tariffs of the Colonies have been the chief sources of intercolonial bitterness. They have been the weapons of warfare employed by each to benefit its own and injure its neighbour's trade. The Custom House then was the symbol and sign of disunion: now it is the one Federal Department, will be the chief foundation of Federal influence, and has become the very symbol and at present the only sign of the Union. The key to our political present and future lies in a comprehension of the importance and significance of the control of the customs now vested in the Commonwealth to the exclusion of all its several States. Its own finances and theirs will be governed by its means now and for many years to come. On the amount of its yield will hinge the return to be made from the Federal Treasury to the several State Treasuries, the whole financial stability of which must for a time be governed according to their receipts from this fund.

IMPORTANCE OF THE TARIFF QUESTION.

Until a Federal tariff is passed the Union will be incomplete. Under the Constitution Act it must be passed before the last day of 1902. Its consideration is already undertaken by the public, which finds itself for the first time face to face with an issue on which the judgment of the people of every State is a matter of profound

concern to those of every other State. The Custom House was the spot on which at one second after midnight on December 31, 1900, the Union began to be; its income alone supports the Commonwealth at present, and its control is the one matter on which its political parties will be divided, and for which they will wage their earliest contest, momentous alike to the States and to the innumerable private interests affected by its operation. Naturally and inevitably, therefore, from the very outset men's minds have been turned with increasing apprehension to the fiscal problem. The Premier of New Zealand has been present at the inauguration of the new Power, the dimensions and influence of which he evidently regards with alarm as well as admiration. The addition of his prosperous, enterprising, and highly productive Colony to the Commonwealth would be an immense gain for us, and probably also for New Zealand. The New Zealanders have just appointed a Royal Commission to make full inquiry into all aspects of the question and to advise if it would be to the advantage of New Zealand to throw in her lot with her neighbours fifteen hundred miles away. Nevertheless its possible adhesion, immense as would be its effect on both, is little regarded here, so absolutely does the financial and fiscal future engross the thoughts of politicians and pressmen. The making of the Ministry has been judged solely from this standpoint, and their fate in this country will be decided by it. In point of fact there is but one living interest at present in Australia—What shall our tariff be?

FREE TRADE IMPOSSIBLE.

The complexion of the Ministry is distinctly Protectionist. If there was a Free Trader among its members it was the late Sir James Dickson, and even if his place is occupied by the Premier of Queensland, Mr. Philp, who professes the same theoretical opinions, there will be no change in its character. If he remains wedded to State politics and local business ties probably Sir Hugh Nelson, formerly Premier and now President of its Legislative Council, will be taken instead. He too, will be in a hopeless minority in the Cabinet on this question. Free Trade in its familiar sense is, indeed, impossible in Australia. The States have always looked to the customs for the bulk of their incomes. Though now this is transferred to the Federal Government, they will still expect to derive their old revenues, or something like them, through it from the same source. Not one of them has any desire to face more direct taxation in order to make up deficiencies. It may be taken for granted that the Commonwealth will not be permitted to exercise its power of direct taxation while it has the Custom House under its thumb. Three-fourths of its net receipts must, under the Constitution, be paid to the States monthly by the Federal Treasurer, and the remaining fourth must be large enough to meet all the demands made on the public purse for purely Federal needs.

ELECTION CAMPAIGN ISSUES.

There is, therefore, no escape from a heavy tariff. With from £7,000,000 or £8,000,000 to raise annually, it is plain that we must be prepared for the obliteration of our New South Wales free list and high duties for revenue purposes on nearly everything we import. There we desire to stop, but the Protectionists go further, seeking to discriminate, by lowering some duties and greatly raising others, to secure an advantage in our own markets for Australian producers against their competitors in other parts of the world. The battle about to be waged will be between those who maintain that a revenue tariff should be preferred because its burdens fall on all consumers equally and its demands are clearly known, and the Protectionists who contend that the burden would be lightened if certain sections of our manufacturers were subsidised, and that this would increase the range of employment and add to the total earnings of the nation. Such are the contentions advanced in the academic discussion fitfully maintained in the Press. The issue will become practical and precise after Thursday next, when Mr. Barton will unfold the policy of the Federal Government at West Maitland. This is certain to be Protectionist and, therefore, certain to be strongly opposed in this State. It depends on the extent of his Protectionist proposals how far he may be able to find support among our neighbours. In any event he will fire the first gun of a fiscal war.

THE CONTINGENTS FOR SOUTH AFRICA.

The compliments paid by the War Office to our contingents are evidently more than mere politeness, and the demonstration of their sincerity is very pleasant to us. In response to Mr. Chamberlain's requests for further drafts, our Premiers last week unanimously agreed to despatch two thousand three hundred men and two thousand five hundred horses within the next month, and no sooner was the intention made public than four or five times the number of men volunteered for service. The fact is suggestive and, probably, astonishing, even now to those who are aware of the many openings for adventurous young men afforded in our vast domains, and of the relatively high rates of pay which they obtain. To be candid, it is just as surprising to most of us as to any Englishman unfamiliar with our ways of life. The story of the Australian Volunteers, when it comes to be written, should explain that the incidents there chronicled were as much a revelation to ourselves as to anyone. The first contingent was the effect of an outburst of patriotic spirit on the part of the people. The story of Boer intrigues in South Africa had exasperated the public. British colonists here realised that British colonists there were being overridden in our own territory, and oppressed beyond it by a people who looked to the rifle as the one arbiter of their aspirations. Foreign Powers aided and abetted them. The Mother

Country stood alone. In an instant the cry was "Australia for the Empire". It was not then anticipated that the struggle would be long or that our men would see much fighting. They were to go to prove our loyalty and affection for the flag, and that was all. The folly of the instructions from the War Office that we should send Infantry instead of mounted men aroused suspicion of the capacity of those in authority, but the utter foolishness of the command was forgiven, like much else, because it came "from home".

"THE FEDERAL BRIGADE."

When our second contingents were despatched there was no repetition of the former blunder, and it was clear that there was real fighting before those we despatched. The one feeling then was of anxiety that our men should acquit themselves worthily and prove that their aid was worth having. It was felt that they ought, if possible, to constitute a Federal Brigade. The watchword then was "Australians shoulder to shoulder", and soon afterwards this ambition was realised. Then came the dark days of delay, defeat, of manifest blunders, and the depression which followed a long series of baffling reverses. The pendulum had then swung to the opposite side. The foreign attitude of unconcealed rejoicing was more hostile than ever. The British forces everywhere were on the defensive and besieged instead of besieging. There was widespread distrust of the leaders and grim satisfaction at the dauntless courage of the men. Our raw recruits were doing well, facing fire and becoming seasoned. Some of them had died like heroes, and their names were on every lip. There was no slackening of military enthusiasm anywhere. For the third and fourth contingents the rush was greater than ever, and the preparations for their transport were made with deadlier earnestness, as well as with greater skill. It was the hour of need. They hurried to the front, shouting through their clenched teeth "Australia to the rescue".

AUSTRALIA'S SPLENDID RECORD.

Now the tide has again turned, and we have a splendid record on which to look back as we prepare our fifth contingent for the war. The men are not merely tolerated, as at first. They are appreciated, for they have proved their quality. Judged by a European standard, they are all untrained, though in Victoria more than half of those selected had as boys at school enjoyed the advantages of drill under their cadet system. This increased the usefulness of those who came from the towns, while the men from the country were many of them rough riders, and all of them seasoned by out-of-door experience. Their physique is said to equal that of picked troops, while their adaptability, endurance, and resource are those of men accustomed to have to make

the most of chance conditions of living in the wilds. There is no longer any doubt of their valour. Their place has always been in the fighting line, and they have deserved it. The whole continent thrills with pride because of them, and the welcomes they are receiving help to relieve the long pent-up feelings of those who saw them depart with some misgiving as to their acceptance of the rigid rules of dress and discipline enforced on a Regular Army, and who have watched them ever since with growing exultation.

THE NEW DRAFTS.

The unforeseen prolongation of the war calls for fresh drafts to be made while we are still feting those who have just returned home. Some of these are volunteering for further service, though comparatively few desire to settle in South Africa. They are not now specially moved by patriotic feeling. It is quite clear that the Mother Country can conquer without them, and their own country knows that they can stand fire, so that they can afford to rest if they will. The men we are now sending go mainly because they are fond of fighting, and find in the ranks a better scope for the daring, sporting, venturesome spirit bred in the bone and coming out strong in the flesh. They are not braver than Tommy Atkins, but they can live well where he would starve, find their way across the veldt where he would be hopelessly lost, and carry on a guerrilla fight for hours without officers or orders at a pinch. They are not better horsemen than British Cavalry, but they can get more out of their horses, and face the thousand and one accidents of campaigning in all weathers and in out of the way places with much less cost to themselves and their steeds. Many of them can ride anything anywhere, and never lose their heads in ambush or surprise or even in the very moment of victory, so thoroughly has their training taught them to be cautious, alert, prompt, and untiring. They have no illusions about the service expected of them, and make even rank and pay secondary considerations.

THE MARTIAL SPIRIT.

The martial spirit is strong in all the Colonies. If the Empire has openings for them they are eager to take them so long as the love of adventure can be satisfied. Plain living and high thinking are no more popular with us than with our kinsfolk elsewhere, but plain living and hard fighting, if on horseback, come very near, indeed, to the ideal of thousands of young Australians. We have now learned, as you have, that all the manifold temptations of home and all its opportunities of advancement and comfort cannot keep them in their own country when "Boot and saddle" is sounded anywhere in the Sovereign's name.

THE NEW COMMONWEALTH.

MR. BARTON'S POLICY.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Jan. 22 1901; Feb. 26 1901.

Mr. Barton, as Prime Minister of the Commonwealth, last week announced the policy on which his Administration proposes to stake its fortunes. What with the arrival of the Governor-General and of the Imperial troops, the celebrations and all the interests associated with them, the public had, for the time at all events, concentrated its attention on holiday events to such a degree that the speech, by suddenly recalling them to their obligations, created a sensation, though in itself it contained nothing sensational.

THE PREMIER'S STYLE.

Mr. Barton's classical tastes and training always impart a certain distinction to his style, but on this occasion he was more sparing of rhetorical effects than usual. He was evidently sobered by a sense of responsibility, which he was fortunate enough to impart to his hearers and most of his critics. He is rarely at his best on the platform. Involved at times in his periods, though fertile in expressive phrases, he obviously thinks while on his legs, and finds most of his language as he proceeds. While weighty in utterance, fiery when stirred, and occasionally humorous, he is on the whole a somewhat difficult speaker for the ordinary elector to follow. His command of the arts of the platform is limited, and his line of argument forensic, or at best judicial. He demands for proper appreciation the undivided and continuous attention of his audiences. This he was fortunate enough to obtain for his declaration of policy, though it occupied nearly two hours in its enunciation. Orderly, compact, and precise in form, its proposals, taken together, presented a picture of the future politics of Australia as statesmanlike in conception and utterance that the Press and public everywhere were at once impressed. It is admitted on every hand that he rose to the occasion.

THE WEST MAITLAND MEETING.

The crowds which packed the Town Hall at West Maitland represented the rich country of the Hunter Valley for many miles around, with all its varied mineral and agricultural resources. By the respectful attention which it paid to the Prime Minister it sufficiently proved its own sense of the gravity of the occasion. The applause was perhaps as much a tribute to the transparent sincerity of the speaker and the loftiness of his aims as to the programme which he unfolded. Radical as this is when measured by other standards, it represents what may be styled Moderate Liberalism in Australia. Mr. Barton has usually ranked among the independent allies of the Progressives in New South Wales, and, indeed, has been even dubbed Tory. He has always declined to pander to the whims of the moment, and has not feared to oppose popular demands with unflinching firmness, as at the time of the great strike of 1890. The only alteration that his Premiership seems to have made in him lies in his acceptance of adult suffrage as inevitable now that it is already in force in two States of the Union, and is on the point of becoming law in two more. Beyond this concession to his colleagues he does not appear to have made any changes in his personal views. There was not one bid for what is termed popularity in the whole of his deliverance, a circumstance so remarkable in a Ministerial manifesto in Australia that its absence enhanced considerably the impressions of strength and boldness which its perusal conveyed. More sentiment had been anticipated by those who recalled his appeals to patriotism during his campaigns on behalf of the Federal cause, and less mastery of facts by those who had forgotten his handling of similar problems in the conventions. No doubt his long-experienced colleagues lent him valuable assistance in every way, but nevertheless the total effect of the speech was unimpaired, and the whole of it bore the stamp of his own personality. The result has been a marked increase in his reputation and the public confidence reposed in him and his Government.

TEMPORARY APPOINTMENTS.

The Sydney newspapers, like the community in general, were at first disarmed by the candour of Mr. Barton's address and charmed into a general approval of the rest of his programme. Nothing could be fairer than his undertaking that none of the great offices of the Commonwealth shall be permanently filled until after Parliament has met and expressed the judgment of the electors on the Ministry and its policy. All the minor appointments made are to be temporary pending the same decision. He was emphatic in his assertion that he has no compact or understanding with any person as to the Speakership of the House of Representatives, the Presidency of the Senate, or any of the other prizes open to politicians in the near future. These eminently satisfactory assurances were followed by his one offering to provincialism. This took

the shape of a description of the number and magnitude of the subjects of special interest to New South Wales which fall within his own Department of external affairs and the Home Office allotted to Sir W. Lyne.

SIR W. LYNE'S TASK.

The fact that to Sir William Lyne there falls the control of questions regarding the choice of the Federal capital and the creation of the Inter-State Commission, whose interferences with our policy of cutting railway rates as against our neighbour States are dreaded in anticipation, has certainly contributed to the pacification of those jealousies which have obstructed our Federal advance at every step. We feel, too, that the residence of the Governor-General among us and the fact that the business of the Commonwealth is being controlled by an executive sitting in Sydney are largely due to Sir William Lyne's persistence in taking advantage of every circumstance that can be made to tell in our favour. Many attribute the sound judgment of Mr. Barton's speech to Sir William Lyne's influence in the Cabinet, though it is known that he would have preferred a more decidedly Protectionist policy than that adopted by his chief and colleagues. As Premier of New South Wales he still retains the first position in our local politics, while his influence on our behalf is evidently felt already in the Federal sphere to which he will presently entirely transfer his attention.

"A WHITE AUSTRALIA."

The one point on which Mr. Barton's speech provoked an immediate challenge was that in which he declared for "a white Australia", the prohibition of Asiatic labour, the limitation of the introduction of Kanakas to those required to maintain the number at present engaged on the sugar plantations, and the ultimate extinction of the whole traffic. Against this determined and drastic policy Queensland at once protested, the chief newspaper, the *Courier*, announcing that the utmost resistance would be offered in the north to any such plan. It may be that the explicitness of this Ministerial announcement is partly responsible for the delay which has occurred in selecting another representative of Queensland in the Cabinet in place of the late Sir James Dickson. The Premier (Mr. Philp), the President of the Council (Sir Hugh Nelson), and most of the prominent men of that State are upholders of the continued use of coloured labour. At all events there is some hesitation in the allotment of the vacant portfolio which may easily have arisen on this account. It is no secret that every effort has been made to tempt Mr. Philp away from State politics, but so far he remains coy, though the Postmaster-Generalship of the Commonwealth has been within his grasp, Sir John Forrest having resigned that portfolio in order to become Minister of Defence.

THE PROGRAMME'S PROSPECTS.

On the question at issue in Queensland the southern Colonies are with Mr. Barton. It may safely be affirmed that whether he and his colleagues maintain their positions at the forthcoming elections or not the programme which they have submitted will remain as the foundation of Australian policy in this and in most other directions for some time to come. They have been properly penetrated by a sense of the constructive character of the work to be done at the outset of our new career and their long experience in Colonial Governments and in the preparation of the Commonwealth Constitution has qualified them for designing in a worthy fashion the great edifice under which we must live. That credit they are entitled to, and everyone recognises how fortunate it is that this particular task should have come into their hands. They and those who are acting with them are in a double sense the founders of the Union, for not only did they shape its Constitution as members of the Convention, but now, through the first Ministry, they have dictated the policy on which the Commonwealth must proceed for some time to come. With this they may well be content.

THE PROTECTIONIST POLICY.

It is unfortunate that the one point on which they differ from Federalists as sincere as themselves is that on which, if a compromise be possible, it cannot be that which they propose. They offer moderate instead of thorough-going Protection, though it would be hard for anyone to draw the dividing line between the two. Giving them every credit for sincerity, and admitting that this is the policy of which Mr. Barton at all events has always been an advocate, the plain fact remains—moderate though it may be the proposal is Protectionist—and there is a large, wealthy, and resolute party which will not accept any degree of Protection on any grounds. It is determined that the Commonwealth shall begin on another basis altogether, and that no preference shall be allowed at the public expense to any classes of producers or manufacturers. As these advocates escape from the glamour of Mr. Barton's speech they realise that while it is quite possible to narrow the area of conflict a conflict is inevitable. That the whole revenue of the Commonwealth must be raised through the customs for the present, that the sum so raised must be sufficient for the needs of States and of the Federal Government, and that this means a high revenue tariff we are all fairly well agreed.

VESTED INTERESTS.

There are some who are willing to go a little further and to consent to a gradual annual reduction of duties which have created vested interests for five years. This has been allowed under the constitution to Western Australia. The reduction must, however, be begun at once, and the extinction of protectionist duties must be provided for from the first. They are not to be indefinitely sustained as the Government wishes, but definitely removed, though if necessary by degrees. "Revenue without destruction of industries" will be the one cry, and "Revenue without reduction in private or class interests" will be the rejoinder. The Free Traders of Sydney had no hesitation in arriving at this conclusion, and naturally Mr. Reid, who has been engaged in propaganda work on their behalf in Tasmania and Victoria, has adopted the same view and has expressed it with characteristic vigour. His speech at Richmond near Melbourne last night was in this vein. Characteristically humorous, it was not the kind of answer which can be relied on for more than a momentary effect. He is evidently reserving himself at present and confining his attacks to the vulnerable points in the Victorian armour. Much is expected from his tour in the south. There stands the citadel of Protection. If he can capture Melbourne he can capture the Continent, or if he can convert the country districts of Victoria, which are said to be wavering, the day is won. If he cannot win there no one else can in the present divided condition of the Free Trade leaders.

THE NEW COMMONWEALTH.

ELECTION CAMPAIGN.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Jan. 29 1901; 5 Mar. 1901.

The political truce caused by the lamented death of Queen Victoria is now expiring, and on Monday next Mr. Reid will rally the Opposition with the first formal criticism of the Ministerial policy which was unfolded by Mr. Barton, who will reply in the same week. The campaign will then begin in earnest. The only speaker of the first rank who has addressed the public so far has been our State Attorney-General, Mr. B. R. Wise, who has made his bow to the electors of Canobolas, an inland seat for which he is a candidate. Appropriately enough, the township selected by him was named after his old leader and friend Sir Henry Parkes, though it may be doubted if that statesman would have listened with satisfaction to the utterance of his disciple, not of course because of any deterioration in oratory for Mr. Wise remains the most cultured and graceful speaker among our public men, his Oxford training and literary pursuits leaving their impress on all that he says. Brilliant as has been his professional and political career, however, since he returned to his native land he has never obtained nor retained the confidence of the general public, though less open to the charge of inconsistency than those who have been more successful in securing the coveted prize. His versatility is associated with a certain instability of temperament that impresses itself on "the Man in the Street" more than it ought to do if a strict estimate is made of his peculiar position in politics.

TRADE POLICY.

The curious result is that, though a Radical of the Radicals, he has never kept long in touch with the popular party, which distrusts him apparently for his polish rather than his principles. He has failed to earn the support of the thoughtful classes, who are alarmed by his extreme views, while even the Free Trade Party, to which he belongs by natural bent and whose interests he has always served with zeal and ability, has now after a long period of hesitancy formally if not finally cast him off. For this he has certainly only himself to thank. Though the author of one of the best handbooks of political economy ever published under the auspices of the Cobden Club, he is offering himself to the Federal electors for a seat claimed by the

Protectionists, and he received their enthusiastic support at his first meeting. He offers, of course, many excellent reasons for his action. Mr. Wise always does. Even when he satisfies his hearers that he is pursuing the right course, the net result of many of his achievements is to leave behind him a general impression of insecurity. His fame as an advocate grows, but it is at the expense of his reputation for fixity of purpose. He has admirers everywhere, but few followers.

MR BARTON'S TARIFF.

At Parkes Mr. Wise did not in any degree conceal his views or seek shelter behind ambiguous phrases. He was a Free Trader, but would not make Free Trade his governing policy, because to do so would dislocate the industries of every State except New South Wales, and require a resort to direct taxation. Since the Protectionists had been the friends of union he was prepared to cast in his lot with them, as an Australian first and as a Free Trader afterwards. How he proposes to reconcile his support of Mr. Barton's tariff with his declaration against all taxes imposed for the benefit of private interests he did not make quite plain. His intention may be to permit duties to be imposed which maintain existing industries and to resist those intended to develop new enterprises. It is perfectly clear that the chief cause of Mr. Wise's new departure lies in his preference for Mr. Barton to Mr. Reid. He disclaimed all personal ill-will, but at the same time described Mr. Reid as one who had sought to destroy the Commonwealth before it had come into existence. But what of his own variations? Formerly he was so strong an advocate of direct taxation that he attacked Mr. Reid for taking a more moderate view of the necessary land and income taxes. Now he agrees with both Mr. Barton and Mr. Reid that we ought to rely wholly on the customs for Federal revenue. Formerly he denounced Mr. Reid as a backslider from Free Trade because he preserved some duties and proposed others which in Mr. Wise's view were, or might be, Protectionist. Now he is on the opposite side of the hedge with Mr. Barton.

PARTY TACTICS.

Mr. Reid is certain to deal with him vigorously when he speaks. The Free Trade Association contented itself with a specific declaration that every supporter of Mr. Barton would be opposed at the coming elections. It thus formally cut Mr. Wise off from the party without even naming him. This was discreet as well as dignified. The misfortune is that his severance may not be the only loss which we shall have to sustain. The trusted leader of the association, the Hon. **Edward Pulsford**, M.L.C., who has devoted himself to its cause for many years, will not waver from

his allegiance in any circumstances, though his friends have their grievance in the cavalier way in which he was set aside by Mr. Reid when it became necessary in his interest that he should step into the post of President. There were reasons why this should be done, though none why it should not have been done graciously. Mr. Pulsford, though an able man with an unstained record, could not be compared with Mr. Reid either as a fighting leader or as a party tactician. Sir **William McMillan**, the most representative man in the mercantile community, and classed here as a rigid Conservative, may also be relied on to remain true to the principles to which he has given a lifelong adhesion. Yet, as an antagonist of the Labour Party and an opponent of Mr. Reid's methods of financing, he has not been, and is not likely to be, in sympathy with many of the proposals which his leader may adopt in order to win votes among the working classes. He is not only averse from some of Mr. Reid's favourite nostrums, but shocked at his tactics in party warfare.

ANCIENT ANIMOSITIES.

Another prominent Free Trader, Mr. **Bruce Smith**, is also out of harmony with Mr. Reid, and apart from this particular issue is much more in sympathy with Mr. Barton and his West Maitland programme. Mr. Smith is the author of a book on "Liberty and Liberalism", in which he has explained and defended by arguments culled from British and Australian experience the creed of laissez-faire as applied to current politics. He is a determined foe of every form of State Socialism and an ardent advocate of the entire emancipation of private enterprise. Dislike of Mr. Reid and distrust of his electioneering devices are strong in Mr. Bruce Smith. Mr. **Ashton**, the most thoughtful of the younger Free Traders, separated himself from Mr. Reid when the vote of want of confidence carried against him involved a censure of his political policy. The defection of Mr. Wise, though not serious in itself, is significant and symptomatic. Such losses may easily become serious unless party discipline can be restored. If Mr. Reid is to win he will require the support of Mr. Pulsford, and will obtain it. But he may also need that of Sir W. McMillan, Mr. Bruce Smith, and Mr. Ashton. Unless he can secure this, and a cordial alliance with some of them he will go to the country crippled, and return from it without the assistance in Parliament to which he is entitled from men holding the same views on the crucial point at issue. His mistakes, which have deprived him of their aid, belong to the past and to local politics only. In our present emergency, and on a new field these ancient animosities might well be sacrificed in the public interest.

AUSTRALIA'S LOYALTY.

ITS GROWTH AND POWER.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Feb. 5 1901; Mar. 12 1901.

His Majesty King Edward VII. has been duly proclaimed our Monarch by the Commonwealth Government and by the States of the Union amid the greatest enthusiasm. In Melbourne this was done with much pomp and in the presence of twenty thousand people. It is almost needless to say that not a single antagonistic voice was raised anywhere or on any grounds to mar the unanimity of Australia's greeting to her King. It was not merely the customary acceptance of a constitutional change natural to a law-abiding people nor a tacit consent to a formal act in which no interest was taken. There was a distinct cordiality evinced and expressed towards the Sovereign personally, implying an appreciation of his discharge of the duties of the eminent position he has so long occupied and an ungrudging confidence in his will and capacity to occupy one higher still. He was hailed with acclamation as a worthy successor to a Throne which has been elevated in public esteem and regard by the virtues and abilities of the late Queen-Empress. Whether, as already suggested, the growing importance of Australia and Canada is to be indicated by some appropriate addition to the royal titles or not, it is already manifest that his Majesty King Edward will have nowhere among his dominions a more loyal people than those of the Southern Seas.

RETROSPECTIVE.

It was not always so. Some fourteen years ago there was a distinctly Separatist movement in both Sydney and Brisbane, which for a time caused considerable alarm. In Sydney an ultra-democratic weekly paper, the *Bulletin*, then at the height of its influence, had boldly declared for the future Australian Republic, while the popular *Sydney Daily Telegraph*, though with more circumspection, made the preaching of "Nationalism" its chief end. In Queensland, for party purposes, the same cry was raised, and in order to embarrass Sir Samuel Griffith the proposed contribution towards the maintenance of a special Australasian Fleet on this station was defeated in that Colony on the ground that it constituted a payment of tribute to Great Britain

for our protection which was beneath the dignity of a free people. The Naval Defence Bill was only postponed, however, and with its adoption the northern Colony abandoned its momentary antagonism to the Imperial movement.

THE WAR RALLY.

With us the struggle was somewhat more prolonged. The *Sydney Daily Telegraph* changed its editorial staff and at the same time its attitude. The South African War rallied the whole continent to the Mother Country, and at the same time to the Crown. The journal and the Labour parties in the States which adopted the Pro-Boer view lost the greater part of their influence in consequence, and they have been swept into the background, together with the few Irish Roman Catholic and Labour papers which espoused the cause of Kruger and corruption. We are now able to see that the supposed agitation for independence, though noisy, was of the most superficial character and of the narrowest dimensions. What fostered its growth was the manifest indifference displayed in Great Britain by leading statesmen and a portion of its Press to all colonial interests. We were evidently regarded as an encumbrance, and were obviously expected by the "Little Englanders", then in the ascendant, to "set up" for ourselves as soon as possible. They posed as the exponents of popular feeling in London, just as their sympathisers, the Separatists, posed here as the interpreters of the national will, and with as little warrant. At the first encouragement offered to our patriotism these illusions began to be dissipated and at the first shock of danger to the Empire they disappeared.

QUEEN VICTORIA'S INFLUENCE.

In accomplishing the happy result of enabling the British at home and abroad to come to a mutual understanding and a sense of the strength of the affections which united them her Majesty the late Queen greatly contributed. The splendid pageants at her Jubilees of 1887 and 1897 helped to reveal the nation to itself and to consolidate it. A direct relation was proved to exist between all its parts, no matter how remote or minute, and the Crown itself. The belief everywhere held in Australia that the present King is equally sensible of these ties and will take an equally Imperial view of his responsibilities and powers as Sovereign is the foundation of the enthusiasm with which his reign has been inaugurated in Australia.

THE NEW HEBRIDES.

It seems probable that his advisers in London will soon have before them another test of their Imperialism, owing to a sudden revival of the vexed questions associated with the dual control of the New Hebrides. An explosion of public feeling here has followed some recent revelations of French action and what appears to be subservience on the part of a British naval officer, whose procedure is spreading among the suspicious a multitude of rumours as to the reasons for what is considered to be his surrender of the rights of the natives and of British colonists. Of course, the joint government of the groups, such as it is, always has been, and always will be, unsatisfactory. The desire for the possession of these islands on the part of Australians is not simply an unappeasable "earth hunger". It has mainly arisen in consequence of the establishment of Presbyterian missions from our mainland, the members of which see in its secession to France the triumph of their Roman Catholic rivals. There has always been a small trade with Brisbane and Sydney, and a certain number of British settlers in the islands, whose claims to protection required to be considered. The transportation to New Caledonia of confirmed criminals from France, their occasional escapes to Queensland in open boats, and the publication of a programme providing for their overflow into the New Hebrides roused the continent from its apathy in regard to the New Hebrides some twenty years ago. The far-seeing then noted that they contained splendid harbours, the possession of which might prove hereafter of great value for naval operations.

LORD SALISBURY'S POLICY.

The *Marquis of Salisbury*, however, has never been regarded here as a jealous custodian of colonial interests. He has always seemed willing to sacrifice outlying territory in order to keep the peace with the Great Powers near his door, who do not fail to take advantage of his well-known love of peace. But for the furious protests of Victoria he would apparently have surrendered the whole group in 1887. It was only under the strongest pressure that he secured for us a joint control, which has been lately deflected so as to permit our competitors to begin the rapid absorption of the principal islands.

THE ALLEGATIONS.

The charges now made are that a joint court of naval officers, having no jurisdiction whatever to deal with land claims, has been awarding large areas to French claimants on the two finest harbours; that deeds of transfer, repudiated by the natives alleged to have signed them or declared to relate to small areas, have been accepted by this

court as applying to far larger blocks than the signatories, if they did subscribe to them, had any right to part with; that natives' huts on the disputed territory have been several times burned by the French, who are bringing out families of colonists to occupy and hold them by force of arms; and, finally, that a native chief has been evicted from his tribal fields because he could not produce a written title to it. The last accusation is scarcely credible, and it is to be hoped for the sake of the British commander concerned in these transactions that the statements are none of them true. They are openly made by resident missionaries familiar with the natives and their language, who claim to have been present at the investigations, and to have heard the decisions from his own mouth, coupled with other remarks which would go to show an inexplicable bias. The high character of our naval officers has earned them such a reputation that there is a strong inclination to believe that there must be a misunderstanding somewhere, but at the same time feeling is already running high. Mr. **Barton** and Mr. **Seddon**, the Premier of New Zealand, held a conference with regard to the islands on Friday last, and they have since telegraphed to the Colonial Office. It is understood that the Prime Minister and the new Commander-in-Chief, **Admiral Beaumont**, have exchanged views, and that the whole question is to be considered at a Cabinet meeting later in the week.

THE INTERESTS AFFECTED.

There are here all the materials for an international complication of a minor kind. Sydney is affected through her commercial interests and Melbourne because of its aggressive tendencies towards a Monroe Doctrine for the Pacific within the Australasian sphere. The Presbyterians everywhere, and especially in Victoria, are politically the most influential among the religious bodies, leading as a rule the Nonconformists, and not infrequently spurring on the Church of England as well. The religious, political, and commercial interests are almost irresistible locally when they can be kept in combination. To these must be added the new sense of confidence born of our recent Union, the fighting spirit fostered by our successes in South Africa, and the deeper assurance now felt of a more sympathetic hearing for us in the Mother Country. It thus becomes evident that probably the first instance of self-assertion on the part of the Commonwealth may find its occasion here. As our brilliant neighbours are no less alive to the change in the situation and their possessions are obviously rendered less relatively important by the overshadowing Federation on the continent, they may be expected to put even more than their customary audacity and tenacity into their struggle to maintain the improved hold on the islands which the action of the naval authorities is said to have gratuitously given them. At all events, there are good grounds here for "diplomatic representations", and for possibly a very pretty quarrel.

COMMONWEALTH EXPENDITURE.

The Commonwealth has presented its first bill—to be strictly accurate it has deducted from the revenues which have flowed into its coffers through the Custom Houses and under the tariffs of the six States its own expenses up to date, and has handed back the balance of its receipts to the State Treasurers. Of course, the salaries of the customs officials have been paid as usual, but the circumstance that a Federal instead of a State officer has signed their cheques makes no more difference to them than it does to the public. Under the Constitution until the passing of a uniform tariff there is to be a monthly settlement between the Federal Treasurer and the States, each of which is to continue to receive through him the sum collected within its borders, less the cost of the new central Government. This for January has amounted to £1,266, more than two-thirds of which is accounted for in the £10,000 a year due to the Governor-General. A more modest beginning could scarcely be desired, as it is evident that no spirit of extravagance prevails, for the present at all events, with our first Executive. As three of its members have not yet resigned the Premierships of their own States they have made no demands on the Commonwealth, though in a few days or weeks at latest they must begin to devote themselves wholly to their Federal functions. In the meantime it is plain that the dreaded lavishness anticipated under our new political conditions is at least postponed until after the meeting of Parliament. Considering that, comparing the revenues of this one month with that of January, 1900, we find a fresh increase estimated at over £50,000, the trifling sum parted with to the Federal Government is scarcely likely to be noticed. Were it large, indeed, it would yet create no apprehension. All over the continent, except in Queensland, which is still a sufferer from prolonged and terrible drought in its western districts, there is every indication of buoyancy in Australian trade and finances generally.

THE ELECTION CAMPAIGN.

Last night the Federal campaign was opened in earnest by Mr. Reid in a thoroughly-characteristic speech, which more than made up in popular effectiveness for any lack of dignity or good taste. There was, of course, the accustomed humorous by-play at the expense of his opponents, and bitter retorts to those whose views are particularly distasteful to him. Though both of these were employed at inordinate length for such an occasion, they were keenly relished by a crowd whose foibles resemble his own and thus supply one of his chief sources of influence. He had them at his beck and call with his speech in the Protestant Hall, which was so packed that it became necessary to hold an overflow meeting afterwards. Apart from a few divagations his attack

on the Ministerial policy was conducted with admirable skill. With true tactical judgment he concentrated himself on the one point at issue. Here, too, he was absolutely certain of the sympathy of those he addressed, of Sydney and of the State of New South Wales, to which he principally appealed.

THE MAIN ISSUE.

The sole question for the electors is Free Trade or Protection. That he made plain once and for all. Nothing was or will be allowed to obscure this in the minds of his hearers or of the Commonwealth. He stimulated his followers to wild enthusiasm by his assurances that he would have a majority of representatives in both Houses of Parliament in every State except Victoria, and still more by his definition of the approaching contest as a duel between himself and Mr. Barton in the position of Prime Minister. It was as the fighting leader of a fighting party that he presented himself, and the appeal was as well timed as it was well delivered. His note of confidence and triumph was re-echoed with a fervour which could only be appreciated by those who witnessed or shared it. After allowing all discount for the intoxication of the moment, it is plain that, despite its divisions, the Free Trade Party is about to make the greatest of its Australian efforts in its first fight for the Commonwealth.

THE NEW COMMONWEALTH.

AUSTRALIAN BUSH FIRES.

PACIFIC ISLAND TROUBLES.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Feb. 12 1901; Mar. 19 1901.

Perhaps the philosophers of the future may trace a relation between the physical surroundings or climate of Australia and the temperament of its people, but it will take a few generations to provide sufficient material for their generalisations, and many more before they are likely to arrive at an agreement. In the meantime the vast extent of the continent and the precariousness of the water supply over the greater part of it render its changeful weather and rainfall matters of the first importance and daily concern. The difference between a prosperity diffused through all classes and a depression equally widespread and felt in all the channels of trade and in every aspect of public affairs is too marked to be ignored. Political and social developments alike are immensely affected by the seasons, as is sometimes humorously illustrated to all the world. A Treasurer in one of the Colonies which collect large sums annually from duties on alcoholic liquors presented his budget last year in an alternative form. If the summer should prove cool their consumption would be light, and he might be faced with a deficit of £50,000; if the people enjoyed an average temperature such as he expected he could just pay his way, while if the heat was severe and prolonged his receipts must mount with the mercury, and he would reckon on a surplus of perhaps £100,000. Thirst was his barometer of pinch or plenty, and his official prayers were necessarily such as must have affected temperance reformers. Some years ago one of our most famous Sydney clubs, much favoured by politicians, being discovered to have fallen dangerously into debt, a company of its oldest members set themselves deliberately and assiduously to the task of drinking it out of its difficulties, carrying out their self-imposed penance with so much zeal as to speedily restore it to affluence. Though none of our public financiers has dared to initiate so convivial a method of adjusting the State accounts, the rising thermometer is eagerly watched by all of them, and nowhere more anxiously than in New South Wales, as our duties on intoxicants are among the heaviest. Fortunately, the Commonwealth celebrations this year have rendered us comparatively indifferent to atmospheric influence. Our customs receipts from this source are so far most satisfactory.

CLIMATIC CONDITIONS.

In Sydney the oppressive weather customary in January and February has on the whole been less enervating than usual. A recent change was accompanied by a thunderstorm of unprecedented severity. In the coastal area there has been nothing more notable than an unusual number of gales. New South Wales, however, is itself large enough to contain several climates. In the great plains of the extreme west the drought has been imperfectly overcome, while both north and south there have been the ordinary periods of intense heat. Among our southern neighbours still other climates have obtained. In Victoria, Tasmania, and South Australia the spring rains were plentiful and prolonged, with the result that over immense areas the grass sprang up rich and rank and knee-deep. It was often waist-deep where the timber had been removed or killed by "ring barking", and left standing dead and dry over whole sections used for grazing. The summer in these regions has been gratefully varied but seasonably hot, and, as is invariably the case, the abundant harvest of grass has yellowed to hay and become tindery though still nutritious. In similar conditions tens of thousands of square miles of country in strips, belts, or broad areas lie every year inflammable, waiting for the half-burned match dropped by a thoughtless stock rider, the partially extinguished embers at which a swag man has boiled his "billy" of tea, or the sparks from a passing railway train using wood among its fuel. In every spell of extremely hot weather the common conditions of much of our pastoral and some of our agricultural areas lead to almost simultaneous outbreaks of "bush fires" in many directions. Nearly a fourth of the State of Victoria was wasted in this way on the never forgotten "Black Thursday" forty years ago, and almost to the day the visitation has been repeated.

ENORMOUS CONFLAGRATIONS.

An aeronaut last week, sufficiently elevated and gifted with exceptional vision, would have seen great parts of four States hidden from his view by dense clouds of smoke from enormous conflagrations. Where roads were visible he would have seen teamsters and horsemen with their maddened animals in frantic flight, households and settlements all at bay. Descending anywhere he would have been deafened by the roar of blazing forests and leagues of grass kindling instantaneously into tongues of flame that rose to the tree tops and fastened there. A stifling atmosphere, out of which all the life-giving oxygen seemed to be scorched, filled with flying flakes of flame and showering black cinders, enveloped the country for leagues in every direction. Tens of thousands of trees glowed crimson all night, falling at last with crashes and causing great showers of sparks. Before this raging furnace thousands of miles of fencing, hundreds of homesteads, wool sheds, and outbuildings, scores

of wooden bridges, hosts of haystacks or piles of grain, wool presses, machinery, implements, orchards, and crops disappear into blackened dust. Huge flocks of stupefied sheep and other stock, as well as uncounted wild animals, were rapidly roasted to death. Outlying chapels and meeting-houses were erased without resistance. Everywhere else the farmers fought at bay. Coaches almost cut off flew desperately through the burning forests, and families sought shelter in the creeks and open grassless spaces, where they lay almost suffocated. Some children and adults are known to have perished and others are missing. According to present returns at least twenty or thirty persons will never be seen alive. Some railways became untraversable where the sleepers, culverts, or bridges had been eaten out, and on others the trains crawled slowly through clouds of smoke across tracts of intolerable heat. The damage, as far as known, will probably total £250,000 for lost improvements, while there will be unknown amounts for thousands of valuable grass paddocks and forests of fine timber. The calamity to hundreds of families will be grave, and to many ruin.

THE WORK OF REPAIR.

Yet so immense are Australian areas that the same aeronaut looking down to-day could only discern in fifty or sixty places little patches of sooty blackness, which but for the contrast of colour would almost pass unnoticed. Everywhere else life proceeds in its old grooves. In a year hence the grass will grow more richly over the areas cleared and much land lately closed to cultivators will lie open to plough and pasture. The improvements will be made again, and on a greater scale. The lion-hearted settlers will re-begin their unending struggles with the wilderness. Save in special places the great fire of 1901 will soon be forgotten. Civilisation will go on pushing its outworks more afield. A people already inured to trial and accustomed to vicissitudes will have resumed their resolute task of subjecting a soil and a climate which, yielding them as a rule the service of a tamed ox bearing them rich burdens, are yet capable of turning on them at any instant with wild fury as if bent on their extinction. Australian experiences of this kind, while perhaps encouraging the tendency to take the chances of life in a gambling way and to foster a spirit of extravagant boldness and recklessness somewhat at the expense of the virtue of prudence, have probably compensating advantages. They may temper the race by such hours of trial until it becomes compact with strength and elasticity. At all events, thousands of both sexes are at times actually as well as metaphorically tried by fire.

THE PACIFIC ISLANDS.

One of the directions in which the Australian character is likely to manifest itself in an aggressiveness that old-world observers may reckon unreasonable is with regard to the Pacific Islands in our neighbourhood. It will be difficult for those who are not accustomed to think of distances as we do to realise in what proximity groups appear that are two or three thousand miles away. They are no further from Sydney than Perth or Kimberley, already part of our territory, and are in or close to those routes to Canada and the United States which are likely soon to be reckoned among the highways of our commerce with peoples of our own blood and stock. The existence of French or German Colonies in these neighbourhoods appears to an Australian nearly in the light of an intrusion on his property. They are at all events hostile points of observation on his proceedings. Again, the confidence in his powers of expansion and certitude of future progress are such that he already views the Continent behind him—though most of it unsettled, and much of it unknown—as too contracted for his operations, and by no means as confining his sphere of influence. An Australian looks ahead possibly much farther than he will ever travel, but his politics and pursuits are only to be understood when these elements which go to the making up of his opinions and sentiments are much better known than they ever have been by the Colonial Office. The ordinary Englishman, in contented ignorance of the outlying segments of his Empire, allows that office to treat these vital and ineradicable ambitions of his spirited colonial fellows with unsympathetic coldness and a deliberate delay which, in addition to being coy and reluctant, is never amorous. It is not even always amicable. Yet it requires little to arouse an outburst of feeling in regard to the Pacific Islands generally. The New Hebrides are the immediate centre of friction, but there is grave and growing dissatisfaction also at the position of affairs in Fiji and Tonga, in each of which a condition of instability undoubtedly prevails. The Commonwealth Government recently held a prolonged Cabinet meeting, for which the Victoria and Queensland members were specially summoned to Sydney, in regard to these issues. It was then decided that Mr. Chamberlain should be informed with blunt directness that the way in which the Foreign Office was subordinating itself to the French and ignoring the protests and appeals made from the larger States for the last two or three years was not at all to the taste of the Federal Ministry.

AUSTRALIAN PROTESTS.

Whatever may be said as to the missionary complaints, it is clear, as Mr. Barton told the *Australian Natives Association* in Melbourne, that unless a Joint Commission is authorised at once to deal with all land claims, past or present, the principal part of these islands will soon be settled by French immigrants, whom it may be impossible

to dispossess. Such a commission, clothed with authority and composed of competent and experienced men, is essential to the maintenance of any reality in the joint control supposed to be exercised by the Mother Country. In addition there ought to be a British Resident, to whom the natives could always appeal, and more frequent visits from the High Commissioner and Deputy High Commissioner. Apparently to leave the ground quite free for our rivals our cruisers have been rarely visitors, or when they have appeared their officers seem to be as anxious to give way to their French naval associates as the Foreign Office is to Parisian pressure. In cabling his protest Mr. Barton has the whole of Australia behind him, headed by the Australian Natives Association, and it will be well if Mr. Chamberlain comes to recognise this when he makes his next effort to awaken his chief to a sense of the situation. So far the Sydney public are not aware of what the Ministry is doing, but having no division of sentiment among themselves they assume that their leaders are equally unanimous. Should Mr. Reid succeed Mr. Barton after the elections there will be no change of attitude in this regard and no relaxation of the determination to put an end to the present condition of things, not only as bad in itself, but because it is evidently being prolonged by the French in order to render it almost impossible for any capable tribunal which may be appointed to undo the mischief they are now doing, to replace the natives they are ejecting from their lands, or to upset the pretended titles they are fast accumulating to all the strategically valuable sites. The tricolour flies to-day on a line of islands stretching right across the ocean and ending close to our doors. Both in Noumea and in Australia the representatives of the French Government make no secret of the intention of their countrymen to seize them immediately so as to exclude British interests in fact and presently in name also. They claim to have the tacit consent of the British Foreign Office to these proceedings, and boast openly that the group is already practically surrendered to them by Lord Salisbury in defiance of Australian protests.

THE IMPERIAL SPIRIT.

The situation in Tonga, though critical, bears a different complexion from that in the New Hebrides. The British Protectorate has not been officially recognised by its so-called Parliament and there is a decided leakage in the Treasury, while the native factions are likely on any sufficient occasion to fly at each other's throats in tribal warfare. What is needed is efficient British supervision and a control preemptory in prevention of violence, theft, or injustice. This we have not yet been able to secure, though it is as much in the interest of Downing Street as that of ourselves that a new centre of disturbance should not be created here. Australians are still sore at the unnecessary cession of Samoa, and certainly do not wish for another cause of alarm in the Tongan group. His Excellency the Governor of Fiji has been unwise enough to

decry New Zealand and its native policy in a public speech which has earned him the antagonism of that extremely Imperialistic Colony and the animosity of its masterful Premier, Mr. Seddon. Though not a member of the Australian Union—and not likely to be—New Zealand is certain to make common cause with the Commonwealth with regard to all of these islands. Together they will then represent the whole of the population and interests of the Empire in these seas. We have not adopted any new policy. Recent events have only hastened what was an inevitable development. Every British subject on this hemisphere will both resist and resent any surrender of territory or authority in the Western Pacific, and will insist that it is imperative that a stronger policy should be adopted by the Imperial Government, and that a more efficient administration should be established. Gold discoveries in the interior of New Guinea are likely to lead to a larger settlement and a better opening up of that important Dependency, only saved from Germany under Australian pressure, and since maintained at Australian cost. No one desires or aims at a foreign policy for Australasia merely for our local interests, which are as yet comparatively few and slight outside our own borders. Our aim is national. There are no keener Imperialists than are to be found here. Let the British Government take these islands in hand as it pleases and how it pleases. If they are preserved from foreign aggression and internal disorder the methods or means adopted are no concern of ours. All Sydney seeks or any of our sister States desire is that the Union Jack shall be respected everywhere and lowered nowhere in the surrounding seas.

THE NEW COMMONWEALTH.

FEDERAL ELECTIONS. THE AUSTRALIAN PRESS.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Feb. 19 1901; Mar. 26 1901.

The date of the arrival of the Duke and Duchess of Cornwall and York having been determined, it has become possible to fix the Federal election day for the end of March. We have something less than six weeks within which to decide our policy for the next few years, yet it must be confessed that so far the great public is manifesting but a languid interest in its promulgation. We are nightly assured by sundry speakers that the political world is shaken to its very foundations, and that undreamed-of perils surround us, but "the Man in the Street" keeps his equilibrium during his passage to and from his business with a happy unconsciousness that anything particular is taking or is likely to take place. But for the fact that the newspapers have begun to bristle with headlines and to crowd their columns with epitomes of candidates' speeches the bulk of the community would be able to ignore altogether the contest that is in progress. The weather may have had something to do with the flabbiness of party spirit, though we have had crowded meetings for Mr. **Barton** and Mr. **Reid** even while we sweltered day and night. Though an excitable people in our inflammatory season, and beginning a new era in politics, we are apparently as phlegmatic as our progenitors of the Georgian Era are reputed to have been until "**Wilkes and Liberty**" aroused them.

OLD CRIES AND OLD INVECTIVES.

The masses are not yet alive to the transformation and extension of boundaries which have recently taken place. Old cries, old programmes, and old invectives are felt to have become somewhat out of date. We have not yet got the new. The many will remain unmoved until their sentiments or imaginations have been touched or their party spirit brought into play. At present we lie in the doldrums. The electoral organisations on both sides seem defective, and though it is too early to assume that they will continue to slumber, it appears certain that they will remain provincial. They are still strictly limited within the several States, and co-operate in a very slight

degree across their borders. Mr. Barton replied to his critics effectively in the Town Hall ten days ago, but immediately afterwards vanished beyond our horizon to speak at Adelaide and Melbourne. Reports of his speeches are telegraphed, but fail to interest us. He has formed a National Liberal Association here, which is, after all, nothing more than the old Protectionist Association strengthened by his personal following. The Free Trade Association, much more numerous and influential, has been somewhat paralysed by internal differences. Mr. *Wise*, having been cast out, is being fought in the constituency he contested. The remainder of the leaders gathered together under Mr. Reid's standard accept his supremacy with misgivings. Sir *William McMillan* is in the field for Wentworth, Mr. *Bruce Smith* for Parkes, and Mr. *Ashton* for the Riverina, but the first two are considered unduly Conservative by their chief, and he has despatched Mr. Bruce Smith to fight what is almost a forlorn hope. Other seniors have declined to follow his example, under a painful suspicion that Mr. Reid's anxiety is much less for their return than for his own comfort, which he is suspected of seeking by ensuring the election of the most docile among his followers at the expense of the abler and more independent. Until party discipline asserts itself the powerful and hitherto victorious Free Trade Party will be hamstrung. As in State elections, we depend on our journals to bring us into line. That public feeling does not degenerate into utter indifference is due at present wholly and solely to the Press.

THE NEWSPAPERS.

Australia's two conditions of population are contrasts, yet both combine to increase the authority of her newspapers. The concentration of nearly half of her people in the sea-board cities, which are our State capitals, assures the large circulations which enable them to reach a high pitch of mechanical skill, and to maintain what must be reckoned in these remote latitudes a high average standard of literary merit. In the bush, on the other hand, the sparseness of the population and the distances which separate the settlers make the newspapers all-important messengers of civilisation. There it is impossible for the powerful platform speaker to find meetings of sufficient size to evoke his best efforts, while in the towns the small proportion which hears as compared with the numbers of people who read his speeches make him almost absolutely dependent on the reports he receives. Fairly impartial at most seasons, our journals at election times make little pretence to be judicial, though the various rival interests are discussed with vigour. Our papers are few in number, and relatively affect very large circles of readers. Of course, they follow public opinion whenever it declares itself, but within certain limits they guide it much as they please. The Sydney situation is so far reversed in Victoria that the *Age* represents the Protectionist Radicalism of the majority, as does the *Advertiser* in South Australia; the *Argus* in Melbourne and the *Register* in Adelaide make an excellent fight against them for the Free Trade minority.

In Brisbane, Perth, and Hobart the chief journals are less positive in their policy, but little less influential. Everywhere in Australia the Press is in the ascendant. Speaking broadly, all the leading papers are above suspicion of corruption, and all enjoy a public esteem and confidence well warranted by the integrity of their past.

“THE PRIEST OF THE FUTURE.”

It must be admitted that in this State the free carriage of newspapers through the Post Office is a real and valuable subsidy to those published in Sydney, but at all events the advantage is shared by all of them. This valuable concession undoubtedly assists to enhance their influence. With us democracy gives to every man, and in some States to every woman, one vote, and one vote only. It thus establishes the authority of the papers, which are usually the chief sources of information and instruction. Carlyle's description of the journalist as “the Priest of the Future” would need to be amended here by making him the political leader as well. Our Commonwealth, reposing on the broadest suffrage, rests on the Press, which controls its exercise; it consists of States whose chief voice and influence are those of their principal journals; and it is therefore in almost as absolute a fashion a Federation of newspapers as of Colonies. Between the electors, from whom all authority comes, and those whom they elect to execute their behests is interposed a power which moulds both in a considerable measure according to its own ends and ideals.

PREMIERS AND CABINETS.

The Australian is quite conscious of his pupilage. He mitigates it by frequent declarations of independence which generally stop short with the utterance. There are politicians returned chiefly because they have been too fiercely handled by the papers. Even when, as in some instances, they richly deserve the censures, they arouse a certain sympathy. This is due to the general feeling that the Press needs to be occasionally warned that, after all, the public are its judges. Before a great wave of public sentiment such as was manifested in the Federal movement the most popular papers had to bow, but in the ordinary run of affairs, and particularly in the personal fortunes of politicians, they play the chief part. Yet Parliament has standards of its own, and delights when it dares to shatter a Press idol sent in to reform its procedure on some impracticable plan of literary manufacture. But in most cases, though sulkily, our representatives obey the behests of the Press. The net result is that, while the creature of public opinion, the Australian Press is largely its creator, and that in the political world it is often the maker of Premiers and destroyer of Cabinets. So it comes about that the Federal election is being fought rather by and in the journals

than on the platform. Ministry and Opposition are face to face and exchange metaphorical blows, while Mr. Barton and Mr. Reid attract a good deal of attention by their intermittent duel, but the fate of the battle is chiefly determined by the intervention of our papers.

THE NEW STATE OF AFFAIRS.

The journals, like the Homeric deities, descend into the confused contest delivering deadly blows among the combatants, while they themselves enjoy comfortable immunity from serious injury. The result of the coming Commonwealth elections will depend on whether our *Morning Herald*, the *Daily Telegraph*, and the *Evening News* can secure a larger majority for Free Trade in this State than the *Age*, the *Advertiser*, and the *Bulletin* can whip up for Protection in Victoria, South Australia, and the country districts of New South Wales. The new dispensation, like any other, will hereafter be judged by its fruits. The Press will be mainly responsible for the start we are making in our new national life and probably for the path we pursue in the future.

THE NEW COMMONWEALTH.

SHATTERED IDEALS.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Feb. 26 1901; Apr. 2 1901.

The Commonwealth is beginning by disappointing its best friends. All our idealists were Federalists, and they are now suffering their first disillusion. Much is still possible within the next month, for we are accustomed to rapid electioneering rallies, but at the moment the outlook is depressing. Our first shock has come with the publication of the lists of candidates for the Federal Parliament. These are either our old hacks or colts of no better quality. Our local politicians have commanded little respect in New South Wales. Sir **Henry Parkes** stood out above the majority of his associates as Gulliver did among the Lilliputians. His disciples, though none of them of the same build or bulk, have loomed large by contrast with the remainder, and they continue to do so among the crowd of candidates for the Federal Legislature.

THE SENATORIAL CANDIDATES.

One of the most frequent anticipations indulged by the advocates of union was that we should find a much better class of men than the States had ever attracted coming forward to contest seats in the Commonwealth Houses. This hope is now dissipating. We require six Senators, and about a score of aspirants have presented themselves. Half of these, though unknown to fame, are obviously in no sense superior to the men who have been representing us during our days of disunion. They lack experience, of course, but also much else necessary to qualify them for the posts they are seeking. The other half, who are known, are most of them notoriously undesirable. There are not three prominent and reputable men among them. The same dearth of competency is said to exist in the sister States, except in South Australia, where the strongest men are aiming at the Senate. As a whole, however, this body, from which so much was expected, is apparently likely to prove as feeble in its units as any of our old Upper Chambers. It was intended to be the bulwark of the Constitution and of State rights, but it will be difficult indeed to build anything worthy of the name out of bulrushes.

THE REPRESENTATIVES.

Our aspirants for the House of Representatives mainly consist of members of our State Parliament, present or past. They are distinctly superior to those who are offering themselves for the Senate; but they are the same “old hands” from whom we have been looking for an escape when a Federal policy is submitted to us. The only change is that now they are required to occupy both fields. No other candidates of distinction are offering themselves. The result is that we are simply dividing our old stagers into two parts, one of which will continue with diminished numbers to control the State, while the other will represent us in the Federal Houses. Apparently we are not to secure any reinforcement of our political forces in either sphere. We are to attempt the greater tasks before us under the guidance of a section of those who have certainly not proved more than capable of managing in the narrower area in which they have graduated.

NOTABLE ABSTENTIONS.

Already some of the most effective among them—Mr. **Want**, K.C., Mr. **Carruthers**, Mr. **See**, and Mr. **Suttor**—are preferring to remain in the local Parliament. Dr. **Cullen**, M.L.C., plainly putting what many find, has frankly declined to stand, because were he elected his absence in Melbourne during the sessions must cost him his professional connection at the Bar. Most business men decline to face the electors for a similar reason. We have practically no leisured class. Few of our wealthy men have any ambition to serve their fellow citizens. The strong prefer to make more money and the weak to enjoy spending what they have. The £400 a year to be paid to members is attractive only to those who live by their hands until they are chosen by their comrades to be Labour representatives. Their election costs them nothing, and they live luxuriously on the allotted income. To all others the cost of winning and retaining a seat must absorb more than they receive, without reckoning their loss of time, energy, and earning power while discharging public duties at a great distance from their homes. The House of Representatives in its turn, though probably more able than any single State Assembly, will not be noticeably superior, and relatively may prove less qualified for fulfilling its far more onerous functions.

PUBLIC APATHY.

The other feature of the election so far is the apathy displayed by the general public, partly, perhaps, because of the want of men strong enough to arouse them to a sense of their civic obligations. Mr. **Barton** and Mr. **Reid** continue to hold successful meetings and to be cheered by their following whenever they appear. Those who attend these demonstrations are the men who love political debate and excitement

for their own sakes, or who are genuinely interested in some pending issue. The mass of the people remain inert and indifferent. When Mr. Reid and Mr. Wise criticise one another in vigorous language there is a temporary revival of interest and a crowd gathers as it might at a street brawl. Beneath the surface the currents of feeling are so far indistinguishable. Judging by Sydney itself the success of the Free Trade Party is assured. It is doubtful if even Mr. Barton's personal popularity will enable his supporters to secure a single seat in or around the Metropolis. In the country districts also the reports are most encouraging, and New South Wales seems certain to send in a large majority in favour of Mr. Reid. Victoria, it is assumed, will at least provide a Ministerial following large enough to balance ours, so that the fate of the Government may be determined in the other States. Western Australia and Tasmania are likely to adopt our view, and we are not unhopeful of either Queensland or South Australia, though the men they will approve will not be strong partisans of either fiscal doctrine. At all events these are the anticipations of the best informed Free Traders since Sir W. McMillan, Mr. Bruce Smith, and Mr. Ashton have openly avowed their allegiance. It means a narrow majority for one side.

MR REID'S PROSPECTS.

In such an unstable situation the versatility of Mr. Reid places him in such a position that, even if the numbers be at the outset somewhat against him, an early accession to power is confidently predicted for him. When he is once in office his fertility of resource ought to secure for him a tenure of considerable duration. The one factor of which the operation is uncertain, and the greatest of all, is the extent of the public interest displayed. Probably before polling day a sense of responsibility will have been aroused which will enable these forecasts to be realised. Owing, however, to the immense area covered by the constituencies and our little real knowledge of the sentiments of the other Colonies this is even more uncertain than political prophecies usually are. If the poll be light anywhere or everywhere, the most unlooked-for results may follow—one or the other of the parties may sweep the whole or parts of the field. Better organised, better supplied with funds, and better led, the Free Traders are naturally in better heart than the Ministry and more confident of victory.

THE LABOUR ELEMENT.

The most disturbing element in local politics of late years has been the Labour vote, though at times it has been less prominent than the rivalries of Orange and Green. The wage-earners constitute a majority in most constituencies. In the city the merchant is hopelessly outnumbered by his clerks and draymen; in the suburb

in which he resides he is outvoted by his coachman, groom, and gardener; while in the interior the owner or manager of a station counts for no more than any one of his boundary riders, "rouseabouts", or bullock drivers. The squatting districts of the far north are all carried by the Labour vote, and it is only where an agricultural population settles that these extravagances are rejected. If the working classes were not divided among themselves they would be all-powerful in the towns, for their platform is selfish and their discipline is admirable. They constitute a caste in politics, and refuse to support representatives who have not been selected from among their own numbers. The consequence is that their members are rarely men of sufficient ability to acquire a Parliamentary status. They help to demoralise politics by bartering their tally of votes for concessions to their class and by their indifference to all other issues. As yet they have never been able to hold the reins of power for any effective period. The Queensland Labour Party did so for a day or two not long since, but nowhere else have they succeeded in accomplishing anything beyond the capture of a seat or two in the Cabinets of Victoria and South Australia. As social legislation has not been transferred to the Commonwealth they have been unable to enounce their customary programme shaped solely in their own interests, but they have nevertheless named their candidates, and they trust to the solidarity of sentiment among their voters to place them in the House. They count on a dozen seats in the popular Chamber and almost as many more in the Senate. Should they succeed in this, and come to hold the balance of power, a most unhappy condition of affairs might be the result.

RELIGIOUS DIFFERENCES.

The Conyngham divorce case is set down for hearing about the middle of March, and its implications may decide Ultra-Protestants in New South Wales to go to the poll against Roman Catholic candidates without regard to their political views. In this case the Ministry is likely to suffer more than the Free Traders because of Mr. Reid's recent politic alliance with the Orange organisation. Allowing for possible diversions of votes by the Labour or sectarian influences, the fiscal issue will still remain that on which the main verdict will be given, though it is possible that it may be confused to some extent by the intrusion of these extraneous factors. In New South Wales they cannot prevent and may assist Mr. Reid's triumph, for he is on friendly terms with both of them. Elsewhere it is supposed that, at all events, they will not be antagonistic. There are constant rumours that the farmers in Victoria and South Australia and the miners in Western Australia are at last in revolt against Protection, but it is impossible to test their authenticity from here, if it be possible in those States.

PROBABLE OUTCOME.

It seems clear, therefore, that nothing but an unaccountable apathy can defeat the Free Trade policy and its powerful propaganda. In any case we are certain to have a Federal Parliament below the standard we had set up for it, a House of Representatives consisting almost wholly of practised State politicians, many of them still strictly provincial in their views, who will probably overawe a Senate of weaker and less experienced men as local in their views and less influential in their personalities. Together they will surpass any of our State Legislatures, but not so much as their work surpasses that which they have hitherto transacted fairly well. Really national representatives, national leaders, and a national policy have yet to emerge. Mr. Barton or Mr. Reid may prove equal to the situation, but their fitness has still to be demonstrated. The best that we can hope for is that we may make some kind of start onwards when our first Parliament, elected on the 29th and 30th of March, shall be opened in Melbourne on May 9 by the Heir to the Throne in the name of the Sovereign and under the eyes of the Empire.

THE NEW COMMONWEALTH.

LABOUR QUESTION. THE SUGAR INDUSTRY.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Mar. 5 1901; Apr. 9 1901.

Only three weeks separate us from the Federal elections, and still the political condition of the continent is torpid. Mr. Reid himself is not before the public, though he is very active behind the curtain arranging for the next and crowning act of his campaign. The Free Trade nominations for the Senate and many of the House constituencies are now published. In the meantime there is nothing striking enough to attract general attention. The war of candidates continues under party colours, but so far it remains an affair of outposts. There is no new development to report in New South Wales, or, indeed, anywhere except in Queensland, where Mr. Barton has been making what his supporters are depicting as a triumphal tour. He is faithful to his policy as already announced, simply repeating it with explanations or amplifications of special points. Mr. Lewis and Mr. Kingston have visited Tasmania. The Ministers of Victoria have not yet appeared before their constituents, relying, as it would seem, on their organisation to cover the smaller area of that State. They have established what seems to be an astonishing unanimity south of the Murray. Whether it be the spontaneous product of their circumstances or the efficiency of the political machine of the dominant party is difficult to determine. Mr. Deakin, the Federal Attorney-General, is president and founder of what is termed the National Liberal Organisation, and his colleague, Sir George Turner, the Treasurer, is one of its vice-presidents. It claims to possess a hundred and fifty branches, and to have chosen a candidate for every seat in both Federal Chambers. What is already threatened is that among the twenty-three seats for the House of Representatives not one-third will be challenged by Mr. Reid's supporters. For the six seats in the Senate there are a score of competitors, but only one of them is, or at least takes credit for being, "an avowed Freetrader". Before the battle begins the Barton Administration has secured in Victoria a two to one majority, at least, in the popular House, and every seat in the Senate, with perhaps a single exception. No wonder that the remaining States look on with admiration and some apprehension at an achievement gained without funds or fuss under the leadership of a few well-known public men.

SUGAR AND BLACK LABOUR.

The interest displayed in the contest for the Queensland seats is owing to the decisive utterance of the Prime Minister at Maitland. His declaration that black labour must go naturally spread consternation among the planters. They are gradually coming to understand that all that is now proposed is to prohibit any increase of the present number of Kanakas, but their prospects are not so bright as to enable them soon to forget the warning received. It is plain that sooner or later they must learn to do without Pacific islanders altogether, and the banks have already intimated that they will require to consider the changed outlook in their future financing. There are other problems also in view. Cane nowadays supplies less than a third of the world's sugar, and can continue to command that fraction of the trade only by more scientific methods. Beet, it is true, counts for nothing in Australia. The State of Victoria recently lost £60,000 in an attempt to establish its culture. What is most to be dreaded is the hasty interference to which politicians are always prone, especially when their constituents are uninformed. There is a prevailing sentiment against alien labour among the working classes which, coupled with a general ignorance of the actual facts of the case in the rest of the community, may be fatal to an unprejudiced hearing of the planters' pleas. Yet to this hearing the industry is entitled no less by its magnitude to-day than by its promise of future developments throughout a great tract of territory which must otherwise remain either unoccupied or devoted to far less profitable uses. It is not the whole of Northern Queensland that is available. West of the coast range rises a great plateau, the climate of which is not unfavourable to whites. They thrive in the upland air as graziers and miners right up to the Gulf of Carpentaria. The tropical belt lies east between the range and the sea, where rich flats, constant humidity, and great heat favour vegetable growth under conditions similar to those of Mauritius and the West Indies. Here tropical products flourish, but the ordinary British man, and especially the ordinary British woman, languishes. The sugar plantations now working would, if placed side by side, not exceed a hundred thousand acres in extent, though their output reaches one hundred and sixty thousand tons, and the capital sunk exceeds £5,000,000. The crop returns more than £250,000 a year to the growers, £750,000 a year to wage-earners and shareholders, and provides employment for some twenty thousand persons.

THE QUESTION OF PROTECTION.

During the past twenty years the sugar industry has passed through several phases, and the operation has ruined almost all engaged in it. It is but recently and by degrees that appropriate processes have been evolved. The first system—that of great plantations owned by capitalists or companies and worked by Kanakas under

overseers—failed miserably. The later *usine* system is that of cane cultivation by white farmers, who deliver it to large mills, where it is crushed and treated by costly machinery. The function of the Kanaka is to do the field work, planting, weeding, and cutting the cane. He is forbidden by law to be engaged in any other occupation, and the only question now is whether he should not be prohibited from this work also. The heat in the fields is intense, and when the cane is high it becomes stifling as well to those shut in between its rows. There are Europeans who can, and do, face it. What is there that they will not undertake? It is asserted that they deteriorate physically in consequence, but so they must in certain manufacturing industries anywhere. In the last resort the one issue plainly is whether their labour is not too costly to enable cane-growing to pay. Mr. Barton and the Protectionists are, of course, prepared with their universal remedy—a Protectionist duty. But it would merely give them the Australian market, already nearly supplied, and would prevent the development of an export trade. Ministerialists rejoin that improved processes and the introduction of field machinery will presently enable the cost to be cheapened sufficiently to restore the power to compete abroad. Of course, this is prophecy, and though it is true that the progress of the past decade has been in this direction, there is no warrant for such a sanguine forecast. Why, then, should the risk be run?

WHITE AUSTRALIA.

The Kanakas are essential to the expansion of the industry, and probably to its maintenance also for years to come. They enable twice their own number of white men to make an excellent living out of the crops they grow. They are not an increasing army, whose future strength is to be feared. They are fewer now than they were ten years ago, though the output from the mills has doubled in the interval. They bring few women with them, and rarely desire to settle in Australia. A body of hired labourers such as they are, indentured for three years, brought from their homes and returned to them in ships which carry Government agents, remaining under medical and police supervision for the whole term of their residence in the country, and carefully protected as to their earnings, affords no real analogy to the influx a century ago of Negro slaves of both sexes into America, of whose permanent settlement and multiplication has come the black agony of the Southern States. Yet it is to the alarm which this false parallel has occasioned that the agitation against the admission of these hired labourers to our country must be mainly attributed. The cry for a “White Australia” is taken up on every hand, and the Ministerial policy on this point is already practically accepted as the foundation for a national policy.

THE MILLOWNERS.

The antagonism to the Kanaka is not personal. It is admitted that he is far less capable, and therefore far less dangerous, than the Japanese or Chinese, who lately threatened to arrive in force. He is more manageable and more kindly than the Japanese, and has a better reputation than Hindoo coolies have earned in Fiji or Natal. In popular opinion he is the best of "a bad lot". His occasional outbreaks of drunkenness, riotousness, or crime are not sufficiently numerous or serious to detract noticeably from his good qualities. The latest records are for 1899. They show that a thousand left and fifteen hundred entered the State, of whom less than fifty were women. Ten vessels, making about two trips each, conveyed them to and from the New Hebrides, Solomon and Banks Islands. On December 31, 1899, there were less than nine thousand South Sea Islanders in Queensland, whose partial civilisation is attested by the fact that they had £27,000 lying to the credit of some of them in the savings bank. They have done well for themselves, and doubtless desire to continue earning. The State Government has also interests of its own to conserve, which are not to be lightly ignored. For the purpose of enabling white farmers to grow cane, and prevent them from becoming mere serfs of the great mill owners, £360,000 has been advanced from the Treasury in the construction of mills worked on the co-operative principle. Thirteen of these have been constructed during the past seven years, with tramways from three to twenty miles in length, which have had the effect of multiplying small holdings and in a sense popularising the industry. Is the sum named to be sacrificed?

DISQUIETING OUTLOOK.

In proposing that the industry shall seek to maintain itself without the cheap field labour of a race inferior to our own but physically better fitted for this particular employment, the Barton Government is casting on the planters a burden which is unknown anywhere else in the world. Wherever cane is grown it is and always has been by black labour. Even then it has been enabled to support itself against the subsidised beet sugars of Europe only by means of indirect bounties or subventions. What prospect can there be for Queensland planters even if protected by heavy import duties? Nothing beyond the one hundred and sixty thousand tons consumed in Australia. Or, indeed, what prospect can there be for them even in this market of Mr. Reid, who has publicly endorsed the Anti-Kanaka Ministerial policy, should refuse to continue for Australia the Protectionist duty of £3 a ton which he has so far retained in New South Wales? It must be confessed that the outlook is disquieting. The representation of the sugar planters in the Federal Parliament will be very small for New South Wales, and not much more for Queensland. Probably not half a

dozen representatives and two or three Senators will speak on their behalf with local knowledge and practical experience to guide them. One of the tests of the capacity and courage of the new Parliament will be afforded by its treatment of this great industry. If mere politics prevail it will be at best limited to the supply of our local wants. On the other hand, if handled with discretion and patience there is no reason why the industry should not lead the way towards a development of other tropical products along the northern seaboard. These should enhance the wealth and multiply the employment of the citizens of this part of the Commonwealth, and what makes for prosperity of this kind anywhere within its borders must proportionately increase the prosperity of the whole community.

THE NEW COMMONWEALTH.

ATTITUDE OF NEW ZEALAND.

LOVE OF INDEPENDENCE.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Mar. 12 1901; Apr. 16 1901.

The Empire is the sum of its parts, and the more these are united politically and commercially the greater their prosperity and its power. The Commonwealth, which comprises within its control six communities hitherto separate, represents an immense stride, not only towards Australian unity but towards Imperial Federation. But immense as is the extent and promise of our union, it is not yet geographically complete. A seventh province remains apart, not one of the largest, but certainly one of the richest British dominions in this hemisphere. If the Commonwealth is to be perfected it must include New Zealand. It must become Australasian instead of Australian. Of course, this ideal has long floated entrancingly before the eyes of our public men, nothing daunted by the fifteen hundred miles of ocean between us. Both the first conference in regard to Federation in 1890 and the first convention of 1891 included representatives from Maoriland. Since then she has taken no part in the movement, though she would always have been welcome—and would be welcome still. The choice lies with her and not with us. As far as can be judged to-day she is not desirous of being absorbed among the States of the mainland. She is prosperous and self-sufficing. Her spirited people are proud of her distinctive characteristics and confident of her future. True, there is a movement towards a union among her farmers and some industrials who have found a good and a profitable market, chiefly in New South Wales, and they fear to lose it. A Federal tariff may impose some duties on imports whether of agricultural or of manufactured goods, and though their trade with Australia is small when measured with that between New Zealand and Great Britain, it is considerable, and under intercolonial Free Trade would probably increase by leaps and bounds. The steadier rainfall of the islands endows the inhabitants with much larger and more regular crops than are grown under changeful Australian skies. This enables cultivators to undersell those who till our more arid soils. The strong promptings of self-interest, therefore, operate steadily on the thriving but cautious producers, who constitute, perhaps, the most powerful influence in the

politics of New Zealand. Apprehensions of possible losses and tempting possibilities of increasing an already lucrative export business have in a large measure overcome the natural apathy of a certain class who customarily supply *vis inertiae* rather than initiative.

MR. SEDDON OPPOSED TO FEDERATION.

The resistance to the federalising tendency comes in New Zealand from the most progressive classes of the community, and particularly from those who have hitherto embodied its most advanced views. After a period of financial disaster, and another period of hesitation, the high character and great capacity of the late Mr. Ballance committed the Colony during his Premiership to a policy more deserving the title of State Socialism than any other yet pursued here or elsewhere. On his death the leadership devolved on Mr. Seddon who, though without the originality of his predecessor, had become sufficiently indoctrinated with his principles to pursue the same path. He also possessed a masterfulness, a tactical energy, and a physical stamina rarely united in any colonial public man. A return of good times, the immense development of frozen meat and dairy produce exports, combined with a vigorous policy of public works, have ensured a cycle of good years, and to Mr. Seddon a tenure of office only exceeded in Australia by that of Sir John Forrest. The Opposition has been pulverised, the Ministerialists have often been dragooned, and the Colony, whether well managed or mismanaged, has certainly been managed by the Premier and his Cabinet as never a self-governing Colony was before. An ardent Imperialist, Mr. Seddon has found favour in the sight of the Colonial Office in an unprecedented degree, his influence in London being greatly enhanced by the ability with which its Agent-General, Mr. Pember Reeves, watches over all its interests. Whether the Premier and his colleagues recoiled from a surrender of power and from the extinction of their local supremacy, or honestly feared for their constituents' future, it is clear that from the outset they were unanimous in their antagonism to the proposal that their Colony should become a State of the Union. Their hostility was formidable, and in almost any other matter would have put a full stop to the agitation—if a placid but persistent expression of agricultural opinion could be comprehended under such an epithet. But in the New World, as in the Old, though hard to move and slow in moving, the rural mind is equally hard to halt and slow to be diverted from its end. Mr. Seddon knew that, and carefully refrained from throwing himself across its path or imposing his veto as he has been accustomed to do whenever he was so inclined. He was wary enough from the first to assume a perfectly non-committal attitude, and to temporise astutely while professing to maintain an open mind. When attending the celebrations of the birth of the Commonwealth here in January he spoke often on the question, but only so as to say nothing explicitly each time.

THE PRICE OF AUSTRALASIAN UNION.

When Ministers could palter no longer with the question they took the course common in all the Colonies, and appointed a commission of inquiry. This has, at least, postponed the necessity for declaring their policy; and as it was mainly composed of men of like mind with themselves was certain not to report too favourably on the proposal. The hundred and eighty-five witnesses called have told us nothing that was not known already. Some score of them were doubtful, but of the remainder two to one were adverse. The position is perfectly plain. New Zealand has a protective tariff which is of no value to its farmers as against Australia, since our agriculturists cannot hope to invade their territory. Consequently they are perfectly prepared for a complete trade reciprocity, the advantage of which would be all on their side. To the manufacturers, on the other hand, the New Zealand tariff is useful, since it greatly restricts the imports of Australian goods, which would otherwise overwhelm many of them, while only a small number could hope to compete in our markets if they were thrown open to them. It is strictly a matter of business. If we adopt a Free Trade policy nothing more will be heard in New Zealand of any federal aspiration. On the other hand, Protectionist duties, if adopted here, will probably feed the flame. Accordingly the commission is now on its way to us from Auckland to endeavour to forecast what our fiscal policy is to be. This, of course, it has no chance of learning in advance. The result of the elections may tell something, but as the numbers in the new Parliament will probably be fairly even it must remain in the dark. Meanwhile a most significant indication of the feeling of the Ministry was afforded last week when the Seddon Cabinet solemnly considered whether it should ask a mass vote of the electors for or against Federation in connection with the census papers to be collected at the end of this month. Such an appeal would of necessity render further inquiry into the proposal practically needless. It was, indeed, too patent an attempt to snatch a verdict, and was abandoned immediately it had evoked criticism. The Ministers' own commission was appointed expressly on the ground that the people were in a state of ignorance both as to the Constitution under which they must live if they joined the Commonwealth and as to the effect of its provisions on their means of earning a livelihood. Nothing it has yet done has enabled a final conclusion to be reached on this problem bearing on livelihood, while the Imperial Act establishing the Australian Union remains a mystery even to the public men of New Zealand, who have never examined nor considered it, nor studied the vital changes it would bring about in their political system. That such an utterly indefensible proposal should have been even mentioned tells its own tale as to the wishes of the Seddon Ministry.

NEW ZEALAND WILL NOT FEDERATE.

Whether or not the Government would have proved strong enough to resist the pressure put on it by its agricultural supporters is immaterial. These are so much more numerous than the persons engaged in the manufactures that are threatened by Australian rivalry that in spite of the superior organisation and political effectiveness of the townspeople they must eventually have succumbed if the question were to be decided by the clashing of conflicting self-interests. Curiously enough, the influence which is likely to defeat the farmers is on the surface a mere sentiment. Ministers do not yet appear to have realised how potent an ally they possess, though many of their own actions have been dictated by it. New Zealand is at such a distance from us and possesses so many features of unlikeness that its people have always been proudly persistent in asserting their individuality. Nothing offends them more than to confuse them with Australians or to regard their lovely and well-watered country as a mere Australian island. Their pride is to regard themselves as belonging to another and separate sphere, and as being the "Great Britain of the South". They have good title to that honorable appellation and to the implication of marked contrast with the continent which is their neighbour. The absence of a dominating Metropolis, and of any wealthy class enjoying great incomes, the divisions among its several provinces, and the supremacy of rural pursuits have combined to distinguish their political and social life from that of our city-ridden States of the mainland. A cooler climate, a less feverish pursuit of riches, and less frequent vicissitudes of fortune have promoted a better diffusion of culture, and in some parts a more conscientious discharge of the duties of citizenship. They have also enjoyed a prosperous cycle of good years, an overflowing public revenue, and a rapid removal of anterior disabilities. The Commonwealth would have much to gain in reputation and in receipts from the inclusion of so splendid a Colony, but Maoriland itself, while it would share the prosperity it would help to create, must lose its identity and bury its long cherished ambition to become an independent centre of civilisation in the Western Pacific.

NEW ZEALAND ASPIRATIONS.

While the continent remained divided New Zealand was content with the comparison afforded between her progress and that of her sister Colonies. With the constitution of the Commonwealth New Zealand's local patriotism received a severe shock. Its pique at the prospect of being overshadowed by the Union led first to the false step of opposing the passage of the Commonwealth Bill when it came before the British Parliament. When this course was seen to be futile it was abandoned, and a hasty effort made to secure the annexation of Fiji and the establishment of a Union which should embrace Tonga and other islands under the British flag, so as

to create a second Federation by way of counterpoise to the first. This project also proving impracticable, popular feeling, after passing through so many phases of uncertainty, is settling down to an acceptance of the position. New Zealand must be content to appear small beside her immense neighbour, but will continue to challenge comparison in every other respect. She will concentrate her energies on the development of her own magnificent resources, but will do so apart and less rapidly rather than forego her independence. The powers of emotion generated by the appeal to our Federal feeling in Australia caused the conquest of those provincial interests here which when ranged against it seemed to most of us to be invincible. In Maoriland the tide of sentiment is setting in an exactly opposite direction, and there, too, it is certain to prove successful. A trade reciprocity treaty would meet all their desires, but this must be so manifestly in their favour that no Australian Parliament will concede it. They must either unite with us altogether or take their own road, and there can be little doubt that they will "foot it" in friendly isolation. With their strong Scottish element they will realise that union would be profitable to them now and always as a matter of pounds, shillings, and pence; but, for all that, they will be resolute to reject the bribe in order to preserve intact the tradition of their politics, the type of their island people, and the promise of a policy of their own in the Pacific.

THE NEW COMMONWEALTH.

FEATURES OF THE ELECTION.

IMPERIAL COURT OF APPEAL.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Mar. 19 1901; Apr. 23 1901.

The nominations for the Senate are complete. Some fifty competitors offer themselves for the six places allotted to New South Wales. The length of the list tells its own tale, and makes the juvenility of our politics quite painfully apparent. There is among us no party discipline, but we have a plentiful supply of egotistic faddists and an incoherent public opinion which encourages the egregious to seek notoriety by appealing for votes. The number of candidates is swollen by the addition of some who seek simply to advertise themselves, and who are quite guiltless of any hope of being selected at the ballot-box. There are others who come forward just as hopelessly to advertise their cause—such a “bunch” is supplied by the Socialists, who have named a stone-mason, a tobacco worker, a carpenter, a miner, a tram conductor, and a journalist to represent their views. One candidate, who dubs himself “artist”, stands in the complex cause of “currency reform”. The Labour ticket is to be taken more seriously, comprising as it does two union secretaries and a railway employee among its numbers.

THE TARIFF QUESTION.

The only party issue, the only real issue, is as to the tariff. Six Protectionists headed by Mr. **R. E. O'Connor**, Vice-President of the Executive Council, stand for the Ministry, and six Free Traders or “Revenue Tariffists”, as they are more accurately styled, headed by the Hon. Mr. **Pulsford**, M.L.C., constitute the direct Opposition. Their success or failure will determine the fortune of the day. Both sides have thought it wise to appeal to the prevalent martial sentiments, **Colonel Mackay** being included among the Ministerial following though he is still in South Africa, while Colonel **Lassetter** figures in the Opposition ranks, notwithstanding his impending departure for the war as head of the last Imperial contingent. Allowing that, besides the two official parties, the two factions of the Socialist and Labour voters are justified in their nominations by reason of their distinct platforms, these altogether embrace only one-half of the

would-be Senators. The other half consists of a motley and nondescript company, whose candidature can only confuse the ill-informed or careless elector when confronted with half a hundred names out of which he is required to pick his six.

LACK OF ORGANISATION.

This chaotic set of nominations is due mainly to the absence of party organisation among us, and this in its turn is due as much to lack of campaign funds as to lack of dividing principles. In the United States levies used to be made on office-holders alarmed for their appointments, and they are still made on interests affected or liable to be affected by tariff alterations, currency changes, or legislation for or against trusts. None of these sources of supply are as yet open to us in Australia. In the Mother Country wealthy men are understood to make large donations to election funds from motives which do not operate on our capitalists—self-interest not being brought into play to any noteworthy extent. The money spent in this State during the present month on behalf of the Ministry and Opposition respectively will probably not exceed £1,000 each. The individual outlay of candidates differs widely: Labour men and Socialists, having nothing, spend nothing; rich men spend a good deal. There is not even the control of their disbursements afforded by your Corrupt Practices Act, and yet the majority of candidates are not likely to spend more than from £200 to £500 each. This leaves a very small margin for bribery.

ELECTION PROCEDURE.

Taken as a whole, our contests at the ballot-box are comparatively pure, and in their procedure peaceable and orderly. They are managed in a confused way by the public themselves, affected by newspaper criticism more than any other single force. Electoral organisations, such as they are, spring up like mushrooms just before polling day and disintegrate immediately afterwards. They are not very potent while they last, and rarely comprise more than a handful of interested partisans. But for the guidance of the Press, party lines would be still less marked than they are. Mr. **Barton** and Mr. **Reid** are personal influences of considerable importance, yet, apart from their leadership, they exercise a smaller degree of inspiration than men of similar calibre would in a more politically developed community. Hence the throng of irresponsible and unrepresentative nominations for the Senate and, though to a much less extent, the intrusion of undisciplined and unrecognised candidates into the constituencies of the House of Representatives. With a people beset in this fashion, scattered over immense areas with few facilities of meeting together, and largely under the sway of local influences, the task of putting a statesmanlike programme

before it and of securing a distinct response for or against it are much multiplied. The part of the prophet is rendered very hazardous even within his own State, and now that the whole mainland with Tasmania has become the arena of contention it is almost impossible. How the irregular and irresponsible candidates may rob the party nominees of votes none can guess. With so many cross-currents, and by eddies intervening the direction of the stream of national politics must necessarily be problematical until the numbers are up.

THE FINAL COURT OF APPEAL.

The intimation that the Ministry of New Zealand, in response to an invitation from Mr. Chamberlain, has appointed ex-Chief Justice Prendergast to represent the Colony at a conference to be held in London with the Lord Chancellor and Law Officers of the Imperial Government is more significant than it appears. It shows that the Salisbury Cabinet is prepared to fulfil the pledge given during the discussion in Parliament on the Commonwealth Act that it would at the earliest opportunity consider the propriety of substituting a single court of appeal in London for the House of Lords and the Judicial Committee of the Privy Council, which are at present the final tribunals, the first for Great Britain and the second for her dependencies. Nothing has been heard here of any such invitation having reached the Commonwealth, and yet it is perfectly certain that Mr. Barton, whose efforts last year at Westminster to secure the limitation of appeals to the Privy Council led to the giving of that pledge, must have been approached as Prime Minister at least as soon as Mr. Seddon. The Premier of New Zealand is not a man of reticence, and indeed he is always eager to be the first channel of Imperial intelligence. It is to him that we owe most of the knowledge we have of what is being done in relation to the New Hebrides, and now his public action calls attention to the silence of the Federal Ministers. The clue to any hesitancy exhibited by them is not far to seek.

THE SENIOR CHIEF JUSTICES.

When fighting in London for the restriction of appeals thither Mr. Barton and his colleagues came into open collision with at least two of the Chief Justices of the Colonies, and they were the seniors. Mr. Kingston, in particular, carried the war against them into the columns of the English Press. His denunciations of the interference of the Chief Justice of his own province, Sir Samuel Way, were understood to include the Chief Justice of Queensland, Sir Samuel Griffith, a former Federal leader, and Premier of that great State. Undoubtedly, of all who occupy seats

on the Bench, these two are the most eminently qualified to meet in council with the heads of their profession in the Mother Country, where Sir S. Way has already acted on the Privy Council. If they are to be passed over in favour of some less prominent men of the law there might be an expression of dissatisfaction on the part of the electors which, if it affected the ballot-box, might be injurious to Ministers. The difficult question has, therefore, either been postponed or some arrangement has been made which has not yet been notified. Indeed, the fact of an invitation having been received has not yet been officially admitted. It is more than probable that there is a reason for the secrecy so strictly observed.

THE MINISTERS' ATTITUDE.

If not personal or political the Ministerial attitude may possibly imply an antagonism on the part of its members to the proposed new Imperial court. This would be inconsistent to a considerable extent with the attitude of the Australian delegates when in London, but it is just conceivable that they might be better pleased to see the *status quo* maintained than to assist in the erection of a new tribunal, the exceptional dignity and ability of which would tend to diminish by comparison the Australian High Court about to be established in our midst. A truly Imperial court of appeal would probably lead to an increase in the number of appeals from suitors on this side of the world instead of diminishing them, as some of our leading lawyers desire. It is scarcely possible that such an aim can find favour with the Prime Minister himself, but he has colleagues quite capable of taking such a line, supported as it would be by a considerable body of legal opinion, particularly in South Australia. The policy is improbable, but not impossible. In all likelihood the personal element is responsible for the delay. So far as the public here are aware the Federal Ministry, presuming it to have been invited to send a delegate—and Mr. Seddon's account of his own summons clearly implies that it was general and not particular—has not replied at all.

THE NEW HEBRIDES.

So far as we know, on the other hand, Mr. Chamberlain has not replied to the pressing telegrams despatched from New Zealand and from Sydney referring to the New Hebrides. Of course, our election embarrassments may explain a great deal, and the general public, absorbed in the contests, gives no consideration to the situation in regard to either matter. No Cabinet meetings are being held, for its members are far apart fighting for their seats in their own States. The Opposition is equally preoccupied. For all that, as neither of these matters can well brook delay,

thoughtful observers are beginning to speculate whether or not on these and other matters of Imperial concern these postponements are not part of a new departure. Our Commonwealth Government seems inclined to take its own road and rely on its own judgment, without admitting the public to its confidence as fully and freely as has been the custom in Australia, and is the custom in New Zealand still. Diplomatic reserve is to be commended on foreign affairs, but it scarcely seems to be called for by the project for the creation of a great Imperial court of appeal.

THE NEW COMMONWEALTH.

DEMAND FOR MEN OF MARK. CABINET RECONSTRUCTION.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Mar. 26 1901; Apr. 29 1901.

The creation of the Commonwealth, whatever may be its effect in its own sphere, has already produced in the States a condition approaching political paralysis. Nothing less than this would have rendered it possible for Sir William Lyne to continue our Premier for three months after he had accepted office in the Federal Ministry. He has only just resigned his seat for his provincial constituency within a few days of submitting himself for a Commonwealth constituency. Parting reluctantly with the State Treasurership, he remains at the head of our Administration in order that his two legal colleagues—Mr. Wise and Mr. Wood—may try their fortunes at the Federal ballot-box before surrendering their local portfolios. Then at last the reconstruction of the New South Wales Cabinet will take place, and not till then shall we recover something resembling responsible government. The last sessions of all the State Parliaments are, in regard to the progress of public business, more or less enfeebled by the shadow of impending union. Since then, in four out of the six States, we have had as Premiers men who no longer owed allegiance to those who had placed them in power and were under obligation to study the interests of the Commonwealth before those of the particular Colonies over which they persisted in presiding. New South Wales, as usual, was the greatest sinner against constitutional principles. Yet neither here nor elsewhere have the electors made any sign of resentment against this extraordinary subordination of public interests to the private convenience of a handful of politicians. The complete apathy which prevails in this connection extends apparently to the newer and higher sphere of public affairs. Even the fact that the polling which is to determine our Federal fortunes for some years to come takes place three days hence appears to arouse less interest than our own general elections have done.

THE FISCAL QUESTION.

The two States in which the fiscal struggle is least pronounced are also those in which the personal losses in their Ministries—due to the establishment of the Commonwealth—are least important. In Queensland nothing will be changed by the transference of Mr. Drake to the Postmaster-Generalship of the Union. The Cabinet has been reconstructed without any change in its policy, and is likely to remain permanently in office while the Opposition consists—as it has done for some years—of Labour extremists alone. Mr. Philp, it is true, has departed in haste for a trip to South Africa, leaving the Attorney-General, Mr. Rutledge, Acting Premier during his absence. It is questioned whether his sudden departure was occasioned by the absolute necessity for rest and change or, as is more probable, because, being a Federalist, he felt bound to support Mr. Barton, while as a Freetrader he could not oppose Mr. Reid. His voyage certainly relieves him of a somewhat embarrassing position. In Tasmania the Premier, Mr. Lewis, holds only an honorary portfolio in the Federal Government, which he will resign to Sir Philip Fysh as soon as the elections are over. Mr. Piesse, who occupies a similar position under him, will not, if successful in his Federal campaign, affect his colleagues by his withdrawal. Of party politics there are none in the island, and as Sir Edward Braddon is also seeking to enter the House of Representatives, the Opposition will be more weakened than the Cabinet by the changes. In Western Australia, too, the fiscal question is subordinate, but the personal element is supreme. Until now the only real issue has been between those who had faith in Sir John Forrest and those who had not. Throughout his whole career he has proved too astute for his opponents until he has become in a sense the political embodiment of his Colony. His departure leaves a great gap, neither his lieutenants nor his antagonists being comparable to him in business capacity or political tact. There, as in Tasmania, we shall probably witness an era of confused Parliamentary intrigue of an uneventful character, intelligible to none save those engaged in it. It may be that if the attention of the legislators be devoted to themselves their constituents will be better able to pursue in peace the even tenor of their prosperous way.

THE SUPPLY OF LEGISLATORS.

The remaining three contiguous Colonies—New South Wales, Victoria, and South Australia—are, on the other hand, confronted by a crisis. They have broken absolutely with their past and are beginning a new career under fresh guidance. The withdrawal of the fiscal issue from the States dissolves most party alliances. The withdrawal of their political leaders compels them to turn to comparatively untried men. New parties will no doubt arise after a time, and leaders will be found

somewhere on whom the task of organising and guiding them will devolve. But whatever happens, the old distinctions, watchwords, and organisations are gone for ever. There must be a complete break in the Parliamentary structure that has been reared. Its next storey will be carried out in an entirely different style. What our public life will be without Mr. Barton, Mr. O'Connor, and Sir William Lyne on the one side or Mr. Reid, Sir William McMillan, and Mr. Ashton, on the other, it is hard to conceive. A Protectionist (Mr. See) will head the new Government, but he can no longer sustain himself by an appeal to fiscal principles. He must seek fresh fields, and when he finds them it will be with a changed following and altered opponents. In Victoria Mr. Peacock has formed a Ministry whose most notable characteristic is the weakness of its members when contrasted with the none too able Cabinets of the recent past. A similar experience is likely to be ours and that of South Australia when Mr. Holder resigns the reins of office to become a candidate for the Speaker's chair in the Federal House of Representatives. Not only the three Premiers, but the three leaders of Opposition in these States are all candidates for the new Parliaments. The ablest lieutenants, the men in succession, have followed too. Of course, Mr. See, Mr. Peacock, and Mr. Jenkins have won their spurs, but they will have few colleagues of experience or standing to assist them. The Opposition is in just as sorry a plight. Taking those who have left State politics as a body, they have not come up to the standard of popular expectation. Those who remain in provincial politics fall even more distinctly below it. The fact is, that under our Federal system, while we have increased the demand for public men of mark, we have not increased the supply. It would be unfair to attempt a strict comparison between Great Britain and our sparsely peopled continent of vast distances and unknown possibilities. Still, it is remarkable that, adding the hundred and eight seats requiring to be filled in the Commonwealth Parliament to those in our twelve existing Chambers of Legislation in the six States, our four million people require to find six hundred representatives. The forty millions of the Mother Country elect but few more. Though the House of Commons is directly chosen by the British Isles alone it dominates an Empire of which even the Australian Continent is only a part, yet we have to provide seven Ministries to your one.

NEW POLITICAL CONDITIONS.

Where the dividing line will be drawn in State politics in the future is already a matter of speculation. The differing internal conditions of the several Colonies will of themselves lead to considerable divergencies. Next, the financial policy pursued by the Commonwealth, now that it is master of the whole of the customs revenues of the country, may prove an external source of local divisions. Beyond these the only aggressive movement common to the populous States is that conducted by the

Labour Party. Though its aims are to some extent concealed by a vague platform of proposals more or less drastic, its chief motive power in current politics is expressed in the work and wages cry pandered to by the lavish expenditure of public money on public works of very varying utility to the community at large. In New South Wales we are rich enough to spend freely, and have done so already with less than wise regard for the future. But we have not spent, and cannot spend, fast enough for the wage earning classes. To gratify them without unduly alarming the taxpayers has led to the borrowing policy which all the Colonies have followed too hastily. A large proportion of our investments yield some interest on the capital expended, and a few pay extremely well, but it is manifestly impossible with our present population to continue to construct profit-earning railways or waterworks indefinitely. Beyond a point which we have either reached or must soon attain the outlay must become less and less remunerative. That means a heavier and heavier annual burden of interest. This in its turn must lead to the revolt of those who pay the great bulk of the taxes. The propertied, professional and employing classes are recognising this, and the sober-minded farmers are beginning to follow their lead. They will constitute the new Conservative Party in the States, which, if judiciously led, should win and retain the reins of power. The Labour Party and its allies may reckon on the working class vote in the towns, tempted by high wages for Government work or by restrictions on hours of labour and increased rates of pay to be enforced by legislation on private employers, but they are likely to be left in the minority in most States unless the miners and agriculturalists can be induced to make common cause with them. This is unlikely to occur, or, at all events, to be continued, and if our periodic attacks of the borrowing epidemic be resisted the development of our immense resources should proceed uninterruptedly and in peaceful fashion without the bitterness of social or political strife. If those unite who are not content to live merely from hand to mouth and from day to day they will be serving the public interest and their own. There will be greater opportunities than ever for clear-headed, competent men under our new conditions of State politics.

THE NEW COMMONWEALTH.

THE FISCAL QUESTION.

COMPOSITION OF PARTIES.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Apr. 2 1901; May 13 1901.

The electoral cyclone has passed, and we can now begin to estimate the condition in which it leaves us. In this State it discloses an unmitigated defeat of the Protectionists, and consequently of the **Barton** Ministry, whom they are supporting. The Prime Minister's own seat was not contested, but of the twenty-five constituencies in which the verdict of the electors was challenged, no less than fifteen fell to the Free Trade Opposition. Mr. **Reid** himself was never in jeopardy, and every one of his lieutenants, except Mr. **Ashton**, who was despatched to undertake the Quixotic task of contesting Riverina, a border district contiguous to Victoria, and having many interests in common with that Colony, Sir **William McMillan**, Mr. **Bruce Smith**, and Mr. **Joseph Cook**, join him in the House of Representatives; while the Senate bunch, which includes Mr. **Pulsford** and Mr. **Millen**, was all returned. Mr. **R. E. O'Connor**, Vice-President of the Executive Council, found his way in by reason of his high personal reputation and official position, but the remainder of the Protectionists were left more than twenty-two thousand votes in the rear. The one conspicuous Free Trader, Mr. **B. R. Wise**, who cast in his lot with the Government, was rejected by a country constituency in favour of a Labour member without a tithe of his ability or a fraction of his knowledge. The proposed coalition between Protectionists by principle and Free Traders prepared to accept their scheme of duties sufficiently to maintain existing industries was personified in him. His overthrow even in a favouring political environment was significant of the emphatic refusal of New South Wales to consent to any sacrifice to expediency. We are accustomed to majorities of scores or at most of hundreds in State elections, but in the larger areas now embraced for Federal purposes there has been in some cases a gap of several thousands between the supporters of Mr. Reid and his antagonist. The popularity of Free Trade was never before so unequivocally exhibited. Only in the border districts were the Protectionists enabled to score a short series of captures. Yet they had spared neither pains nor expenditure in their attack on the Colony. Mr. Barton outvied Mr. Reid in the number of his

flying visits to threatened centres, and in the vigour of his appeals for support. All was in vain. He takes only ten followers after him to the popular Chamber, while fifteen hostile representatives from his own State will constitute both the brains and substance of the first Federal Opposition.

PROVINCIAL JEALOUSIES.

In Victoria the situation was exactly reversed. In one sense there was not a Free Trader left in the field, for every candidate—whatever his fiscal faith might be—was compelled to promise some concessions to Protection for an indefinite term. The issue there was between those who wished to reduce the high duties now prevailing and those who are pledged to retain them. Of the twenty-three seats open only thirteen were faced by the so-called “low tariff” men, and in all of these they were favoured by the presence of more than one opponent who declared for the “high tariff” cause. In not a single instance was there a duel between the two, though as the returns prove the “low tariff” was sufficiently favoured in several districts to have ensured a triumph even then. As it was, only four of the thirteen have headed the poll, and consequently our neighbour contributes nineteen supporters to the Ministry. This utterly negatives the effect of the election in New South Wales. Nothing could have demonstrated more clearly the contrast in political thought dominant in the two most populous members of the Union. It is a great misfortune that the breach dividing them in the Commonwealth should be so marked. Provincial jealousies are still alive on both sides of the border, which this undisguisable conflict will perpetuate and deepen. For a time at all events it appears inevitable that New South Wales and Victoria must struggle for the mastery in Federal politics. At present Victoria is in possession of power, and if the new Parliament only embraced the two States we should be in absolute subjection to our energetic and more united brethren across the Murray. In a House of forty-nine, as it would then be, the Barton Protectionists would begin with a majority of ten.

THE QUESTION OF MAJORITIES.

Somewhat unexpectedly, Tasmania appears to have inclined to moderate Protection. Two out of her five representatives (Sir P. Fysh and Mr. Piessé) are Free Traders like Mr. Wise, who, under the pressure of circumstances, have accepted the Ministerial proposals. A third (Mr. O'Malley) is an unqualified Protectionist, so that the two stalwart Free Traders, Sir E. Braddon and Mr. Cameron remain in a minority of one. In the Senate, where the distinction is less vital, the preponderance is on our side.

Western Australia has followed New South Wales. What is more astonishing, she has declared defiantly against Sir John Forrest and the Ministry to which he belongs. He himself is the only supporter of a high tariff who has secured a seat, and this in spite, rather than in consequence, of his fiscal opinions. His four colleagues are all advocates of freedom of trade. It is true that, under the Constitution, this State is singled out for special treatment. The local tariff remains even against its neighbours for five years, the duties decreasing each year by 20 per cent. of their excess over Federal rates until it falls completely into line with the rest of the Union. It is doubtful if this privilege really affected the electors. As with us, every Senator from this State except one is opposed to the Ministry on the tariff issue, though two of them are not precisely classified. South Australia, as was anticipated, has given a divided voice in both Chambers. Here, too, the counting of votes is incomplete. Mr. Kingston himself occupied the first place on the poll, but he was able to bring in only two colleagues of his own way of thinking. On the other hand, Mr. Holder, State Premier, a Free Trader in principle though for years associated with the Protectionists by revenue and party necessities, and Mr. Glynn, the active political lieutenant of Mr. Reid, carried two other seats besides their own, leaving the Ministry in a minority of one. Mr. Symon, another Free Trader, was highest of all successful candidates for the Senate, but each party here secured three places in that Chamber.

THE KANAKA PROBLEM.

In Queensland the Kanaka question proved a disturbing influence. Three of the nine seats for the House of Representatives fell to Protectionists, and only one to an avowed Free Trader. Of the remainder, three were captured by the Labour Party, and two by Independents. In the Senate Mr. Drake, the Postmaster-General, is accompanied by three Protectionists, the remaining two seats going to the Labour interest. Taking these four States together, the numbers of the popular Chamber are ten Protectionists, eleven Free Traders, and five others chosen on a different issue. These figures practically cancel each other. The fiscal situation, therefore, may be summed up as settled by and between New South Wales and Victoria. Our Free Trade majority is fifty-six; their Protectionist majority is fifteen. The net result is the narrow majority in the House of Representatives of ten in favour of Protection in some form, and in the Senate no majority, parties being equally balanced.

HIGH AND LOW DUTIES.

The Ministry may congratulate itself on the return of all its members. Federalists of all shades of opinion may be satisfied that every leading man connected with the movement, except Mr. Wise, has found a place in the first Parliament. When the Duke of Cornwall and York opens Parliament Mr. Barton will probably find nearly fifty members sitting behind him or inclined to accord him a fair trial. On the crucial question of high or low duties he can scarcely count on forty-three unless he assumes a very moderate attitude. It is fortunate for him that he adopted Radical proposals for the exclusion of coloured labour, because it is possible that this may attach to him the votes of the Labour members who are unpledged. On the other hand, should he go too far in his projected prohibitions of Kanaka immigration he may lose large numbers of his supporters who are favourable to the tender treatment of the great sugar industry. He and his opponent are likely to compete for the alliance of the Labour Party which includes nearly one-fourth of the House and, with its sympathising allies, constitutes almost one-third. In the Senate this faction is much weaker, so far as is known, not more than half-a-dozen of the thirty-six acknowledging allegiance to its platform, while half of the whole number of its members are Free Traders. It will need all Mr. Barton's tactical ability to deal with two Chambers so constituted. Mr. Reid, who is far his superior in the arts of political strategy and party intrigue, is likely to make the thorns more numerous than the roses on his Parliamentary couch, where certainly he cannot hope to slumber securely. It will be a hard task, too, for a man of his somewhat aristocratic tastes and associations to ingratiate himself with the uncourtly members of the working classes who have been elected. Mr. Reid is sure to be on familiar terms with them in a very short time. The Prime Minister is putting on a brave face, but his heart must be inclined to sink when he looks on the material provided out of which he is required to build a new national Parliament and establish a new national policy.

THE NEW COMMONWEALTH.

PARTIES IN PARLIAMENT.

POLITICAL PREFERENCES.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Apr. 9 1901; May 15 1901.

The composition of the first Parliament of the Commonwealth is on the whole more satisfactory than had been anticipated. The Senate in particular promises to prove an efficient body. Its members being elected by the States as single constituencies, their polling furnishes some interesting indications of popular feeling. The number of candidates in New South Wales divided the voters so much that Mr. *Walker*, who headed the poll with seventy-eight thousand suffrages, saw three of the Victorians acquire a greater total in the less populous Colony, though the solid Free Trade support accorded to himself and his colleagues put them all six above the remaining three chosen south of the Murray. The Socialists, currency reformers, and other cranks were awarded their proper positions at the bottom of the poll with followings inconsiderable in numbers and contemptible in influence. Mr. *Walker*, on the other hand, though a poor speaker and without experience of Parliamentary life, attained his proud position because in addition to being one of the Free Trade "bunch", he is a director of our leading bank and of the great Australian Mutual Provident Insurance Society, the oldest, wealthiest, and most prosperous of all the powerful financial associations in Australasia. No better proof of the soundness of the feeling in this State could be afforded than this preference for a man of long business experience and solid commercial standing by a great majority of our manhood electors. His fellow Senators are all stable and reputable men, while the three Victorians, who received even larger polls than theirs, were many years members of its Legislative Council. The *Hon. Simon Fraser*, *Sir William Zeal*, and *Sir Frederick Sargood* are all of them men of large means, closely identified with the landowning, banking, and financial interests. A majority of the Senators from every other State except Queensland are then of much the same stamp, whose sympathies are certain to be with the party of steady progress and sober legislation. In spite of the breadth of the Federal franchise and of the principle of equal voting it is plain that the Senate of Australia, like that of the United States, will be a Chamber to be reckoned with by Ministers whatever their following in the popular House may be.

REJECTIONS AND SELECTIONS.

The rejections for the Senate in New South Wales are almost as satisfactory as the selections. Eminent public services were, except in the case of Mr. *Wise*, universally recognised in all the Colonies. The Free Trade organisation, though marvellously complete in our State, could not exclude Mr. *R. E. O'Connor*, K.C., the Vice-President of the Federal Executive Council, and one of the Drafting Committee of three which prepared the Commonwealth Bill. In Victoria *Sir John Quick*, who originated the method of providing the submission of the measures to the people, was returned without opposition. In South Australia *Sir Josiah Symon*, K.C., despite his absence from local politics for many years, was placed highest on the roll for the Senate. *Sir John Downer*, who was Mr. O'Connor's colleague in the Drafting Committee, and *Sir R. Baker*, Chairman of Committees in the National Convention, together with Mr. *Playford*, ex-Premier and late Agent-General, help to make up a very strong team for that State. In Tasmania and Western Australia Mr. *Dobson* and Mr. *Matheson*, leading members of the Convention, have other well-known men united with them. Speaking generally of both Houses, the electors have returned all the members of the National Convention and all ex-Ministers and politicians of note who presented themselves as candidates. Hence it cannot be said that they have begun their new career either ungratefully, unwisely, or unregardful of the past.

POLYNESIAN IMMIGRATION.

In Queensland alone the electors have all but entirely ignored the great banking, commercial, and productive interests. Mr. *Ferguson*, though absent from the Colony, succeeded in winning a place in the Senate, but experienced administrators and legislators, like Mr. *Thynne* and Mr. *Cowley*, were rejected in favour of four Labour men, and of Mr. *Drake*, the Postmaster-General. This result was due, in the first instance, to the blundering tactics pursued in Brisbane. In their resentment at Mr. *Barton's* somewhat peremptory "notice to quit" to the Kanaka, given at Maitland, and in some degree also at his selection of a Radical colleague to take *Sir James Dickson's* place, both the leading journals made a direct attack on Mr. *Drake*, though he was not a member of the Cabinet at the time when its policy in regard to black labour was determined. The election as it proceeded saw all other issues disappearing, and public interest concentrated on the question whether or not the Kanaka was to become a permanency. Some thousands of citizens who had no desire to see the sugar industry interfered with could not bring themselves to accept a policy of further encouragement to Polynesian immigration, and from motives of caution cast in their lot with the Labour Party, whose excellent organisation enabled

them to rally all the wage-earners to their side. Mr. Thynne, the most representative Conservative, was only a thousand votes behind their lowest successful candidate, and with wiser campaign management he, and probably another Moderate, would have been returned. Two or three seats, if not more, could also have been saved in the House of Representatives where the current of popular feeling has carried in at least that number of inferior men. It is true that Mr. Drake was not favoured by the Labour chiefs, but his Ministerial position helped to make him regarded as a champion of a "White Australia", and hence his conspicuous success for the Senate. It is quite possible that these unexpected endorsements in Queensland itself of a drastic policy of dealing with the influx of coloured aliens may lead to equally unforeseen developments in its State politics. Mr. Philp, the Premier, invalid as he was when he left for a trip to South Africa, would scarcely have taken his well-earned rest and change if he could have foreseen what a serious shock to his party would be given by the foolish aggressiveness of his friends. The net result of their recklessness is that the unfortunate sugar planters are likely to be menaced now both in the State and in the Federal Legislature.

EXPATRIATED BOERS.

Sir Robert Stout, ex-Premier and present Chief Justice of New Zealand, is responsible for the suggestion that some of the expatriated Boers might be provided with land suitable for grazing in one or more of these States. The project has not commended itself to colonial opinion even in those regions where rural settlers are sought after and the domestic qualities of the Afrikaners are admitted. The verdicts of our returned contingents vary immensely, probably according to experience, as to the courage, good faith, and general quality of their antagonists. Taken as a whole, they have not sufficed to overcome our patriotic antipathy to any closer relations with them. The disloyal elements are very wroth among us, but no one desires them to be strengthened nor do we wish to transplant a fresh racial feud even into the remote interior. The proposal that a portion of the prisoners of war should be sent out for temporary custody is quite another matter, though there will be no warmth in the willingness to accept the charge. It would be done for the sake of the Mother Country and not of the captives. It might be difficult to keep them within bounds on the continent, but a safe place of confinement ought to be easily found in Tasmania, where opportunities of escape would be few. The island Ministry would probably welcome the establishment of a camp, and could provide for its equipment, supply, and if necessary for its guards, without difficulty. The one obstacle lies in the reviving of old memories. The name of Van Diemen's Land was changed because of its association with the old convict system. The great bulk of those transported thither a

century ago were guilty of offences little more serious than those of the captives taken in the Transvaal. For all that the recollection of the period is unpalatable, even though the present generation can discover no traces of the old *régime* and is only acquainted with its character by tradition. Prejudices of this kind are not to be reasoned with, and if the War Office does not press its proposal it will be because its chiefs recognise that even their most modern weapons are powerless against popular sentiment.

THE NEW COMMONWEALTH.

MINISTERIAL REORGANISATION.

“POLITICAL” APPOINTMENTS.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Apr. 16 1901; May 24 1901.

The Commonwealth, with its Parliament about to assemble and its Ministry free to commence work, is entering on its most susceptible stage. Precedents are being established which must be potent in their influence on our future development. We are making, of necessity, a fresh beginning in politics, and essaying many important departures. Alert as all are in the endeavour to forecast the ultimate consequences of passing events, and alive as we believe ourselves to be to their significance, some of them may easily prove of more interest hereafter than they appear to possess now. There has been, however, some perception of the gravity of choice implied in the recent Ministerial reorganisation accomplished in this State. *Sir William Lyne* having at last retired from the Premiership, his colleague, Mr. *See*, to whom the Lieutenant-Governor entrusted the task of forming an Administration, cherished the natural ambition of including within his new Cabinet the strongest men in our Legislature without regard to their fiscal opinions. With the transfer from each and all of the States to the Federal Parliament of their power of imposing duties of customs and excise the real dividing line between our existing parties was broken down and it has entirely disappeared. It was clearly idle to perpetuate strife over the tariff issue in chambers from which all opportunity of dealing with it had been expressly taken away. Mr. *See* made overtures, therefore, to three leading Free Traders, Mr. *Ashton*, Mr. *Carruthers*, and Mr. *Garland*, who very properly and promptly responded to his invitation, discussed policies, allotted portfolios, and were on the point of cementing an alliance, when Mr. *Reid* suddenly intervened and peremptorily forbade the banns. It says much for the discipline of his followers that they at once obeyed his commands, though they related to the State politics and State Parliament which he has himself abandoned. Mr. *See* immediately completed his Government from his own following, and will meet the electors in a few weeks to ascertain their opinion of its acceptability. He will in all likelihood be defeated at the polls, but Mr. *Carruthers* and Mr. *Ashton*, if they come in then, will do so with a support accorded to them

because of their devotion to a principle to which they can never give effect, and that must forsake them as soon as a real issue arises. The whole situation has been perverted from its natural development, and nothing but confusion can ensue, our local well-being is to be ignored, and our needs as a State are to be neglected, in order that the party in favour in the Federal Parliament may gain some advantage to its prestige.

NEW SOUTH WALES INTERESTS.

Already there are evidences that our public men will not tamely submit to such a sacrifice of the interests of New South Wales. Dr. **Graham** who, being Mayor of Sydney as well as member of the Assembly, is a man of some note, has already protested against it in unequivocal terms, and though his associates remain silent there is but a sulky acquiescence in the course adopted. Zeal for Free Trade has led and will lead us far, but it is becoming too evident that Mr. Reid has been thinking of himself first and his party next in all his recent manoeuvres. His tactics are approved when employed against our common antagonists, but what is then applauded and styled strategical is condemned as unscrupulous when directed against ourselves. He is prepared to adopt any path by which he can attain the post of Prime Minister of Australia, and the majority in his own State is heartily with him in this ambition. But we are not ready on this account to have imposed on us a rapid succession of weak State Ministers bidding for votes against Oppositions united only by the desire to put them out. New South Wales will continue to manage the greater part of her own affairs in her own State Houses, and ought to manage them with a single eye to the advantage of her people. If these considerations are to be subordinated to those of Federal party politics more would be sacrificed than anyone bargained for. We feel ourselves too great territorially and too self-sufficing to permit the politicians to ignore our vast resources as a separate community. In the United States the necessity for the control of the State Legislatures by the Republicans or Democrats arises because the choice of Federal Senators rests with them. No such duty devolves on our State members, and we desire to avoid the submersion of provincial politics which has resulted in America. We want the strongest Cabinets that can be composed of men united on the questions with which they are empowered to deal. There are many vital problems to be solved by us for which the co-operation of all the stable elements in the community will be required. Mr. Reid's personal aims have for the time diverted us from this sensible course, but it is to be hoped that his lead will not be followed any further. Each State should maintain a vigorous and independent political individuality. This would prove invaluable to its own people, and beneficial in its influence on our national parties, since it would tend to prevent them from becoming tyrannical in their sway.

MR. FEGAN'S APPOINTMENT.

Another event in this State may prove to be almost equally fruitful in results, and indeed its importance as a possible precedent has obtained for it what would otherwise have been a disproportionate amount of attention. Mr. Barton's announcement at Maitland that none but temporary appointments would be made by his Ministry until they had met Parliament, and that the best men would be selected for the positions created in consequence of the Union independently of all other considerations, gave general satisfaction. The selections made were few, and met with tacit approbation until it was recently announced that Sir William Lyne had chosen his late Minister of Mines, Mr. Fegan, as his Under Secretary in the Department of Home Affairs. A storm of indignation was instantly generated by the Press of New South Wales and echoed in that of the neighbouring Colonies, on the ground that this was a political appointment, made in order to smooth the way for Mr. See's reconstruction of his Cabinet. It was alleged that Mr. Fegan was not qualified for the post, having been a working miner before he became a member of Parliament, and that much better men were to be found in the public service of any of the States. In reply it has been stated that the appointment, like all others, is temporary only, and that in Sir W. Lyne's judgment he is the fittest man to fill the office, which will for some time continue to be less onerous and less liberally salaried than the corresponding office in New South Wales and Victoria. Mr. Reid naturally resents the choice, because it was on Mr. Fegan's motion that he was put out of office as State Premier, and lost his Federal Prime Ministership in consequence, and the newspapers supporting him take up the tale. To Englishmen the incident may be cited as an evidence of the extreme sensitiveness of public opinion in Australia in the matter of the appointment of politicians to offices of profit under the Crown. Mr. Fegan is a Free Trader and has been associated with the Anti-Federal Party from the first, and in all their campaigns, yet the Free Trade journals and his Anti-Federal colleagues join in the cry against his nomination by a Protectionist Federal Minister.

NOT "THE SPOILS TO THE VICTORS".

It is, therefore, abundantly plain that we are far removed from the condition of things which obtains in the United States, and that the policy of "the spoils to the victors" has no chance of adoption among us. No one has been passed over in this particular case, and the one question is whether Mr. Fegan is or is not capable enough to be under secretary of an important Department. This remains to be proved. In the meantime, it is somewhat amusing to note that while the critics accept the appointment as just what was to be anticipated from Sir W. Lyne, and passed over his part in it in silence, they pour out the vials of wrathful amazement on Mr. Barton

for refusing to veto the action of his colleague. In this they unintentionally pay the Prime Minister a compliment. Mr. Fegan is on his trial, so is the Ministry, which may possibly be challenged with a vote of want of confidence because of him, failing any more serious ground of indictment. One thing the agitation has already secured: there will be no more politicians, however able, eminent, or specially qualified, translated to the offices in the gift of the Federal Government. And with this finale to the matter all classes will be content.

THE NEW COMMONWEALTH.

PRESTIGE OF THE CROWN.

AUSTRALIAN LOYALTY.

FROM OUR CORRESPONDENT.
SYDNEY, Apr. 23 1901; May 28 1901.

The royal visit was predestined to success as far as cordiality of feeling and careful preparation could secure it. Whether the power of the Crown has increased or not, the personal prestige of the Sovereign and his family undoubtedly is increasing. When the late *Grand Duke of Saxe-Coburg and Gotha* came to Australia five-and-thirty years since he was received with immense enthusiasm, which was deepened when the act of an insane fanatic shadowed the close of his tour. The late *Duke of Clarence* and the present *Duke of Cornwall and York* called with the Flying Squadron when they were "middies", but were welcomed, of course, in a much more informal fashion.

On the present occasion the celebrations will far surpass anything attempted this side of the globe. The Heir to the Throne and the Duchess have associated their visit with the beginning of the Commonwealth, and will thus make the event doubly memorable to its people. Our States are vying with each other in the decorations and the festivities to be enjoyed. Sydney is fast resuming the appearance presented prior to Proclamation Day, four months ago, and it is safe to say that the repetition of the pageants will be equally splendid. Except, perhaps, at Auckland, and there on a much smaller scale and with less varied surroundings, no spectacle will be presented to the eyes of our royal guests comparable to that of Sydney Harbour and its city when arrayed for their reception. If our neighbours rival us in either the artistic character or in the organisation of their fetes they certainly cannot in landscape beauties and effects. The first impressions, therefore, of their Royal Highnesses should suffice to convince them how popular the Crown is, and how attached the whole body of Australians are to his Majesty and his children.

CONSTITUTIONAL PROCEDURE.

The Colonial Office at first scarcely appeared to recognise sufficiently the restraints imposed on its action in regard to the part to be played in the opening of Parliament by the Duke of Cornwall and York. Indeed, some time elapsed before it could be brought to understand that the Constitution Act of the Commonwealth assigns powers to the Governor-General which would require to be cancelled before he could be superseded in his functions even by the Heir to the Throne. We have among us a Federal Ministry of lawyers and a number of professional men who during recent years have been making a special study of constitutional procedure. Immediately it was understood that the Colonial Office proposed that our royal visitor should open Parliament in person by reading the Speech, which declares the causes of its being summoned, it was warned by telegram that such a course was illegal, unless steps of a serious nature were formally taken to dispossess Lord Hopetoun and instal his Royal Highness temporarily in his place. The programme was therefore revised.

MINISTERIAL POSITION.

The position of the Ministry has, on the whole, improved since the election. A fair majority in both Houses is prepared to give it reasonable support. Party lines have yet to be drawn with rigour, but at the outset the Cabinet will at least obtain a fair hearing. Beyond that, all rests with its members who, at all events, seem quite able to keep their own counsel. Up to the present nothing has been heard of any response to Mr. Chamberlain's invitation for the despatch of an Australian representative to consider the proposed amalgamation of the Judicial Committee of the Privy Council with the legal tribunal of the House of Lords so as to establish in London one Imperial Court of Final Appeal. Save by inference from the action of New Zealand in appointing a delegate, which must have been taken in response to a communication from Downing Street, there is no admission from Mr. Barton that any such invitation has been received. The New Hebrides question has been similarly wrapped in silence, either in consequence of a request for secrecy from the Colonial Office or because of its delay in replying to the Australian protests. Either of these subjects may be included among the grounds of challenge to the Ministry if it can be saddled with responsibility in regard to them.

SOME PROBLEMS.

Independently of this circumstance the fact that, though all the elections closed on March 30, the Western Australian declaration of the poll has only just taken place, we in New South Wales are still waiting for the ballot papers from a remote hamlet called Five-Day Creek, and that the official receipt of the Queensland poll, even with the aid of railways and the telegraph, may not be officially ascertained six weeks later is in itself worthy of note. It may help to convey to the minds of Englishmen some sense of the enormous areas and distances which make the problems of government in Australia so much more complicated than they appear to Londoners, who approach them with all the preconceptions which are necessarily misconceptions begotten of old-world experience in a small, compact, and thickly-settled country. Another striking circumstance of the late election is the number of ballot papers rendered ineffective by the multitude of candidates to the Senate. In New South Wales nearly forty thousand votes were wasted in the attempt to strike out exactly forty-four names from a list of fifty so as to leave six, and six only, unerasd. Many other incidents equally unsuspected by critics beyond our borders will require to be allowed for by them if they desire to do justice to our public men. The standards set up for them must differ from those of Westminster, because the conditions, often entirely different, are always ruder and cruder. There must be boundless opportunities for blundering somewhere in the endeavour to deal with so vast a territory lightly sprinkled with population along its interminable coast-line. No capital wherever situated can keep in touch with more than a fraction of its dominion, and must be so remote from the rest as to permit the presence of but a few qualified representatives from its outlying regions. Yet its Government and Legislature must needs speak, act, and provide for the whole. Truly the Commonwealth, like an infant Hercules, will need to fight even from its cradle.

THE NEW COMMONWEALTH.

WELCOME RAINS. AGRICULTURAL OUTLOOK.

FROM OUR CORRESPONDENT.
SYDNEY, Apr. 30 1901; Jun. 4 1901.

By far the most important event of the week has occurred outside the political world, gently agitated by speculations as to the legislation which the **Barton** Cabinet is preparing in Melbourne. The really fruitful and memorable occurrence has been in the physical world, where we have been enriched and inspirited by abundant rains both along the coast—Sydney receiving four and a half inches on Sunday—and inland, where no such welcome fall has been experienced for years. The political and physical spheres are, of course, intimately related, for the prosperity resulting from a good season will have a marked effect on proceedings in our Parliaments and on the policy of every Government. As to the particular form of the proposals to be made to the Federal Legislature we are left more in the dark than usual. It has been customary for the Press and the public to be taken into the confidence of State Ministries more than the Commonwealth Administration appears inclined to allow. All we know of the New Hebrides negotiations is that Mr. **Chamberlain** has lent a friendly ear to our remonstrances against the present condition of affairs. It is at last admitted that an invitation has been received for the despatch of a legal representative to a conference in London called to consider the proposed new Court of Appeal for the Empire. The probability is that the man selected for Australia will not be chosen from any of the State judiciaries, unless it be some member of the Bench who happens to be on leave in Europe. Nothing definite has yet been done to confirm Mr. **Fegan's** appointment as Under Secretary to the Home Office. Politics are in the background, the royal visit now close at hand fills the public eye to the exclusion of all else. The rejoicings about to be begun will be much more lighthearted to many because of the revival now assured to our great rural interests—the greatest we possess.

RAGING TORRENTS.

Though the area of Australia is so vast that it is quite possible for one part of it to be freezing and another roasting, yet the inhabited East has a certain physical unity, despite climatic differences, which renders it subject to the same weather at the same time. The drought that has devastated the interior for the last five years has extended over a great tract at some distance from the coast, touching the Gulf of Carpentaria to the north, and crossing the Murray to the south into the Victorian Mallee. This broad belt has all suffered severely, though not equally. One portion of it in the West of New South Wales has not enjoyed a thorough soaking for the last ten years. We are always liable to the incursion of Antarctic disturbances capable, even in the height of summer, of sending the thermometer down with a run, sometimes dropping thirty degrees in an hour or two, and almost always laden with rain. When, as happened last week over the mountainous south-eastern angle of the continent, a disturbance of this character finds itself hemmed in, so to speak, by anticyclonic areas on either hand, it not only comes, but stays. The result is as if the windows of heaven were opened and spouting so vigorously that they could not be shut. Gullies long dry fill fast. Intermittent streams which have been chains of water-holes or dry and dusty depressions across the plains for months or years are turned into brimming streams. The rivers themselves are lost to sight. Their floods are out all over the surrounding country. Raging torrents emerge from the "foot-hills" carrying destruction to cultivated fields, while down the valleys on a broad bosom of fast-flowing turbid liquid float hayricks, stock, and debris of dwellings, one long panorama of ruin sweeping on to the engulfing sea. Such was the havoc a few days ago in Gippsland, one of the richest provinces in Victoria. Along its coast two or three ships were driven on the shore, while others rode it out with difficulty, dragging their anchors for several days.

FULL FERTILITY.

Floods were not unknown further north and west, but were not serious. Indeed, heavier visitations there would have been welcome. The parched stretches of bleached loam, barren of all vegetation, spreading for hundreds of miles, would have been the better if they could have been steeped in the welcome fluid so as to thoroughly satisfy the thirst of the subsoil, and lay up a store of moisture for future use. The nine inches of rain which fell towards Gabo Island dwindled to half an inch far inland in the Darling River district, but, still, away to the North, all through the drought-stricken belt, there were refreshing falls of an inch and an inch and a half. It came to the intense relief and gratification of the much tried farmers and graziers who have somehow endured, despite the bad seasons, and have held on to what had become

mere wilderness, hoping against hope. Riverina, barren and desolate two or three years since, is now in full fertility of fecund growth. Queensland, where the financial position has been going from bad to worse and becoming almost desperate, has at last had a share of good fortune. Some districts, now revelling in a second bath, are rich in grass, springing a foot high. Nothing seems more miraculous than the rapidity of recovery displayed by what appeared to be before the downpour simply sandy wastes, herbless, grassless, and lifeless. The showers skim their surface, and almost at once they are clothed and carpeted with luxuriant and succulent verdure.

BRIGHT PROSPECT.

This transformation scene in the back blocks is followed by a similar resurrection of fortunes on the part of the pastoralists. Half of our State has been enriched by a plentiful rain, such as has not been seen over most of it for many seasons. Our losses in New South Wales bear eloquent testimony to what we may look to in the way of recovery. During the dry decades our totals of sheep and cattle have declined in the one case by twenty-five millions, and in the other by half a million head. Our western borders are responsible for a decrease of ten million sheep. One district in Queensland, that of the Gregory, is minus seven hundred thousand bullocks. The difficulty will be to replace them. We shall now have abundant pasture far beyond our consumption, but as we cannot import to any considerable extent we shall require to await the natural increase to be obtained by breeding from our depleted flocks and herds. The price of meat is high, and likely to be higher. With ten million cattle and seventy million sheep in Australia we find ourselves by comparison very lightly stocked. If, as is hoped, we are about to enter on a cycle of fat years, these figures are sure to be rapidly increased. With every promise of a good lambing, a prosperous dairy season, and the probability of heavy crops, the rural industries of Australia have to-day a brighter promise before them than they have enjoyed for a very long while.

THE MINING INDUSTRY.

Such vicissitudes cannot but affect the mental cast of our country population, classes which in most parts of the world are noted for their settled and sober type of thought. With us, at least, they cannot afford to be inert. Grazier and farmer alike require to maintain an active conflict with the fickle Nature which at one moment overburdens them with gifts and at another starves them out or strikes savagely at their holdings with flood or flame. They will not provide properly against drought, their deadliest enemy, but they are better equipped in many other respects. The rust and locusts that formerly devoured our harvest have been little in evidence of late. The march

of invention in agricultural machinery enables the dense scrub to be conquered cheaply, and has thus hugely extended the cultivatable area. The “tick”, so dreaded on Queensland cattle runs a short time back, is now as readily provided against by inoculation as was the pleuro-pneumonia which threatened all the pastoralists with imminent bankruptcy a generation ago. The next most important class of country dwellers, often the most intelligent and public spirited, are the miners. Our gold yield in this State and in Victoria is not increasing. There is much need of new fields or of new discoveries in old fields to inspire investors. The newest are doing best. Western Australia has a long lead over Queensland and Victoria. So far, New Guinea has not justified the prophecies of those engaged in prospecting there some of whom still entertain the largest expectations of her development. In mining, also, great advances in method are being made. Inflows of water, such as would have caused the immediate abandonment of shafts even a few years ago, are now easily mastered by superb pumping machinery. The cyanide process is not only making much ground profitable that a short time back would not have paid expenses, but has caused the hills of “tailings” cast aside after being passed through the imperfect batteries of the early days when subjected to chemicals, to yield in many cases better results than when they were originally treated. In Victoria electricity is beginning to be largely employed, not merely for lighting the drives but as an energy. On one field half a dozen companies have clubbed together to obtain their motive power from a common centre. Reefs are pursued down to depths far greater than could have been economically worked of old, and where, indeed, according to scientific teaching current twenty years back, auriferous deposits did not, and could not, exist.

THE ROYAL VISIT.

His Royal Highness the **Duke of Cornwall and York** is to visit Ballarat, probably the most famous gold-producing district in Australia, and will descend one of its mines to pay a royal tribute to the royal metal. It is unfortunate that he will not be able to see more of the interior of the country there or elsewhere than the programme of his visit allows. We are properly proud of our cities, and especially of the size and stateliness of our capitals. But, after all, they are only important because they serve as inlets to and outlets for the vast interior. There lie the sources of our wealth. There, in mine and field, are bred the men who must be depended on to build for us something more than a half-exotic sea shore civilisation. The products on which we rely to pay our way and ensure our advance come through their labours. Though bucolic, they are not unprogressive. The life they live is studded with trials and privations, with adventures and masterful conquests, with risks and endurances likely to shape in the long run the most distinctively Australian character.

THE NEW COMMONWEALTH.

“PRIDE OF RACE.” STATE PARTISANSHIP.

FROM OUR CORRESPONDENT.
MELBOURNE, May 8 1901; Jun. 13 1901.

Their Royal Highnesses the **Duke and Duchess of Cornwall** and York have arrived, and the tension, increasing in Melbourne for weeks past, is at last relieved. The explosion of enthusiastic loyalty with which they were welcomed must have been gratifying because of its absolute unanimity and universality. The scene presented has long since been described at length by means of the telegraph, and it only remains to refer to a few of its distinctive features. That which has provoked most comment has been the significant absence of our nearest foreign neighbours, the French. It is said that this is due to a departmental blunder, but the explanation is obviously inadequate. The occasion is too public, and has been too long notified to render such an excuse admissible. Their abstention has been conspicuous and intentional. The few French residents we have are naturally mortified, and probably their officials will be also when they realise the advantage that has been taken of their abstention by their great Continental rival. Germany is not merely represented by two men-of-war while other Powers have sent but one, but her expatriated sons have combined to erect a handsome arch of their own in Collins-street. They are thus in the ascendant both on land and sea, and occupy the pride of place among our visitors and in the pageants. The United States, Russia, and the Netherlands have each sent a powerful cruiser. The Australian Squadron of the Imperial Navy lies at anchor beside them. The crews are to be met in detachments everywhere. The streets are crowded with men in uniform, khaki predominating, though the blues of the Artillery, the green of the Australian Horse, and the scarlet of Militia officers vary the tints. Never on this side of the globe, where as yet warfare is unknown, have the Army and Navy been so much in evidence, so popular, nor, owing to South African battlefields, so specially representative of the Imperial idea.

THE EFFECT OF THE ROYAL VISIT.

It would be difficult to define all that the royal visit means to Australians. On the present occasion something must be allowed for their personal exultation at the achievement of Federation. The self-government granted to the Colonies individually by the Mother Country was so unfettered that they were able to treat each other as foreign nations, and did so, conducting their communications by means of diplomatic correspondence, visits, and conferences, and maintaining at their own free will fiscal wars against each other. Joy at the final abandonment of internecine conflicts and a delighted sense of the increased power and importance which are the natural offspring of union have contributed largely to the success of the demonstrations. But, with every allowance for these legitimate incitements to public gratulations, it is perfectly plain that the arrival of the Duke and Duchess is in itself, and apart from local interests, the predominating attraction to the vast crowds which are crammed into all the habitable buildings of Melbourne and overflow beyond all its neighbourhoods. They are subject to an enthusiasm which looks backward even further than the Commonwealth prospect carries them forward, and is accompanied by a sudden emergence of sentiments of allegiance that seemed to have become merely legendary and poetic. To old colonists the coming of their Royal Highnesses brings reminders of the homeland that awaken inextinguishable memories and fond emotions; to the native born they represent the far-off islands of the North with their great history, and to the Imperially minded they express a supreme national idea. As grandchildren of the ever-revered Queen and children of a Monarch genuinely popular with all classes the young couple are centres of interest and attachment. To the masses they bring, as it were, within sight and touch old-world traditions and venerated associations lying close to the springs of romance. In a country where all is so new they recall and typify the past. To a society created in the present out of a community mainly living on one level and with few contrasts or impressive personalities they enter as scions of an ancient and kingly race, embodiments of aristocratic eminence and remote distinction. Beyond the claims of rank they have charms of their own. Young and gracious, simple in manner and easy to please, the hearts of the people have been readily turned to them. These are some of the sources of their welcome, though deepest and most permanent of all is the pride of race which here, as elsewhere throughout the British Dominions, is inseparably bound up with its chief, most immediate, and most human symbol, the Crown. The scarcely veiled hostility of the French, the courteous distance of Russians and Germans are met with comparative indifference. Americans are not regarded as foreigners. Their admiral and his officers have everywhere been treated with special honours. They are greeted as kindred who cannot be enemies and may be allies. But the flaming warmth

of welcome is reserved for our own tars, our own soldiers, our own flag, and the Heir to our own Throne. That is the pivot on which all turns, the centre of all hopes and aspirations. The royal visit has naturally and properly been signalised by an immense outburst of Imperial patriotism.

MINISTERIAL DIFFICULTIES SURMOUNTED.

The Ministry, after all, will meet Parliament without having a serious blunder recorded during its four months' tenure of office. Sir William Lyne was so much impressed by the demonstration against him when he proposed to appoint Mr. Fegan, his late colleague in the State Ministry, to the position of Under Secretary of the Federal Home Department, that he did not venture to bring his project before the Cabinet, though publicly supported from motives of loyalty by the Prime Minister himself. A prolonged silence on the subject was broken at last this week by an intimation from Mr. Fegan of his intention to resign whatever claims he had to the post for which he was to have been nominated. The manner of his selection and of his withdrawal are sure to be criticised, but all the sting has been taken out of the charge which will be levelled against the Minister for Home Affairs. Then, again, the Cabinet has extricated itself from the difficulty in which it was placed by Mr. Chamberlain's invitation to send a delegate to discuss the establishment of an Imperial Court of Appeal. Warned, perhaps, by its lesson in respect to Mr. Fegan, it has put the politicians severely aside in favour of Justice Hodges, of the Victorian Bench, now on leave of absence in London. If Sir Samuel Griffith or Sir Samuel Way had been requested to go, the compliment paid to either might have been interpreted as an indication of the wishes of the Government here as to the person to be appointed as one of the new Law Lords proposed to be allotted eventually to Canada, the Cape, India, and Australia. To all appearances the Government desires neither of these Chief Justices. They have also passed over Sir Josiah Symon, K.C., of South Australia, who, as chairman of the Committee of the National Convention on the judicial sections in the Commonwealth Constitution, might have been thought to have claims. He is now a Senator, and his despatch would have given a political colouring to the mission which it was wise to avoid. As an uncompromising antagonist of the maintenance of any right of appeal to the Privy Council he would certainly have been an unsuitable envoy. Any choice among professional men in Australia would have been difficult and invidious. All these difficulties have been avoided by the selection of a judge on the spot who has a high reputation in his own State for his legal acquirements and for his ardently Imperialistic feeling on all public issues.

STATE DEMARCATIONS.

In each of these instances Ministers have managed to steer past the rocks, and to reach, as far as administration is concerned, comparatively smooth water. If the celebrations cultivate social amenities among the members of our new Parliament, as we may naturally expect, the first session should open under propitious auspices. Melbourne has risen to the occasion. In spite of its inherent plainness of surroundings it has become picturesque and imposing, as well as demonstrative of the intense loyalty for which it is famous all over this continent. Whether this will have any influence in diminishing the local jealousies among Federal representatives or not remains to be seen. These will be kept alive by the disappointed seekers after positions of dignity or emolument, of whom some are already in evidence. The Free Trade strength lies almost wholly in New South Wales and Western Australia. The Protectionist phalanx consists of Victorians. The Labour Party dominates the Queenslanders. South Australia and Tasmania are divided almost evenly. It may be long before these State demarcations disappear—Sydney is exasperated because the Commonwealth Parliament sits in Melbourne, and because in that Parliament and its Ministry Victorian influences and Melbourne policy are dominant. To observers at a distance we are already an united people, but to those closer at hand it is plain that we are so far merely a bunch of provinces in juxtaposition involved in a joint enterprise out of which unity must come if we are to achieve success. It has not yet arrived, and may be long in coming. The work before us is that of cementing our several segments together and of blending as far as may be the multi-coloured streams of State partisanship and local prejudice into one broad stream of national life and purpose. How far our new Parliament may be a means to this end or simply a field on which old rivalries will be perpetuated in a new form is a question that our political prophets are as yet unwilling to attempt to answer.

THE NEW COMMONWEALTH.

RIVAL POLITICAL PARTIES.

FROM OUR CORRESPONDENT.
MELBOURNE, May 15 1901; Jun. 20 1901.

The description of the splendid festivities and of the ceremony connected with the opening of the Federal Parliament I shall leave to Mr. E. F. Knight, of the *Morning Post*, who is now here, and is accompanying the royal party throughout the tour. There are, however, points arising out of political considerations connected with the new order of things with which I may deal. There were not wanting ominous incidents in both Chambers, though the Government succeeded with its nominees in each of them. Mr. Holder, Premier of South Australia, was unanimously elected Speaker of the House of Representatives, and Sir Richard Baker, President of the Legislative Council of the same Colony, beat his chief opponent by nearly two to one for the office of President of the Senate. The significant feature was the abstention of members returned by the Labour vote from the caucuses held by the Ministry for the purpose of selecting candidates for the chairs and for discussing the order of business. The most extreme of these sit for Queensland constituencies, and appear anxious to continue in the Federal Legislature the same Intransigent tactics which have rendered politics in that State bitter and sterile for years past. In the Senate they angrily declared against the ballot proposed to determine the choice of President, and in the House one of their number came into conflict with the new Speaker in the first hour of his official life and in a violently-aggressive fashion. The Labour Caucus itself failed in its chief aim, which was to induce the whole of its representatives to sit together in the Opposition corner and adopt a platform providing for the removal of all checks on the rule of the mass majority of the continent imposed on the Constitution for Federal purposes and in the interests of the less populous States. Labour members from Tasmania, South and West Australia, whatever their own wishes, naturally recoiled from a platform which directly threatened the financial interests of their several Colonies. The Protectionists, too, refused to come under the banner of a Free Trade leader even in appearance. Perhaps it was this failure to have their own way in their own private assemblage which sent the more ungovernable back into both Chambers in the bad tempers there manifested in the public eye at their first sittings.

THE LABOUR PARTY.

Ministerial prospects are by no means unclouded. According to the way in which members have taken their places the Ministry has a majority of ten in the House of Representatives; but, as at least five of these are pledged to the Labour Party, it is plain that should the whole of that body at any time throw in its lot with Mr. Reid and his followers the Ministry could be at once ejected from office. On the other hand, the Opposition, nominally thirty-two strong, has probably ten who owe allegiance more directly to the Labour programme than to that of Free Trade. It is but too plain, therefore, that at the out-set this party holds the balance of power, and is likely to retain it no matter what Ministry may appear on the Treasury Benches. Its members seem to be divided just now on the fiscal issue, and also on the proposal to encroach further on the influence of the several States in the interests of direct-majority-rule. The ultimate aim of its more aggressive leaders is a national referendum freely employed to enforce an ultra-Radical policy. Their fellows, though cherishing the same desire, deem it prudent to postpone action. While these divisions continue they are likely to considerably neutralise the influence of their numbers, though on questions on which they can contrive to rally the whole of their forces they will be able from the first to dominate the House of Representatives. They are no less potent proportionately in the Senate, though, judging from the attitude assumed on the election of President, it is possible that there may be a general combination there against them. In that case they would be inevitably outvoted. At most they can calculate on ten or a dozen out of thirty-six Senators. In the event of keen party contests arising in this Chamber on the fiscal or other questions outside their ranks they would become masters of the situation here too. As yet they are undisciplined, but a sense of the value of union and of the power within their grasp will not be long in coming. As they have taken their seats in the Senate they give the Opposition a majority of ten, but it is evident that in common with others they have not done so designedly to declare their political leanings. The evident purpose is to stand somewhat aloof from the two contending chiefs and their followers, throwing their weight into one scale or the other as a united and independent faction.

MINISTERIAL POLICY.

The *King's Speech* was merely the Ministerial policy announced at the late elections put into the customary form. Mr. Reid has commented caustically on its adherence to familiar platitudes and the absence of a distinct declaration of Protectionist policy. The slight illness from which he has been suffering, though it unfortunately compelled him to be absent from the opening of the Parliament and the festivities generally, has in no way diminished his fighting spirit nor weakened his eagerness

to begin the fray. A banquet in Ballarat on Monday afforded the Prime Minister an opportunity of replying to those and other taunts in a fashion which made it plain that he also is in no mood for a tame and uneventful campaign. When Mr. Barton and Mr. Reid meet at the close of this month it will be to begin a tug of war likely to render the proceedings more interesting than profitable to the people for whom they are legislating. It is a great advantage to have attention concentrated on public affairs. The general tendency too often is to pass them by with hasty and indiscriminate indifference. As a consequence active cliques and interested sections have had the field to themselves, the bulk of the taxpayers intervening on their own behalf only at intervals and for brief periods. Here, as elsewhere, the selfish absorption of the commercial classes in the pursuit of private gain and of the wealthy in the pursuit of private pleasure leaves political life denuded of many of its natural leaders. The great body of the masses are equally engrossed in similar fashions. When the sporting instinct is aroused, as it may be by the duel between Mr. Barton and Mr. Reid, there is at least some gain. Physically and mentally they are striking personalities. Mr. Barton's face and physique somewhat resemble those of Fox in his mature years, while Mr. Reid, less aristocratically featured, is almost as corpulent as the same statesman appeared in the caricatures of Gillray. Mentally he is the more agile, resourceful, and pliant of the two, and a more applauded platform speaker. The Prime Minister has greater culture, much greater constitutional knowledge, and more solidity of disposition. Except in the fiscal issue there is little to distinguish their politics, and even on that score the practical difference is magnified deliberately for party purposes. An acute and prolonged rivalry in the arena of Parliament has taught each the prowess of the other. The fight is therefore a fair one, and as the Australian is above all a fighting man and a sportsman, their coming wrestle is likely to arouse the keenest interest throughout the continent. It may indirectly contribute to the popularisation of political proceeding in the Commonwealth.

THE NEW COMMONWEALTH.

BUDGET PROBLEMS. REQUIREMENTS AND RESOURCES.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, May 21 1901; Jun. 25 1901.

Their Royal Highnesses the Duke and Duchess of Cornwall and York are being welcomed in Queensland; and Sydney is busy with preparations which will enable us to vie with Melbourne. As a consequence the actual commencement of our first Australian Parliament is in some danger of being overlooked. Its proceedings will probably prove fitful, if not languid, until our distinguished visitors have left for New Zealand. But for all that, the far-seeing, especially among the mercantile classes, and those in Parliament who are in touch with them are being seriously exercised as to our immediate financial prospects. The Budget should be delivered in a month or so in the ordinary course, and its proposals are awaited with great anxiety. There has been considerable speculation among importers of all classes in anticipation of increased duties, Sydney is heavily stocked with all kinds of goods, and shiploads are still arriving, providing for a consumption far beyond that of the present season. There is a feverish feeling among holders who have taken the risks of these exceptional purchases, but the real apprehensions entertained by the well-informed have graver and more general grounds to rest on. Mr. Kingston is preparing the first Federal tariff, and Sir George Turner the first Federal Budget. If, as is the case with all other Ministries, they considered only their own Administration theirs would be the easiest of undertakings. The new Union has no debts, and can have no deficits. We could accept the lowest of tariffs, and yet make the most liberal allowance for all Federal Departments. But we cannot use our freedom. Constitutionally at liberty the Commonwealth is yet vicariously fettered hand and foot: legally assured of a surplus, it is actually in straits for want of money. No surplus it can show will enable it to satisfy the demands of all its States. We in New South Wales are likely to have forced on us more money than we can wisely spend, taken out of the pockets of our citizens under a Federal tariff and returned to us as a State subsidy. On the other hand, Queensland for a time, and Tasmania, perhaps, for all time, must face large deficits under precisely the same arrangements.

AUSTRALIAN STATISTICS.

To begin at the beginning, let us remember that Australian statistics always require to be read with a preliminary caution, since both revenue and expenditure accounts are swollen by the cost of railways and other public works on one side and their earnings on the other. At first blush we might easily appear to be the most heavily-burdened community in the Empire, if not in the world, and the most extravagant. With considerably less than four million people our States have altogether accumulated a debt amounting to £190,000,000. When it is explained that of this huge total £160,000,000 have been invested in reproductive undertakings and nearly £20,000,000 more spent on useful works of a practically permanent character any apprehensions at first created disappear. From our scanty population we receive each year nearly £29,000,000 sterling, or more than £7 per head. But only one-third of this can be called taxation, for the remainder is either earned or obtained from the sale of land. Our public expenditure absorbs our large income, but one-third of this goes for education and charities, and another third for the maintenance of railways and public works. There is plenty of room for saving, but no inclination and no necessity to attempt it in most Colonies. From customs and excise Australia now draws over £7,000,000 a year, and must continue to obtain it unless we are prepared to dislocate the administration and wreck the finances of two or three Colonies. The Commonwealth receives the whole of this revenue, subject only to the condition imposed by what is known as the “**Braddon**” clause that it shall return to the States severally 15s. out of every pound sterling thus collected. There is a further condition that all intercolonial duties shall be abolished from the day on which the first Federal-tariff comes into effect. The Commonwealth, therefore, must for the future rely on its excise, and particularly on its receipts at the seaboard from duties levied on goods introduced into its territory. As most of the States cannot face even the reduction of their customs revenues by the one-fourth transferred to the Federal Treasury without being plunged into serious difficulties it is plain that our present tariffs must be inadequate. The new Federal tariff must levy on goods from abroad an extra three-quarters of a million to make up for the deficiency in the customs accounts occasioned by the cessation of inland border duties. Add to this the new expenditure to be provided for the new Parliament and departments established to give effect to the union and the sum of our requirements is known. It is tacitly conceded that there must be no direct Federal taxation at present, so that £8,000,000 or £8,500,000 will require to be raised from four million people, and almost wholly by duties on the goods they purchase from the Mother Country, America, and Germany. That is, it must be secured if all the States are to pay their way and preserve their present liberal outlay on public conveniences. Taxation must, in a word, be heavier than before for us to sustain our weaker brethren. The dominating consideration of the Federal

Treasurer is, and must be for a long time to come, how to collect £2 a head through the customs from every man, woman, and child in the community. This in itself constitutes a great problem, which is rendered trebly difficult by the combined effects of two other factors.

FISCAL DIFFICULTIES.

The first already appreciated is fiscal. Mr. Barton and his majority are pledged not to be guided simply by the desire to raise this large sum in the easiest possible way. Certain industries in all the Colonies are said to be unable to cope with their extra-Australian rivals on equal terms. To avoid the destruction of the capital and the employment involved in these they are to be permitted to produce free of duty the same goods that are to be heavily taxed if brought into Federal territory. The inevitable consequence is that to whatever extent they succeed in retaining our market they exclude the articles from which we should have received revenue had they been imported into Australia. Except so far as additional employment afforded by them may mean additional hands and extra consumption of dutiable goods, the growth of local manufactures of this kind implies a corresponding loss to the public Treasury. We are not, then, to have a tariff for revenue alone, but a hybrid which will seek in some instances to maintain employment at the expense of revenue. The country has accepted the Protectionist gospel, and the majority behind the Government is satisfied that it is about to add to the prosperity of Australia by discrimination between duties or between duties and excise so as to locally increase the demand for labour, encourage the outlay of capital, and retain higher rates of wages. Whatever they may achieve, they have at least hampered the Treasurer and introduced a very disturbing element into his calculations.

FIRST AUSTRALIAN TARIFF.

A yet more complex cross current, interfering in another way with revenue considerations, presents itself, because of a provision in the Constitution under which for five years after the adoption of a uniform tariff each State is to receive back its share of the three-fourths receipts from customs and excise collected by the Federal Government, not according to its necessities or its population, but in exact proportion to its consumption of dutiable articles. The object in view being to return to every State as nearly as may be the amount of income it has surrendered, this condition compels the adoption of a scale of duties selected not for what they will yield to the Federal Treasury, but for what they will allow to be returned to one or other of the State Treasuries. This means looking at every item in the list from six

different points of view, and the endeavour to adjust each so as to escape an excess or a deficiency in any Colony. Obviously human ingenuity cannot be expected to produce a schedule of rates uniform throughout the Commonwealth which will fulfil all these demands. The first Australian tariff must be based on Australian considerations, and this means that it will not suffice to meet the necessities of two or three States.

SOME DIFFERENCES.

In Tasmania for years the expenses of government and the upkeep of public works have weighed heavily on a stationary population, including a small proportion of adult males. Western Australia, lifted out of a similar condition by the development of great goldfields, possesses an abnormal number of men in the prime of life who consume large quantities of dutiable goods. As a consequence a duty on spirits will give Western Australia nearly £4 for every £1 it would return to Tasmania. What duty can be devised which would yield £4 in Tasmania to £1 in Western Australia? Tobacco in the west, for the same reason, pays more than twice as much to the State as in the eastern island, though their populations are the same. Take another illustration of another difficulty. With intercolonial Free Trade, and heavy Federal duties, Queensland sugar would enjoy a monopoly of the Australian market, while the remaining States, which up till now have collected from £3 to £6 a ton on this product wherever it was grown, would soon find that source of income altogether destroyed. Any excise imposed would fall wholly on Queensland, and yet would have to be counted as part of the three-fourths of the net receipts from customs set apart for the States taken together. Its neighbours, therefore, not only lose the duty on all the Queensland sugar they consume, while that Colony pockets all the excise levied on its own production, but they find the total sum divisible among the rest of them, reduced by the amount of that excise.

FEDERAL ADVANCES.

Owing to the late disastrous drought and consequent decline in her railway receipts, Queensland will need all she can get, and probably more than she is entitled to receive for several years to come. Still, with her vast area and inexhaustible resources she can readily repay any debt she may incur. But what of Tasmania? To meet her demands it would be necessary to adopt an Australian tariff which would tax, New South Wales £1,000,000, or some estimate £2,000,000 a year more than we require. This would be intolerable, even though that sum is to be credited to our State, and therefore the provision in the Constitution which permits of Federal advances to

any State during our first decade is certain to be employed to assist her. When can Tasmania hope to repay? There will be a considerable sum coming to her from the Commonwealth in payment for the buildings and appliances taken over with her post-offices and telegraph department, but to use this in aid of revenue would be to live on her capital. We have for years applied the proceeds of our land sales in this way, but the system is universally condemned, and the only excuse offered is that with our population and resources we can afford the extravagance. Tasmania cannot. The financial outlook, therefore, is anxious—not for our creditors, who are all abundantly secured, and who have in the Commonwealth a new national guarantee for their money—but for ourselves, our four million people can afford to levy £8,500,000 or £9,000,000, if we require so much, even out of customs and excise alone, and without entering on the field of direct taxation. The real crux is how we shall agree to proportion that amount among ourselves, and what effect the dependent position into which they are to be thrust may have on some of our States, and possibly on the course of our politics. These are the questions now commencing to agitate the minds of thoughtful men, particularly the public men at the State Treasuries, to whom the eternal want of pence which has become familiar is about to present in the Federal field a new and momentous series of problems.

THE NEW COMMONWEALTH.

LABOUR PARTY TACTICS. OPPOSITION BLUNDERING.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, May 28 1901; Jul. 6 1901.

Sydney is seething with excitement under the joint impulses of the royal visit and the splendid series of magnificent spectacles provided in its honour. It is unfortunate that at such a moment attention should be diverted to private disputes between employers and employed, and unfortunate also that the means by which one of them has been settled should be political coercion, but the fact remains, and its significance cannot be overlooked. An iron trade strike proceeds and spreads, while that of the steam ferry hands has been concluded by the concession of their demands, since our State *Minister of Works* would otherwise have commenced a Government service in competition. This local victory of the Labour Party bids fair to be followed by another more serious and more conspicuous, though equally unseasonable, victory won in the field of Commonwealth politics immediately after the frank declaration by *Senator McGregor*, the Labour leader, that its Parliamentary support is offered for sale to the highest bidder. The price is not to be accepted in coin, but in radical social legislation, which, among other things, is to prevent strikes by the agency of arbitration courts. Some means of avoiding aggressive acts, such as that taken by the ferry employees, which would have inconvenienced tens of thousands of people in no way responsible for the conditions of things sought to be assailed, would be welcome. But it may be bought too dear. Judging by present appearances the first price asked by Labour representatives in the field of politics seems likely to be paid at once, and may have grave consequences.

PROVINCIAL AND PARTY FEELING.

Last week's proceedings in the Federal Parliament at Melbourne have at last enabled careful observers to learn something of its nature and tendencies. It is to be regretted that provincial and party feeling run too high to permit a faithful reflection of the debate to appear in any of our newspapers. Here in Sydney there is a manifest desire to minimise the importance of what is happening, simply because the national

Legislature sits in Melbourne. In Victoria there is an exaggerated estimate of the local dignity conferred by the fact that its temporary abiding place is in the capital. Take up a Protectionist newspaper and you discover that every man speaking from the Ministerial benches is a sage and an orator, while his Free Trade colleagues are lamentably illogical and unimpressive. Our Free Trade journals simply reverse the picture and exchange the epithets. Some day our readers may acquire a philosophic habit of striking an average between accounts which are so openly and so flagrantly partisan, but in the meantime this violence impairs the tone of public opinion and fosters the bitternesses inevitably bred in personal contests for power. Most of our New South Wales members have returned home in order to be present at the welcome to their **Royal Highnesses**. From their comments it is possible to arrive at a fair understanding of the actual significance of the first encounter of the opposing political forces and the condition of parties which it has revealed. The debate on the Address in Reply will probably be protracted; and the reconnaissance made, having shown the Ministry to be for the time impregnably entrenched, nothing remains but to draw off the Opposition forces in good order. The Government is to have the opportunity of submitting its Bills and its tariff. It will be judged on their merits, and will stand or fall according to their reception in the House.

DUELS BETWEEN THE CHAMBERS.

The first feature of interest revealed relates to the attitude assumed towards each other by the Senate and Houses of Representatives, both elective and both filled with strong and ambitious men. In every Colony there have been frequent duels between its two Chambers, never equally representative of the electors, and in the more populous States strife of this kind, more or less open, has been chronic. As a rule, the popular House has been the aggressor, and it has been by a policy of passive resistance that its rival has sought to wear it down. In the new Federal field Senators and members with such reminiscences have from the first eyed each other askance, with evident susceptibility to any hint of offence and something very like latent antagonism. A State Legislative Council would have waited for an attack. The Federal experience was at once novel. While the House of Representatives confined itself to the business before it, the Senate has been as much, if not more, exercised as to how it could best assert its equality of power and function. The distinction between the Chambers is stated by **Sir Josiah Symon** to consist merely in a different method of procedure in respect to a small number of measures. His colleague from South Australia, **Sir John Downer**, more than hinted that the Ministry might be held responsible to the Senate as well as to the House of Representatives, and claimed that the right reserved to it to make suggestions with regard to money Bills amounted to a power of amending

them. *Senator Stewart* of the Queensland Labour Party distinguished the Senate from the Upper Houses of the States by the emphatic declaration that while the Councils had been brakes on the wheels of progress, the Senate would prove a stockwhip and be employed to hasten them.

THE CONSTITUTION OF THE SENATE.

Whatever else may be in doubt, there can be none as to the character of the change accomplished by the creation of a second chamber chosen by the electors on the same basis as the first. That there are more men of first-class ability in the Senate than have ever been assembled in any Legislative Council in Australia is already evident. Though only half as numerous as members of the House, the Senators have nearly as many men entitled to a front rank place in politics. Their average debate should appear of better and more even quality. Well led and wisely self-restrained, they should be able to take advantage of the exceptional authority secured to them under the Constitution. As the elect of the people of the States who vote for them in one constituency they ought to escape parochial complications. Clearly they are a power to be reckoned with. It may be wariness on the part of the representatives which has induced them to allow the challenge from such a body to pass in silence though evidently not unheeded. In any Colony the language of the Senators would have at once provoked an eruption in its assembly, a denunciation of the usurpation threatened, and demand for reprisals. The most significant, and probably the most fruitful and important development of the first work of the Federal Parliament, is the demonstration in the Senate of a determination to use all its endowment of authority and the meekness, real or strategical, with which the warning has been accepted by the more numerous House of Representatives. Members may come and go, but the relations between the branches of the Legislature once settled is likely to become permanent.

OPENING OF THE CAMPAIGN.

So far as the honours of debate are concerned, by common consent Mr. *Reid* was awarded those of the popular House for his vivacious attack on the Ministry. He was brilliantly humorous and audaciously effective, throwing in the shade the more solid speech in which *Sir William McMillan* expressed the deliberate judgment of the more sober-minded and more experienced men in the Opposition. Following them, a number of advocates of freedom of commerce seized the opportunity of putting forward in the head centre of Protectionism a series of criticisms and expositions which, however familiar to us, may have appeared fresh and novel in Melbourne.

The campaign opened worthily and tactfully in this direction, but, apart from this, was not only a failure, but an unpardonable piece of blundering on the part of the Opposition. The Labour Party is still elaborating in secret caucus a code of rules for the government of its section so as to provide for common action on what, in its opinion, are vital matters. The fiscal question has been excluded from the list because of irreconcilable differences of opinion. On the other imminent issue, that of coloured labour, they are absolutely united, and indeed command outside their own ranks the unqualified adhesion of a number of allies. Probably more than a score of the seventy-four available members of the House, and nearly a score of the thirty-six Senators will vote with them when this problem is dealt with. So formidable a body as this could only be neutralised by a combination of the remaining members of both Chambers in order to prevent extreme action being forced on the Commonwealth. At all events, the possibility of such an alliance between both official parties should have been retained in order to moderate the demands of the Labour Party. Mr. Reid adopted this position himself, and speaking as the chosen Leader of the Opposition announced that they did not intend to attack the Government until the tariff policy was submitted. Yet the very same night one of his most trusted lieutenants and intimate friends, Mr. Millen, moved in the Senate an amendment on the Address in Reply, demanding an immediate stoppage of the introduction of Kanakas, and next day from the Front Opposition Bench another of his lieutenants and late colleagues, Mr. Joseph Cook, tabled a similar amendment relating not only to Kanakas, but to all other classes of coloured immigrants. Mr. Reid, when challenged, disavowed all knowledge of both amendments, though they proceeded from old politicians who share his counsels and should not dare to move except in his interest and relying on his support. No one doubts his repudiation of them, but everyone sees that while a word from him, even after the motions were submitted, must have led to their instant withdrawal, that word has not been spoken. Side by side with his declaration that no attack should be made, there went out to the public the terms of two votes of want of confidence submitted by his most familiar associates and cheered by the rest.

DIVIDED OPPOSITION.

This action of the Opposition is not merely ignominious in character, but hopeless in result. The sheer contradictions between the words and actions of the leaders might have been pardoned by their supporters if they had paved the way to a party triumph. Instead of this they have divided their own ranks. The more weighty, though less numerous, section, headed by Sir William McMillan, will not vote with them for trick motions of this kind. They have solidified the Ministerialists. The one aim, of course, was to put the Labour Party in antagonism to Mr. Barton,

but so foolish has been the manoeuvring that its leaders have promptly announced their intention of supporting the Government. They mean to know its precise proposals before they trust themselves to the unknown programme of Mr. Reid. In return for this confidence it is only natural to expect that the Ministerial measures relating to the Kanakas and other immigrants will be rendered more radical than they otherwise might have been. The Opposition having made its bid in the shape of an offer of severer restrictions than those outlined in the Governor's speech cannot complain if the Ministry embodied them in its measure and claims their support. To have fruitlessly abused themselves to the Labour section, to have discouraged their friends and assisted their enemies at the very outset of the session, is a piece of the crassest folly ever perpetrated before the public. Mr. Reid must take his share of the responsibility. The mischief has been done, and it seems too late to repair it unless the Government should prove equally tactless and shortsighted. They may follow the lead of New Zealand and aim at excluding undesirable white immigrants as well as Asiatics and Africans, whether British subjects or not. The Opposition has made so bad a start that it will not soon retrieve its position, and even if it does so, will have committed Australia to hastier and more severe legislation affecting the utilisation of tropical areas than had been contemplated up till now.

THE NEW COMMONWEALTH.

FISCAL RELATIONS. IMPERIAL DEFENCE SCHEME.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Jun. 4 1901; Jul. 11 1901.

Commonwealth affairs continue at a discount, and will be so until our royal guests have departed. At present Sydney, attired in her best and with all her leaders present from the Prime Minister downwards, declines to be deterred either by threats of small-pox or a local strike in the iron trade from her complete surrender to loyal festivities. She has not so far paid serious attention to the intimation that the long-expected conference of legal representatives from all parts of the Empire is about to be held in London, nor even resented the choice of a Melbourne judge to speak for Australia. As a matter of fact, Mr. Justice Hodges' reputation stands too high with the profession to permit of any challenge of his selection, and in the next place it is well understood that on the constitutional and political questions likely to be raised he is to be endowed with a very restricted authority. The ostensible ground for this is that, being nominated in his absence, there has been no opportunity of ascertaining his personal views or discussing with him the points of importance which are to be settled. On technical issues no doubt he will be given a free hand, but in no other respect.

THE PROPOSED APPELLATE COURT.

The Australian attitude towards the conference is characteristically nonchalant. Providing an appeal to the Privy Council or some equally qualified tribunal is secured the community as a whole is content and perfectly indifferent to details. In New South Wales and Victoria the profession and its Parliamentary members are fairly at one. They are anxious, of course, to retain the bulk of the appellate business here, but are resolute in their conviction that all final determinations of matters of principle should be declared in London by a Court of the highest possible qualifications. There are here and there judges and barristers of high standing who would prefer that the High Court should exercise a jurisdiction which would be final for all Australia, but except in South Australia they are everywhere a small minority in their own profession. They have the ear of the Federal Government, but cannot

control its policy. This will be strongly in favour of the substitution of one Imperial Court of Appeal for Britons at home and over sea, so as to remove the suspicion that a less efficient tribunal is allotted to us than that which Englishmen accept for themselves. Beyond this, as a Ministerial interjection in the Senate showed, there will be a determined resistance to any proposal to clothe an Australian judge honoured with a seat on the Bench of such a court with any title or position enabling him to claim to represent the Commonwealth in the House of Lords or elsewhere. The separation of the judicial and political spheres will be insisted on just as strongly to-day in this regard as it was in opposition to the proposed amendment of our Constitution Act last year, which would have allowed the Federal Executive to decide what appeals should be remitted to the Privy Council. Titles for political services are not now unpopular among us, though they were thought to be so years ago. The K.C.M.G. is generally regarded as a proper reward for distinguished political services, and the membership of the Privy Council in particular is highly coveted by our foremost men. But Peerages, even if only for life, are not familiar to us, and a seat among hereditary legislators awarded to a fellow-citizen because of his judicial eminence would be disliked and distrusted on the ground that he would be politically representative in no degree, while, perhaps, accepted as such at home. When we are to have a representative or even a spokesman on the Councils of the Empire he must be a man in far closer touch with his fellow-colonists on the political problems of the day than any judge, even if once a member of Parliament, can hope to be or to continue to be at such a distance from us, and under the disabilities of his high office. The antagonism to this feature of the proposed Appellate Court for the Empire is marked in Parliament, would be almost universal, and quite insurmountable. Under our new Constitution the Legislature and Judiciary are distinct though not rival Powers, and so in public opinion they ought to remain.

ISSUES IN PARLIAMENT.

Local and personal issues are continuing to engross the Federal Parliament and to occupy public attention. It is now plain that, as has been often predicted in these columns during the past few months, the beginning of the Union finds us all far from Federalised in spirit or aim. The debate on the Address in Reply still drags its slow length along, resolving itself more and more as it proceeds into a duel between New South Wales and Victoria. The questions discussed were ostensibly of fiscal importance, and were approached from each side in the avowed interests of the promulgation of the principles of Free Trade or Protection. But behind and beneath the main lines of argument the hostility of the disputants broke through with little or no disguise. The conditions in which we surpass our neighbour were detailed with what must have seemed aggravating persistence, while every circumstance

of fact or inference to the prejudice of our institutions and industries was cited in response. Mr. Reid commenced the attack with his accustomed energy and point, well supported by associates whom he has drilled in this particular branch of political warfare until they are veterans in debate. The Victorians were at first apparently taken somewhat by surprise, and made but an improvised resistance until this week they brought up what may be termed their heavy artillery and fired whole pages of statistics into their opponents, together with abridgments of economic history, ancient and modern, intended to expose what they boldly stigmatise as the fallacies and dangers of complete freedom of exchange. It could scarcely profit an Englishman to endeavour to thread his way through the mazes of these contentions, many of which are confessedly based on the special circumstances of Australia, more especially as his mind is made up in regard to the question involved. What he may profitably realise is that the war of tariffs carried on by the Colonies is now transformed into a war of tariffs and transferred to the Federal Parliament where the greatest and most momentous political conflict ever waged on this side of the world is about to be entered on. It will in current phrase be "fought to a finish" within the next few months, the chief combatants being inspired not only by unfeigned zeal for the antagonistic causes that they have embraced, but spurred on to special intensity of effort by the local jealousies of the several States, and particularly by the rivalry between New South Wales and Victoria—all the elements of a great struggle are present. Its consequences must be fateful to the new Union and influential throughout the Empire.

FISCAL PROBLEMS.

The Imperial aspect of any fiscal departure has not escaped notice, though only occasionally commented on with any particularity. Senator Dobson, of Tasmania, strongly advocated reciprocity with the Mother Country, advising that your manufactures should be admitted under a lower scale of duties in consideration of your imposition of a duty of 2½ per cent to 5 per cent on all agricultural produce consumed in Great Britain unless produced in some of her Dependencies by subjects of the Crown. There is a general feeling in favour of such trade preferences, to which practical effect would be given on this side were it not for the discouraging experience of Canada. The producers of the Dominion have, it is understood, forfeited the most-favoured-nation treatment which they enjoyed with Germany prior to these patriotic concessions of an advantage to the parent State. The prospect of receiving nothing from the Mother Country and of being penalised in foreign markets with her consent because of the attempt to give her a filial preference in business dealings has effectually damped the ardour of many of our advocates for the adoption of differential duties, whose lower rates should be supplied only to British goods. Oddly

enough this proposal has always met with more favour from the Protectionists than at the hands of our leading Freetraders, whose platform favours the imposition of duties for revenue purposes only. They are unwilling to approve any discrimination even on behalf of our great Free Trade exemplar herself. Great Britain, they say, grants no preferences to her Dependencies and invites none from them, preferring that our commercial relations should be governed by self-interest and without regard to sentiment. The Protectionists are actuated by a double motive in taking the opposite view. They have so often been attacked for their treatment of the Mother Country as a foreign nation that they are anxious to remove the stigma from themselves and place it on their opponents, whose hostility to the proposition causes it to become more attractive in their eyes. Then on general grounds they approve of tariff levies as a means of defence in all industrial wars, and hope that the British at home may be tempted by the prospect of Imperial trade unity into following a course which would enable us to fight under her banner in business dealings as well as with rifle and Maxim against her rivals. Little or nothing in this direction is to be expected from the forthcoming tariff in the absence of any encouragement from the British Government and in face of the treatment accorded to Canada.

MILITARY AND NAVAL DEFENCE.

The other Imperial note sounded in the course of the debate had reference to military and naval defence. Any allusions to the recent experience of our Contingents in South Africa going into battle side by side with their brother Britons from all parts of the Empire is as certain of a cheer in either Chamber as in a public meeting. Colonel Cameron, of Tasmania, who has himself seen service on the veldt, was emphatic in the Senate in his assertion of the need for larger and better-equipped field forces, while Sir John Quick, a Victorian who represents Bendigo in the House, echoing similar sentiments, strongly urged on his fellow members the necessity for a large special expenditure on naval defence. The subsidy which we now pay towards the fleet in Australian waters is, in his opinion, insufficient and misapplied. What we shall need ultimately are battleships and cruisers of our own as integral portions of the Imperial Navy, but the best assistance we are capable of rendering at present would be by the establishment of naval bases in our maritime centres, at which branches of the Royal Naval Reserve should be established. These would serve as preparatory schools at which lads and men might be trained for employment in the Navy. The expenses, he proposed, should be defrayed by the Commonwealth. This would prove more valuable and more necessary assistance than the present subsidy. The scheme which he commended has been advocated in Victoria and South Australia for some years, and appears to be regarded as both practical and promising. It will probably be taken into consideration when the Defence Bill comes before Parliament.

AUSTRALIAN PATRIOTISM.

There can be no doubt as to the soundness and sincerity of the patriotism of all but a small minority of the Australian people and their representatives on all similar issues. There are "ultras" of the Labour Party, strongly imbued with Socialistic doctrines, who oppose all armaments, and are inclined to be Pro-Boer. These are almost the only dissentients from our Imperially-inspired policy besides the Irish extremists, who maintain the bitterness bred of past discords in their native land. The vast majority of all classes ignore these small parties of the disaffected, and only require that opportunity should be afforded them to manifest the solidarity of the Empire in these seas. In naval defence, as in the despatch of military contingents, we are certain of the hearty and invaluable co-operation of New Zealand. In this matter Australasia is one. There are no obstacles, other than those presented by the distances which separate us and some antiquated traditions of the military and naval officials at headquarters, to prevent arrangements being completed for a consolidation of the forces of the whole of the British Dependencies. There is little, if any, legislation required. Once a scheme of Imperial defence is adopted, providing, of course, for offence as well, it will be possible to distribute responsibilities among them, and thus enable each to make its own contribution in the degree and of the kind demanded by its situation. If the War Office and the Admiralty can come to an understanding with each other as to what they desire the Commonwealth, the Dominion, and their associate States within the Empire can be relied on to fulfil the parts allotted to them voluntarily, and to take a pride in perfecting their share of the organisation. The initiative, of course, in this instance, as in proposals for commercial reciprocity, may be taken on either side; but as the superior sources of information, of influence, of wealth, and strength are with the Mother Country the Colonies are likely to move most readily and most harmoniously in response to a call from what all alike regard as "home".

THE NEW COMMONWEALTH.

POLITICAL ISSUES.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Jun. 11 1901; Jul. 23 1901.

Our *royal visitors* are now in New Zealand, where it is to be hoped they will be favoured with a continuance of the "Australian" weather, bright, clear, and sunny, which they have enjoyed on the mainland. In Sydney not even the shadows of the coming State elections, of the small-pox outbreak, or the iron strike could diminish the inexhaustible enthusiasm with which they have been received. The brilliant corps of British journalists who accompany them can paint the spectacles they have witnessed with expert hand; but those who are most familiar with our people can, after all, most fully appreciate the universality and sincerity of the welcome they have given. Everywhere crowds, everywhere cheers, everywhere loyal ebullitions, sometimes individually uncouth or humorous, but always dictated by the best of feeling. The verdict of our neighbours is that our spectacles equalled and our illuminations surpassed those of the sister capitals, so that we have every reason to be satisfied with ourselves.

NEW SOUTH WALES AND FEDERATION.

Sensitive as we are as to the precedence to which we are entitled by seniority, wealth, and population, it is difficult even for the hypercritical among us to find ground for complaint in existing circumstances. It is true that the policy of the present Federal Government is not to our taste, but its leader is a New South Welshman, and we have a larger number of representatives in the Cabinet than any other State. The leader of the Opposition is ours also, as are most of his prominent lieutenants. Mr. *R. E. O'Connor*, who occupies first place in the Senate, is a son of Sydney, and the Opposition in that Chamber, though likely to be headed by *Sir Josiah Symon*, has so far been led by his Free Trade colleagues from our side of the border. The Chairmanship of Committees and Whipship in the House are now ours also. South Australia has both Parliamentary Chairs but only one Commonwealth Minister; while Victoria, with two Ministers, has only a chance of gaining a Chairman of Senatorial Committees besides. Though the Parliament meets in Melbourne, and may be susceptible to Victorian influences, it must be confessed that we have most distinctly secured pride of place.

ATTITUDE OF THE OPPOSITION.

This consciousness of New South Wales successes is grateful to us, perhaps the more because the political blunders have until now been ours alone. Mr. Reid's lieutenants chose, without consultation with him, to attack the Government in both Houses by amendments bearing a strong family likeness. He disavowed them promptly, but took no steps to insist on their withdrawal, contenting himself with remaining here during the whole debate. The fate of the attacks was inglorious in the extreme. Mr. Millen did not venture to take a vote in the Senate, and, like his leader, he lingered in Sydney while it was being rejected on the voices. Mr. Cook was even more ill-advised, for, challenging a division in the House, he was beaten by forty-nine votes to seven, or, counting pairs, fifty-one to nine. To have courted such defeats at the very opening of the campaign was bad enough, but the manner in which they were brought about was even worse. Our own experienced representatives were the means of bringing their party into contempt with the public and into derision with their victorious opponents. Ministers were able to secure the votes of as many members of the Opposition itself as voted against them.

THE TARIFF QUESTION.

Beyond this proof of want of organisation and discipline on the part of the Free Traders nothing has happened in the Federal Parliament to indicate any change in the political barometer. Neither the gravity nor the complexity of the financial problems of the coming Budget appears to be appreciated. It is true that the risk of a deficit in Tasmania was present to the mind of Mr. Piesse, one of her most thoughtful members, but even he scarcely penetrated beyond the fringe of the problem, which cannot be too often stated. One Australian tariff is to be applied to all the States; but each State is to be wholly dependent on the receipts obtained from this tariff for its credit balance and the returns made to its Treasury from the Commonwealth. Old States with a relatively small and settled population of all ages and with a numerical equality of the sexes purchase much smaller quantities of those articles yielding the largest revenue than a newly-settled mining State, whose adult males comprise a large proportion of its population and consume copious supplies of stimulants and narcotics. A tariff which starves the first may surfeit the second State. Then, again, the Commonwealth is compelled by an arbitrary provision of the Constitution to return three-fourths of the entire sums collected from its whole territory by customs and excise to the States taken together. This is to be divided among them in proportion to their individual takings, and it is possible that these may differ so much on the division of the fixed sum as to reduce the amount payable to the poorest below its necessities. What is to be done then is so far from being decided that as yet the

embarrassment fast approaching has not even been foreseen. A Parliament still under provincial influences, ignoring its financial future, and engrossed in preparation for a bitter party fight on the fiscal issue, does not present a promising field for the solution of this tangle, yet there and there only it must be essayed.

RELATIONS OF THE HOUSES.

The coming struggle is liable to be intensified and confused by a wrestle between the two Chambers. Allusion has already been made in these columns to this additional source of strife, which may arise independently or in connection with the battle between Free Traders and Protectionists. The importance of these factors in the future and the extraordinary failure of our publicists to discern their development may well confuse British onlookers, unless by reiterated explanation their significance and relation are thoroughly understood. Mr. **Bruce Smith**, M.P., was rash enough to boast in the House of the Free Trade majority in the Senate, and to hint that it would be presently employed without hesitation to enforce the views he holds. Of course, this is quite a probable contingency, and may be proper when justified by events, but it was certainly mistaken tactics to announce it at this time and in this fashion. The Senate may prove to be the last and best line of defence of commercial freedom, but it offers a much less effective battle-ground for aggressive operations. Last week, when the Post Office Bill was introduced by **Senator Drake**, parts of certain clauses dealing with money penalties were, according to custom, printed in italics as an intimation that the determination with regard to them would rest with the House of Representatives. The President, **Sir Richard Baker**, promptly informed the Chamber that he would consent to no such implied restriction of its authority, and declared amid cheers that he had ordered them to be reprinted in the same type as the rest of the measure, so as to be fully open to criticism and amendment. The gauntlet was thus thrown down at once to the House, which represents the people of the Commonwealth according to their numbers, and not, as in the Senate, according to their States when regarded as equal members of the Union. The gauntlet, however, remains unlifted. So far neither Ministers nor members have even glanced at these overt exhibitions of hostility. With excellent judgment and sound discretion, they have ignored the challenge altogether.

SENATE'S POSITION.

The Senate must be bellicose indeed if it goes out of its way to provoke a pitched battle at this juncture. That may be necessary hereafter, when it is confronted with the tariff; but the anticipation of that certain crisis by the premature creation of another on matters of less import must weaken the impressiveness of its action then and the force of its appeal to the public. The critical hour will be that which determines the fiscal policy of Australia. If wisely led, the Senate will await the development of the Parliamentary situation before committing itself to a declaration of war. It will need to allow the separation of parties to proceed, and to consider the financial needs as well as the fiscal faiths of the States in whose name it must act. Unhappily, here again it is the New South Wales Senators who are inciting their colleagues to begin the affray. Mr. Neild met the rebuff he deserved when his premature proposal for the appointment of a committee of the Second Chamber to select a site for the Federal capital was defeated without a division. It is true that the Ministry in its turn suffered a reverse in connection with the adoption of Standing Orders; but this was, after all, a mere matter of procedure. The fussiness, aggressiveness, and waywardness of the Senate, if manifested often in this way, must lower its reputation and its influence. Both are indispensable to its usefulness and power.

THE NEW COMMONWEALTH.

MINISTERIAL SLIP. VARIOUS STATE PROBLEMS.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Jun. 18 1901; Jul. 25 1901.

To ardent Federalists the progress of the Union appears painfully slow. It is now six months since we were proclaimed one people. It is nearly three months since we elected our representatives, and almost six weeks have elapsed from their meeting in Parliament. All that has been accomplished in the way of legislation has been the launching of a Public Service Bill, providing for the control and payment of the twelve thousand employees with whom we begin national housekeeping. No other measure of importance has seen the light. The Customs, Post Office, and Defence Departments have been transferred from the States to the Federal Government, but, in the absence of the necessary statutes, are still administered under local laws, and jog along the same old grooves. The Departments provide all but about a score of the civil servants now under Federal management. Three-fourths of these last are men who have been transferred from other public Departments of the States. The remaining half dozen are newly selected, and mainly from the legal profession, by our Federal Ministry. Yet even this infinitesimal fraction of political patronage on their part led to a challenge of their right to rule in the House of Representatives. Because Mr. Barton chose a barrister as his *Under Secretary* for Foreign Affairs instead of someone already in State harness no less than eighteen members, mainly from the Labour Party, supported a vote of censure on him. The fact that this gentleman had previously served eight years in a State Department, and was also described as a man of exceptional ability, afforded no palliation of the offence. Ministerialists and the Opposition together united to reject the condemnatory motion, but with evident reluctance. At least the incident served one useful purpose, as did the *Fegan* case, by again advertising to the world the spotless purity of our public appointments, and the unspeakable horror with which any approach to Ministerial favouritism is regarded in Australia.

CONSTITUTIONAL PARTNERSHIP.

The Bill that Sir William Lyne has lately introduced, rigid as are its provisions against improper admissions to the Federal Civil Service or promotions in it on any other grounds than those of efficiency and good conduct, will probably not prove austere enough for our sensitive Legislature. But beyond this first beginning in the way of administrative organisation we have absolutely nothing tangible to show for our first half year. True, a great deal of indispensable work has been done. The necessary preliminaries have been disposed of, and the era of achievement is about to begin in earnest. But it is still only a promise, and not a performance. We continue to be a congeries of States rather than a Commonwealth. Our States are still jealous and suspicious of one another, and, what is more, they are envious of and covertly antagonistic to the Federal Government and Parliament because it threatens to cast them into the shade. These are not the most pleasant subjects to dwell on, but there may easily be many impatient critics among our onlookers in the United Kingdom as there are here, who if better informed of the real causes for delay would be less captious. It must be difficult for "the Man in the Street" to appreciate the hard work which has had to be done or to realise the sectional difficulties under which it is being done now and must continue to be done for some time longer. Until the tariff is passed, until inter-colonial Free Trade is established, until our commercial interests are finally blended we shall continue to be no less separated than heretofore, though outwardly combined and manifestly in course of progress towards closer union. This continent has naturally many varied and some conflicting interests. Its artificial subdivision has built up many rivalries, local hostilities, and petty prejudices that still remain to be overcome. It is a mistake to regard our constitutional partnership as practically operative. All we have actually accomplished is to put our destinies in the hands of representatives and agree to be bound by the actions of the majority among them. They have to make our Federation a fact by legislation and administration in the manner, at the time, and in the direction they think best. At present it is only a legal contract. We have remitted our problems to Parliament unsolved and our antipathies unweakened, imposing on the Government and the two Chambers the real task of nation-making. It is merely by the statutory removal of those conditions which have prevented union and the creation of those which shall establish it that it can be rendered concrete.

PARLIAMENTARY TUGS OF WAR.

Before we become one people in fact we must not only have agreed to a fiscal system and begun to live under it, but we must have made intercolonial Free Trade a reality by a prohibition of the war for traffic now waged between our State railways. We must have one Defence Force and one Federal Judiciary which can be appealed to for the protection of national interests and the enforcement of Federal supremacy. Everything is ripe for this work, but it cannot be accomplished in a trice. It will be done tentatively, partially, and gradually as the result of a series of political contests and Parliamentary campaigns conducted under more than customary disadvantages. The time-honoured and necessary competition between Ministry and Opposition has been conducted so far between Mr. Barton and Sir W. McMillan, in Mr. Reid's absence, with dignity and decorum. But there is fresh cause for alarm in the more serious and possibly prolonged tug of war now beginning between the two Federal Houses. Last week the Government blundered badly by despatching to the Senate a Supply Bill for a lump sum of nearly half a million without attaching the particulars necessary to enable that body to criticise its items, as it is undoubtedly entitled to do under the Constitution. In response to a dignified message requesting that the omission be supplied, the Prime Minister admitted the mistake made, and explained that it was due to the mechanical adoption of the Victorian State practice. Instead of complying with the request directly, he abandoned his former Bill altogether and introduced another containing, as a schedule, the estimates accepted by the House for the period up till the close of our financial year on June 30. It remains to be seen if the Senate will accept this as it stands. The first Bill was prefaced by the Free Gift preamble used in Appropriation Acts by the House of Commons. In the second this is omitted, and an entirely novel phrase, "for the purpose of appropriating the grant made by the House of Representatives," is introduced in its place. The Constitution forbids the Senate to make amendments in an Appropriation Bill though permitting it to "suggest" them, while it restricts their contents to the ordinary annual services of the year. As the measure now transmitted contains votes for £50,000 for the recent celebrations the introduction of such an extraordinary outlay may possibly be questioned. In any case the Senate has gained, owing to the silly slip of the Ministry, and may decide to-morrow to push its advantage. In any event, whether on this issue or on the tariff, a battle for supremacy or, at all events, for a definition of their constitutional boundary lines seems inevitable. What is wanted is a "scientific frontier", if it be possible to discover one, which both sides will accept.

STRIFE OF STATE INTERESTS.

There is already considerable friction between the Federal Executive and the State Governments, though the disputes so far have been kept from the public eye to a large extent. In this State the local election now proceeding between the Liberals, who are mainly Free Traders under Mr. Lee, and the Progressives, who are mainly Protectionists under the Premier, Mr. See, though fiscal principles are in no way involved, has probably led to the suppression of information as to a serious illegality committed by the Ministry now appealing to the Colony. By virtue of a local Act passed last year, empowering the Governor to reduce certain excise duties by proclamation, they lately reduced them to the Victorian level with the very proper object of putting our manufacturers of tobacco on an equal footing with those of Victoria, where lower rates prevail. But, though the Act is said to be continued in force, the power of taking action in relation to any excise matters has passed with the Department of Excise to the Commonwealth. Consequently the proclamation was worthless, and has had to be replaced by an executive order of the Federal Government to a similar effect. This is but one of the cases in which more or less behind the scenes, provincial Ministries are being made to feel that they are in the presence of a superior power, and are no longer the undisputed masters even of their own strip of territory. Instances could be multiplied which make it plain that open hostilities are not remote. There will be an abundance of opportunities for dissension. The States have been carrying their own mails on their own railways at rates merely represented by book entries. Now that the mails are those of the Commonwealth and must be paid for in its cash they are sending in bills for many thousands of pounds more than they have been accustomed to reckon fair. State taxes and charges of long standing are being threatened with extinction as trespassers on the Federal domain. No State Parliaments are yet in session. That of Victoria opens to-day, and in another month most of them will have commenced their proceedings. The limitations imposed on them are certain to chafe because of their novelty and of the personal questions of precedence and power already raised during the royal visit. If, then, our Federation is slowly and irregularly unfolded the strife of State interests within the Federal Parliament and of the Federal and State interests outside it are chiefly to blame. An Australian patriotism has yet to be evolved capable of assimilating and over-mastering for national ends the provincial patriotisms still militant among us.

COLOURED ALIENS.

Friction between either the Commonwealth or any of its States and the Colonial Office is another occasional hindrance and cause of anxiety. The recent exercise of the Imperial veto furnishes an apt illustration. All political parties in all parts of Australia are united in apprehensions of the grave injury that may be inflicted on us by the presence in our midst of coloured aliens. They are equally united in the design to exclude them as far as possible. There are wide differences of opinion as to the method to be adopted to achieve this end, as to the time which it would be wise to allow for it, and as to the minimum number of labourers required to develop tropical agriculture in the coast belt of the Far North. But there is practically no difference of opinion as to the provision in the Sugar Works Encouragement Act passed by Queensland in 1900 that the £150,000 there authorised to be advanced should go only to mills in which "no aboriginal native of Asia, Africa, or the Pacific Islands should be employed". Whatever may be the freedom which private owners can claim, those mills of which the State becomes part proprietor are held to be entitled to be managed on conditions that it approves. The Imperial Government has thought fit to advise that the royal assent be refused to this Bill, and Mr. Chamberlain has publicly condemned its policy. In this he has set himself against one of the strongest currents of Australian feeling, and one that will not be easily diverted. The Federal Parliament will probably pass legislation this year dealing drastically with all classes of coloured and undesirable immigrants, and probably on the lines of the Queensland Bill. What will the Salisbury Government advise then? Conflicts among ourselves may be solved by constitutional means, because we are close enough to understand each other and our general surroundings and to argue on equal terms. But a dispute between the Commonwealth and the Colonial Office would be much more tedious of solution owing to the distance that divides us, the fact that we are a Dependency, and the want of knowledge, or at all events of appreciation, of Australian conditions which prevails in Downing Street. Latterly we have been treated with great courtesy, but the loss of what is now German New Guinea and of Samoa, the neglect of the New Hebrides, and the apparent acceptance of the recent appointment of a French High Commissioner, with dangerous powers over all the Western Pacific, are experiences not likely to be forgotten. They account for the existence of the prevailing belief in the Colonies that the future of the Empire in these seas is not sufficiently studied by British statesmen. When, therefore, the Commonwealth is reproached for not having yet justified its existence those who continue to cherish high hopes of its development may reasonably remind the pessimists of the thorny road along which it must pick a careful way at present.

THE NEW COMMONWEALTH.

THE STATE PARLIAMENTS.

RAILWAY RATES.

TRADE DIFFICULTIES.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Jun. 25 1901; Aug. 1 1901.

Sydney is not exhilarating just now. The strike of the iron workers drags its slow length along and steadily increases the numbers of those who remain out of work rather than accept the employers' terms. Shipwrights, boiler makers, dockers, painters, and decorators, and other trades connected with shipping are throwing in their lot with their companions. As the area of conflict widens the suffering and bitterness intensify. We are looking anxiously for a settlement, but with no definite prospect. The Government proffered an intervention, which was rejected by the employers under the reasonable suspicion that it was made for electioneering purposes and that the verdict of any tribunal approved by Ministers would be likely to be swayed by similar considerations. Memories of the great industrial convulsion of 1890, which paralysed for a time the shipping and shearing of Australia, are being revived by the ominous expansion of a struggle which appeared to be trivial in its inception but which has steadily gained in dimensions until it has become alarming. There are now fifteen hundred men out of employment and hundreds more proposing to join them.

THE GENERAL ELECTION.

Our general election as it approaches becomes even more unattractive than usual, though there are no lack of competitors for the hundred and twenty-five seats in the local Legislature. No less than three hundred and seventy-five candidates offer for the hundred and twelve seats still to be filled. Yet there are no principles at stake, and no commanding figures disengage themselves from the confused melée. The one distinctive feature is an alliance of the Ministry and the Labour Party, the corner-stone of which is the measure providing for compulsory arbitration in industrial disputes fathered by the Attorney-General, Mr. B. R. Wise. The strike

now bleeding our harbour industries is quoted by them as an object lesson of the necessity for legislation of this kind, though the Opposition leaders resent its threatened interference with private enterprise. The Protectionist and Roman Catholics' vote goes with the Government on the whole, while the Free Trade and Orange organisations are operating mainly for the Opposition. The probable result will be a narrow majority for the Liberals. The policy adopted will be much the same whichever is successful. The one interesting item of the campaign has been the reappearance of Mr. Reid as chairman for an Opposition candidate standing for the constituency with which he has been associated for twenty years. He attacked the See Administration and its progenitor, the recent Lyne Government, with his accustomed vigour. Though a sinner himself in the same respect he was properly censorious of their extravagant finance and paltering platform of promises.

THE SECOND CHAMBER QUESTION.

As usual with Mr. Reid he made his own bid for popular support in a fashion that has made his judicious friends grieve, announcing as he did, to their amazement, a proposal for the entire abolition of our Second Chamber. No one is concerned to defend our nominee body, though in its time it has prevented many ill-digested Bills from finding a place in the Statute-book. What we need is a stronger body elected from large constituencies, and enabled to speak with authority on the crude and hasty proposals sometimes submitted by temporary Ministries which have no real hold on the country. To place the fortunes of New South Wales at the mercy of a single Chamber without any check or means of reviewing its impromptu sallies in the shape of legislation is a project so reckless and perilous as to merit the designation applied to it by those who term it revolutionary. The Labour Party is not likely to be bought by such a proffer, though it fits its wishes to a nicety. Mr. Reid himself can, happily, do nothing to assist in accomplishing the work of destruction which he so wantonly pointed out to others. He will take his place in the Commonwealth Parliament where one of the most powerful Second Chambers in the world will require to be encountered. But the mischief he has done will remain with us, and his endorsement of so wild a project must tend to ripen a demand which would otherwise have remained outside the sphere of practical politics.

THE STATE GOVERNMENTS.

As already foreshadowed the Commonwealth will require to make good every inch of ground and title of power contained in its Constitution by wringing them from the resisting State Parliaments. The Federal Parliament, without perceiving, or certainly without announcing the fact, is taking the necessary steps to assert its supremacy. Mr. Barton and his colleagues evidently know where they are going, though not one word has fallen from any of them in explanation of their intentions. They mean to go far. One clause in the new Post Office Bill enables the Federal Postmaster-General to put down the great racing lottery which, since it was expelled from the chief mainland Colonies, has made its permanent home in Tasmania under sanction of the law, and a deposit in the Treasury of £10,000. The Tasmanian Premier has indignantly protested against what he designates an invasion of State rights, but the only consolation he has received has been a telegram from the Prime Minister informing him that the treatment of gambling should be uniform throughout Australia, all of whose people are interested in its suppression. Another clause of the same Bill has provoked an emphatic protest from Victoria. It empowers the Federal Postmaster-General to become master of the greatest and most important Department left to the States—that of the railways. The clause enables him to oblige the States to carry his mails, and to submit their charges for so doing to arbitration in the event of any dispute. After prolonged debate the Senate has consented to the proposal, which, if approved in such a body, can scarcely be challenged effectively in the popular Chamber. The reign of the State Governments is now in peril, and their members are being made more painfully aware of it day by day.

RAILWAY RATES.

Gravest and most far-reaching of all are the proposals embodied in the Inter-State Commission Bill just circulated. Under this measure an authority is to be established possessing wider powers than its prototype in the United States or than the English Railway and Canal Commission. Its decisions are likely to particularly affect New South Wales. Our delegates to the National Convention, led by Mr. Reid, fought hard against the unlimited powers sought to be conferred on this body, which would have required it to condemn all reductions in railway rates made to attract traffic to Sydney from the distant parts of our territory. Broken Hill and all its trade are lost to us at present because of its short railway route through South Australia to the sea. If ever our lines extend so far they would necessitate the haulage of goods some hundreds of miles further to reach our coast, so that freight rates would need to be exceptionally low to enable us to compete with Adelaide. Then we lose the carriage of much of the wool from our western plains because of the competition of the river

boats conveying it down the Darling and the Murray to the Victorian and the South Australian railways. Our northern and southern districts are nearer to Brisbane and to Melbourne respectively than to Sydney, and it has only been by cutting our railway rates that we have been able to secure the carriage of part of our own production in these parts. We are already acting on the defensive against a combined attack made on our territory by each of our neighbours. Unless Mr. Reid comes to our rescue we are likely to suffer more in future. Mr. Barton is a Federalist first and a New South Welshman afterwards, and the country Protectionists who sit behind him have no love for this city, whose Free Trade principles have so long defeated their aims. Other Colonies may resist the measure for their own reasons, but it is perfectly plain that Sydney has most to lose and her rivals most to gain by the creation of the new commission.

EQUALISATION OF RATES.

Of course, the altogether novel feature of the situation in Australia is that the railways which are sought to be controlled by the Federal Commission are the property of the several States. As private enterprises in the United Kingdom and in America they have no such power of resistance as our State Governments and Parliaments are provided with. It is for this reason that the conflict in regard to them is likely to be fiercer, longer and more doubtful in result. The Constitution protects us considerably, because it expressly allows the charging of reduced railway fares and freights so far as they may be necessary for the development of our territory. This qualification will introduce elements of great complexity into the considerations that are to weigh with the new tribunal. But its main object is to equalise rates everywhere, so as to allow traffic to flow in its natural channels across the whole national domain without regard to local or provincial interests, and this it must seek to attain. The fact that railways are essential to the opening up of our riverless interior, that they are built and maintained at the public expense, and are constructed by the State into districts in many of which it is the chief and often the sole landowner, places these operations in the Commonwealth in quite a special category. English lines are carried through private property for private purposes, and even under these conditions they affect public interests in a very vital way. American circumstances, too, are in sharp contrast with ours, owing to the fundamental difference of ownership and the resulting monopoly which it secures within and for each State. Again, the shipping trade, though in private hands here as elsewhere, is not subject to the United States Commission, though it is intended in its inter-colonial operations to be under the control of the Australian body. The teamsters of both Britain and America are not liable to supervision, but in the Bill just made public even our road carriers, if engaged in inter-state traffic, are brought under the same restrictions as State railways

and shipping companies. How far the somewhat vague clauses of our Constitution can authorise interference and to what degree the Federal Parliament will sanction their employment remains to be seen. This much is certain that, if effectively established, the Inter-State Commission will be able to hamper our railways to such an extent as to strengthen the ambitious demand of ardent Federalists for their complete purchase by the nation. Once master of the highways and railways the Commonwealth would become autocratic. The States would be left with little power to assist or retard the development of the interior. Popular attention would centre almost exclusively in Federal politics. The ultimate result might be that our local legislatures, gradually deprived of other privileges, would sink into something not much superior to municipal bodies dealing with lands, mines, education, and police. This is a remote and visionary forecast, but it is to some extent justified by the terms of the measure about to be submitted to Parliament, and the astonishing indifference with which so far it appears to be received. Its importance, if not comprehended soon, will be only realised too late.

THE NEW COMMONWEALTH.

THE TARIFF QUESTION. COMMERCIAL FEDERATION.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Jul. 2 1901; Aug. 6 1901.

Australian loyalty possesses a vigour and a vengefulness which render the British sentiment by comparison pale and tepid. A paper owned by a member of the House of Commons publishes a scurrilous libel on the Monarch, and the Imperial Government is at once put on its defence for daring to confiscate the issue in which it appeared. Some weeks later a Labour newspaper in Melbourne ventures to quote it by way of extract, while affecting to disapprove of its tenour. The publisher, who happens to be a member of the Victorian Parliament, is challenged by the Ministry, of which he is a supporter, directly the House meets, and though he protests that he had nothing to do with the editorship of the journal and knew nothing of the appearance of the libel he is promptly expelled from the Chamber by a majority of nearly four to one. As a Labour member he received the undivided support of all its representatives, and as a Roman Catholic carried with him also some of the same faith and others who depend on the votes of that denomination, yet only seventeen members could be found to countenance a lighter punishment. Scarcely one of his colleagues attempted to condone his offence, and the sole dispute was as to the penalty appropriate to the offence. Resolutions applauding the action of Mr. Peacock and his Cabinet are being passed in various parts of the country. Mr. Irvine, Leader of the Opposition and nephew of the late John Mitchel, supported the Ministry with almost the whole of his following. The trial was short, the inquiry stern, the verdict severe. The member charged took his seat as usual at half past four, and by eleven o'clock the same night left the House a private individual and an example to all his foul-tongued kindred. Victorian Imperial feeling is doubtless stronger than in most parts of the continent, but nowhere has the conduct of the slanderer been excused, and everywhere the decisive step taken has been applauded. This is due, no doubt, to the loyalty generally entertained towards his Majesty, but it is also plain that the unanimity and warmth of feeling displayed during the incident arise in no small degree from the fact that he has been brought much nearer to us by the visit of the Duke and Duchess of Cornwall and York.

THE GENERAL ELECTIONS.

To-morrow the general elections will be held in this State. Whatever the result, the termination of the recriminations volleyed against each other by the opposing parties will usher in a delightful peace. The shrill shrieking of party journals will be stilled at last, and a contention less real and less significant than ever will have been brought to an undignified close. Federal politics are not in themselves very stirring at present, but they possess after all, and even in their rudimentary stage, a breadth and importance to which State electioneering cannot pretend. The effort has been made to ally the issue of to-morrow with Commonwealth interests, and to a considerable degree fiscal animosities have been improperly retained as elements in the affray. If Mr. Lee triumphs it will be chiefly because the Opposition which he leads has been held together by the old ties of Free Trade propagandism. On the other hand, should Mr. See succeed in retaining the reins of office it will be quite as much because of his past associations as for his present programme except so far as that has secured him the whole-hearted assistance of the Labour Party. Even so radical a paper as the *Bulletin* depicts him as prostrate, with his colleague Mr. O'Sullivan, the Minister for Works, kneeling on his chest, while a jubilant labouring man, seated on Mr. O'Sullivan's shoulders, crowns the pyramid, and dominates the whole. Never before was an Administration so openly subservient to the wage earners. When a month ago the ferry boat proprietors resisted the demands of their employees the See Cabinet intimated its intention of starting a ferry service of its own, and the proprietors were obliged to yield. When the ironworkers at the docks found themselves powerless to enforce their demands by striking it was Mr. O'Sullivan who came to their aid. He allowed them to employ themselves at the rates of pay they are asking in the Government docks, while the works of private owners are, perforce, idle and empty. Apparently the men are to pay nothing for the use of the State property, so that they can afford to be extravagant in their methods without charging more than the ordinary rates for the work they do. No one grudges them their wages, and even those with whom they are in dispute will be content that the suffering occasioned to the strikers' families should be diminished. The danger lies in the interference of Government, in the possible growth of State employment thus foreshadowed, and the many economic complications that are certain to ensue from this new departure.

NEEDS OF THE COMMONWEALTH.

The shadow of the new Australian tariff is already on us, though the date of its introduction is still unfixed. Mr. Kingston declines to be drawn into any statement which would give the slightest clue either to its nature or to the date at which it will be imposed. Some have cherished the hope that under the wording of the

Constitution it would be necessary for the duties to be embodied in an Act passed by both Houses before they could be collected, but there is no chance of a procedure so disastrous in its effort on the revenue of the Commonwealth being adopted. Provision will be made for a certainty in the Customs Regulation Bill about to be introduced authorising the collection of the duties under resolution immediately they are announced in the House of Commons. In anticipation of the great differences between the light levies made on us in New South Wales and those likely to be necessary to provide for the necessities of all Australia, our merchants and agents have been importing hugely all the many kinds of goods on which higher rates are anticipated. Our Sydney warehouses and bonded stores are crammed to bursting, and improvised accommodation is being sought on every hand. A great deal of this speculation has been undertaken by men not too strong financially, and liable to their bankers for much of the money they have invested. Either a mistake in their forecasts or even a prolonged delay in the announcement of the tariff may prove fatal to many of them. Their risk, however, seems to lessen as the necessities of the Commonwealth rise, and it begins to be questioned now whether even £8,500,000 will suffice for its needs. Only a fourth of the total receipts can be applied to the Federal services, and it is being whispered already that the defence outlay to be proposed will in itself demand more than £1,000,000, and perhaps £1,200,000, of the £2,125,000 available. If another £125,000 is needed we must obtain no less than £9,000,000 from customs and excise. Considerations of economy are therefore paramount at present. These led to the offer of £2,000 a year and travelling expenses to *Major-General Pole-Carew*, and there was considerable delay when he demurred to such a salary before the sum was raised to £2,500. In spite of this and many other reductions, the necessities of the nation for military reorganisation are so great that the Treasurer's hand is likely to be forced. The Budget and schedule of duties may be looked for early in August. The magnitude of both is likely to come as a surprise on all but the well informed.

DIFFERENTIAL DUTIES.

One thing is already determined in respect of the tariff, and this is that it will not include any differential duties in favour of imports from the Mother Country. A graceful concession of this kind was originally part of the programme of *Mr. Barton*, though put forward with the condition that on further inquiry it should be found possible to grant it without injury to the Commonwealth. The investigation has been made, and it has been found that to follow Canada's example would demand a sacrifice which the Dominion itself did not allow for when it accepted the policy of favouring the United Kingdom. That policy is as popular here as there, but it was never suspected that a colonial preference given to the manufactures of Birmingham

would lead to a loss of the markets of Berlin. Yet this is what has followed already. The action of Germany must prove a very suggestive precedent to other Continental Powers to whom we send our wool and hides as Canada sends her timber and food supplies. Great Britain possesses an entrance for all her goods into these countries under the “most favoured nation” provisions. So do her Colonies until they discriminate in her favour, but directly they seek to make her their “most favoured nation” by reducing duties on her exports to them they find themselves deprived of that privilege. It might therefore conceivably come to pass that British products would hereafter undersell us in Europe by virtue of the advantage which she would continue to enjoy while we had sacrificed it for her sake. This highly improbable contingency at least serves to illustrate the kind of retaliation to which we expose ourselves in the endeavour to multiply the ties of trade within the Empire. It rests with the Imperial Parliament to determine whether it shall be made possible for us to buy more exclusively from you without suffering reprisals from our common rivals. It is for the Imperial Government to say whether or not we are to be encouraged to assist in maintaining the British manufacturing and shipping supremacy now being threatened all the world over. With us the sentiment is strong among men of all shades of political opinion. Their watchword is “Britons hold your own”, adding “by studying your own people and your own Colonies”. Mr. Chamberlain, before the Jubilee Conference in London, appeared willing to initiate a movement of the kind. We were then divided Colonies, unripe for such an association, and our Premiers hesitated to move. Now we are united States, fully equipped to give effect to it, and with a Ministry which only wants the opportunity. As it is, the first Australian tariff would assuredly have been drawn on Canadian lines but for the warning offered by her treatment at the hands of Germany. With that lesson staring us in the face we naturally pause before the prospect it opens to us. But it is only a pause until an assurance is received that without fear of consequences elsewhere we may foster closer trade relations with the only nation that can or ought to be “most favoured” by her children. It remains with the British at home to remove the obstacles which prevent us from realising the pregnant ideal of an imperial Commercial Federation.

THE NEW COMMONWEALTH.

REIMPOSITION OF DUTIES.

AUSTRALIAN DEFENCE.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Jul. 9 1901; Aug. 14 1901.

Free Trade is probably as popular to-day as ever it was, but the Free Trade Party has just suffered the greatest reverse it has ever met with in New South Wales, hitherto its centre and citadel. This is entirely due to the unpardonable blunder condemned in these columns when it was committed by Mr. Reid three months ago. Our State Legislature can no longer touch the fiscal question, yet it was forced on the electors in the hope that their declaration for it might affect the Federal Parliament and assist the Free Trade leader. Latterly the surface indications were that this obviously reckless policy might succeed, even though it required a great strain on our discipline. But to ask men to throw away their suffrages on an impossible issue, to the neglect of all the questions actually requiring to be determined then and there, was to court defeat. Defeat has naturally followed. The Ministry, in spite of their Protectionist leanings, are returned a little stronger than the Free Trade Opposition. The Labour section has gained by their strife, and numbers now almost three-fourths as many members as either of the two chief parties. The Independents, too, are more numerous than ever, owing to the confusion created by the attempt to thrust a false issue on the public. The bulk of them are likely to be friendly to a Ministry which they would rather see reconstructed than ousted. The Labour section, which can command its own terms, is for the time hand-and-glove with a Cabinet that has lent its docks to the strikers. Half a dozen of the most prominent and capable leaders of the Free Trade Party have lost their seats, and the remainder have no true cohesion or common principle in regard to the matters about to be dealt with. Ministers have by no means a bed of roses, but the Opposition couch is obviously stuffed with thorns. All this because Mr. Reid, for his own personal aggrandisement, sought to subordinate State politics to his Federal ambitions. The entirely unexpected situation which he has brought about is that he now represents only a minority in the Parliament of his own State, and has thus discounted the influence of his majority in the Federal House of Representatives.

MANAGEMENT OF THE CUSTOMS.

The chief interest in the Commonwealth Parliament last week was the introduction of the Bill for the management of the Customs Department by Mr. Kingston. His curt and emphatic style of address is reflected in the measure itself, which is terse, clear, and mandatory. The authority conferred by it is great, though not notably in advance of that we have been accustomed to in the States. Its chief provision, as far as the mercantile public are concerned, lies in the clause under which it is proposed to empower the collection of duties by resolution of the House immediately the tariff has been announced. Since the Constitution fixes the moment of its "imposition" as that at which complete freedom of Intercolonial trade is to begin, this will mark the most important moment in the life of the Commonwealth, the actualisation of the union, and the commencement of that blending of its commercial and industrial interests which ought to prove the foundation of its future strength. This is also the moment of most anxiety to business men, and it is unfortunate that there should still be some doubt as to when it will occur. If the announcement and collection of duties means their "imposition" then we shall have during the period for which they are being discussed in detail a freedom of internal intercourse under which dutiable goods will tend to flow backwards and forwards between the States under whose varying duties they have been imported fluctuating with every proposed alteration in either Chamber until some scheme is finally approved and becomes law. If, on the other hand, the collection of the new duties does not legally constitute the "imposition" intended by the Constitution, the State duties on the border, and unless lower on the seaboard too must continue in force until the new Australian duties appear definitely determined on the statute book. It may be safely assumed that Ministers will follow the latter course, though even then the pitfalls of constitutional interpretation will not have been wholly avoided and difficulties are to be expected.

POSITION IN NEW SOUTH WALES.

Difficulties will not alarm or discourage the Minister. Mr. Kingston is a masterful man, and probably the session will not close until he has given proof of his quality. Reticence and resolution have marked his career at the customs since he assumed office, though on other matters he is remarkably outspoken. When approached by a deputation of employers with reference to his projected Bill for establishing Industrial Arbitration Courts he was explicit with his declaration that it would be laid before them at an early date, be thorough in its plan, and be pushed through Parliament as soon as possible. The Labour section will, of course, lend him all the assistance in their power, and this alliance with the Ministry, if cemented by radical proposals adverse to coloured labour, may help to secure support for a tariff higher than many

of them would otherwise consent to favour. The elections in New South Wales have made the representatives of the wage-earners masters of the political position in New South Wales, and it is probable that they will prove equally potent in the Federal Parliament.

QUEENSLAND AND THE UNION.

Queensland is the one State in which the finances discover a deficit. It reaches half a million, and results entirely from the terrible and prolonged drought of the last few years. This has now ceased over a large area, though it has not wholly passed away from the south-west of that State or from the north-west of New South Wales. Under these unfavourable conditions the magnificent surplus here heads that of all the other States, though in each of them there are gratifying advances. New Zealand is again favoured by fortune, and it is no wonder that, as foreshadowed in these columns in March last, the *commission* has unanimously reported against her joining the Australian Union. That question is not likely to enter practical politics in the islands for some years to come. Prosperity here, if coincident with hard times there, might press it forward, but as local patriotism will increase rather than diminish with the development of both countries it is extremely improbable that under any circumstances we shall come together except, perhaps, as allies for the accomplishment of special purposes. Both are thriving now, and each comparatively indifferent to the other's actions.

So far as the Pacific is concerned the Commonwealth and the Island Colony may be relied on to work together, and, indeed, the same sentiments actuate both in all Imperial matters. The New Hebrides question, the government of Fiji, and the problem of naval defence may be already regarded as within the scope of their common ambitions. The two Governments are understood to be in perfect accord as to the necessity of mutual support. Beyond this it is rumoured that the visit of Mr. *Mulock*, the Minister of the Canadian Dominion, has led to a common understanding between the two great Federations within the Empire. If these preliminaries mean nothing more than a disposition among the Dependencies to deal directly with each other, it is a movement fraught with great possibilities. Until now we have been accustomed to meet only on the summons of the Colonial Office, and to see each other in London except when the Cable Conference, attended by *Lord Jersey* on behalf of the Mother Country, was held in Ottawa. The visit of the Duke and Duchess of Cornwall and York will bear fruit returned in many ways. *Sir John Anderson* will to Downing Street, having accompanied their Royal Highnesses on their tour as the eye and ear, and to some extent as the spokesman, of Mr. *Chamberlain*. He will be able to report the deep-seated and sincere loyalty obtaining

north and south under all forms of government in all the Colonies. This will be the universal testimony. In addition he has learned much of the motives and projects of the political leaders of Australasia and Canada, and a man of his knowledge and ability will not fail to recognise the immense significance to the Empire as a whole of a tendency to consultation among the Colonies, which, with or without encouragement, is certain to grow. When Canada, Australia, New Zealand, and ultimately South Africa, after exchanging views or holding conferences, fall into line and speak with one voice on those branches of Imperial policy which affect one or all of them the federal movement will have entered into a wider sphere than any in which it has yet been displayed. Of course new problems will then arise, not to be lightly dealt with nor readily solved, but new powers will be generated more than equivalent and of incalculable potency.

AUSTRALIAN DEFENCE.

The House of Representatives having at last disposed of the Public Service Bill, providing for the appointments, promotions, and retirements among its twelve thousand employees, has had its attention called to a much less intricate but more important proposed law dealing with the defence of the continent. This, like its fellow measure, is largely composed of what are termed "machinery" clauses, but the main lines on which it is drawn are plainly though briefly outlined on its face. While the Public Service Bill is an elaborate attempt to abolish political patronage, and exclude, as far as possible, Ministerial control, the military and naval forces are intended to be placed nominally under the Governor-General, but really under the Cabinet, which advises him. The military and naval commandants will, no doubt, have the authority usually attaching to such positions, but, for all that, like the rest of the services, they will require to obtain Ministerial sanction for every administrative act of any importance. The most significant feature of the scheme is its comprehensiveness, and its entire dependence on our citizen soldiery. Our permanent forces all told do not number fifteen hundred, and most of these are required to maintain and use the heavy artillery of our harbour fortifications. The back-bone of the active force is to consist of Militia Infantry and Mounted Rifles eighteen thousand, and Volunteers nine thousand strong. Then come the rifle clubs with already some thirty thousand members, mainly from rural districts and constituting a fine reservoir from which to draw and organise in time of need. A reserve of men who have served their term in the active forces is also to be established, but, perhaps, the most promising and distinctively Australian Reserve will be created from the Cadet Corps, steadily feeding our Militia with recruits whose smartness, drill, and discipline lately won much admiration from his Royal Highness the Duke and the military and naval officers

accompanying him. Then we are shown as in perspective in the background an adult male population of 1,000,000, classified and capable of being called out in times of national emergency. The totals are imposing, but so is the cost. Nearly £800,000 was spent by the States last year on defence, yet we have no field artillery fit to send into action, we need reserve supplies of ammunition and military stores, and require to carry on our preparations over a vast area of territory. We shall be fortunate if we need to spend no more than a million a year to “keep the flag flying” over all Australian soil.

THE NEW COMMONWEALTH.

FEDERAL ASPIRATIONS.

THE NEW HEBRIDES.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Jul. 16 1901; Aug. 20 1901.

Not for a century has it been given to Britons to live under an entirely new Constitution freshly shaped with their own hands. The materials employed in Australia were quarried largely in the Mother Country and its Federal principles borrowed from Canadian and American precedents, but as a whole the Commonwealth is new, and is already affording many novel experiences even to those most closely associated with its construction. The first Federal parliament includes all the men who took a prominent part in the final stages of the great work of framing our Constitution. It is but fair that they should be required to prove its workableness. They are most responsible for its terms, and *Mr. Barton*, in particular, for the phrases in which it is expressed. Hence one notes a certain grim irony in the situation when, as in several instances of late, the Prime Minister is seen struggling among meshes in the weaving of which he had so busy a hand. It is not too much to say that he and his colleagues, and, indeed, the whole body of those who sat in the Convention, are now in a very different mind in regard to many of its provisions. They adopted some at least without a thorough realisation of their effect as parts of a whole within and under which the business of the Continent had to be carried on. Friction, no doubt, was inevitable, but none the less it occasions manifestly frequent shocks of surprise.

FINANCIAL RESTRAINTS.

Though all the Colonies had always conducted their affairs under Imperial Acts, each of them enjoyed a practical independence subject only to the rarely exercised royal veto. The simple requirements of their Constitutions were never felt as irksome constraints. Their freedom within themselves was real and almost absolute. They enjoyed an elasticity of rule resembling that of the Mother Country. The Commonwealth Constitution is of quite another order. Its scope by comparison is rigidly defined, its Ministers, though powerful, are not as before masters of all they survey, and the popular Chamber by whose authority they reign is itself cabined,

cribbed, confined by restraints on both its powers and its procedure. Hitherto the supremacy in financial matters of our Lower Houses has been marked, but in the Federation the Senate is endowed with an equality of control against which the fiery spirits in the Legislature are beginning to chafe. A few days ago Sir George Turner, as Treasurer, was obliged to withdraw two innocent clauses from an Audit Bill because they constituted an appropriation of money, and must therefore be introduced in a separate measure. Next Mr. Kingston found his Customs Regulation Bill in peril because among its two hundred and sixty clauses was one which might be taken to impose a tax, and if it were so construed by the High Court the whole of the measure outside that clause would at once be rendered nugatory. To preserve the Senate against "tacks", and to ensure it an efficient supervision of the finances it is provided that each tax must be sent up in a separate Bill without any admixture of foreign matter. When Ministers are thus caught napping it need cause no astonishment if members are found introducing motions relating to matters in which the Federal Legislature has no say and inclined to be recalcitrant when thwarted. Turn where they will, some spectre in the form of a clause of the Constitution appears to block the way.

DRASTIC CHANGES.

If these powers seem too small to our representatives they are too large for some of their constituents. At last the proposal for an Inter-State Commission is coming to be comprehended, and the drastic nature of the changes contemplated by its authors is dawning on those affected. The powerful class interested in Australian shipping has been at first staggered, and then bitterly incensed by the proposal to subject it to the same control as railway companies are obliged to obey in Great Britain and in the United States, though in neither of these countries is coastal shipping sought to be treated in this fashion. A meeting of shipowners here has been followed by similar gatherings in each State, from all of which Parliament is being pelted with angry protests. In this instance, whether its powers are too wide or not, they appear to a large section of the public directly concerned to be too rashly exercised. The plan of a commission was accepted in order to put an end to the war of State railway rates inland, and not in connection with the private enterprises of steamer companies from port to port. The Press is unanimous in its condemnation of this part of the Bill, and when the remainder of it becomes more clearly understood the omens indicate that as a whole it will have a stormy passage. Again some fears are expressed by the Labour Party at the extensive authority proposed to be conferred on the Government by the Defence Bill, and consequently it, too, will be definitely challenged on their behalf at an early period of its progress. The Post Office and Customs Bills are perhaps in their nature necessarily somewhat tyrannical, establishing official autocracies with a view

to prevent fraud, but in fact enabling those who preside over them to deal with the general public in a summary fashion. The Federal Ministry, far from relaxing the grip of the State Departments now that they are being organised as one, is plainly aiming at an extension of their domain and a further limitation of that liberty of the subject of which we seem to hear less and enjoy less as the years roll on. In changing from separate Colonies into Federated States their custodians have apparently substituted King Stork for King Log.

FRANCE AND THE NEW HEBRIDES.

The one direction in which Federalists felt assured of great gain from unity of utterance and action was in regard to our foreign relations. Yet here, so far, we have made no visible advance. Popular uneasiness as to French activity in the New Hebrides increases instead of abating, and though Mr. Barton is known to have made strong representations to the Colonial Office his silence is palpably due to the evident fact that he has nothing to report favourable to our aspirations nor calculated to appease the general alarm. The **French Consul-General** stationed here recently intimated that, in his opinion, the Republic possessed paramount rights over the group, and that its possession was essential to the future of New Caledonia. Finding that his frank confession attracted too much attention, he at once qualified his declarations, and professed it a merely personal view. He need have been at no such pains, since the French Minister in Paris, when proposing the creation of its new High Commissionership in the Chamber of Deputies, put forward an identical claim coupled with a prophecy of an early extension of the French sphere of influence to these islands, though they are at present under a joint Protectorate. Still Mr. **Chamberlain** makes no sign. Still no Land Court has been provided. There is no British Resident in the New Hebrides. A French appointment of this kind is already notified. British men-of-war call infrequently, and when they do are said to exhibit scant sympathy with British missionaries, settlers, or traders. Disputes constantly occur with the natives, and a murder is just reported. The whole condition of the islands is one of unrest, the population are constantly in apprehension of further French aggressions, and though no doubt the residents of our own blood are by no means faultless, the blame for the prolonged lawlessness and disquiet lies at the doors of those who prolong these unstable conditions by neglecting to introduce a *régime* which could secure titles, do justice, and preserve the peace.

THE JUDICIARY BILL.

On the New Hebrides question Australia is at one though on many other issues the States hold distinct and often diverging views. Provincial independence is far from being extinguished, and is more likely to revive than decay under the early operation of the Federal Government. This spirit, if not developed to excess, will be a healthy and valuable influence. The same freedom obviously obtains among the Colonies as a whole, despite the recent advances towards each other of those that are most important. At the conference held in London with regard to the tribunal by which colonial cases are to be finally determined, it is understood that Australia stood alone in declaring for a new Imperial Court of Appeal, while the remainder were satisfied with the Privy Council. Each Dependency is free to form its own judgment, and speak it without regard to its fellows or bating its breath in the presence of a British Minister. Opinion here will not be affected by the decision reached, nor will the Federal Cabinet be deterred from pursuing its original course in regard to judicial affairs. Five delegates visited London last year to uphold the claim embodied in the Convention Bill that, except in public questions of an Imperial nature, one new High Court should be the final resort of Australian litigants. Every one of the five was included in Mr. Barton's Cabinet. Sir [James Dickson](#), of Queensland, the one man who abandoned this claim, is dead, and the remaining four, who persisted in it, are still in power. Mr. Barton, Mr. [Deakin](#), and Mr. Kingston are all barristers, as well as ardent Federalists, and it is therefore certain that the Judiciary Bill shortly to be laid before Parliament, while in no way seeking to limit the power of the Privy Council, will, subject to that condition, endow the High Court with every power which the Constitution permits, and each in its fullest acceptance. A strong bench and a wide jurisdiction, the amplest provision for the Federal courts and the narrowest limitation of the powers of the State courts on Federal issues, may confidently be anticipated in this measure. Of course, the better the tribunal the better for Australia and for the Empire. At the same time, it must be recognised that the Judicial Committee of the Privy Council will find itself, if this design be carried out, in the presence of men who, with their intimate knowledge of local laws and local circumstances, may put it on its mettle. They are intended to do so. This stimulus will be in every respect healthy and appropriate, and is certain to promote an adequate response from those in Great Britain responsible for the constitution and character of the Judicial Committee. Unless this is secured it may be taken for granted that the Australian court will gain at its expense, and that the agitation for one Imperial tribunal, to which all subjects within the Empire can come without distinction of residence or class, will be revived with greater energy and with more support from other Dependencies than in the present instance. At all events, the Commonwealth Ministry makes no secret that these are its views, and it is not likely to be discouraged by a first or a second failure.

THE NEW COMMONWEALTH.

MINISTERIAL AUTHORITY.

GAMBLING CRUSADE.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Jul. 26 1901; Aug. 30 1901.

The Commonwealth is now beginning to be. It has a Parliament, and though it has little else of its own, this at least affords an outward and visible sign of its existence. The Parliament works, or as cynics would say, talks. Many point with alarm to the circumstance that its ten weeks' existence has already produced a "Hansard" of nearly three thousand closely-printed pages without completing the passage of a single important Bill. But what would they have? Parliaments are created for talk, and fulfil their ends well if by their persistent conversation they enlighten members and their constituents sufficiently to enable their proceedings to be understood and controlled. Taking all the circumstances into account, the Federal Parliament does very well. It is neither a surprise nor a disappointment. Considering its age, it is not unduly loquacious. There are very many more misunderstandings to be smoothed away within its walls than have ever faced any of our local Legislatures. There are more difficult tasks to be accomplished, but there are also more able men to undertake them. Though it would be much too soon to lift a paean in its praise, since so far it has known only peaceful sittings, and little more than a suggestion of party strife, yet it has at least warranted the confidence of the electors by decorous behaviour, regular habits, and industrious application to business. It has found its stride—a steady trot covering a good deal of ground without undue display. If this pace and temper last till the passing of the tariff it will have set an excellent example to its successors and also to the Legislatures of the States. These still regard it with somewhat dubious sentiments, but so far it has given them no direct cause of offence. If its virtues are largely negative, they are still very valuable at this juncture. The bulk of the Australian electorate has little taste for political escapades and adventures. What it wants in its new Parliamentary motor is proof of its power to travel soberly and smoothly along the plain road of national necessities. We are moving, we are not breaking anything, we are apparently slowly forging ahead—hence a general sentiment of satisfaction not unmingled with relief. Our invention, at all events, has made a start.

MINISTERIAL BILL OF FARE.

In one or two cardinal particulars the Federal Parliament differs from the representative bodies of the States. In the first place it is apparently less subject to external influences of any kind. The public opinion of the more remote States has no effective means of operating on its deliberations two thousand miles away. Melbourne and the Melbourne Press no doubt count for a good deal in the demeanour and tone of both Chambers, but very much less than Sydney has been accustomed to dominate the Legislature of New South Wales. As a consequence members are, so to speak, left more to themselves and their own initiative. Then with us the Ministry, as a rule, has acted as a brake on the Assembly, seeking to restrain the often mischievous activities of the restless section by judicious sacrifices and compromises. Judging by present appearances, the position is likely to be reversed in the Federal Houses. The Ministerial bill of fare for the session is now fairly in their possession. The five essential measures for carrying on the great public Departments of Defence, Customs, Post Office, the Treasury, and the Public Service generally have all been launched, and except the first are well advanced. In every one of them the Government has sought, and is still seeking, to strengthen its own position and that of the Commonwealth at the expense in the one case of Parliament and in the other of the States. Only under persistent pressure from both supporters and Opposition are its ambitions being in some directions confined.

LEGISLATIVE DIFFICULTIES.

It is well that the Cabinet should seem to lead the House rather than to be led by it. The process with us is invariably mutual, so that it is not easy to assign the guidance to either for more than short intervals. Party discipline, almost always lax in the Colonies, is especially so in the Commonwealth Chambers at present, where it requires a debate of some duration to determine on which sides the large proportion of relatively independent members are about to distribute themselves. Mr. Kingston, more peremptory and less conciliatory than his colleagues, has lately experienced these vicissitudes when resisting insignificant amendments to his Customs Bill, the House with perfect coolness sometimes giving him a two to one majority and the next moment leaving him either victor or vanquished by a vote. These variations may be expected to disappear when parties come to grips over the tariff. In the meantime the soundings taken must have indicated to Ministers that they must walk warily in order to retain their authority. More may be done by graceful concession than by attempting to dragoon their following. They appear determined to hold their own way just now, but if they continue in this course it must either be by breaking definitely with the Labour Party or with a more conservative section of their followers. Either course is perilous.

THE INTER-STATE COMMISSION.

The first Bill to provoke the storm signalled in these columns some weeks since has been that providing for the establishment of the Inter-State Commission. So suddenly and fiercely had the opposition to its extensive scope risen that Sir W. Lyne's speech on the second reading was quite as much a defence as an exposition. As yet the whole volume of resistance displayed has originated with the local shipowners. Their antagonism is likely to be staved off by an exemption of all sea-borne traffic not carried in pursuance of a single contract embracing both railway and steamship carriage. It will be hard to frame clauses permitting this relaxation without depriving the Bill of any real effect on coastal trade, and this, no doubt, is the end at which they are aiming. The attack on this particular possibility of interference with Australian trade may, as is often the case in such instances, conduce to the acceptance of a number of other limitations of a similar kind, the consequences of which are not yet foreseen. On the other hand there is a growing prospect of the postponement of the measure altogether. It may even disappear from practical politics for a session or two. If the Opposition becomes alive to all the opportunities for animadversion afforded by this Bill it would be safe to predict its shipwreck. Unfortunately Mr. Reid seems only inclined to harass Ministers by guerrilla tactics, so as to tempt them to fritter away their energies in repelling his feints instead of himself making a direct attack on their position.

SWEEPSTAKES AND LOTTERIES.

It will be odd, indeed, if the first pitched battle between the Federal Government and the States should arise in regard to the right of the former through the Post Office to prohibit "sweeps". Australia is a sporting community, and as such insists on backing its fancy. The racehorse is probably more discussed and racing more popularly patronised with us than anywhere in the world. By appealing to the multitudes interested in putting their pounds into sweepstakes "Tattersalls" has contrived to secure such a host of clients that he can annually give away prizes, rising up to £20,000, for the cup winner, while enabling its proprietor to pocket over £100,000 a year. Now, while sport rules in society and among all classes, the sentiment does not lend itself to political organisation. Consequently, in spite of our horsey national tendencies, it is always Puritanism that triumphs at the polls. Consequently, Colony after Colony has forbidden its Post Office to be the means of maintaining this or any other kind of gambling. Tasmania, formerly most precise and punctilious in all such matters, when in sore financial straits resolved to be the exception. Its Government took a deposit from the lottery keeper as a guarantee of good faith, and legalised his pursuit within its borders. He set up his permanent offices in Hobart, does his

printing, which is considerable, and keeps his staff, which is large, in that picturesque capital, so that the little Colony derives a revenue from him of about £20,000 a year. Of course, his income is drawn from the whole Commonwealth, while his expenditure is confined to the island. Australia pays the piper, Tasmania reaps the profit. Now that Federation is accomplished and the Post Office under other control, the issue presents itself whether or not the law of the State can stand against the law of the Union, so as to enable Tattersalls, under the shelter of the Tasmanian statute, to defy the Federal Postmaster-General.

THE APPROACHING CONFLICT.

At first sight the conflict may appear grotesque, but the forces brought into the field on behalf of the great sweep will be considerable. Its proprietor can afford to subsidise his supporters, he has the universal sporting instinct aroused in his favour, and behind them the phalanx of those who, whether from principle or interest, oppose all extensions of legislative authority. Already a mass meeting of 20,000 persons has been held here, at which resolutions have been carried, of course adverse to the Post Office Bill and all its powers, but meaningless except for the appeal to the State rights supposed to be infringed by the Federal measure. Should this aspect commend itself to the other cities as it has to Sydney the situation might become politically critical. It would be the first trial of strength between the central and local Governments, between those who aim at enlarging or restricting the power of the Federal Parliament. At present the fiscal issue cuts across all other dividing lines, and ranks politicians almost wholly according to its test. The tariff once disposed of, the root principle distinguishing the great American party organisations may easily be reproduced in Australia. One section will stand for the States and the other for the Commonwealth. It would be, perhaps, appropriate that the horse-worshipping Australians should begin to be politically segregated by a sporting shibboleth. Come when and how the electoral battle may, it seems safe to prophesy that ultimately the Federalists, in alliance with the Puritans, will rule our Post Office as they do that of the United States.

THE NEW COMMONWEALTH.

POLITICAL FEUDS.

PROBLEMS OF THE PACIFIC.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Jul. 30 1901; Sep. 3 1901.

The New South Wales Legislature has commenced its sittings in a brawling, inconsequential fashion, apparently because the feuds generated by the recent general election are still fiercely raging among our representatives. Until parties have become better defined, and the large body of "Independents" have definitely sorted themselves, these perturbations are likely to be prolonged. The Ministry, with the Labour Party behind it, is for the time secure. So far as can be judged at the outset, we are likely to find the general level of political ability in both Chambers reduced by the absence of the trained politicians who have gone to the Federal Parliament. This has been anticipated, and the public are not, therefore, surprised. What has shocked them has been the proof that even the men of experience constituting the Senate of Australia can descend to tactics which have often been condemned in the States. The incident which has made this painfully manifest was in itself trifling, but the temper it provoked will not soon be appeased. It marks the beginning of party divisions in a body expected to be free from them on judicial issues.

JUDICIAL OR POLITICAL ISSUE.

The seat of *Senator Matheson*, of Western Australia, was challenged by petition on the ground that he had purchased the support of the Labour organisation in that State by a donation to its campaign funds. A committee of elections and qualifications having been appointed decided that the petition ought to be dismissed for non-compliance with legal preliminaries. This decision was arrived at by a majority of one. With a single exception on either side those with whom Senator Matheson sits in Opposition voted in his favour, while those who support the Ministry voted against him. When the committee's report came before the Senate an acrimonious debate ensued in which some personal antagonisms were manifest. Mr. *O'Connor*, as Leader of the House for the Government, moved that the report be referred back to the committee, and earned his motion by two votes only. All but

one of those who voted with him were Ministerial supporters, while every man of the minority belonged to the Opposition. The question at issue was legal, it is true, but the impossibility of obtaining a judicial verdict from a political assembly has rarely been more impressively manifested. Two of our New South Wales members in Opposition having in their speeches strongly condemned the finding of the committee, could not bring themselves to vote for its acceptance, but absented themselves from the division rather than strengthen the Government majority. This still more emphasised the partisan character of the vote. The occurrence has certainly not raised the Senate in popular esteem, and has once more demonstrated the superiority of the English system of submitting all such issues to the courts. A trained and impartial Bench would have discharged its magisterial functions to the satisfaction of all concerned and the avoidance of the political scandals bred under our present practice.

WAR OF RAILWAY RATES.

The Inter-State Commission Bill has received its *coup-de-grace*. It has been supported nowhere and condemned everywhere. As a matter of fact the whole of the criticism has been focussed on its one proposal to control the coastal trade. It is generally recognised that if this can be dispensed with so can the remaining provisions, except those which relate to State railways. In regard to these Mr. Reid has made an eminently practical and businesslike suggestion which, if adopted, should end the whole difficulty. An amicable arrangement was made a few years ago between the Railway Commissioners of New South Wales, Victoria, and South Australia in regard to their respective rates for freight, though it never came into operation owing to the refusal of the Victorian Government to sanction it. He proposes that this or some modified agreement should now be entered into between these States. We already have an undertaking of the kind with Queensland, and another with our Southern neighbours would complete the chain. With the termination of the war of railway rates thus secured without contention or litigation the end sought by the clauses of the Constitution providing for the commission would be achieved without expense, without delay, and without offence to the States whose railway charges would otherwise require to be reviewed by the Federal tribunal. The commission may become a necessity some day, and then its machinery can be established as that necessity requires, and not, as now proposed, on British and American precedents which have little or no application to our circumstances. It should be adapted from the first to meet the particular difficulties which experience will then have enabled us to detect. Mr. Reid made the most of the objections to the Bill already anticipated in these columns. He did this in his own telling dialectic, but the gist of his contribution

was the foregoing original suggestion, which has been already received with much favour in Sydney, and is likely to lead, if successful, to the early abandonment of the much heralded and much dreaded Bill.

MR REID'S ATTITUDE.

Mr. Reid was at his best in his speech on this Bill, and adopted a distinctly statesmanlike attitude towards the problems involved. He was frank enough to admit that it was desirable in the interests of New South Wales that the commission should be established in order that it might deal with the undercutting rates now in force on the Victorian and South Australian lines. These are clearly prohibited by the Constitution. We have most to gain by the increase of their freight charges, but at the same time most to lose by any interference with our own. Owing to our size and situation the products of portions of our territory can be more economically carried to the sea across the territories of our three neighbours than through New South Wales. Our railway system practically brings the whole of our produce to Sydney, and despatches all supplies from thence or from Newcastle to the north. We can only control our traffic by having the right to reduce our rates and oblige them to raise theirs. The power preserved in the Constitution to the States of lowering railway charges so as to develop their several territories, but for no other reason, was introduced by our representatives in the interest of New South Wales. It depends on the interpretation of this section of that Act whether we shall be able to retain or rather to gain the traffic from Broken Hill in our far west or Riverina on our southern boundary, hitherto diverted from Sydney to Adelaide and Melbourne. Probably few Englishmen realise the extent to which we have been invaded by our enterprising neighbours, or under what disadvantages we have laboured when endeavouring to supply the wants of our own people in the teeth of a competition of a very remarkable kind.

DIFFERENTIAL CHARGES.

Those who suppose that State railways cannot be employed effectively as commercial agencies would do well to study the differential charges made by the Victorian Commissioner to his customers in our Colony. The Victorian resident on the Murray pays £4.7s.7d. per ton for carriage of goods within that State from Melbourne to Echuca. Beyond that point New South Wales begins, and here, of course, the Victorian lines do not penetrate, though a private railway, built and owned by Victorians, runs from Echuca to Deniliquin. But if the person for whom the goods are destined lives in New South Wales the Victorian railways convey them to Echuca

for much less than if they were intended for consumption in that town. The service rendered by the railways is precisely the same in each case, but the buyer in Echuca pays full rates, £4.7s.7d. per ton, while if the goods go to Jingellic, in New South Wales, they only pay £3.38. a ton. If they go farther north still, to Balranald, they only pay £2.2s., while if they pass into the Darling they only pay 22s.6d. per ton for their trucking to Echuca. You can send wool packs from Melbourne to Echuca for the Darling River district at 11s.9d. per ton, while if they stopped at Echuca the same goods would be charged 25s.6d. per ton for lots of less than six tons. Sugar goes to Echuca for 41s.3d. per ton if used in Victoria, and for 11s.9d. if destined for the Darling River squatter. In the same scale, wool carried from Echuca to Melbourne, if grown in Victoria, pays 42s. a ton, while if grown on our Murrumbidgee Plains it pays only 21s.6d. when brought to the Echuca station. Whether these rates mean an actual loss to the Victorian railways or not, they mean a great loss to New South Wales. The Victorian farmer may be charged more heavily to make up the deficit on his railways so far as it is caused by these reductions to our farmers, but we have also to bear the loss entailed by the corresponding reductions made on our lines in the endeavour to retain the traffic. These are almost as serious as those of our neighbours, and must make a considerable difference to our railway income. We take £100 instead of £146 per ton for truck loads from Sydney to Albury, or £80 instead of £120 for six-ton lots of sugar or fencing wire to Hay, and we are content with £61 instead of £81 per ton for carrying wool from the same place to Port Jackson. There are still cheaper rates to the Darling district made by special arrangement. Disguise it how we please, the States are waging a railway war against each other, which, with their public treasuries to back them, may be prolonged indefinitely, and must be fatal to all true Federation while it continues. Having in view the jealousies which obtain and the interests at stake, it is doubtful if Mr. Reid's proposal for a voluntary settlement will be accepted as promptly as he believes. From the point of view of our settlers in the interior the present condition of affairs ought to be maintained. They reap all the benefits of the contest and are materially assisted in their fight with the difficulties besetting pastoral pursuits in those remote areas. The private carriers, too, who ply by river and road through New South Wales to the Victorian border termini have also a direct interest in maintaining a traffic which provides them with employment. An Inter-State Commission was provided for in the Constitution to deal with this problem, and possibly its aid may yet require to be invoked.

BRITISH RIGHTS IN THE PACIFIC.

The problems of the Pacific continue to occupy attention. The autocratic action of Sir G. O'Brien as Governor of Fiji in prohibiting under penalty all political discussion of his regime has naturally provoked protests from both the Commonwealth and New Zealand. Mr. Barton is understood to be strenuously pleading for Imperial action to protect British rights in the New Hebrides, which has not yet been taken, and does not appear to be immediately contemplated. There is every prospect of a revival of the public agitation which he has been repressing as far as possible in the hope that by this means a settlement with the French Republic may be facilitated unless there is some evidence that the authorities in Downing Street grow more earnest in this matter. Our diplomatic methods on the mainland are criticised, by contrast with those of New Zealand, as timorous and halting. Mr. Seddon has not hesitated to denounce the cession of Samoa, to openly attack the administration of Fiji, and to call for the effective control of Tonga and the New Hebrides. This outspokenness is popular in the Colonies: it is our version of a spirited foreign policy. It appeals to the bellicose instincts of the native born. His daring proposition to commandeer any British ships needed for the transport of the contingents to South Africa has evidently startled the Lords of the Admiralty, as well it might, but it gratifies the democracy, which in the Southern Seas is militant and fearless, and has much less respect for the sacred rights of property than obtains in the Old World. The success of this line of policy is likely to make Mr. Barton, in spite of himself, and notwithstanding his more cautious temper, an imitator and emulator of its aggressiveness. A second Mr. Seddon enthroned in the Commonwealth and acting in concert with the ruler of New Zealand would probably prove an alarming combination to the Colonial Office. Much as its officials may appreciate the sincerity of the patriotism dictating our public criticisms of and remonstrances against the manner in which we believe British interests to be neglected on this side of the globe, they would probably prefer less frankly exigent constituents.

THE NEW COMMONWEALTH.

AWAITING THE TARIFF. FISCAL PROBLEMS.

FROM OUR CORRESPONDENT.
SYDNEY, Aug. 6 1901; Sep. 10 1901.

Federal politics have been reduced to debates mainly on details or administration. The Government has suffered in prestige because Ministers, having been lavish in little things, when brought to book by the House have promptly foresworn their liberalities for the future. Much heat and ill-temper have characterised these discussions, the outcome of which is likely to be the inculcation of thrift in minor matters. Almost at the same time large sums are being added to the salaries of public servants earning less than £100 a year, while there has been a demand for the establishment of old-age pensions throughout the Commonwealth, which would absorb about £1,500,000 a year. This sum could only be raised by means of direct taxation, which Mr. Barton is pledged not to propose. As he frankly told the movers, nothing can come of such a scheme for the next five years at least. Other projects are afoot, such as the trans-continental railway to Perth, which Sir John Forrest is never weary of advocating, and the acquisition by purchase of the Northern Territory belonging to South Australia, of which that State is very anxious to be relieved. Each of these enterprises would prove a matter of millions to the Commonwealth. Cheeseparing in one direction is accompanied by extravagance in others, so that between the two the Federal Treasurer finds himself fast becoming seriously embarrassed. Commerce is paralysed pending the introduction of the tariff, still apparently some weeks ahead. Large stocks accumulated in advance are held perforce, since all buyers are restricting their operations to the utmost until the fiscal proposals are made known. The financial tension is increasing weekly, and in its way it assists to spread the feelings of unrest and dissatisfaction generally prevailing. Whatever the future has in store for us can scarcely be more trying than the prolonged suspense to which we are now subject.

FINANCIAL PROBLEMS.

State sessions usually begin in Australia with votes of want of confidence or essays in that direction. Queensland alone is free from such an attempt, though Mr. Philp has to face Parliament with a confessed deficit of half a million. This has been so manifestly caused by the terrible drought, from which the whole of the west has been suffering, that there is no room for reasonable complaint against him or his colleagues in this regard. Of course, economy is the order of the day, but no retrenchment of a drastic nature is to be employed until the prospects of the present season have become more definite. With the good season generally anticipated the country would recover rapidly, and its vast natural resources would soon restore its railway revenue to a figure which would render it easy for the Treasurer to pay his way for the present year. The special relation which this State holds with British New Guinea as the connecting link between the three eastern Colonies and the Colonial Office will require to be revised now that the Commonwealth has been established. Queensland, New South Wales, and Victoria, by whose contributions this possession has been maintained for some years, have consistently refused to consent to the disposition of any considerable area of land either to the Chartered Company founded by Mr. Lowles, M.P., or to an Australian company which applied for one hundred thousand acres at 2s.6d. an acre in Hall Sound, or any other such corporation. The receipts from natives and the small body of Europeans, mainly miners, who are prospecting for gold fall much below the expenditure necessary to maintain the simplest kind of administrative control over the area of these operations. It is plain that here also there will be a fresh demand on the Federal Treasury, and probably an appeal for a subsidy from the Imperial Government during the period of five years for which it is fettered by the obligation to keep separate accounts with every State, and to return to each the balance derived from its taxpayers.

NEW SOUTH WALES OPPOSITION.

In our own Colony the *See* Ministry has emerged triumphantly from its first ordeal. The Opposition sought to be organised out of the old Free Trade Party, so long dominant in New South Wales, has been defeated by nearly three to one, and it may be expected to disappear in its present shape as a consequence of its misfortunes. The exact lines on which a new Opposition will be founded can already be discerned in the antagonism exhibited towards the Labour Party by a considerable section of the country representatives. Though the Government is constituted of the late colleagues and supporters of Sir William Lyne there are palpable evidences of a distinct coolness between them. Neither Ministry nor Opposition entertains friendly feelings towards the Commonwealth, its Parliament, or its Cabinet. Both parties are much more likely to unite against them as a common foe than to divide in any contest to which

the Federal Government is a party. A great meeting was held in our Town Hall last week, at which Mr. **Want**, the Attorney-General in the late Reid Administration, one of our most prominent Anti-Federalists and ablest of advocates, was the chief figure. The resolutions carried condemnatory of the Inter-State Commission and Post Office Bills were supported by speeches the predominant note of which was hostility to the Federal Parliament and all its works. Unless the fiscal issue restores public interest in its proceedings it is more than likely that this State will pit itself against the Commonwealth at the first opportunity.

MINISTERIAL TROUBLES IN VICTORIA.

In Victoria the **Peacock** Ministry finds itself in a precarious position. It has taken up the question of the reform of the State Constitution, which it desires to see remitted to a convention directly elected by the people for that sole purpose, and has introduced a Bill to give effect to its scheme. This it will carry in the popular Chamber, as it was carried at the recent general election, by the help of the Labour Party, with the certainty that it will be promptly and almost unanimously rejected by the Legislative Council. What will then happen no one can tell, but it is quite certain that the members of the Labour Party will only follow the Ministry grudgingly and in extreme courses. The expulsion of their colleague, Mr. **Findley**, for republishing the Irish libel on his Majesty the King rankles in their bosoms. They will seize the first opportunity of avenging him. It is true that the Opposition was, at least, as loyal as the Government, but it resents none the less keenly the action of the Premier and his supporters, on whom it counted to shield the offending Findley because he sat on the Ministerial benches. Then, again, the second member of the Government is the late leader of the Labour Party, Mr. **Trenwith**, its ablest representative in the State, and the one man among the whole of the organisations in the Colonies who has an Australian reputation. His independence always galled the members of the Labour Party, and his accession to office has further embittered the envy and jealousy which so often rage in their ranks against those who rise above their fellows. They are now eagerly looking forward to his fall as the choicest morsel of their revenge. Unruly while they were his followers the extremists are now the most vindictive in their animus against their late chief. The future of the Ministry is, therefore, extremely threatening.

SOUTH AUSTRALIAN POLITICS.

The South Australian Cabinet was formed, like those of New South Wales and Victoria, out of the remnant of a Ministry whose leader, Mr. **Holder**, left it to enter Federal politics. The new Premier, Mr. **Jenkins**, has not a commanding personality.

The sacrifice of **Sir John Cockburn** to supposed political exigencies, and without regard to the eminent services he has rendered to his Colony in London, has not unnaturally incensed his friends and provided the Cabinet's enemies with an excellent occasion for attack. So far there has not been any justification, or even attempt at justification, of the replacement of a man of Sir John Cockburn's ability and experience by another member who has yet his spurs to win as an administrator. The result has been a weakening of party ties and a distinct break away of the Labour section, which may possibly prove fatal to the new Ministry. It certainly would do so were it not for the antagonism felt among many members towards those who would be placed in power if they were ejected, and for the fact that as the House expires in less than a year a Ministerial defeat might lead to an immediate dissolution.

SIR JOHN FORREST'S POLICY.

In Western Australia the **Leake** Government, having survived the strain of the railway strike, has won the opportunity of laying its programme before Parliament. Its majority is uncertain, as it represents a more radical policy than was possible while **Sir John Forrest** held the reins—not that he lagged behind public opinion, but that he always pursued the cautious policy of allowing it to ripen so as to enable him to give effect to its demands in a deliberate constitutional fashion. He is at present on a visit to the place of his birth and the scene of his decade of premiership. He must be an interested spectator of the great changes wrought in its politics mainly by his own withdrawal from them. The purpose of his visit was to assist in doing honour to the Duke and Duchess of Cornwall and York, and to receive their farewell to Australia formally expressed by letter to the **Earl of Hopetoun** in generous and glowing terms. In Western Australia they saw the youngest of the States in self-government though one of the oldest in settlement. Its population is still confined to one corner of a vast domain embracing nearly one-third of the continent, a large proportion of which is still unsettled and unknown. It was as a gallant and resourceful explorer that Sir John Forrest first made his name in his own Colony and far beyond it. Since then he has carried the same qualities into the political sphere. Few shrewder or sounder heads than his are to be found even in the Federal Parliament, where he is still somewhat of an explorer among the more radical agitations and complex problems of the restless east. In one part of it, however, there is unbroken tranquillity. Tasmania is in the East, but not of it. She disposed of her want of confidence motion some weeks ago, and she peacefully and contentedly pursues her way under the able guidance of her young Premier, Mr. **Lewis**, who preferred to be first in his native island rather than junior member of the Commonwealth Ministry.

THE NEW COMMONWEALTH.

DANGERS LOOMING AHEAD.

POSITION OF THE MINISTRY.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Aug. 13 1901; Sep. 18 1901.

One cannot have an omelette without breaking eggs nor a Federal Union without sacrifice of State independence. Our Provincial Parliaments are, as has several times been predicted in these columns, beginning to realise this, and to rue the deprivation of power and prestige from which they are suffering. The apprehension that union meant to them a diminished dignity always rendered them more or less covertly hostile to Federation. They only yielded when resistance to the popular movement was no longer possible, and now at the first opportunity they are taking up arms against the Frankenstein they were compelled to create. Our Premier (Mr. See) has promised a night in which the alleged invasions of State rights may be discussed, and there are many members who will do their best that evening to rouse an active antagonism in New South Wales towards the Federal Parliament. A South Australian member in the Federal Parliament has given formal notice of a motion condemnatory of its unspecified extravagance, an aggressive action which was at once welcomed with cheers. The Queensland Cabinet, on the other hand, complains of certain refusals of the Barton Administration to assume financial responsibility for expenditure in connection with New Guinea. The West Australians are exercised because of a motion tabled by one of their own representatives in the Federal House demanding an inquiry into the treatment accorded to Aborigines by their settlers in the north. So far it is the small fry only that are giving tongue, but in a little while their leaders will follow, and the battle will begin. The first and only permanent party issue in the United States has been between the Federalists, who aim at the maintenance of a strong central Government, and those who stand for State rights and the restriction of the authority of Congress. That is the coming political struggle in Australia.

FEARS OF VARIOUS COLONIES.

Our circumstances are very different from those of America, where more than forty States divide a territory little larger than that which we share between six. Individual States with us, particularly New South Wales, Victoria, and presently Queensland, will not only when united command a majority of representatives in the Commonwealth Parliament, but will each of them exercise on it from without an influence which it will be hard to resist, and such as the American Congress has never experienced. Collectively these three States can master the Commonwealth, at all events until it is full grown. Short as has been the life of the Federal Government, it has already exasperated every one of its constituents. Victoria is impatient for the tariff and alarmed at the lavish outlay proposed on Federal Departments. A wealthy and powerful party in Queensland dreads the Kanaka legislation about to be introduced. Every Colony is suffering because of the suspense in regard to the new duties. Not a Treasurer can lay his Budget before his Parliament until that fateful proposal has seen the light. Until its revenue production is determined approximately Queensland and Western Australia cannot know whether they will enjoy a surplus or have to face a deficiency. Tasmania is in even worse plight. Last year's transactions left her a small balance to the good; next year she must confront what will be for her a huge debit balance. Even if the Federal Treasurer raises £8,500,000—an extreme estimate in the circumstances—the little island must expect to be £100,000 to the bad on the receipts of the coming twelve months. There must therefore be retrenchment and probably fresh taxation as well, in that State. The stimulus given to production by intercolonial Free Trade may enable us to carry what would otherwise be crushing burdens, but this will take time to operate.

FRESH GRIEVANCES DISCOVERED.

In the meantime all these difficulties beget fresh grievances against the Commonwealth. It finds itself assailed on every side, both by reason of the inevitable trials consequent on the transference of affairs to a new authority as yet unorganised, and also because of its own ambitious spirit. It needs but the occasion to bring the States into line in a compact and hostile phalanx bitterly opposing the Federal Government and Parliament. This, in its present unfledged condition, is not as well equipped for such an internecine contest as it may become after it has entered into closer and better relations with its constituents. So far, sitting in one corner of the continent, occupied profitably and necessarily with measures providing for the new administration—which must be established at once—its proceedings have little interested the people outside Melbourne. They are much more in touch with

local politics, more interested in their fortunes, and, as is natural, more attached to their old institutions and their old alliances than to the new creation. The odds are therefore in favour of the States, and the Commonwealth will require to make good all its lines of defence against them. The campaign has opened and the strategic strength of the positions held by each will soon be tested by the ordeal of combat.

FISCAL QUESTIONS TO THE FORE.

For the time being this development is delayed and obscured by the all-absorbing fiscal question. It appears to be settled now that we shall have the first schedule of Australian duties proposed early in September, and already the controversy between parties is being revived. Last Friday Mr. Reid addressed a large audience of farmers at Wangaratta, a Victorian country town, where he had an excellent reception. Last night, with several of his ablest colleagues—Sir Josiah Symon and Sir Edward Braddon—he spoke again at a large, representative, and enthusiastic assemblage at the annual Free Trade dinner in the Melbourne Town Hall. These meetings once more demonstrated the existence of an active and influential minority of supporters of his policy, even in the State that is the head centre and citadel of the doctrine of Protection. He and his lieutenants are all hopeful and in excellent fighting trim. They have the advantage in the fact that the proposals of the Ministry must either discourage their moderate or extreme allies. The Opposition can welcome either or both of these sections and use them to negative the Government scheme. A fresh amendment condemnatory of it, whatever it may be, will challenge it as a whole, and if this fail a struggle over the details will be initiated in which some successes are certain in the House and more are probable in the Senate. In the latter Chamber the final and decisive test votes will be taken. The guerrilla warfare of the representatives will be replaced by a closer and severer wrestle, which will finally determine our fiscal fortunes, and, incidentally, the fate of the Ministry also. Unless the tariff which they secure gives reasonable satisfaction to the great bulk of their followers they will then go down before a combination of discontented Protectionists and the Free Trade Opposition.

OTHER GOVERNMENT DIFFICULTIES.

Other factors are likely to come into play by that time which will tell against the Government. In addition to the financial disturbances brought about by the tariff and the decline in mining values brought about by reckless speculation there are growing apprehensions of the coming season. Parts of Queensland remain drought-stricken, and other districts that enjoyed the winter rains are now thirsty once more.

We have just had a welcome but insufficient fall in most of our agricultural areas, and portions of Victoria have had a scanty visitation, but there is a great tract, comprising our western and the bulk of our neighbour's northern plains as well as those of South Australia, over which the supply of moisture is already painfully inadequate. A strike of shearers is also imminent in Riverina, and may spread to all the States. A bad year for the farmers and graziers as well as for business people in the towns will breed dissatisfaction similar to that which in our past history has almost invariably proved fatal to the Administration of the day, whether guilty or guiltless of having aggravated these misfortunes. The gravest opposition against the Government is likely to proceed from a reaction against their radical and aggressive legislation. Neither the Post Office nor the Defence Bill has been popular. Their Inter-State Commission Bill alienated the powerful shipping interest and its multifarious business relations, while the Immigration Restriction Bill has cost them the sympathy of the more cautious and conservative classes everywhere. The so-called "Natal" system, or educational qualification for immigrants, was devised in that Colony to exclude coloured peoples, even though they were British subjects, by providing that they must be able if required to write out fifty words in an European language before obtaining permission to enter the country.

RESTRICTIONS ON IMMIGRATION.

Mr. Barton's Bill is not satisfied to allow Europeans to enter if capable of writing their own language but gives power to refuse admission to every person who cannot write from dictation fifty words in English. Of course, he must write legibly, though whether he can be prohibited if his spelling is defective does not appear. The infirm in body and mind, the criminal, and the pauper are put under ban with some show of reason, but the authority asked in reference to those who are under no disability except an incapacity to write our language is unprecedented. Such a power is more severe than anything to be found in our State Acts of this kind, two or three of which, on the model of that in Natal requiring a knowledge of some European language, have received the royal assent. The Prime Minister claims that the sweeping nature of this means of exclusion, since it regards neither race nor colour, is a merit because it avoids ostensible discrimination among nations. He contends that the actual discrimination practised by the Government officials, under the control of the Ministry and Parliament, will lead to the test being applied only in regard to Chinese, Japanese, Syrians, Malays, and Afghans, who at one point or another are now invading or endeavouring to invade the Commonwealth. What he asks is in effect that Parliament should trust the Executive with an almost absolute power to admit or to refuse to admit those who seek our shores, no matter what their

parentage or nationality may be. This would practically amount to a dictatorship over our ports and almost all who enter them, and it is unlikely that it will be conferred without modifications of some kind. The Labour Party desire even more vigorous and more openly inhospitable provisions. Should these prove unobtainable they may help the Ministry to carry the Bill as it is, none the less cheerfully uniting with other malcontents to put them out afterwards as a punishment for not having adopted the more extreme course.

THE NEW COMMONWEALTH.

SYMPTOMS OF “NERVES.” LABOUR CONDITIONS.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Aug. 20 1901; Sep. 26 1901.

The wheels of our new national Parliament grate slowly along. Public dissatisfaction deepens, fomented by the several untoward circumstances surrounding us. The strain on all commercial and financial interests is becoming insupportable as the tariff approaches. In spite of recent rains the prospects for the coming season disturb the agricultural and pastoral interests and those dependent on them in many districts. The Senate and the House are reflecting the irritable moods of their constituents. Ministers stagger under their load of responsibilities, while the Opposition naturally tries to turn the situation to its own profit, and by guerrilla attacks attempts to discredit those in office. For the first time for a decade the continent, as a whole, appears to be in a state of susceptibility to any attack of nerves which events may precipitate. The Budget, if it does nothing else, should act as a lightning conductor by concentrating the interests and segregating the political antagonisms by which we are divided. Its proposals will for the time divert our undue self-consciousness and divide us into two camps, the Protectionists rallying behind the Government and the Free Traders in Opposition. Powerful as these parties are, however, the duties as a whole will be determined by those who belong to neither of the regular fiscal forces. A considerable number of Senators and Representatives will be governed by the effect of the Barton Tariff on revenue generally and that of their own States in particular. The Labour section will be sharply severed on the policy as a whole and special items of taxation, but in the bulk it will be most affected by satisfaction or dissatisfaction with the Ministerial Bills relating to immigration, and especially to the Kanakas.

EFFECTS OF UNCERTAINTY.

At the same time it is plain that the explosive condition of the general temper is due to the uncertainty rather than to the actual gravity of the situation. Building is proceeding steadily in Sydney, and reports from the other capitals prove that confidence in the future of business is being practically displayed there as well as

here. Money is hardening, because the plethora which has so long prevailed has ceased. This is due to some extent, no doubt, to withdrawals of large sums by English companies which formerly found very profitable returns for investments in Australia, and partly also to the fact that our State Governments and private enterprises have absorbed most of the local surplus available. Our rates now approximate much more closely to those of Great Britain, and there is therefore less temptation to British capitalists to retain their funds in the Antipodes. The pressure of the unemployed has not been felt among us as much as of old, though the incapable and unfortunate have raised their annual clamour for State wages in the cities. They flock thither when the cold weather begins and expect to be provided with easy employment until the sunshine once more tempts them afield. Despite the fact that in length, in severity, and in the amount of sickness generally covered by the comprehensive title of influenza this winter has been worse than any we can remember, there has been a smaller proportion of the workless in evidence, and real distress has not existed. The threatened strike among the shearers has so far made little headway, though the danger of its extension has not yet passed. It is our greatest present peril.

THE WOOL INDUSTRY.

Nothing is more Australian than the wool industry nor more characteristic of this continent than the means by which the millions of sheep scattered over its vast extent are yearly despoiled of their fleeces, which when baled often traverse hundreds of miles by drays, barges, and railway before they reach our ports and fill the holds of the fleet of vessels waiting to transport them to the manufactories of the Old and New Worlds. The shearer, like the drover and the farmer, is a product of local conditions. A small army is required to be distributed each year at a given time from the Far North near the Gulf of Carpentaria to the southernmost stations on the Victorian coast, and stretching westward almost to the core of the continent wherever the rainfall has allowed the daring squatters of the interior to find pasture. Each station can provide work for a certain contingent, and must be able to procure them for a few weeks at a certain period of the year, Naturally the men begin in the north, and follow the sun as it goes southward. The same hands who find their first shed in Queensland in July work downward from shed to shed until the clip has been finished in the coldest and highest districts of Victoria before the end of the year. There are shearers who go on to New Zealand, and who do little else in the way of continuous labour for the rest of the twelve months.

THE BUSHMAN'S ANNUAL TOUR.

The greatest number and the most trustworthy employees are farmers or sons of farmers. These are not deterred by any distances. They saddle their horses and ride away, perhaps on a trip of a thousand miles during their three or four months' roving. By this means they earn ready money to assist them in clearing or stocking their homesteads, to which they return in time for harvest. Such an interlude is welcome to dwellers in the bush, who have little in the shape of society or amusement for the remainder of the year. The nomadic life has always its charm and its full share of the picturesque to the adventurous wanderers. Men of every kind of experience and from all parts of the country are assembled in scores to compete against each other in the sheds, to live and talk, jest and gamble together, to discuss politics and to share revels in the golden weather. Gathered around their camp-fires at night they inform and stimulate each other, and, as many stirring bush ballads already witness, they have begotten the most original and spirited Australian poetry. Dissipation, formerly the rule when the cheques were pocketed, is now the exception. Too many are either landholders and householders or on the way to become such. By the very nature of their life these men, naturally bold and independent, have these qualities deepened by the circumstances of their life. They are intelligent students of their own interests, and easily able to band themselves together, so that the Australian Workers' Union, in which they are allied, is perhaps the most powerful association of labour in the Southern Hemisphere. On the other hand the Pastoralists' Union of Employers opposing them is probably the wealthiest and most resolute body of the kind in the same area. A contest between the two is Titanic. It was the shock of their struggle ten years ago which in parts of Queensland approached civil strife. It is devoutly to be hoped that our other troubles will not be increased this season by a revival of hostilities of this character. The qualities which made the Australian contingents useful in South Africa are those of the shearers, whose fearlessness, comradeship, resolution, resourcefulness, and horsemanship make them formidable antagonists whether at home or abroad.

THE FEDERAL PARLIAMENT.

The impatience of the democracy accounts very largely for the discredit now generally attaching to our Federal Parliament. It is not an ideal body by any means. It has the loquacity, the want of discrimination between principle and detail, with at least some of the party alliances and vendettas, with which we are familiar in the State Legislatures. Its remoteness from the homes of many of its members makes their attendances intermittent, for no one except a Labour representative can live, conduct elections, and attend to his constituency on £400 a year. The fact that it has no public

works to authorise and few local interests to supervise renders its proceedings caviare to the general body of political leeches. The puzzle is, why it should be expected to be free from the defects with which long acquaintance with our State Legislatures has made us all-too familiar. Its debates are, on the whole, more able, its criticism of measures closer and better informed, and its vigilant oversight of administration keener and more detailed than we have been accustomed to enjoy. That it has been well conducted all admit. Its sensations have been few and their causes have been trifling. It is here that we touch the real root of the complaint against its records. They are not sufficiently interesting to "the Man in the Street", and they are surrounded with new considerations as to the constitutionality of proposals which appear to outsiders generally to be merely legal quibbles. Most of our journalists themselves are, like their readers, uneducated so far in the refinements of Federal interpretations and limitations, however really important they may be. They are bored by them, and feel no inclination to push their inquiries home in this new field. From them the public derives its tired feeling, its sense of delay, and the constant recurrence of dreary disquisitions on points of practice and principle of which they fail to grasp the significance.

THE POLITICS OF POPULARITY.

Being an amusement-loving people, we demand that our political leaders shall amuse us, as Mr. Reid does, by his method of dressing up his proposals or, more often still, dressing down his adversaries, with the humorous exaggerations of caricature. With this jam we swallow the pill, and to the many it does not matter much what pill. Sir Henry Parkes dominated attention by the peculiarities of his striking personal appearance, by his capacity for invective and his studied idiosyncrasies, as much as by his statesmanlike views and sound constitutional knowledge. Mr. Barton has a fine presence, a good voice, a richly stored mind, and a fine gift of oratorical phrasing, but he was never a popular platform man except when all his powers were fused to a white heat by his loyalty to the Federation movement. Now while appearing at a distance from his State he fails provide us with either the comic or the tragic incidents which make good "copy". Our journals are the only means by which we can follow his course or understand his policy. Both Sydney papers are adverse, and he cuts a very poor figure in their columns in consequence. Sir W. Lyne is somewhat deserted by his old allies in Sydney, and none of the remaining Ministers appeals much to us. What is the case with us is the case also in Brisbane, Adelaide, Perth, and Hobart, except as to their own leaders. Out of sight is out of mind. Since it does not provide us with sensations, our Commonwealth Parliament seems to most of its critics as if it were doing nothing. Even in Melbourne it is disappointing the sporting instincts of its closest observers. Unless it speedily makes a splash of some

kind it will be gradually ignored. In fact, a series of splashes will always be needed to keep our attention on more politics and legislation—even at our own doors. That those splashes may mean mischief to any frogs affected by them is another and minor matter. What we dread is ennui and tedium. What we want is startling disclosures, inflammatory speeches, close divisions, Ministries in jeopardy, “scenes” on the floor of the House, and reverberating platforms outside. The humdrum, dry-as-dust dealing with departmental construction and regulation Bills disgust us all. The Federal Government must speedily make up its mind either to thrill us or to be forgotten.

THE NEW COMMONWEALTH.

CONGESTION OF WORK.

THE KANAKA QUESTION.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Aug. 27 1901; Oct. 3 1901.

The physical area of Australia, the sparseness of its population, and the spirit of its people all suggest expansion as its national policy. There are traces of this natural impulse in our politics and commercial enterprises, but they are not conspicuous. Curiously enough, the prevailing condition at present is one of congestion. The State Legislatures are choked with inheritances from earlier sessions and measures promised at recent general elections.

In New South Wales we have Woman's Suffrage once more passed by the Assembly, the Arbitration Bill thrust forward threateningly on the Council, and an inchoate proposal for Constitutional Reform foreshadowed. The last is designed to adjust our machinery of government to our new situation as a State subordinate in some respects to the Federal Parliament. Of these three important Bills that which has for its object the creation of courts having authority to determine all industrial disputes, and to enforce their own findings on employees and employed, is the most serious, because the most likely to be insisted on. It has been already once rejected by the Upper House, but was subsequently endorsed by the popular verdict given at the polls, and by a report from [Judge Backhouse](#) on a similar scheme in New Zealand. Some plan of the kind must, therefore in ordinary course be accepted. The Ministry depending on the Labour section will scarcely dare to compromise on the matter, and we may expect a conflict of more than usual severity before a settlement between the Chambers is secured. This added to the constant influx of fresh proposals, many of them restrictive of freedom of contract and action in trade, and the frequent interruption of the sittings by the discussion of any casual question that attracts the attention of a handful of members, promises a confused block in our local legislative thoroughfare from the very first days of the session.

TROUBLES IN VICTORIA.

In Victoria the Wages Boards have for some time exercised the control over many industries which is sought to be attained by an Arbitration Bill. The present agitation there seeks to suspend their operation or obtain a repeal of the Act under which they are elected, so that its factories may not find themselves placed at a disadvantage when under the new federal tariff they are exposed to the competition of manufacturers of the other States who are free from any outside control as to rates of wages. Then there is the question of the moment—an amendment of the State Constitution. Mr. Peacock's Government proposes that this should be thrown into the political melting-pot and recast entirely according to the decisions of a Convention the members of which are to be chosen by the whole people for that express purpose. Providing that the scheme they present be endorsed by the same constituency at a subsequent Referendum it is to become law without further review. This American method of reform has found so little favour that the second reading of the Bill in which it is embodied has only obtained a majority of four votes. Its abandonment is certain, and the Labour section will then probably punish the Ministry by assisting to turn it out of office for its resolute loyalty in banishing Mr. Findley to private life when he republished the libel on the King. In Melbourne as in Sydney there is a rush of proposals for restrictive legislation in regard to the export of dairy produce, the control of mining enterprise, and the further extension of the operation of the Factory Acts. Congestion reigns here as well as in New South Wales, in South Australia—where the Ministry survives only until the Opposition and the Labour section can come to terms—and in Queensland, where the one matter of urgency is how to face the deficit occasioned by the disastrous drought of recent years.

FEDERAL PARLIAMENT'S WORK.

The Federal Parliament is in no better plight itself, and, indeed, it has become plain that very few Bills can survive the ordeal to which they are being submitted. Of the three chief services of the Commonwealth, Defence, Customs, and the Post Office, the second alone is certain, and the third likely to emerge this session with a federal law for their control. The public service generally will to all appearances be similarly organised. The prospects of the unification of our defence forces and the establishment of the High Court, though the two most distinctive gains of union, must unquestionably be held over unless Parliament quickens its steps. Of the Inter-State Commission Bill nothing more is heard. A Customs Regulation Law and an uniform tariff we needs must have. Both are indispensable. Then there are the radical measures dealing with Kanaka labour, with undesirable immigrants, and the creation of arbitration courts authorised to deal with industrial disputes extending

beyond any one State. A great effort will be made to pass the first two. Behind these appear an Electoral Bill, a Franchise Bill, and a host of sketches for statutes dealing with almost every topic embraced within the Constitution. The congestion here is so great that there has been an outcry in Parliament itself against the mass of business poured in on it without cessation. The public themselves are perplexed because they have not yet become accustomed to overseeing two sets of legislators at once. They have not been too vigilant in their supervision of their State representatives, and are, in the remoter north and west, becoming almost bewildered by the task now imposed on them of watching the federal Chambers as well. The electors are with few exceptions still unfederalised in spirit and untrained as to the distinctions to be drawn between Federal and State spheres. They can bring but little pressure to bear on the Commonwealth, and as a consequence the congestion in its Parliament appears likely to grow chronic.

CONGESTION OF THE POPULATION.

There is, and always has been, a congestion of the small population of the continent because it is confined to its eastern seaboard and within that strip of coast to some half dozen cities in which half the inhabitants are concentrated. This is not a healthy condition, and its effects are injurious both to our commercial and political development. It encourages and explains the tendency to restriction which finds so many advocates in both the State and Federal Parliaments. Australia as a whole is unpeopled, but its towns are overcrowded. Just now the tariff possibilities in the way of new duties have led our Sydney merchants to import £4,000,000 worth of goods over and above their ordinary stocks. Having calculated that the Budget would have been announced early this month, they now find themselves saddled with at least from four to six weeks' extra interest and storage expenses. As inland purchases are likely to be reduced in consequence of our prolonged droughts there is a congestion in trade as well. The additional revenue required by the Commonwealth to make up for the loss of inter-colonial duties must occasion an increase of duties and prices, which to some extent will discourage consumption. Yet there is no inflow of settlers to any of the States sufficient to take up any noteworthy part of our available lands and assist in replenishing railway receipts. Queensland and Western Australia have gained in recent years mainly at the expense of their sister States, and especially of Victoria, which Colony has also supplied the miners who are opening up the mountainous waste of Tasmania. Australia is almost limited to her natural increase, which is, according to some computations, rather under than above the European average. Yet in the face of this the two measures affecting population before the Federal Parliament are both intended to further limit immigration from abroad. It is

true that the intention of both is to prohibit only coloured peoples incapable of full citizenship, but it is clear that little or nothing is being directly done to attract our proper share of the great army which annually makes its exodus from the British Isles, the men and women who seek their fortunes in the over-sea dominions under their old flag or speaking their own tongue.

QUEENSLAND AND THE KANAKAS.

From the signs of the times it may be gathered that the Bill relating to South Sea Islanders which Mr. Barton is to introduce will either contain an immediate prohibition on the further introduction of Kanakas, or something very like it. A newspaper having prophesied that five years would be allowed for the extinction of the Kanaka as a sugar grower, the Queensland Premier, Mr. Philp, replied that if ten years were named he thought all parties might come to a fair understanding on the matter. But there is no prospect of any such lengthened prolongation of the existing State Acts providing for the supply of coloured labourers, and Mr. Philp knows it. For some weeks past he has been endeavouring to pick a quarrel with the Federal Ministry on minor matters about which no one who knows him would suspect him of taking offence. It is obvious that he has made up his mind for more drastic treatment of the sugar problem than he is willing to accept, and yet that he does not desire to have the Kanaka issue the sole cause of dispute between the Federal Ministry and himself. The lamented death of Mr. W. H. Groom having left a vacancy for Darling Downs, one of the chief agricultural constituencies of Queensland, Mr. Lyttleton Groom, son of the late member, and like him a supporter of Mr. Barton and his anti-Kanaka policy, has come forward as a candidate. He will be opposed by a resident receiving the whole-hearted support of the State Cabinet and of the party who consider the retention of the Kanaka essential to the development of the northern areas. The contest will be significant, and its result influential. The Barton Bill will terminate the employment of the Kanaka as early as possible, and it may be in three years. The Federal Budget will be required in order to reinforce it and soften the blow to the planters. Inter-colonial duties on sugar having disappeared, it will be necessary to make its producers pay a considerable excise, the returns from which for the first five years will flow back into the Queensland Treasury. In addition to this there will be either a differential excise on sugar, favouring that grown by white labour, or a bounty may be given for sugar so produced, with the double object of hastening the departure of the Kanaka and enabling the employers of men of our own race to meet the additional wages they must pay to secure them. Of course, the import duty on all sugar from beyond the Commonwealth will be heavier still. Cane growers will have command of the Australian market, and probably under conditions making it as profitable, if not

more profitable, to employ white labour only than to use the Kanakas, whose time of engagement may not have expired or who may prefer to remain with us. The Labour section in the Commonwealth Parliament will support no feebler handling of the problem. The Opposition foolishly committed itself to the same extreme view in the debate on the Address, and the Ministry will not be slow to fall into line with their southern supporters, though the State of Queensland and the most powerful party in its politics will be bitterly opposed to them and resist them to the last.

THE NEW COMMONWEALTH.

POLITICS AND BUSINESS.

TARIFF DIFFERENCES.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Sep. 3 1901; Oct. 11 1901.

Parliamentary proceedings have been prosaic. The fact is partly to be attributed to the absence of Mr. Reid, and partly to the practical nature of the Bills under discussion. The attendance of members has not been large, and out of those who are within sound of the bells comparatively few are within the Chamber. They are finding that Federal membership is incompatible with that attention to their own businesses which they were accustomed to give while in the State Legislatures. The weekly journey even from Sydney or Adelaide is burdensome and exhausting, while beyond those points such visits are impossible. Hence absences for ten days or a fortnight every now and then are the practice.

LEADER OF THE OPPOSITION.

Mr. Reid's position is particularly trying, because, like all but a few of our politicians, he has no income outside that derived from his profession. He is not a member of the Victorian Bar, and if he were he could not attend Parliament and the courts at the same time with sittings beginning at two o'clock in the afternoon twice a week, and lasting from ten in the morning until four in the afternoon on Fridays. The consequence is that his appearances in the House are intermittent, and that the intervals are spent in Sydney making up for the lost time and lost earnings caused by his stays in Melbourne.

The suggestion has been made that the leadership of the Opposition should have a salary of £1,000 attached to it, and thus be constituted an office of profit under the Crown, but the proposal has found no favour, though admittedly the present conditions under which politics are being conducted are inequitable. We have no leisured class from which to secure representatives who can afford to devote their time to public affairs and live for at least half the year far from home. Payment of members who live at great distances or discharge their duties assiduously has these justifications

in Australia. Apparently they are certain to graft the system on the Federal Parliament in which only a fraction of its members can be resident within a radius of three or four hundred miles of the capital, and some cannot expect to visit their constituencies at all during its sessions. No parallel can be drawn between legislative conditions such as these and those of the Mother of Parliaments in London.

WELCOME RAIN.

The most important event of the past week has been the refreshing rainfall, which has saved the crops in this State and has promised a fruitful spring to all the eastern Colonies. Like every other incident of any moment the news of this event has been telegraphed to England at the time of its occurrence, and any comment on it through the post must appear belated when it arrives. Should a showery six weeks follow, we shall be assured not only of abundant harvests but also of a supply of grass, fattening and multiplying our stock at present terribly depleted by years of drought.

Meat just now commands English prices, and for the first time in our history it is becoming a secondary article of diet. Fat cattle are scarce, and the demands of the almost deserted areas for restocking, now that they are yielding abundance of feed, is drawing away all the sheep which can be conveyed thither. With a good agricultural and pastoral season there will come a better and more hopeful temper among our inland population.

The shearing difficulty, too, perhaps in consequence of improved prospects, is not looming as large as it did. It is true that the hiring agreement of the Pastoralists' Union is being refused over a wide area in Riverina, but the men in most instances are working under a verbal contract which avoids the real points in dispute. There are stations which have succumbed to pressure and adopted the agreement framed by the Australian Workers' Union, but the number of these surrenders is not large, and the Pastoralists' organisation has not as yet been substantially impaired.

STATE POLITICS.

Quietness reigns also in State politics. Ministries are tottering in South Australia, where political instability was always a characteristic except during the **Kingston** regime, and in Western Australia, where a stability unexampled except in New Zealand departed with **Sir John Forrest**. The **Peacock** Administration in Victoria has brought forward its Budget as merely an interim proposal pending the announcement of the Federal Tariff.

THE FEDERAL TARIFF.

To the Tariff the **Barton** Cabinet is now devoting its undivided attention. There is a lull both in commercial and political circles which before this mail can reach London will have ended in the fiscal storm up to which all has been leading for the last nine months. The history and fate of the Federal Government hang on the first Federal Tariff.

The factors most likely to be overlooked by critics or spectators of our war of Customs duties who live beyond our borders are more potent than the nominally chief cause of quarrel between Free Traders and Protectionists. There are adherents of both fiscal systems who would sacrifice everything to one or the other principle as if it were a fetish, but though some of them are prominent in public life they are few in number when it comes to a vote. Practical considerations are paramount, though in the Press, on the platform, and in Parliament the shibboleths of the conflicting economies are always kept to the front.

Self-interest is as usual the real force behind the doctrinal shield. Both parties are compelled to agree on the threshold that the long-established dependence of the State Treasuries on the Customs demands that we shall raise a large revenue from that source; perhaps a larger revenue in proportion to population than any other people in the world. The plan on which we are to distribute the imposts so as to raise £8,500,000 yearly is the question to be determined.

It is at this point that the historic rivalry between New South Wales and Victoria culminates in a very real conflict of interests, which is the kernel of the whole situation. Under Protection Victoria has reared a number of industries which are still unable to sustain the shock of free competition. High duties on these products must be retained or they perish. It is their own friends and advocates who insist that they are imperilled. Mr. Barton's watchword, "Revenue without destruction", declared his intention to preserve for them the necessary advantage in our home market.

ATTITUDE OF NEW SOUTH WALES.

In Sydney, on the other hand, our factories are those which have proved that they can exist without any State handicap. What we require beyond their capacity we purchase indifferently from any seller either in Victoria or abroad. If high duties are introduced at the seaboard we must purchase from Victoria alone, or pay more for imported goods. Shall Melbourne secure the mastery of the Australian market at once, or shall her industries decline and Sydney dominate as the chief emporium of distribution? These are the stakes for which the game of politics will be played for the rest of the year.

The remaining States are divided. Our own country districts, resenting what they consider their neglect and the favouritism shown to our capital, are to some extent allies of Victoria, and will support a moderate protection. Mr. Barton's own sentiments are in harmony with theirs, and a compromise tariff will in all likelihood be the result. The battle before this is adopted must be fierce, and may be prolonged.

VICTORIAN WAGES QUESTION.

Yet another factor of the first importance requires to be taken into account. In Victoria, under her Factory Acts, there are wages boards which have fixed the rates of pay in a number of trades, many of them dependent on the protection hitherto afforded them. These rates are said to be higher on the whole than those in vogue in Sydney, and apparently the statement is not without foundation, since their manufacturers threaten to cross the border and settle among us unless relief is granted to them. There is one other mitigation possible, and this is that our Arbitration Bill should be passed enabling equally high wages to be obtained in New South Wales. At all events, it is generally asserted in Melbourne that production is handicapped by the Factory Acts in many ways in which Sydney employers are left free.

There is accordingly a strong desire on the part of the Victorians that their disadvantage should be removed in order that they may not be worsted in the coming wrestle for industrial supremacy between the two State capitals. Our merchants are equally on the alert to preserve the freedom they have hitherto enjoyed, so that here again we find ourselves diametrically opposed. It is not for nothing that every Sydney representative sits in Opposition, while the only New South Wales members either in the Government or behind it come from country districts.

Finally, as has been pointed out, the Labour section, and in particular the Queenslanders, are many of them perfectly indifferent to the fiscal proposals. They require to be satisfied by the exclusion of coloured labour, including the Kanaka. Provided that the Government measures satisfy them they will assist to keep Mr. Barton in office and, if necessary, pass his tariff by way of compensation.

PROSPECTS OF DEBATE.

When the operation of all these influences has been allowed for it is patent that the abstract antagonism of doctrines between Free Traders and Protectionists colours rather than controls the position, and is not by any means the sole nor even the chief motive power evoked. In the Senate the Free Trade influence may prove effective in

amending the Ministerial scheme even after it has run the gauntlet of the House. The representatives themselves are not likely to be docile in regard to details, so that whatever Mr. Kingston may attempt in the way of coercion the chances are that the schedule of duties placed on the Statute-book will differ considerably from that which is laid on the table of the House in the first instance. Neither he nor his colleagues as a body, nor any party in Parliament or outside of it, will be able to claim the tariff as its particular achievement.

It will have been shaped in the first place by the financial necessities of the States, and in the next by the combination of interests affected as modified by the general sentiments of the public. It may not be a triumph of statesmanship, but it ought to be a practical political solution of a very vexed problem sufficiently based on fact to last for the five years for which the Constitution obliges us to keep separate accounts with each State pending the attainment of a permanent financial relation between them and the Commonwealth.

As Mr. Reid has lately insisted, the actual crux of the existing situation is first financial and next fiscal. We have all we can do to maintain our seven systems of government without having resort to further direct taxation. The States, having all embarked on undertakings which in the Old World are in the hands of private corporations, suffer whenever the country suffers. Our railways, which rarely make a profit even in good years, plunge us into heavy losses with every general drought. These with us are public deficits.

The close connection thus established between our producing interests and our Legislatures has its advantages, but it complicates our Budgets and confuses their critics abroad. Neither the Mother Country nor the United States, where State ownership of railways, tramways, wharves, and telephones is unknown except to some municipal bodies, can furnish a similar experience. In these respects we can more readily point to Continental parallels, but there, too, the contrast is emphatic. Their dense populations and manifold inheritances from the prolific past prevent any real likeness to this continent, where all is new, and even our sparse settlements cover but a fraction of its vast area.

THE NEW COMMONWEALTH.

FEDERAL POLITICS.

“WHITE AUSTRALIA” POLICY.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Sep. 10 1901; Oct. 15 1901.

Australian politics are democrats in that they accurately reflect the opinions and aims of the great majority in this country, but they are curiously composite, novel with their new federal developments, and varying considerably in each State. To interpret them to British sympathisers is necessarily difficult. There is, first, the entire contrast between the size of the stage on which public affairs are transacted here and that with which you are most familiar. There is next the broad distinction between our isolated, uneventful, self-regarding policy and that which is woven in Great Britain into a variegated web of interests, including our own, that always touches, and often embraces, the fortunes of many other nations, and is affected by stirring episodes enacted all round the globe. There is finally the difficulty that as yet we have not begun to interpret our situation even to ourselves, or to adjust our appreciation of the various influences by which we are being moulded so as to rank them in their relative order of significance. Our public men and public journals alike speak and write to and for us only with constant assumptions of our knowledge of general surroundings, lacking which their comments are inevitably misleading to those abroad. Moreover, they are absorbed from day to day and hour to hour with the matters of the moment, rarely lifting themselves above their level to a true estimate of the rate or direction in which we are going. Yet it is plain to all who will take the pains to review recent developments that very definite and very serious issues are emerging from the local and transient agitations by which they have been obscured. The character of the Commonwealth is at last made plain.

STRUGGLE FOR SUPREMACY.

From the very commencement it has been insisted in these columns that the main motive power of federal politics would be derived from the universal impulse towards a “white Australia”. It has been persistently maintained that by its aid and under the pressure of our financial necessities the tariff would be determined as much as if not

more than by any fiscal theory. The trend of each of these factors is towards moderate Protection, coupled with high revenue duties. It has been often reiterated that the chief contest in the Parliamentary arena would be waged between the two Houses, and that the struggle for supremacy, once begun, would be severe and prolonged. In Parliament, and out of it too, it has been pointed out that the States would manifest their jealousy of the newly-created central Government, and compel it to make its position good inch by inch against a dogged provincialism which would become openly aggressive and retaliatory whenever an opportunity arose. These few cardinal features of the situation have been dwelt on again and again, because if they are constantly kept in mind it becomes possible to disentangle from the apparently inconsecutive jumble of our recent history the main dominating factors of Australian social and political life. These are the main currents; the rest are but eddies from them in backwaters, which only tell indirectly the height of the flood in the main channel. True, industrial forces and conditions ultimately govern all, but their influence, though variable, is sufficiently constant to be calculated on, and does not divert to any marked extent the general course of the stream.

THIS COLOURED LABOUR QUESTION.

The **Barton** Government owes its majority in the country and its existence up to now to its declaration for a "white Australia" as the chief phase of its Protectionist policy. The Opposition, recognising this as the key of the political position, attacked the Ministry on the Address in Reply for omitting to pledge itself in advance to forbid the entrance of more Kanakas into Queensland. This attempt to outbid the Government did not secure the support of the Labour Section or that of the Conservative wing of the Free Trade Party and failed. Last week the question arose in another shape. Mr. **Hughes**, a Sydney Labour member, moved an amendment on the Post Office Bill requiring that a condition should be inserted in all future contracts for the carriage of mails by land or sea that no coloured labour was to be employed. The same proposal had been previously made in the Senate, and opposed by Mr. **O'Connor**, on behalf of the Government, on the ground that its inclusion in a Bill for the management of a department was unwise, since it might lead to its reservation by the Governor-General, and possibly to its veto by the British Government. The restriction was rejected then by a large majority. In the House the Attorney-General, Mr. **Deakin**, who was in charge of the Bill, took up the same attitude, though with more guarded references to the possibilities of Imperial friction, but the feeling of both Ministerialists and members of the Opposition was so unanimously favourable to the proposition that the Prime Minister concluded the discussion by accepting it on the ground that as with these contracts Australia paid the piper she had the right to call the tune. No distinction is to be made between the Lascars on the P. and O.

steamers who may happen to be British subjects and the Japanese crews who man the steamers plying between their country and our own. Whatever vessels carry Australian mails must be manned by white men even in the stoke-hole. It was only to avoid an additional difficulty between the Colonial Office and foreign Powers that it was not insisted that the white men must also be British subjects. The "White Australia" policy has thus already become an actuality operating far beyond our own bounds.

OPPOSITION TACTICS.

As first lieutenant of the Opposition **Sir W. McMillan** declined to support the amendment moved from his own side on the Address in Reply, and stood alone last week in resisting Mr. Hughes's amendment as to the crews of mail steamers. When, therefore, on Friday last he rose to continue the debate on the Immigration Restriction Bill the House was perfectly prepared to hear him denounce the measure in good set terms. This he did with energy, stigmatising its scheme of requiring every person seeking to enter Australia to submit to an educational test by proving his capacity to write fifty words in English as crooked, fraudulent, and underhanded. He dealt trenchantly with the Prime Minister's intimation that, though on the face of it enabling the Executive to stop any Welshmen, French Canadians, Scandinavians, and Germans who were not able to write our language at dictation, it was intended to be applied at discretion and only to the coloured races. Governments, he contended, must not be entrusted with such power to discriminate, but Parliament itself should declare in plain terms in the Statute what peoples are to be refused admission. So far his criticisms had been anticipated, but surprise became amazement when he proceeded to insist that the Bill should without any softening of phrase absolutely prohibit the entrance into Australia of all Asiatic and African immigrants, and strictly limit those permitted to land to people of our own race. The House speedily realised that he was not only taking a new departure himself, but was, on behalf of the Opposition, capturing from the Government the most prominent article in its programme. When a wealthy importer, representing the most Aristocratic suburb of Sydney, the chosen spokesman of its mercantile community, who as a Free Trade leader is second only to Mr. Reid, proceeded to consider consequential complications with Imperial policy, and to announce that, loyalist as he had been, he held separation preferable to the establishment of South Carolinas along our tropical coast line, members were almost paralysed. It was plain that the utmost demands of the Labour Party had been conceded by those for whom he spoke. No announcement of so extreme a policy could have been more dramatic or more strategic than from the lips of such a man.

PARLIAMENTARY CRISIS.

The crisis has come, and far more suddenly than even the best informed anticipated. The Ministry has evidently been taken entirely by surprise, and can only save itself from overwhelming defeat by abandoning its position. Following on the lines laid down by Mr. Chamberlain as those on which such legislation should be framed so as to avoid international complications, they brought in a measure on the model of that first accepted in Natal, and have urged its adoption as sufficient for our present needs while at the same time considerate of the foreign relations of the Mother Country. The Labour section from the first indicated its objection to what it deemed a half measure, and the Radicals behind the Ministry echoed their protest. The Opposition was certain to seize its chance of harassing the Administration, but it was always believed that there would be a breach in its ranks, and that Sir W. McMillan and his friends might enable Mr. Barton to resist the attack. Instead of that, he has taken the lead in the demand for absolute prohibition, and the Prime Minister will have no choice but to follow him with the best grace he can. By a splendid piece of tactics the Opposition has made the "White Australia" cry its own. Of the result there can be no doubt. The Bill will leave Parliament with both Houses unanimous in its support. The ultras have not forgiven Mr. Chamberlain for his rejection of the Queensland Act establishing central sugar mills, in which a provision was inserted against the employment of coloured labour. They openly avow their intention of challenging him to veto a similar measure backed by the Commonwealth Parliament and people as a whole. The situation is fraught with great possibilities of friction, for, as has been repeatedly insisted in these columns, this is the one question on which all classes and colonies are most united. The agitation has come to a head precipitately, but it is none the less grave on that account. When Mr. Chamberlain threw down the gauntlet to Queensland he can never have expected that it would be so promptly picked up by federated Australia.

TAXATION PROSPECTS.

Beside this national and vital issue and its probable consequences all other incidents sink into insignificance. At the same time it should be noticed that the antagonism between the States and the central Legislature has blazed up in our Parliament just as has been predicted. The New South Wales Government, though supposed to be friendly to the Federal Administration, has warmly assured our Assembly that it will be vigilant in defence of all local privileges even down to the petty questions of precedence and appointments of justices of the peace. The Senate is laying a strong hand on the Customs Bill and manifesting its Free Trade leanings as well as its entire independence of the wishes of the House of Representatives. The public are at last

awaking to the financial pressure of the State Treasuries on the Federal Budget, and are becoming prepared for severe taxation to meet them. There has been a sudden ripening of our problems, and when once the tariff is launched we shall have an opportunity of seeing how our Constitution and our first Ministry can endure the storm and stress of heavy weather. Before the year closes the first page of the Parliamentary history of the Commonwealth will have been written. Recent events prove that it will certainly contain some decisions fateful and fruitful for its future, and perhaps for the foreign relations of the Empire as well.

THE NEW COMMONWEALTH.

IMMIGRATION DEBATE. LABOUR PARTY'S ATTITUDE.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Sep. 17 1901; Oct. 23 1901.

The echoes of *Sir William McMillan's* speech have not died away, but they are far less resonant than might have been anticipated. He is evidently startled at his own sudden access of violence, and he seized the first occasion on which it was mentioned to protest his loyalty to the Mother Country. This was never really questioned. What he did was to pander momentarily to disloyalty in order to bring himself into line with the Labour section, of whom he has hitherto been the doughtiest antagonist.

His explanation was given at the close of a speech by the Attorney-General in defence of those provisions in the Immigration Bill which are modelled on the Natal Act, and which adopt its educational tests of all would be settlers. In reply to an interjection from *Sir W. McMillan* uttered, during this speech, *Mr. Deakin* sharply retorted that the acting leader of the Opposition had been guilty of an entirely unjustified slander on the British Government when he sought to suggest that a choice might be forced on us between the preservation of this continent from an invasion of coloured peoples and a severance of the ties which bound us to the Empire. The implication of this alternative was that the statesmen of Great Britain were opposed to the people of Australia and their policy, which puts purity of race above all other considerations, and *Mr. Deakin* denounced the insinuation as false on the face of it. He had quoted *Mr. Chamberlain's* speech to the Premiers in 1897 and his recent despatch to the Queensland Government regarding the Central Sugar Mills Bill, which was vetoed because of its discrimination against all but white employees, to prove that, provided that an inoffensive method of excluding Asiatic races were selected, there would be no hesitation in Downing Street in recommending a prohibitive measure for the Royal Assent. His challenge to *Sir William McMillan* to produce a word or an incident which would indicate hostility on the part of the Imperial Cabinet or Parliament towards the legitimate aspirations of Australia was not accepted either by that gentleman or by any of the several speakers who applauded him and replied to the Attorney-General.

THE OPPOSITION LEADERS.

The silence and absence of Mr. Reid, Mr. Bruce Smith, and Sir Edward Braddon, the leaders of the Free Trade Opposition, during the week may possibly be intentional. Mr. Bruce Smith and Sir Edward Braddon may yet intimate their dissent from Sir William McMillan's position. Mr. Reid's decision will probably be governed by party and tactical considerations. From one cause and another, therefore, the situation has not developed as fast as was anticipated.

The damage has, nevertheless, been done, and will not readily be repaired. For one thing it appears to have evoked a spirit and firmness in the Ministry where least expected. They have certainly suffered in public opinion because of the concessions made to their motley collection of followers, strangers to one another and but lightly attached to their leaders, but most of all because of their evident anxiety to retain the support of the Labour section, without whose votes their tariff cannot be carried through the House. Mr. Reid would have been equally complaisant and yielding in the same circumstances, but would have exhibited much more tact, judgment and address in "saving his face" before the foe. He would have adopted the boldest and most unyielding demeanour in the very act of surrender, and have heartened his followers by dwelling on the disappointment of their adversaries at seeing their attack foiled.

Mr. Barton, on the other hand, wears his heart on his sleeve too much, gives way under compulsion with an ill grace, and makes no secret of his mortification when obliged to retreat. It was believed that, having pledged himself so absolutely to a "White Australia", it would be impossible for him to resist any amendment in that direction, and that his pliability on other points might be counted on here without question. On this supposition his Radical supporters rushed into Sir William McMillan's arms, and pledged themselves to support the amendment of Mr. Watson, leader of the Labour section, directly prohibiting all Asiatics, Africans, and Polynesians from setting foot on our shores.

THE GOVERNMENT'S ATTITUDE.

To the surprise of both sides the Ministers resolutely refused to agree to adopt the language proposed. The Attorney-General on their behalf reiterated in the most absolute manner their declaration for a policy of prohibition of the aliens aimed at, but at the same time insisted on the obligation of Parliament and people alike to remember their Imperial responsibilities and to act in harmony with the statesmen in London who are charged with the care of foreign affairs. It is not often that

an Australian Ministry stakes its existence on a question of procedure rather than principle, and still less often that it should risk its reign in order to keep step with the Mother Country and its allies abroad, whose interests are not only remote, but, as in the case of Japan, antagonistic to ours. Mr. Barton's courage and conscientious statesmanship are characteristic, but it is at least remarkable that he and his three colleagues, who fought Mr. Chamberlain with all their energies last year when the Constitution was before the Commons, should now be found fighting for him and his requests against their own Radical followers, the Labour section, and the party men of the direct Opposition.

The situation is still critical, but in all likelihood a catastrophe will be avoided by some compromise. The tariff is reported to be finished and ready for introduction in a few days, and the whole commercial community would protest against the delay in bringing it forward which would be inevitable if there should be a change of Government.

THE KANAKA BILL.

Then the Labour Party is on the look-out to see the Kanaka Bill, and secure its passage in the most stringent form possible. From the outline of the Ministerial measure available it should go far to render them equally unwilling to displace an Administration which is so much in sympathy with their aims. It is proposed to leave the employment of Pacific Islanders under the control of the Acts of the State of Queensland at present in force for a term of five years, after which they are not to be eligible as labourers, and are liable to be deported. Licences for fresh importations of Kanakas are to be permitted in 1902 to the extent of three-fourths of those returned to their homes during the present twelve months, and in 1903 to that of one-half of the number who depart during 1902. After that no more are to be admitted. Contracts for service under the State Acts must not exceed three years in duration, and a number of plantations have been recently engaging the maximum number of Kanakas they can employ.

THE COMING REVOLUTION.

With the diminishing number of these in the State they are none of them likely to be able to secure more than a portion of the supply to which they are accustomed after the expiration of these new engagements. Within two years after the expiration of their engagements they must prepare themselves for the revolution implied by entire dependence on white men for all field work. This labour will be more than twice as

expensive as that of the islanders in wages. In the far north, at all events, it is said to be less enduring, and will thus involve further outlay. The field work is not constant, but, like shearing and harvesting, is concentrated in one season of the year. Those engaged in it will belong to the nomadic type, and they are sure to form a trades union, and to become practically masters of the situation when once their Polynesian rivals are banished.

The outlook for the capitalists is, therefore, by no means encouraging. They have had a hard fight to establish the industry and to master the conditions of local production. Now they have to reconstruct their business again with new and uncertain elements. The strength and sincerity of the feeling for a "White Australia" is manifest when the vast minority of our people are not to be deterred from their end even by considerations, economic or financial, of such seriousness.

THE TARIFF PROPOSALS.

A sidelight on the tariff proposals of the Government has been afforded by the intimation that they are to be shaped so as to hasten and to facilitate the expulsion of the Kanaka and the introduction of white field-hands. An excise duty is to be imposed on sugar, partly for the purpose of increasing the revenue of the States, all of which, except Queensland and Western Australia, have been accustomed to derive large sums from import duties on this article of universal consumption. At present one and all are in need of incomes, and the excise will help all, especially the two States not hitherto benefited by any such levy. But the sugar wholly grown by white labour is to go free of the duty, so that the difference in its favour may enable the producer to bear the extra cost incurred in the employment of his fellow-countrymen instead of Kanakas. Of course the receipts from this excise are certain to diminish rapidly as the European hands multiply under this stimulus, but the public appear to be prepared for this sacrifice too, rather than tolerate what is termed the contract slavery of an inferior race.

It is doubtful if the average Polynesian gains anything by expatriation, and it is certain that he loses a great deal during his sojourn under the influences of the version of civilisation which obtains in the north. He learns enough to disqualify him from leading his old careless and taskless life, yet he very rarely becomes fit for citizenship or the responsibility of earning his living off the plantation. His Christianity, even when sincere, is, as a rule, hardly recognisable under that name. But, after all, it is only the few who consider his interest in the matter. He is brought in and sent away in the interest of our race, not of his own, and is well treated rather

for the sake of our credit than for any personal regard for him. The distance between the two races is too great to be bridged. According to all experience, the existence of a servile and subject population is inseparable from certain injuries both to them and to their masters.

SUGAR INDUSTRY'S PROSPECTS.

The sugar industry will doubtless reel under the shock of the Barton Bill, and its complementary excise policy will involve heavy losses to the State revenues. Nevertheless, the community as a whole appears content to pay the price demanded, just as the British Parliament did when it set free the West Indian slaves. The cost is scarcely counted just now, though when it is reckoned up and the interests affected make themselves heard a reaction is sure to arise.

The Federal Government has just carried its first bye-election in Darling Downs, where Mr. L. E. Groom, son of the late member, has been returned as a Bartonian against Mr. Bell, an able and well-educated member of the State Assembly, who came forward as an independent candidate with all the assistance that the Philp Cabinet, the *Brisbane Courier*, and the Pro-Kanaka Party could lend him. The constituency is wholly pastoral and agricultural, the richest and most representative of southern feeling, and its decisive verdict for Mr. Groom means that there is no wavering in the Anti-Kanaka policy of the people of Queensland. With the State most concerned so resolute there can be but little doubt that the Ministerial proposals, drastic as they are, will be carried without much difficulty.

THE NEW COMMONWEALTH.

FEDERAL SENTIMENT.

FISCAL POLICY.

COLONIAL DEFENCE.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Sep. 24 1901; Oct. 29 1901.

The fluid and indeterminate character of the Parliament of the Commonwealth faithfully reflects the fluid and indeterminate condition of the public mind on all federal questions. Take a typical instance. The vital issues raised by the Immigration Restriction Bill have not developed in the House as rapidly as expected, though they must come to a head this week. So far nothing has happened, but the delay is itself significant. Our continental area requires two or three weeks for the circulation of every proposal before a response is received from the whole people indicating their verdict on the specific proposition submitted. Again, it is the distance of Melbourne from their homes that has kept so many members absent from the Senate and the House of Representatives. These circumstances partly account for the feebleness of party ties, which in its turn conduces to Ministerial vacillation and uncertainty on the part of the Opposition.

Mr. Reid has not been in his place for a month, and many of his followers have been snatching their last respite prior to the tariff combat, with the prolonged debates and perpetual divisions then anticipated. Members are still thralls to State alliances and antagonisms, and are now much less in touch with their large constituencies than they have been accustomed to be with the smaller districts of the States. There is an universal hesitation among them to express themselves on new problems, and all our Federal difficulties are necessarily new.

Scarcely one member has spoken in public outside of Parliament since the session began. Consequently the electors feel their remoteness, even those in proximity to the capital of Victoria. The attendance of visitors at the debates is said to be rather less than that at the sittings of the State Legislatures. The lax attention of a listless public, the continuous absence of many members, and the looseness of party ties help to explain the confusion and dilatory development of current politics.

PROTECTION AND FREE TRADE.

The Ministry has no organised party. Behind it in the House sits the Protectionists, whether Conservative or Radical, united only on that one platform, and differing considerably in their interpretation of the scale of duties adequate to Australian needs. In the Senate the followers of the Ministry are only moderate Protectionists. In direct opposition in both Chambers sit the Free Traders, whether Conservative or Radical, with slightly differing views as to the proper maximum of revenue duties to be imposed, but wide divergencies on other points. Both official parties consist of two sub-parties. The Radicals are in each case more numerous than those who term themselves Liberals or Constitutionalists in State politics.

The best organised and, in some respects, the only party in either House is that of the Labour men. Their attendance is regular and their votes are certain on every important question except the fiscal one. Here even they are hopelessly divided, and have been obliged to concede individual freedom to their members. With the Radicals on either side they can make a majority at any time. Hence the entire instability of our Parliament and the puzzle of its divagations to the world outside its walls. Consistency is not to be looked for among the constantly-changing combinations which flow from the varying alliances of parties and sub-parties.

The tariff will for a time force them into separation and antagonism, but even then there will be Labour men who will vote for Protection for the sake of the Ministerial proposals with regard to the Kanakas and coloured aliens, while some Protectionists will oppose them if their duties appear to possess a prohibitive tendency. The divisions in Parliament would be less serious if there were any likelihood of a clearer view of the situation being adopted outside.

As a matter of fact, the real root of the present unsatisfactory condition of affairs lies in the weakness of Federal sentiment, the lack of a sense of Federal responsibility, and the absence of broad Federal views among the electors. They are still State citizens first, absorbed in State politics so far as they are politicians, and paying little heed to their Federal duties or prospects. Until we are nationally grown up and out of our State swaddling clothes there is little hope of a sober and a consistent Federal policy. Parliament is the reflection of the popular mind, and hence it is, and is likely to remain for some time, fluid and indeterminate.

“WHITE AUSTRALIA.”

The one matter on which the Commonwealth is united is in the determination to maintain a “White Australia”. There at least is one article of the national faith already accepted as the first principle in every political programme. To say that its consequences are not yet fully understood, that it will demand great sacrifices of agricultural development in our tropical regions, and involve us in international difficulties abroad, is to assert what no prudent observers will deny and most of our responsible leaders have admitted. Employed as a mere political cry by some and adopted by others from a purely selfish desire to escape competition and secure a monopoly of certain kinds of manual labour, it appeals to the racial instinct of tens of thousands who have no such motives.

Granted that there is in it a spice of the unreasoning hostility to strangers and foreigners for which no justification can be offered, there is also no inconsiderable share of the higher aspiration for a pure-bred population capable of full citizenship. The debate, thanks to the firm attitude of the Government, is developing on healthier and more patriotic lines than it began. The Press of Australia is almost wholly anti-federal in spirit if not in phrase, and an overwhelming majority of its papers are more opposed to the Ministry than in its favour. Its aggressive federalism is feared, its Protectionism and Radicalism disliked, and its tactics made a target for frequent censure on a variety of grounds. Nevertheless, in this matter of “White Australia” the decisiveness with which they have pronounced for a course consonant with Imperial obligations and considerate to the British Government has been approved and applauded everywhere. This one satisfactory feature of the situation requires to be dwelt on because it affords another evidence of the ready spontaneity with which the people of the Commonwealth respond to any appeal to Imperial sentiment.

BRITISH GOODS.

Canada’s loss of the German market and of the “most favoured nation” treatment which Great Britain and all of her dependencies that do not discriminate in her favour still enjoy will prevent any advantage being given to British goods in the tariff about to be proposed. But for all that, the taxes which they will require to pay for admission into the Commonwealth will still be considerably less than they pay on entering the Dominion. The duties in Canada, even after their two recent reductions, will be much higher than those submitted by the [Barton](#) Government, some of which are likely to be reduced before they are accepted by Parliament.

It is now generally understood that something over £9,000,000 will be required, and that, though this sum will yield a great surplus to New South Wales and a considerable surplus to Victoria, its distribution according to the consumption of each State will leave Queensland, Western Australia, and Tasmania with much less revenue than they have been accustomed to obtain and still need. The deficit in Queensland will only be temporary, that of Western Australia will be provided against by its power to tax imports from its sister States for five years on a gradually diminishing scale. Tasmania will be at least £100,000 short, and is as yet too proud to ask or accept assistance from the Federal Treasury. This is a problem left for future solution. While the schedule of duties proposed for Protectionist ends will fall far below those in force in Victoria and in South Australia, they will rise as much beyond the short and simple tariff of New South Wales.

The revenue duties will resemble those of Tasmania but be less severe, while the Protectionist duties will be very much on the lines of those hitherto existing in Queensland. Every State has been studied, but no State will be satisfied. Yet it seems probable that the tariff as a whole will be accepted with little alteration as a necessary evil.

THE QUESTION OF DEFENCE.

In one direction the demands of the States have been beneficial. Heavy as the tariff must be, it will not provide more than enough for them if and while the Commonwealth pursues the path of the strictest economy. Every penny it disburses means so much less for the local treasuries, and consequently the Legislatures associated with them are watching every outlay undertaken by the Federal Government with the most jealous scrutiny, and grudge each farthing doled out for its new expenditure. The demands from South Australia that the Northern Territory should be taken over at once, from Western Australia that the trans-continental railway should be commenced out of hand, and from Queensland that the administration of New Guinea be accepted with all its current responsibilities, are becoming less insistent now that it is realised how limited the funds at the disposal of the Federal Government must be for the next five or ten years.

It is not the States as States that will be considered, but the people of the Commonwealth, who, as citizens of the States, will require that their dual system of government does not become too costly. New Guinea must be dealt with in some fashion. The old agreements, under which the three great Eastern States maintained the part of the island saved by their exertions from being included in the Bismarckian annexation, having expired, and the Imperial Government having long ago ceased to

contribute towards its police protection, the Commonwealth is more or less coerced into paying for a property whose value to Australia is only prospective. It can ill afford this outlay just now, and cannot entertain the other ambitious projects pressed on it from Port Darwin and Perth.

Then, again, the War Office apparently desires to endow us with a military commandant who shall come out to us on a salary as large as that of Lord Roberts, bringing with him a staff of competent and handsomely-paid assistants. A quartermaster-general, at all events, was regarded at the Horse Guards as indispensable. But Australia is not in the mood for any such establishment just now. Our returned contingents have more than ever convinced us by their criticisms that in future wars it is practical efficiency, adaptability, and industry that count. The "gold lace" type of commandant, who is a figure in society and entertains largely, is at a discount. What is wanted is a man who will travel the continent and direct the organisation of our magnificent raw material under his own eyes. We can supply him with a staff composed of officers who have seen service in South Africa, and who know our country and our men. Barrack-room standards cannot be applied to them. They will never be made mechanical pupils of the Red-book. Short as we are of field guns, of ammunition, and other desirable equipment, we are not in a position to begin with a permanent force of officers of high standing and proportionate pay.

Thriftiness must rule in the Defence Department as well as elsewhere. We must walk before we try to run. There are naval responsibilities to be provided for, as well as military and a hundred and one ambitious projects only alike in that they all mean expense. Parliament now sees that we cannot afford to entertain them at once: some must wait. We must begin modestly and continue economically.

THE NEW COMMONWEALTH.

DUTY OF LOYAL SUBJECTS.

THE LABOUR QUESTION.

FEDERAL SENTIMENT.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Oct. 1 1901; Nov. 5 1901.

The **Barton** Government has fought its first pitched battle and has won. It had nailed its flag to the mast. Defeat would have almost inevitably led to its resignation. The flag raised was that of the Empire, and a majority against the Government would have meant a selfish declaration of local demands made in utter indifference to the interests of Great Britain and to the embarrassment of its international relations. The victory was not one of tactics. The Prime Minister is no strategist, and when his heart is full, as it was in this instance, he speaks with a frankness that is as sincere as it is undiplomatic. He was splendidly supported by his colleagues, **Sir John Forrest** and **Mr. Kingston**. All struck a high note of Imperial patriotism, and based their action solely on their desire to prove the depth of their attachment to the Mother Country. It would not be fair to represent the division as one between loyalists and disloyalists. There are only a handful of Pro-Boers in the House, and scarcely a man who can be even suspected of Separatist aims. It would not be a promising condition of affairs if there were only the majority of five secured by the Ministry in favour of cordial adherence to our obligations to Great Britain.

Party spirit pushed to the extreme was responsible for more than half the votes cast by the Opposition. The Labour section itself is almost wholly loyal, but voted solidly according to its rules of discipline. It is the first time it has put out its full strength against the Government, and the first time that it has been unreservedly allied with the official Opposition. Both were confident of success, and yet acting together they were beaten without the Ministry putting the least pressure on their followers, half-a-dozen of whom crossed the floor. The triumph was for these reasons a remarkable demonstration of the soundness of Parliament on the most vital and most Imperial issue of the session.

UNDESIRABLE IMMIGRANTS.

Mr. Barton's defence of his Bill was a fine piece of patriotic argument. It was without other adornment than a few felicitous phrases of an original character, such as he is wont to coin in any great speech. At times his utterance vibrated with the intensity of his emotion, but though sentiment coloured his deliverance throughout it was distinctively intellectual in character and practical in tone. When read it is seen to be a masterly exposition of the duties of loyal subjects in the dependencies. Sir John Forrest in a very vigorous fashion declared that Australia's acts in South Africa should not be contradicted on the face of her statute-book. Mr. Kingston was equally emphatic and more trenchant. He called the roll of the State Premiers who visited London in 1897, when they unanimously agreed to adopt the educational test as a means of excluding undesirable immigrants. Four of them were in the Chamber, *Sir George Turner*, Sir John Forrest, *Sir Edward Braddon*, and himself, all voted for that test, and for the rejection of an amendment which sought to repeat offensive discriminations against coloured races, whether under the Crown, as are the Hindus, or independent Powers like Japan. Only one ex-Premier had, without explanation, justification, or warrant, deserted the flag in the hour of need, and this was Mr. *George Reid*, to whom he pointed an accusing finger across the table of the House.

Naturally the Leader of the Opposition retorted fiercely, protesting that at a prior conference the Premiers had declared for the prohibition of all Asiatic peoples in express terms, and that this was the course now approved by the people of the Commonwealth. Mr. Kingston again returned to the charge with a passionate declaration that this agreement had been waived by consent of all concerned when they had met in London, that this was the one request which the British Government had ever made, and that we should be false to all our traditions if we ignored our great debt to the Parliament and people of the Mother Country.

THE LABOUR SECTION.

Mr. Reid is nothing if not a tactician. An old Parliamentary hand, and master of every platform device, it was not by accident that he singled out Mr. Kingston for personal attack in this debate. It was the first time an opportunity had been afforded him of leading the Labour Party, whose members, outside their own immediate organisation, avowedly look to Mr. Kingston as their natural chief. To weaken this relation and to establish a tie between himself and them induced Mr. Reid's well-timed assault on his rival, whom he hoped to take at an advantage. To accomplish this he sacrificed his own constituency, and possibly his own judgment; but he succeeded in his endeavour, and this has always been in Mr. Reid's eyes a sufficient justification for new

departures. His lieutenant, Sir **W. McMillan**, followed him, as did the Radical wing of his party and those of the Ministerialists who are actually or in practice associated with the Labour section. On the other hand, the Conservative members usually allied with Sir **W. McMillan**, Sir **Edward Braddon**, Mr. **Dugald Thomson**, and Mr. **Winter Cooke**—the solitary Victorian on the Opposition benches—rallied behind Mr. Barton, with whose tendencies they have much more in common, except on fiscal matters, than with Mr. Reid. The division was not, therefore, strictly on party lines.

When the Kanaka Bill comes up for discussion there is likely to be a redistribution of members. The Conservative section of the Ministerialists, headed by Sir **Malcolm McEacharn**, of Victoria, and Mr. **Macdonald-Paterson**, of Queensland, will probably oppose the Government proposals as unduly drastic. Mr. Reid will still further lean to the Labour members if they prove to be seriously dissatisfied with the Bill as not drastic enough. It is clear to him that they can only be detached from Mr. Kingston if he outbids and out-Radicals the Ministry at every turn. If he can even sever their sympathies so as to enable him to defeat the tariff he will have accomplished his end. His attitude immensely increases the importance of the Labour members. They are smarting under their decisive defeat at the hands of Mr. Barton, and are ripe for reprisals against him. The Prime Minister will not be taken by surprise. He made his choice with his eyes open. He prefers to leave office rather than be made the instrument of irresponsible men, who care nothing what difficulties they create for statesmen charged with the maintenance of the Empire so long as they can put their election platform on the statute-book with the least inconvenience to themselves. Want of knowledge leaves them wanting in Imperial sympathy.

THREATENED VOTE OR CENSURE.

The heat of the debate was much enhanced by Mr. Barton's frankness in laying on the table despatches which he had received from Mr. **Chamberlain** relating to the veto of the Queensland Central Sugar Mills Bill, in which it was impressively explained that discriminations on the ground of race or colour were unnecessarily offensive to fellow subjects and friendly Powers in the East. The Secretary of State for the Colonies has earned the hostility of the Labour section by his action in this regard, and has other enemies among the Pro-Boers, as well as the large number of members with Home Rule sympathies. The introduction of his name and despatches was inevitable and certain to provoke hostile demonstrations. But when the Prime Minister went on to read a Cabinet minute that he had placed on these papers, expressing the entire concurrence of the Government with the principles and policy enunciated, and adding that the Government legislation contemplated would be in harmony with these representations, a storm within a storm burst on the House.

Even Sir W. McMillan taunted the Government with acting under a mandate from Mr. Chamberlain, while Mr. Reid volleyed invectives against the servility of the Executive and its betrayal of Australian interests at the bidding of Downing Street. It was in vain that the Attorney-General pointed out that the date of the minute was months after the Ministry had resolved to adopt the Natal test recommended in 1897, and now in force in this colony, in Western Australia, and Tasmania. The Bill under discussion had been drafted before the despatch arrived, and the minute was simply a direction that information of this fact should be conveyed in a general way to Mr. Chamberlain, as it had been to the local Press some time before. The mischief was done.

Mr. Reid threatened a vote of censure, and plainly signified that if the Labour section would support him he would table it at once. Mr. Kingston, in a whirlwind of contemptuous wrath, interjected that the reply sent to the Colonial Office conveyed no more than a courteous answer, such as would have been sent to any State Premier who had written to the Federal Government on a matter of common interest. Even his influence was of no avail. The association of the Bill with Mr. Chamberlain, the constant reference to a possible veto on any other methods of excluding coloured aliens than those he had advised, and the exasperation of the Labour members at being balked in their amendment, which became the more palatable to them the less palatable it was proved to be to the Secretary of State for the Colonies, were so utilised by Mr. Reid's malevolent astuteness as to render a situation already critical more critical still. The upshot may be a vote of want of confidence or not, but the incidents have certainly deprived Mr. Barton of much of the confidence felt in him, or rather in his colleagues, by the Labour section. This section, it must be remembered, holds the balance of power.

WHITE AUSTRALIA.

Meanwhile, out of all this tangle of politics, within which personal, party, and sectional aims are inextricably interwoven, there are at last manifest the beginnings of what will become a federal sentiment. Whether mistaken in means or exaggerated in apprehensions, the representatives of the Australian people, who profess to speak only in their name, are on the question of a White Australia becoming more than mouthpieces of the constituencies. Face to face as they are with the danger of an alien invasion, and with the present residence in our midst of some thousands of Polynesians who, though transitory indwellers, help to multiply the difficulties of local government and police protection, they are attempting to find practical solutions of the problem how to make the Continent a White Australia.

The clash of interests and of opinions on the measures submitted will educate them, and through them the masses outside, to whom hitherto the phrase has meant for the most part little more than a pious aspiration. Parliament is in earnest, and the electors are becoming informed of the difficulties to be encountered and of the modes in which they can be overcome. The issue is felt to be vital to Australia, and it is also highly important in that it is leading us to attempt to define our relations as self-governing communities to the Empire of which we form a part, and through it to the world at large. It means, therefore, the dawn of national self-consciousness. There are, strictly speaking, no parties on this question. So far it appears as if those who desire to deal with it in the manner most acceptable to the British Government will have their way, and will obtain the approbation of the constituencies for so choosing. But that a White Australia must be attained, and that speedily, the whole Commonwealth is resolved.

AUSTRALIA'S PEOPLE.

WHITE LABOUR MOVEMENT.

THE NEW LEGISLATION.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Oct. 8 1901; Nov. 12 1901.

Little more than a hundred years ago Australia was a Dark Continent in every sense of the term. There was not a white man within its borders. Its sparse native population was black as ebony. There are now some sixty thousand of their descendants remaining and about eighty thousand coloured aliens added. In another century the probability is that Australia will be a White Continent with not a black or even dark skin among its inhabitants. The Aboriginal race has died out in the South and is dying fast in the North and West even where most gently treated. Other races are to be excluded by legislation if they are tinted in any degree. The yellow, the brown, and the copper-coloured are to be forbidden to land anywhere. The modern view that we are related within the Aryan family to Hindus is set aside, the old Caucasian separateness is asserted, and a certain jealousy is exhibited even within its range. No inconsiderable section of our people are sensitive enough to view with apprehension any large influx from nations as nearly allied to us as Germans and Scandinavians. Our Antipodean suspicion is directed at immigrants of the lower Latin type, and is decidedly antagonistic towards new-comers from South-Eastern Europe. British insularity, though proverbial, has never risen to this height. The policy of the Mother Country has been that of the absolutely open door. The slave who trod English soil was free and might remain, but no slave is to be allowed to tread Australian soil at all. The mere suspicion of the taint of slavery is leading to the prohibition of the Pacific Island labourer, on whom practically all our sugar plantations are dependant. A handful of British with little more than nominal occupation of half the continent is so stubbornly British in sentiment that it proposes to tolerate nothing within its dominion that is not British in character and constitution or capable of becoming Anglicised without delay. For all outside that charmed circle the policy is that of the closed door.

NO TRUCE WITH THE COLOURED MAN.

The patriotic side to this remarkable attitude is that which springs from love of the Old Land. We possess a boundless confidence in its people, whether at home or transplanted to this strange soil, and in their capacity to solve all difficulties if only they can be kept free from admixture with other races. A less attractive aspect is the fear exhibited of confessedly inferior stocks and the affront afforded to the abler peoples and higher classes of Asiatic origin. The solid argument is that based on the experience of North and South America of the unsuitability of mixed races for constitutional self-government. The ultimate result is a national determination to make no truce with coloured immigration, to have no traffic with the unclean thing, and to put it down in all its shapes without much regard to cost. Those Chinese, Japanese, or coolies who have come here under the law, or in spite of it, are not to be permitted to increase. As the successful among them invariably return to their native lands, a stoppage of reinforcements means the extinction in one generation of this alien element in our midst. The Kanakas brought to our shores under statutory authority are to come no more after 1903, and are to be banished after 1906. By that date it is probable that an appreciable reduction will have been made in the number of Asiatics among us, and the policy of the Commonwealth will be having its full effect. In the meantime the strength of the feeling evoked may be gathered from the restriction to be introduced in all future contracts forbidding the employment of coloured labour on vessels carrying our mails. This amendment, accepted by Mr. Barton in the House and carried somewhat unexpectedly, was fiercely attacked in the Senate by the Free Trade Opposition and the Conservative Ministerialists in combination. The contest was prolonged and severe, but with the solid support of the Labour section the Government triumphed by narrow majorities on every division. This is surely the high-water mark of racial exclusiveness.

THE KANAKA BILL.

The Prime Minister's speech when introducing the Bill which is to abolish the Kanaka in five years was worthy of his reputation, being solid, temperate, and weighty, well compacted, and, from his own point of view, conclusive. Hysterical, extravagant, or vindictive invectives against the traffic are certain to appear in the debate, but they must come from others. In compliance with a general request fifty thousand copies of his statement of the situation are to be printed for distribution. Those who receive them will obtain a clear and comprehensive view of it from the political standpoint. Mr. Barton began by admitting that cane-growing employs one-fourth of the whole agricultural acreage of Queensland, and that the only surpassing it is maize. About £6,000,000 has been invested in the industry, which has two thousand six hundred

employers and three thousand one hundred employees engaged, together with some eight thousand six hundred Kanakas, in growing a crop valued last year at about £1,000,000. After this sketch of the interest affected he proceeded to quote from all the leading politicians of the State, both past and present, the assertions they had all made at one time or another that the employment of Pacific Islanders was merely a temporary expedient and their admissions that it was inevitably attended by many painful incidents. He traced the history of the various legislative measures by which from time to time recruiting has been reluctantly legalised. It is undeniable that those responsible for them have always excused their proposals and pointed a little ahead to the ultimate exclusion of the Kanaka. He thus artfully demonstrated that he was only carrying out what had always been the declared policy of Queensland, though the several times fixed for the termination of the traffic have all expired. On his next contention, that the ostracism of black labour need not affect the industry, he was less successful. Dr. Maxwell's reports and the admissions of some planters prove that cultivation of the cane has often been very slovenly, and that the land has been recklessly exhausted in some districts. But these facts are not sufficient in themselves to prove that with white labour they would have been avoided.

FINANCIAL ASPECT.

The key to the whole position lies in the question whether or not the protection to the industry to be afforded by the tariff will be sufficient to enable the planters to double, and in the Far North more than to double, the wages they have been paying the Islander. If they are adequate Queensland will continue to supply the Australian market with sugar. If they are not the industry will be destroyed. Dr. Maxwell insists that it must perish in the North. The Barton manifesto at Maitland was that all Australian industries were to be preserved. It would be a breach of faith as well as a fatal mistake if this pledge were to be departed from in respect of the sugar industry. From the outlines of the Turner Budget and the Kingston Tariff, just laid before Parliament, it is plain that a bold effort is being made to recoup those whose capital is invested in sugar growing for the losses they must suffer when deprived of the cheap labour, by means of which they have at last come to flourish. A duty of £6 a ton on imported sugar is reduced in value to them just one-half by an excise of £3 a ton. As a State they will benefit by the excise on the sugar consumed within its borders to the extent of about £40,000 a year and upwards. It is not probable that any foreign sugar will enter into competition with them there, nor perhaps in this State, into whose markets, as in those of South Australia, they have been enjoying admission on payment of a duty of £3 a ton. In New South Wales and South Australia, therefore,

they remain as they were. The Western Australian ports have been open to them free, so that they are £3 a ton at a disadvantage in their exports to that state. In Victoria and Tasmania, on the other hand, they are £3 a ton better off, since in those States they have been subject to a duty of £6 a ton.

IMMEDIATE PROSPECTS.

On the whole, therefore, those who grow sugar by the help of Kanakas will be somewhat benefited at once by the tariff, even if their production this year suffices to meet all Australian demands. This it will not do, and as all foreign sugar will be subject to a duty of £6 a ton prices are likely to rise somewhat in spite of the fact that very large stocks, chiefly of Queensland sugar, are being kept in bonded stores in the Southern States ready to be placed on the market now that free trade in inter-colonial products is established. The planters should do well this year, and every year for which their cheap coloured labour is left to them. Those who employ white labour only are to have another £2 a ton conceded to them, as against Kanaka-grown sugar, and £5 a ton as against foreign sugar. As a consequence next year the whole of our sugar growers in New South Wales will discard the coolies and Chinamen which they have hitherto mixed with their white labour. Many in the southern districts of Queensland will follow their example. A certain number of islanders will be set free either to return to their homes or be transferred further north, and thus the strain will be relieved where it will be most felt. No certain information is yet available, but at present it seems to be quite possible that the effect of the Government proposals may be to make it profitable for many planters to replace their Kanakas by whites, while for the next five years it may ensure to those who continue to employ them prosperous seasons provided that their harvests are not less than they have been. Whether we can expect by that time to dispense with Kanakas altogether is another question. If so we shall have purchased a White Australia cheaply, and no one will grudge the price.

MR. PHILP'S CRITICISMS.

In the meantime, and without being acquainted with the financial proposals of the Ministry, Mr. Philp was not slow to reply to the Prime Minister. He availed himself of the State Parliament for that purpose, as all his fellow-Premiers throughout Australia are becoming accustomed to do. Everywhere the members of the State Houses are making attacks on Federal policy, while so far those in the Commonwealth Parliament rarely make reply and never retort on their critics. However long this dignified conduct may be maintained, it will be scarcely possible for the attacks made

in Brisbane to be ignored. White labour, Mr. Philp declared, had always failed, and he implied that it always would fail in the growing of sugar. Dr. Maxwell entirely agrees with him as to the northern areas. Ten years at least must be allowed in the opinion of the Premier, before the introduction of islanders ceases. Even after that period, unless helped by new inventions and new methods, the industry cannot be sustained without them. No doubt the present proposals in the tariff will be attacked by him on the ground of insufficiency when he is aware of them. It remains to be seen whether examination of the facts and figures will support the optimism of the Government or the pessimism of Mr. Philp. The issue is now fairly before the public, and there is already a considerable and rapidly growing pamphlet literature available in which it is being hotly discussed. Mr. Paget, M.L.A., of Queensland, has gone to Melbourne in the interest of the planters and to defend their cause. He has the members to fight, for out of the nine representatives of his own State six, if not seven, will support the Bill as introduced. The whole of the Labour Party acting with them will vote solidly for it. Two Queenslanders who sit on the Government benches may cross the floor, but it is doubtful that they can carry more than three or four of their neighbours with them. On the other hand, the Opposition Radicals are certain to put their hope rather in outbidding the Ministry than in opposing their severities. Mr. Reid would willingly deal more drastically with the problem if he could detach the Labour section from Mr. Barton. As he is apparently unable to do this he will probably allow his lieutenants to harass the Ministry as often as may be and put the Labour section in difficulties by proposing additional stringencies. It may therefore be assumed that the Kanaka has received a notice to quit, which will not be withdrawn or withheld as it was in Queensland. The first important Acts placed on the statute-book by the Federal Parliament will be those relating to aliens and South Sea islanders, both inspired by the national ideal of a White Australia.

THE NEW COMMONWEALTH.

STRIFE IN PARLIAMENT. SETTLING THE NEW TARIFF.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Oct. 15 1901; Nov. 19 1901.

The tariff has come, and with it consequentially a vote of want of confidence in its framers. The first was indispensable, the second inevitable. It should not be forgotten that the chief motive power of the Federal movement was generated out of the friction between the conflicting sets of customs duties in the several colonies. The one necessity everywhere recognised was that there should be a single Australian tariff instead of six. Without it any union must remain unreal for want of the strong cement of common business interests and relations. A similar chaos and need existed in the revolted colonies of North America when they became independent, while they were confederated and before they became indissolubly blended. They taxed each other's products and quarrelled about local trade. Webster described their union as "the child of commercial necessity". He always insisted that "unity and identity of commerce among all the States was its seminal principle". His statement is equally true of our own situation. An uniform tariff was our first necessity. For want of it even during the last nine months, while we have been nominally one people, we have continually realised the imperfections of our Federation and the dangers to our union from internal dissension, while our commercial separateness was prolonged. For the past three months mercantile men have been on tiptoe with expectancy and anxiety. Many of them in Sydney awaited the coming Tariff with the excited apprehension occasioned by speculative investments made in anticipation of probable increases. The whole continent has been deeply concerned to know what its fiscal future for the next few years is likely to be. It learned last Wednesday, and ever since has been busily engaged in endeavouring to understand just what this new creation means. It means much.

FISCAL PROBLEMS.

The Tariff having come was bound to be challenged. The American States, after all, were mainly agricultural communities and had but a small inter-state trade a century ago. They were novices in customs taxation then, and their thirteen seaboard

settlements on the Atlantic more separated from each other than they are now from the Pacific slope. We have but half their number of States which are thus individually much more potent than theirs. We have many times their trade with one another and have all of us become expert by long practice in the gentle art of taking advantage of each other by means of customs duties. The clash of interests is far greater, keener, and more instant with us than it was with them. With their example before our eyes we are much more alive than they were to the importance of the action we are taking. The telegraph sets us all abreast in the matter of intelligence of passing events, and enables the most distant portions of the Commonwealth to join in the chorus of satisfaction or dissatisfaction. We thus reciprocally stimulate one another, making all our people active participants in public affairs transacted on their behalf in Melbourne hundreds or even thousands of miles away. The manufacturing towns of New England are represented by our southern centres—Victoria and South Australia. The semi-tropic south of the American Union is paralleled in Queensland. Settlement in the Northern Territory and the north-west of Western Australia is so far inconsiderable. We in New South Wales hold the balances between them geographically. Like Virginia we possess the key of the position, though in our case this depends largely on our possession of the terminal port of ocean navigation and coal supply. But the interests of the warmer regions of Australia are more in favour of revenue raising by means of duties than are our own. Sydney as the centre of commerce for the east and Perth supported by the goldfields occupying a similar position in the west, are the strongholds of Free Trade. Brisbane and Hobart agree in accepting incidental Protection, while Melbourne and Adelaide feel their fortunes at stake with those of the great manufacturing industries they have established by a policy of favouritism to their own producers. With these antagonisms, accentuated as they are by party political feeling and local State jealousies, it was inevitable that any tariff introduced, whatever its complexion might be, must be objectionable to some States in the same proportion that it proved acceptable to others. The want of confidence motion in the Ministry now proceeding was, therefore, an inseparable accompaniment of any tariff. The strife in Parliament is not factitious, but represents the deep-rooted differences on fiscal questions which now divide the Commonwealth, and are likely to continue to divide it for years to come.

ASPECTS OF THE BARTON TARIFF.

The two important aspects of the **Barton** Tariff, broadly speaking, were expounded to the country by two of his colleagues. The **Right Hon. Sir George Turner** unfolded the Budget—a plain unvarnished tale delivered in an even voice in the same colloquial fashion as he would have addressed a meeting of shareholders in a private company. He was cautious in his estimates of revenue, economical in proposed expenditure,

and painfully precise in detail. These are his strong points. His clearness of view, thoroughness of grasp, and resoluteness in pruning public expenditure carried Victoria through the severest of all the crises experienced by the Australian Colonies ten years ago. They made his reputation, and the Budget just delivered confirms it by its practical unpretentious and prosaic simplicity. The revenue returns as presented show £8,000,000 this year and £9,000,000 in future years from Customs and Excise. Post Office receipts make up our income to £10,339,000. Out of this the expenditure on the Post Office, Customs, and Defence Departments taken over from the States amounts to £3,727,000, and other responsibilities of the remaining Departments to £296,000, including all arrears. This enables £6,315,000 to be returned to the States. The total cost of the new Federal Services is £204,000 for the year. As these transact a great deal of work, of which the States are being relieved, this actually means a new expenditure much smaller than that sum. Of course, there is no subdivision of the duties proposed into those imposed merely to raise revenue as distinguished from others intended to encourage local production. But large receipts are essential, and, as a consequence, the duties on stimulants and narcotics are higher than the Australian average, while in addition tea, coffee, rice, flour, and groceries generally, kerosene, cotton goods, printing paper, and many other articles rarely included in State tariffs are now to go towards the expenses of Government. We were heavily taxed through the customs before, but the burden imposed on us last week is heavier than ever. Of course, we save the £1,000,000 a year previously paid for inter-colonial duties, but, all allowances of that kind having been made, the tariff remains severe, and must continue severe until the period for which the Constitution compels us to keep a separate account with each State has expired. With the book-keeping system the last vestige of provincial finance, and a great difficulty for the Federal Treasurer, will disappear together.

“AJAX DEFYING THE LIGHTNING.”

The exposition of the other side of the Budget, in which effect is given to the Maitland promise to avoid the destruction of local industries by a moderately Protectionist tariff, was undertaken by the Right Hon. Mr. Kingston as Minister of Trade and Commerce. At once the calmness which had prevailed in the House while his colleague was speaking was dissipated, and a succession of storms broke within the Chamber. The subject-matter of his speech was much more debatable and its delivery bellicose. He indulged in a series of challenges to the Free Trade Opposition, to which they were only too ready and willing to respond. For the greater part of his speech the Minister's physical attitude under volleys of interjections was that of Ajax defying the lightning. At the same time he scattered a good deal of his own thunder by way of retort. Not that his matter was extreme. The highest duties have disappeared. The

thirty and forty per cents. to be found even in the *ad valorem* lists of Victoria and South Australia have vanished. The fixed duties proposed are cut down, though not to the same level. In certain instances the Protection formerly granted in these colonies has been halved. But for all that the list is filled with imposts designed to favour local manufacturers and producers. The farmers are not forgotten, for though they will possess but one market, and that open to the whole continent and Tasmania, the dairy produce and grain of New Zealand will be effectually excluded.

NEW DEPARTURES IN POLICY.

There were some new departures in policy. Bonuses are offered for the manufacture within the Commonwealth of new machinery suitable for agricultural, horticultural, and viticultural purposes, as well as for mining. The manufacture of iron from the ore which is believed to exist in large quantities in this State and in Tasmania is also to be fostered by bonuses until a sufficient output is secured to justify the imposition by proclamation of a duty of 10 per cent. These are some of the efforts made to acclimatise new sources of employment, as well as to maintain those already established. Mr. Kingston, when pointing to these Protectionist devices, in effect flung down the Ministerial gauntlet, and Mr. Reid could do no less than pick it up. A trial of strength between the two parties therefore begins at once. It is not expected that Mr. Barton will be hurled from office, but it is probable that a dividing line will be drawn between the supporters, across which, after the pitched battle is decided, the Opposition look to attract many members who object to particular proposals on the tariff, but who shrink from the responsibility of displacing Mr. Barton. The guerrilla war on details is likely to prove more costly and more embarrassing to the Government than the formal duel with which it is opening.

THE FISCAL SITUATION.

The position in New South Wales differs from that of every other State. We have had the shortest and simplest of tariffs, and are now to pass under the longest and most complicated. We have done well out of a few duties, and are to do better, so far as the Treasury is concerned, with more. A tariff framed to meet our exigencies need only raise £5,000,000 from Australia, while one to satisfy Queensland must approach £12,000,000, or to suit Western Australia £19,500,000. The present proposal means that we shall receive back over £2,000,000, and Victoria nearly as much, Queensland £1,000,000, South Australia £570,000, Western Australia £656,000, and Tasmania £300,000. The possession of such a magnificent income is naturally exhilarating to our State Ministry, whose members are unfeignedly delighted both with the character

of the imposts and their volume. Our Opposition, led by Mr. Lee, was foolish enough to make the Federal Budget the ground for another Free Trade attack in a Parliament which has no authority whatever over fiscal affairs. The members were very properly defeated by a two to one majority, though it is understood that their object was to assist Mr. Reid rather than further their own cause. This political verdict, however, in no sense represents the opinion of the State, and is in absolute contradiction to that of Sydney. Except in the ranks of the Protectionists, always much in the minority here, the whole of the business community, including both wholesale and retail dealers, is angrily antagonistic to the new duties. The Metropolitan Press reflects the astonishment at the number and height of the duties, though it has been perfectly plain for months past that just such a tariff was certain to be brought in by Mr. Barton. The fact has been frequently dwelt on in these columns. It is no consolation to the consumers of dutiable goods that the extra cost of these purchases returns into the coffers of their own State, nor that our Chamber of Manufactures rejoices in the prospects opened out for its members, nor that Newcastle and the mountain districts welcome the probable establishment of great ironworks in their midst. The hulk of the electors in town and country were unprepared for so entire a transformation of the fiscal situation. They have been, and still are, looking forward to a Parliamentary victory of the Free Trade Party, of which there is, as yet, but a poor prospect.

PROSPECTS OF THE TARIFF FIGHT.

Mr. Reid, at all events, has done his utmost. In vain has he proclaimed that the Kanaka Bill gives the utmost possible consideration to the planter, and indicated that he is anxious to give him still shorter shrift. In vain has he endeavoured, by throwing himself into the arms of the "ultras", to force a quarrel between the Commonwealth and the Colonial Office in regard to the exclusion of aliens. Promise what he will, he cannot detach a sufficient number of the Labour section in the House. His constituents, who disagree with him entirely in his attacks on the Kanakas and on Mr. Chamberlain's policy, would condone his conduct as strategically necessary were it not that in spite of all his sacrifices of principle he has not yet succeeded in winning a majority of the House. During the Tariff fight in committee he will be more successful, and may rely on defeating Ministers in many details. Probably when the tariff passes the Ministry will pass with it. New South Wales will be more hostile than ever to them, while all the disappointed interests in the other States will encourage disaffections among their representatives. The tariff among its other consequences may easily come to include the overthrow of its authors—the first Australian Administration.

THE NEW COMMONWEALTH.

TARIFF CONTROVERSY. AUSTRALIAN INDEBTEDNESS.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Oct. 22 1901; Nov. 25 1901.

The tariff duel between Mr. Reid and Mr. Barton has begun in earnest, though their first encounter was indecisive, since it left both unhurt. The Leader of the Opposition, heading an attack on a list of duties confessedly full of anomalies and lying open to this criticism, possessed the advantage. But whether he prepared himself too elaborately or whether the studied silence of Ministerialists during his deliverance disconcerted him by depriving him of his favourite thrusts by repartee, he certainly fell below his customary standard. Mr. Barton, on the other hand, excelled himself. Instead of confining his speech to an exposition of his proposals he took the offensive with such energy that his anticipated overthrow was avoided, and in the circumstances the honours, as far as they fell to either, remained with him.

CONTEST OF DETAIL.

The debate was in the House; large questions of principle were involved, and the whole system of finance set forth in the Budget was before the combatants; yet their contest became one of detail and of partial contrasts on points most of which could have been more fittingly considered in committee. A crowded Chamber, and an expectant public were, therefore, somewhat cooled in their interest in the discussion at its very commencement, and nothing occurred during the remainder of the week to revive it. The speeches that have followed have evidently been prepared without much relation to each other. The Opposition, of course, condemns the tariff in some particulars and now and then assail the Treasurer's estimates, but in the main the time has been occupied by set speeches on the merits or demerits of Free Trade and Protection and the consequences flowing from them. Keeping more than arm's length apart, the antagonists have expended most of their destructive ardour, not on each other, but on lay figures of their own fabrication or problems little connected with the matter in hand. No one pretends that this is a tariff of principle—not even its authors make such a claim on its behalf. It is the creation of expediency,

“a thing of shreds and patches”, taken from six differing tariffs and designed to tide over the present necessities of six States widely differing from one another in their circumstances. It would be idle to seek to measure a scheme so strictly local and provisional as it embodies by any of the tests properly applied to ordinary Budgets.

PUBLIC INDIFFERENCE.

In New South Wales there has been a genuine feeling of aggravation at the discovery that we are to be taxed up to the level of the other States in customs duties instead of being relieved from them sufficiently to begin the Union on our footing. Yet the general indifference is surprising, and the response to the sensational appeals of our Free Trade papers, even in Sydney, where they are all-powerful, has been astonishingly feeble. The traders affected have done all that was possible to bring home to their customers the conviction that living is to be made much dearer in consequence of the tariff. Unscrupulous retailers have raised the prices of articles in no way affected, but all their endeavours have so far failed to produce even the familiar public meeting of protest. It is to come next week, but the time required to organise it tells its own tale. If there were a general election to-morrow no doubt the Bartonians in this State would be reduced by one-half at least, and when the ballot-box does speak a year or two hence the resentment felt will find full expression. But in the meantime our citizens seem too apathetic to take overt action in order to resist the attack made on their purses. Mr. Reid and his following are manifestly disheartened at this, though the failure can in no way be laid to their charge. In Melbourne they have held an excellent meeting of Free Traders. They have done all that in them lies here to arouse public sentiment openly and privately; they have been supported by the Press with lurid predictions of ruin and ringing calls to arms. For a people subject to attacks of nerves, and but too readily responsive to momentary epidemics of excitement, we are most strangely phlegmatic, though touched in the taxpayer's tenderest part—his pocket.

POPULAR ATTITUDE EXPLAINED.

Casting about for an explanation of the phenomenon, one has to allow for local counteracting influences. In the first place our Ministers rejoice at the prospect of full coffers assured to them by such a scheme. Members of the State Parliament generally are not insensible to the relief it affords by postponing the necessity for fresh taxation. Country districts are, on the whole, satisfied. The Victorian stock tax has gone. New Zealand competition has gone too, and our agriculturists rejoice in the command of their own markets. Chinese eggs will no more enter by the million, and Californian

wheat henceforward must go elsewhere. Manufacturers who are not also importers are, needless to say, perfectly content. There are many important interests mollified whose combined resistance goes far to prevent an explosion of popular indignation. The consumers are unorganised as usual. The Opposition in the Federal Legislature is absent in Melbourne for most of the week. The Free Trade Opposition in the State Legislature is smarting under its two defeats: the first at the late general election, the other in the Assembly a fortnight ago. Both of these disasters it attributes to Mr. Reid, under whose coercion they were undertaken in order to assist his campaign in the Commonwealth Parliament. Having been twice badly beaten for his sake, his old associates are in no mood to undertake a third attempt, from which they can hope little for themselves. He risks nothing if they fail, but reaps all the advantages if they succeed, and has thus in every way the best of the bargain. Hence we find another unexpected situation flowing from Federation. A tariff which, if proposed in New South Wales, would have set the whole State in a blaze of antagonism and would have been rejected by overwhelming numbers at the ballot-box and in the Legislature is, because it is framed across the border, accepted fatalistically with nothing more deadly than a fusillade in the Press from those whose business or political interests are directly affected. So curious a consequence of our Federal partnership may be only temporary in its influence, but at present it means political paralysis at a real crisis in our history.

“DRIFTING TO LEEWARD.”

Of course, New South Wales is to get back all the money that is raised in its territory by the Commonwealth tariff, and we must try to reconcile ourselves to it by that recollection. But there is little solace in this circumstance for those few among us who keep a watchful eye on our financial present and future. To them the inflow of so much money into the State coffers is an occasion for regret rather than rejoicing. It helps to conceal from the masses the fact that we are steadily drifting to leeward—that we are piling up obligations at a much faster rate than we are increasing population or resources. The calamity inevitable, unless wiser counsels prevail and economy is more diligently pursued, will be increased by the fact that, through the advance in our customs takings, a true knowledge of the actual position of this State will be longer delayed. We are spending too much, and some of it we are spending unwisely. The day of reckoning cannot be avoided, and will not be long in coming unless the prophecies of the Protectionists that we shall see a rapid growth in local productions as a result of the new tariff happen to be justified. On the surface all appears to be well with us. Our credit is high, our landed estate vast, and our unexploited sources of wealth numerous. But we are forcing the pace too much. Our system of public accounts is not yet perfect, and the position of the Treasury is far

from being understood by “the Man in the Street”. The Government shows a credit of £1,334,000 in Sydney, but it consists of trust funds. There is a balance against the consolidated revenue fund of £500,000, against loans accounts of £1,600,000, and against contingent accounts of £36,000. We have been selling £100,000 of funded stock locally every month. Treasury bills mature next year, the late loan is absorbed, and the public expenditure steadily exceeds the public revenue. These are painful but unmistakable illustrations of the spendthrift policy we are pursuing, and warnings of the dangers to which we are exposing ourselves. We must either learn to restrict our outlay to our income or, like Mr. Mantalini, we shall discover that, small as the excess may seem each year, the early result will be the sudden privations, rude retrenchments, and unfair taxation of which we have already had experience.

TYPICALLY AUSTRALIAN.

The situation is becoming serious not merely because we “outrun the constable” in ordinary expenditure but because we borrow too frequently, and spend what we borrow too lavishly. New South Wales is in this respect typically Australian. New Zealand, Queensland, and Victoria have rivalled us in the past, but have learned more wisdom by lapse of time. This State alone now owes more than Canada or Japan, four times as much as Sweden, and seven times as much as Denmark. We own all the railways in the country and many other magnificent assets, but, with £71,000,000 due to our creditors, it is time that we called a halt. We now pay about 3½ per cent. for money. Our 3 per cent. loans in the various States have cost us 10 per cent. discount. During the past ten months the States have borrowed £14,000,000, of which £11,000,000 is new indebtedness, and, though some of it is represented by Treasury bills, the whole amount is certain to become a permanent obligation. The amount we shall finally have to pay will be £1,200,000 more than we have received in cash. There has not been any considerable flow of private money to Australia for some time, and probably there is less due from us in this regard than a decade ago. Still one of our ablest financial experts, Mr. Nash, has estimated that the interest sent away to meet the public and private obligations of Australasia represents in itself an income tax of 1s.8½d. per pound on all incomes, or 42s.3d. per head per annum. These figures go to prove that individually and collectively we have over-borrowed, that some States are still over-borrowing, and that there is no adequate realisation on the part of the electors of the condition into which we are coming. There is no party in any State with a definite plan for curtailing expenditure so as to enable us to dispense with loans except infrequently and for special reasons. At present borrowed moneys appear to be included in our State Budgets as part of our daily bread.

LOOKING FORWARD.

Customs duties have always been the largest source of ready money supply to every State Treasury. That source has now been transferred to the Commonwealth. The States are protected to a certain degree by the provision that three-fourths of the receipts must be divided among them in proportion to the amounts they each contribute to the general fund, but the obligation to adjust Federal finances so as to save the States from freshly taxing their citizens is not in the Constitution; it is moral and not legal. Such a contingency is not to be altogether dreaded, because it may hereafter prove to be the one and only means by which State economy may be effectively insisted on. The Commonwealth will find the general interests of the whole people require on its part an increasing expenditure on external defence and internal developments. It will then begin by taking its full fourth of the Customs as allowed by the Constitution. The States will feel the pressure at once. Five years hence a different method of distributing the three-fourths of the customs revenue between the States will be put in force, and ten years hence the whole of the receipts, now estimated at £9,000,000, will be solely at the disposal of the Federal Parliament. The power of borrowing which the States possess will then practically cease to whatever extent the Customs revenue may be withdrawn. The Commonwealth will have its own borrowing to undertake, and its own developed Departments to provide for first, and is little likely to unduly stint itself to feed its rivals for popular favour. These plain prospects appear to be universally ignored, so far, but they will affect us soon, and vitally. It must affect every Australian as a borrower, and every Englishman who is a lender to Australia, when the centre of financial gravity shifts, as shift it will, from the States to their Federal Union.

THE NEW COMMONWEALTH.

FEDERATION DIFFICULTIES.

CONTENDING FACTIONS.

THE TARIFF QUESTION.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Oct. 29 1901; Dec. 3 1901.

The Ministry has entered on a critical period. When the debate on the vote of want of confidence closes this week it will have a large majority, but it will not be stable. It will be the high-water mark of the career of the Ministry. The significant circumstances are that Ministers will lose three votes and that these are all Victorian of the same political complexion. Up till now twenty-two of the twenty-three representatives from Victoria have sat behind the Government. Only one member who went before its electors as an uncompromising Freetrader ventured to take his place in the Opposition corner. Now three others of like opinions, who sank their opinions temporarily out of consideration for their own colony, and who were pledged to a moderate measure of Protection, recoiling in alarm from the Kingston tariff, have joined their hitherto solitary comrade. This defection will be compensated for the moment by the adhesion of three Protectionists of the Labour section who sit with the bulk of their party in the Opposition corner. But when the division has been taken they will return to their places. The three Victorians are permanent additions to Mr. Reid's forces on the fiscal issue in all its forms. According to colonial classification they are Conservatives, men of means and position who oppose "advanced" legislation affecting the commercial and landed interests. They reinforce the weaker wing of the Opposition, of which Sir W. McMillan, Mr. Bruce Smith, and Mr. D. Thomson are typical members. To the same extent they diminish the Conservative element in the Ministerial ranks where it has been until now an effective restraint. The defection renders the labour alliance more essential to Mr. Barton and more desirable to Mr. Reid. The change increases the already dangerous domination of this group. As the first-fruits of a reaction against Protection in Victoria the crossing the floor by the three members is a Free Trade triumph welcomed in this State. As a further division of the Moderates, who are separated by fiscal views, it strengthens the position of the extreme men, who are already moulding the policy of the country more than their numbers justify. The outlook is, therefore, rendered more uncertain than ever.

WESTERN AUSTRALIA.

The tariff stands condemned at the bar of public opinion, not only in this State, where antagonism was to be anticipated, but in Western Australia with an unanimity that surpasses our own. In the West there are practically no manufactures, and the farmers are now in a minority. The miners and townfolk are Freetraders by instinct and profession, as are all their Federal representatives. Sir John Forrest, on the other hand, has, as always, the agriculturists and pastoralists behind him, though even he, if confronted by an election just now, would be obliged to rely on his past services and personal popularity. The fiscal proposals with which he is now associated would bring him nothing but opposition. The Legislative Assembly at Perth has even gone so far as to pass a motion of censure on them. To this he has promptly replied with characteristic directness and force. The abolition of the power to impose duties on intercolonial products renders an increase of federal duties on over-sea products and of excise on local products inevitable. Even as it stands the tariff leaves Western Australia nearly a quarter of a million in arrears, and any additional reduction of the receipts can only enlarge this already substantial deficit. This State has under the Constitution the exceptional privilege, possessed by none of its neighbours, of taxing their goods for five years, and can thus reduce the loss to its Treasury. But those who are objecting to the Federal duties because of the advance in prices which they occasion cannot consistently put on similar duties on imports from the sister States, especially as these consist very largely of food supplies. With an eye to this dilemma Sir John Forrest replies to his critics in his own State with the pertinent inquiry as to how they are going to make up for the deficit they have and the still larger deficit they propose to have. If they intend direct taxation he calls on them to say so, or at least to indicate from what source they will supplement their revenue. His old antagonists evidently find it difficult to reply. Mr. Leake, the Premier of the State and former Leader of the Opposition to Sir John Forrest, is a Freetrader, and at the same time a Federalist. His two political faiths have come into conflict, as they must everywhere, during our transition period, though nowhere so decisively as in New South Wales, the one State in which Free Trade was in actual operation three weeks ago.

EXTRA TAXATION.

When Mr. Reid was leading the opposition to the Commonwealth Bill he appealed to the electors to reject it on the ground that it must mean extra taxation through the customs of more than £1 per head to bring us in line with our neighbours. He and those who spoke with him have proved true prophets. Under the Barton tariff we are called on to find an extra guinea for every man, woman, and child within our borders, and to raise it in the manner most obnoxious to us. We are hit hardest of all

the States, Victoria only contributing an extra 4s.6d., and South Australia 6s.8d. per head through the customs more than they have been accustomed to. The remaining three States, on the other hand, are relieved of duties amounting in Queensland to 9s.8d., in Tasmania to 4s.3d., and in Western Australia to 33s.7d. per head. As they all need the money these three must tax themselves afresh, and in some other way. The burden of these taxpayers is merely shifted from one shoulder to the other. The effort has been to bring them down and the others up to a common standard. All six States are compelled to suffer financially in the process, but none so much as New South Wales. Last of the colonies to come in, and with the strongest Anti-Federal phalanx in our midst we now find ourselves excessively taxed, and even then only partially meeting the difficulties of less prosperous States. This sacrifice might be made less grudgingly were it not for the fact that the Barton tariff levies on us not simply to fill the coffers of our allies, but with the deliberate and avowed purpose of assisting to maintain the Victorian and South Australian industries whose goods have now a free entrance to our markets. Naturally, then, the position is felt to be intolerable. It has provoked some wild and foolish threats and recriminations, but its real energy has at last expressed itself constitutionally in a mass meeting larger and more enthusiastic than that held in Melbourne a week earlier. At this great gathering Mr. Reid riddled the Government proposals with the sarcastic and humorous invective of which he is a past master. He tried them by the standard of the New South Wales tariff, and had no difficulty in convincing his immense audiences that they were being made the scapegoats for the Commonwealth. Sydney naturally resents the overthrow of its policy. Its bitterness knows no bounds. In politics Mr. Reid is Sydney, and carries its suffrages in his knapsack. It will forgive him much for his fidelity to its interests and principles, and with his citadel there impregnable he will be able to give all his attention to carrying the war into the enemy's country.

FEDERAL MINORITY.

The Opposition has been immensely strengthened, not only in Sydney but in every State, since the tariff was promulgated. The country in which the taxpayers welcome a raid on their pockets has yet to be discovered. When they find the prices of necessaries and luxuries raised they do not wait to inquire how much of the advance is inevitable. They simply condemn the authors of the mischief without appeal. If Mr. Reid had been in office he must have collected about the same sum, and he must have obtained it from Customs. He would, no doubt, have cut down the duties which do not produce revenue, because they are Protectionist in purpose, much more than Mr. Barton, though Mr. Barton has already in some cases lowered the barrier fifty per cent. Sir W. McMillan, as Mr. Reid's lieutenant, plainly says that he would abolish the free list of £7,000,000 proposed by the Government so as

to obtain a 10 per cent. revenue from this source. Mr. Dugald Thomson, member for North Sydney, would retain it, but tax tobacco, beer, and luxuries more highly. Both agree that they would be satisfied with smaller gross returns to the Federal tax collectors, and would leave the task of making up the consequent deficiencies in the States to their own Legislatures. Now the duties which are at present the subject of most complaint by the public are those which the Opposition is prepared to retain. They are placed on the necessaries consumed by all classes, and for that reason are the best sources of revenue. Fortunately for the Opposition, this is not realised by the mass of the community, who vaguely associate the increased cost of such articles with the preservation of Protection for the cake of Victoria and South Australia, against which the better-informed citizens of our Metropolis direct their hostility on grounds of principle. An overwhelming majority in this State, accustomed to control their own affairs through their own Legislature, are now for the first time confronted with the fact that they are in a Federal minority, under the control of representatives of other States and powerless on the one question on which they feel most deeply. They cannot grasp the situation. It seems to them that nothing short of Ministerial treachery and a wicked conspiracy among our neighbours can account for such a state of things. Anti-Federalists are bitterly rejoicing in this justification of their warnings, while the wildest among them are beginning to clamour for a disruption of the union we celebrated ten short months ago.

THE KANAKA BILL.

The fiercely-inflammatory condition of New South Wales is, if anything, exceeded beyond our northern border, where the tariff is scarcely mentioned, but where the union has been more openly threatened. An appeal to the sword has even been publicly demanded by one or two demented partisans. The gravity of the situation may, however, be appreciated apart from these vapourings by the deliberate official declaration of the Premier of Queensland, Mr. **Philp**, that if the Kanaka Bill of the Barton Ministry be carried he will oppose its operation within the State by every possible legal and constitutional means. Mr. Philp is a man of his word and has resolute men behind him. No one in Queensland contributed more than he to secure the acceptance of the Commonwealth Bill, and he was offered a portfolio by Mr. Barton whenever the formation of the first Federal Cabinet was entrusted to him. He preferred to remain in his State. The choice of Mr. **Drake** in succession to **Sir James Dickson** is understood to have been made with his approval, though that gentleman had always been an opponent of the employment of Polynesian islanders on the plantations. Ever since he detected the trend of Mr. Barton's Kanaka policy Mr. Philp has been angrily hostile. If he could now undo the Federal tie and regain the freedom which his State enjoyed until the beginning of this year he would sever

the bond at once, as would most of those who were associated with him in bringing about the union. So far as can be judged he carries with him the whole of his party, which has a large majority in the State Parliament. Every agricultural association, every chamber of commerce, and almost every local body in the State has declared against the Barton Bill. Brisbane takes the lead and every sugar district follows. What may be termed the "classes" are apparently unanimous, and with few exceptions the clergy, who might be expected to touch such a question gingerly, are declaring for a continuance of the introduction and employment of Kanakas as at present. On the other side is the Labour Party, which has always been in a marked minority in State politics. It is the miners, who with the shearers and station hands of the pastoral districts constitute the bulk of the party in the country, their following in the towns being enhanced by the philanthropists and sentimentalists who stigmatise the coloured labour traffic as "limited slavery". The State seems rent in two by these contending factions. A great meeting in Brisbane against the Bill was more violent and disorderly than any ever witnessed, though the resolutions submitted were triumphantly carried. A counter demonstration by the Labour Party, whose members were responsible for the obstruction at the previous gathering, was not interfered with, so that resolutions of an exactly opposite character were endorsed in the same hall a few days later. At present Mr. Philp's hopes are centred in the Federal Senate, but there appears to be little prospect of any material modification of the Barton Bill even there. The chapter which will be opened when the State Ministry and its majority set themselves to defeat the operation of the Federal measure may prove one of the most serious in the early history of the Commonwealth.

THE NEW COMMONWEALTH.

TARIFF DIFFICULTIES.

RIVAL INTERESTS.

FEDERAL POWERS.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Nov. 5 1901; Dec. 10 1901.

The Commonwealth is steadily cutting its political teeth in normal fashion, with only such inflammatory symptoms and mild convulsions as are natural to its growth. The House has disposed of its first vote of want of confidence, and by giving Ministers a majority of fourteen out of seventy-four available votes has apparently strengthened their position. As a matter of fact, all that the vote precisely means is that Mr. Barton has been preferred to Mr. Reid as custodian of the fortunes of Australia. This was the verdict of the elections seven months ago, and it is the verdict of Parliament to-day—not because Mr. Barton has no faults, but because even with them he is more trusted than his rival. Without the brilliancy, the strategy, or the energy of the leader of the Opposition, he is more loved by his friends and more relied on by his followers. The session has had its failures and even its Ministerial follies, but there has been a growing confidence in the sincerity of aim and steadfastness of purpose of the Prime Minister among members on his own side of the House. Outside he has probably lost ground, and in his own State has fewer supporters than ever. Sydney is bitterly incensed at him for defeating its anti-Federal majority, for allying himself with the Victorians in Parliament, and, finally, for overthrowing its cherished fiscal policy. Its representatives are his fiercest antagonists, but they remain in a minority in the House, where his Constitutional knowledge and dignity of demeanour contrast favourably with the sallies of Mr. Reid. The duel between them has thus resulted in the temporary defeat of the leader of the Opposition. If the House were to select its chief by a secret ballot the result would be practically the same, though some votes would change sides. Mr. Barton remains in command according to the will of the majority.

HIGH AND LOW DUTIES.

The Free Trade strength is greater than the division list suggests by three or four votes. Probably there are three or four among the Bartonians who, if free from party ties, would have opposed the *Kingston* tariff, while among the forty who would maintain it at least as many more would seriously modify it. This means that as between high and low duties the House is about evenly divided. The fate of all individual items in committee is therefore extremely uncertain. Considerable changes in the schedule are inevitable, and such of them as materially decrease the revenue will profoundly affect State interests and the future finances of the Commonwealth. Despite its imperfections, the Barton tariff is Federal in principle, and, indeed, most of its objectionable features have been introduced in the endeavour to deal justly with each of its constituent States. The Protectionist duties were brought in to maintain existing industries in Victoria and South Australia. Heavy revenue duties were inserted in order to prevent the treasuries of Tasmania and Queensland from being dangerously depleted. This was no more than fair. All the colonies lived on their customs receipts up to the time of union, and are still dependent on the portion returned to them of the collections made in their several territories by the Federal Customs Department. Western Australia enjoys the privilege of supplementing these by additional duties of its own on imports from its neighbours, but with this exception all the States, not even excluding our own, are entirely dependent on customs, though the amount levied and the officers by whom it is received are no longer under their control. The Constitution requires that three-fourths of the amount raised from customs and excise shall be divided among the States according to the proportions obtained from those sources in each of them. But it imposes no legal obligation on the Federal Parliament as to the total it shall derive from these sources. It need raise nothing at all. Its refusal, if it could be conceived capable of such an action, would shipwreck the State treasuries and occasion a financial revolution throughout Australia. The real check on any step in that direction lies in the fact that the citizens of the States whose affairs would be thus involved are the electors of the Commonwealth, whose consent is requisite before it can be brought about. The question for our people is how they can drive these two sets of Federal and State representatives to the best advantage.

PARTY DIVISIONS.

Analysing the division list by States, we find that Western Australia by four to one declared against the Government, while Tasmania by three to two and Queensland, in consequence of the Kanaka Bill, by seven to two in its favour. South Australia was evenly divided, three members sitting on each side and the seventh in the Speaker's chair. In these four States the Ministry had only a majority of three, though it was

in their interest that the high revenues were imposed. New South Wales by fifteen members to eleven declared against the Protectionist duties, while Victoria by nineteen to four supported them. The division of the States into two groups governed by distinct and separate motives is matched by the bifurcated tariff, one branch for revenue and the other for Protection. The Protectionist duties will be attacked by the Free Trade members of all the States, and the prospects are that a number of them will be reduced. As the Government has submitted them they are already lower than those hitherto in force in Victoria and South Australia. They will go lower still. This will exasperate the Protectionists, who by way of preventing these reductions will probably themselves join in the attack on the revenue duties, both because they are unpopular everywhere and because they are unnecessary from either the New South Wales or Victoria standpoint to anything like the extent proposed. Should the representatives of these two States join hands they will succeed in lowering them. As, in addition, the Labour Party in all the States is indifferent to the needs, if any, of the local Governments, it may be taken for granted that the revenue duties must come down. The Ministry no doubt will make a fight for them for the sake of the less populous States, but must submit if the members returned from those which are principally benefited by them assist to cut them down.

THE STATE TREASURIES.

Of course, there is a point below which the Cabinet cannot consent to go. The customs must be made sufficiently productive to provide for the expenses of the Commonwealth out of one-fourth of its receipts. Here, too, fresh obstacles are presented. Judging from the recent utterances from both sides of the House, Federal expenses will be cut down to the utmost and the duties finally authorised be made barely sufficient to secure four times this sum. This means that the deficits anticipated in three States—Tasmania, Queensland, and Western Australia—will be much increased, and that Victoria and South Australia, too, will be left insufficiently supplied. In every one of these five States there must, then, be fresh taxation or retrenchment or both, with all the attendant heart-burnings and sufferings. New South Wales herself has been trading on an anticipated surplus larger than that we should receive under the Government scheme, and very much larger than we can obtain after it is amended. No State can escape if the attitude adopted during the recent debate by Federal members is consistently maintained. “Why should we incur the odium of unpopular taxation”, they say, “when we can so easily pass on that burden to the local legislatures?” The temptation is great, and it is doubtful if any Ministry can stem the tide of self-interest. With one part of their supporters opposed to the imposts levied on Protectionist grounds, and another part opposed to those

intended to raise revenue for the States, and with the Opposition aiding both, the upshot may easily be a much lower tariff than that before us. This will so greatly diminish the payments made to the State treasuries as to involve most, if not all of them in serious difficulties from the very outset of our national existence.

THE QUESTION OF ECONOMIES.

Assuredly this was not what Federation promised. It was always protested that we should have economies in local public services balancing the new outlay occasioned by the creation of a new Government. We were to see so strong a stimulus imparted to business by means of inter-colonial Free Trade that we were at once to enter on a period of prosperity enabling us to carry without feeling them any fresh burdens we had to bear. The assumption was that the whole revenue required both for the Commonwealth and for the several colonies would be readily obtained by duties on over-sea importations. It was also assumed that the field of direct taxation would be wholly reserved for the States, and for this Parliament, at all events, it seems certain that in this particular we are not to be disappointed. But it would be optimistic to suppose that anything like a perpetual observance of even this self-denying ordinance can any longer be confidently calculated on. In a few years at farthest the Federal Parliament will seek to extend its own sphere of operations, and will certainly return to the States less of the revenues from customs and excise after the ten years fixed in the Constitution. Even before that period it will, if permitted, begin to invade the realm of direct taxation. Then will come a struggle between the State Parliaments, threatened with the starvation of their services and enterprises, and the Commonwealth Parliament, seeking its own ends in the easiest way open to it. The decision of the conflict between them will lie with the Australian people, who create and control both. This is no mere prophecy. In fact, the battle has already begun.

MATTERS OF COMMON INTEREST.

Taking advantage of the racing carnival in Melbourne, the Premiers of all the States except Western Australia—where a vote of want of confidence is proceeding—have visited Melbourne to discuss matters of interest. By far the most important is the daring proposal of the Barton Government to settle with the States by a mere book entry for the £10,000,000 of property acquired under the Constitution by the transfer to the Commonwealth of the Post Office, Customs, and Defence Department, with all the land, buildings, and furnishings belonging them. The ingenious argument advanced in support of this startling scheme is that the transfer is nominal and not real, both Federal and State Administrations being only agents of the people. Why,

then, should it be necessary, asks the Prime Minister, for those who owned the properties as citizens of the States, and who continue to own them as citizens of the Commonwealth, to go through the form of taking money out of their Commonwealth pocket in order to put it into their State pocket to balance the transfer? They can only pay themselves as State citizens by taxing themselves as Federal citizens. Why not consider the transaction completed when up to the same amount in each State every citizen is at once debited and credited with an equal sum as if it had been paid by him in one capacity and received by him in the other, so that no one is a penny the worse? All this is very captivating to a Government which secures £10,000,000 of assets without payment, but is by no means so attractive to State Governments saddled with liabilities to nearly the same amount for which they have nothing to show. The public is not affected, but the States are, and profoundly so. Those that have spent more per head on the departments than their neighbours are to be paid for the excess, but even then receive only a fraction of what they have been calculating on, while the rest, who have been cheered with almost equal expectations, obtain nothing at all. They have lost much while the Commonwealth has gained much. They must find interest and forego principal and have the painful task of taxation. The Central Government grows rich at their expense while it avoids taxation. And yet it is by no means certain that the taxpayer will not refuse to listen to their very reasonable complaints. If he releases his State treasury he may not, and probably will not, find his State taxation lessened, while if he holds his Federal treasury liable to the State treasury he will be obliged to fill it by fresh taxation. He may well ponder if on the whole the enrichment of his Commonwealth investment may not be taken as making up for his State impoverishment, as in point of fact and arithmetic it precisely does. Then, again, the Federal Parliament is in the position of being able, subject to the Constitution, to dictate its own terms by fixing its own method of paying for the property transferred. Human nature being what it is, the probabilities are that it will adopt the plan which is most advantageous to itself.

FINANCIAL POWERS.

The States, then, seem likely to be the victims, but as they are united in this matter and have so much at stake they will certainly not surrender without a hard struggle. The conference was conducted with closed doors, and fortunately so, for feeling ran high. Though a discreet reticence has been preserved, and all points at issue have been postponed without being determined, it is plain that they have had to be passed by because of the impossibility of arriving at any agreement. The wrestle long predicted in these columns between the Commonwealth Government and the Administrations of its constituent States has begun in earnest and on a vital issue. It will be through its financial powers that the Federal Parliament, if supported by the people, will hereafter curb and finally dominate the States.

THE NEW COMMONWEALTH.

KEEN FISCAL STRUGGLE.

ALIEN LABOUR PROBLEM.

“WHITE AUSTRALIA” POLICY.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Nov. 12 1901; Dec. 20 1901.

Those of their own affairs which stir Australians are rarely those of greatest importance, neither are they the issues which most interest our onlookers at home, where, naturally enough, there is quite another standpoint. For the past week sport has reigned supreme in Adelaide, where the English cricketers have commenced their tour, and in Melbourne, which for racing purposes is certainly the centre of the Commonwealth. All politics and all problems except those of the turf have been in the background in the Eastern States as usual for a delirious fortnight at the beginning of every November. Whatever new characteristics we develop on this side of the world, the inherited British passion for sport will remain undiminished in dominating popularity. In Sydney we are still pulsating with indignation at the defeat of Free Trade in the Federal House of Representatives, though gradually commerce is adapting itself to the new conditions with less friction than at first. Our public men continue to address meetings of protest against the new duties. The Ministries, Federal and State, and their Protectionist supporters are waiting in silence for the ebb of the tide of anger, which in this Colony they have not ventured to make even one effort to stem. We pay the most in the way of increased duties, and naturally feel the most keenly. But to read our daily papers and listen to our Metropolitan members one would suppose the tariff issue overshadowed all others, and that it was the one crucial national question we were called on to answer or perish. The local influences distort our vision in this regard. Just across our northern border Queensland looks on at the fiscal struggle with undisguised indifference. Away to the south Tasmania slumbers contentedly, or wakes only to debate her own financial future. We cry out because we are pinched, and the Victorians because they are pinched too, but both of us are deceived as to the magnitude of the matter in dispute. It has really a very secondary importance.

THE TARIFF ISSUE.

Australians do not like to be reminded of it, but the fact is palpable, and cannot be ignored, that we are a debt-burdened people. It is true that there are immense resources which might be reached by direct taxation, but these are either needed for the States or, as in the case of pastoral lands in Queensland, are in such a stage of recovery as to be unable to support it without injury. Here, as elsewhere, direct taxation is very unpopular. The public prefers to pay more with its eyes shut than it will consent to surrender with its eyes open. Great Britain, roughly speaking, raises twice as much by direct as by indirect taxation. In Australia the proportion is exactly reversed, and will be preserved for a long time to come. We must, therefore, have a long tariff and a high tariff. In these circumstances the dispute as to whether we should raise the money we require so as to give or not to give an opportunity to our producers to under-cut importers and pocket part of the duty which would otherwise find its way into the Treasury is after all a minor matter. The cash must be obtained from customs and excise duties. If we lengthen the list of dutiable articles so as to reduce rates or shorten the list by discriminations which raise certain duties is, after all, a question for the classes rather than the masses. On the one side are the privileged producers, and on the other the consumers, whose market is being controlled. As the first are not very numerous the second are not seriously affected, or may not be when local competition and Inter-State Free Trade are fully in play. The fiscal fight, therefore, is one of principle rather than of self-interest with the great bulk of the community. It would be a grave error to concentrate attention merely on its varying fortunes. We have good reason to hope for a victory in the future which shall balance our present overthrow. Be that as it may, the crux of our politics is not here. We are face to face with a racial problem of the first importance, whose solution unquestionably involves the future of this continent, and may affect that of the Empire in no inconsiderable degree. The comments now arriving from Great Britain which have appeared in the columns of its influential Press seem to exhibit but little appreciation of this fact.

“WHITE AUSTRALIA.”

The coloured races in Australia and those in its neighbourhood who may join them constitute our nightmare. We are few in numbers, and clustered mainly on the south-east of the continent. The north and west, close to Malaysia and not far from Asia, are practically unpeopled. The Northern Territory of South Australia is to-day almost wholly a Chinese settlement. Once allow any number of coloured aliens to make their home on our shores and we shall have before us a future as troubled as that of the tropical parts of the United States since 1865. To avoid this

peril the whole community has taken a stand and exhibited a spirit such as has been manifested on no other matter. The Federal Parliament has displayed a waywardness and uncertainty in its treatment of general legislation such as has not often been witnessed in the several States. But for all that it has proved itself a faithful interpreter of public feeling in this regard. The Aliens Bill, introduced by the Government to prohibit the incoming of Asiatic immigrants by means of the educational test first applied in Natal, was only in peril because not explicit enough to meet the popular demand that all classes of coloured peoples should, without any test, be at once and in plain terms forbidden to enter our territory. After all his appeals to the House not to embarrass the Imperial Government in its foreign relations by such a violent method of slamming the door on the populations of countries in which the policy of the Mother Country was always that of the open door, Mr. Barton only succeeded by a majority of five. The Pacific Islands Labourers Bill, providing against any increase in the number of Kanakas after March, 1904, and for merely a limited supply during the preceding two years, has been passed with enthusiasm, though it points to the wholesale deportation of those who may happen to remain in Queensland after 1906. The opponents of the measure ventured to test the feeling of members in but one division on the quite subsidiary proposal to increase by one-fourth the number allowed to be imported during 1902, and then they were defeated by forty-four votes to four. Their full strength would not be more than six or seven votes. They proposed but dared not vote for a commission of inquiry for an extension of the periods named and for a different treatment of the planters in the hottest regions. The House was solidly adverse on every point, and the Bill passed without a single alteration that was not simply verbal. The representatives have been practically unanimous in their acceptance of these two measures, and these only. There is no mistaking the significance of that circumstance. However divided they may now be on the customs duties, which they are just beginning to consider in detail, they have discharged their duty faithfully to the "White Australia", which returned them for this purpose.

PROSPECTS OF THE ALIENS BILL.

The Senate is now to be the centre of interest for the next few weeks. It will be just as resolute and almost as united as the House has been when dealing with the coloured labourer, but it is less disciplined, less responsible, and less various than the popular chamber. Its friends have been greatly disappointed by the absolutely unjudicial manner in which it has blundered again and again in its handling of the petition from Western Australia against the return of Senator Matheson. Only with the greatest difficulty has it been prevented from restoring political patronage in the Public Service Bill, from which it had been carefully eliminated by Ministers themselves. The absence of party ties and of fixed alliances makes it almost impossible to forecast

its decisions. Allowing for its numbers, it has talked more and more at large than even the representatives. The session seems scarcely half over, and there are already seven thousand pages of "Hansard" recording almost verbatim the utterances of Australia's first Parliament. This week the Senate will make a commencement with the Aliens Bill, and it is understood that in committee the Labour Party will once more submit the amendment rejected in the House because of its offensiveness to Japan and to the peoples of Hindustan. In their anxiety to harass the Federal Government it is possible that the Free Trade Party may join hands in this attack. The Prime Minister has said plainly that if it were carried the Bill would be laid aside. The entrance of aliens would under these conditions continue to be permitted. Nothing would be gained but the embarrassment of the Administration, unless, indeed, it led to the defection of the Labour members and the consequent defeat of the Ministry. This is the goal aimed at, though unlikely to be attained. The one thing certain is that if the Bill be amended at all it will be in such a way as to increase its stringency. There will be no weakening of the barrier set up against Asiatic immigrants by any action of the Senate. The harmony between the two Houses on this question is the one feature of the situation not to be ignored. The Conservative element is not separated from the Liberal nor the Protectionist from the Free Trader in their zeal for the maintenance of purity of race and absoluteness of white control of the continent.

HOSTILITY TO KANAKA LABOUR.

The Pacific Labourers Bill is treated as part of the "White Australia" policy, as indeed it is, though the conditions are entirely different from those of alien immigrants. The Kanakas are a dying race in their own islands, and probably die the faster because of the withdrawal of adult males to Queensland, some of whom cannot survive the change to semi-civilised life, while others return corrupted. There are but few half-castes in that State, and almost all of these have white mothers. They can never leave any trace of their savage stock on the people among whom they sojourn. Of course, the island missionaries protest against the recruiting from their flocks, though many of the mainland clergy claim great success for their labours among them while they remain on the plantations. There is much to be said on both sides, but the governing consideration is of another order. They displace white labourers in the cane fields, and hence the hostility to their retention. It appears to be admitted by both parties that in this Colony the sugar growers on the Richmond and the Tweed Rivers can readily, and under the Ministerial fiscal proposals profitably, cultivate wholly with white men. There is practically no dispute but that in the Bundaberg district of Southern Queensland a similar transformation of the industry can be accomplished without risk. There are even now only one-third more Kanakas than whites employed in it. Beyond Rockhampton, where the Tropic of Capricorn begins, all is contradiction.

There was a time when Dr. Maxwell thought that the great Mackay canefields might be worked without coloured labour, though he is now dubious. In the Far North, at Cairns, he is positive that the Kanaka must be retained. Eight islanders are employed to every European at present working there. These facts tell their own story. The Barton polity is condemned as defective by the northern planters because it treats the industry as if it were carried on everywhere in the same latitude. As a fact the canefields are scattered along a thousand miles of coast. Granted that most of them can in time dispense with the Polynesian, and that these can produce sugar enough to supply Australia, there remain those in the Far North. There all the best authorities maintain that white men cannot and ought not to undertake “trashing” and similar work, and that all white women and children suffer grievously in its moist climate. Apparently there is to be no quarter given. Everywhere else in the world cane sugar is produced by black labour. Nothing daunted, the Commonwealth Parliament declares that it shall be grown in Australia by white labour or not at all. The cost to our consumers of sugar of carrying out this policy is estimated at £500,000 a year, but so far as can be judged the country is perfectly prepared to pay it, at all events for some time to come. On the great race question there is to be neither truce, compromise, nor delay.

THE NEW COMMONWEALTH.

STRIFE IN THE SENATE.

FEDERAL FINANCIAL PITFALLS.

“BLACK” NEW GUINEA PROBLEMS.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Nov. 19 1901; Dec. 24 1901.

The Federal Parliament differs from its parent at Westminster but little in spirit or in form. It is a much smaller, more colloquial, and less dignified body, but it observes the same rules of debate and pursues virtually the same course in managing its business. The cardinal difference between them lies in the existence of our elective Senate claiming to take a much more active and influential part in politics than an hereditary House of Peers nowadays thinks of essaying. Again, there is a superficial resemblance between our party divisions, though the principles on which they are grouped are entirely in contrast. Liberals and Conservatives are to be found blended on each side with us under the opposing standards of Free Trade and Protection. A further likeness is presented by the existence in Australia of a third party pledged to the Labour platform as independently as Irish Nationalists in the Commons are pledged to Home Rule. At present a Unionist majority renders the *Salisbury* Government independent of them. The situation here resembles that which prevailed under Mr. *Gladstone's* last Administration, when the Irish held the balance of power. The third party with us is still master of the situation. What is more, it is master in both Chambers, and is thus enabled to bring a double pressure to bear on legislation.

It was only by great exertions that Mr. *Barton* defeated the Labour section in the House of Representatives when it sought to place on the face of the Alien Immigration Restriction Bill a prohibition against all Asiatics and Africans entering Australia. Though triumphant, the Ministry scarcely survived that shock. The members openly declared that they would resign rather than accept an amendment so embarrassing to the Mother Country. The Labour section, nothing daunted, voted solidly against them. The vote of want of confidence in respect of the tariff having been disposed of, the Alien Bill has been transmitted to the Senate, where it was at once assailed by precisely the same proposal at the hands of *Senator McGregor*, the leader of the Labour members in the Upper House. The second reading of the Bill

was carried on Friday last, after a debate which centred not on the measure itself, but on his amendment. The one question there, as six weeks ago, is whether it is to be passed in a form acceptable to the British Government, or unacceptable, because obnoxious, to our Japanese allies.

COLOURS NAILED TO THE MAST.

The Ministry has once more nailed its colours to the mast, intimating through Mr. O'Connor, the Vice-President of the Executive Council, that it will not permit its Bill to be made a means of awakening international dissensions more than its nature necessitates. In a singularly powerful speech he reiterated that the policy of the Government involved the entire exclusion of coloured alien labour of every description, but insisted that this must be accomplished by the educational test, because that was the only means of doing so approved by the Secretary of State for the Colonies. This declaration, as is natural, is extremely unpalatable to the Labour members, some of whom denounced in an excited strain any and every action undertaken out of sympathy with Mr. Chamberlain. The conduct of the Free Trade Opposition in these circumstances is also natural, though by no means high-minded or patriotic. Instead of supporting the Cabinet in its first effective revolt against the Labour section in the House of Representatives almost every Free Trader in the Opposition seized the chance to attack it. The same tactics are to be repeated in the Senate. It is plain that the provisions of the Kanaka Bill were made more stringent by Mr. Barton to secure the support of Labour members. Mr. Reid was prepared to outbid him by endorsing methods still more severe, and is just as eager as the Labour extremists to play on the local prejudice against anything and everything emanating from Downing Street. The result of these competitions for the Labour vote is that its influence is steadily increasing.

FINANCIAL CONSEQUENCES.

The financial policy of the Labour section is sound as far as expenditure is concerned, for in that relation its watchword is economy. On the tariff its antagonism is directed against the revenue duties levied on articles of general consumption. The motive here is confessedly to reduce Federal receipts from the Customs House below the sums required by the several States to maintain their current rates of outlay. The members thus avoid the unpleasant task of taxing their constituents through the Federal Parliament, and cast it on the local Legislatures. These, being deprived of the power of raising money by means of customs and excise duties, will then be compelled to resort to direct taxation, probably on land. This is the end the Labour leaders have

in view. Though the single tax advocated by **Henry George** has few advocates in Australia, there is everywhere a more or less open antagonism between the proletariat and the owners of great estates. Closer settlement of an agricultural character, especially in the neighbourhood of towns, is a popular ideal. The New Zealand plan of compulsory purchase by the State, and the sale of the areas thus acquired to small farmers on long terms of payment, is likely to be adopted more extensively on the mainland. The result aimed at in this direction by the Labour section is certain to be achieved before long.

Financially the immediate consequences of the policy they are pursuing will be unfortunate. The dislocation of their public revenues will press on all, but especially on Tasmania, whose position will in all probability require to be specially dealt with by the Federal Parliament under its constitutional power of lending monetary assistance to any State. In Western Australia there would have been in any case a gradual dropping of its exceptional customs returns to the normal Australian standard. Even with its exceptional power of taxing inter-colonial imports for five years its receipts from these may soon prove insufficient for her needs. The **Leake** ministry has just been displaced by a Cabinet of which **Mr. Piesse** is the head, more in harmony with the opinions of **Sir John Forrest's** old following, but lacking his powerful personality to hold them together. In Queensland the bad seasons have brought about a deficit which the Barton tariff as introduced would have done much to meet. As this is now proposed to be curtailed on the revenue side it must be wholly inadequate. There is no land tax in that State at present, but its Federal representatives, who mainly belong to the Labour section, are looking gleefully forward to its early introduction. South Australia is the one State which is facing the inevitable by making large reductions in the cost of its local government and Legislature, and with these may be able to weather the storm. Victoria is so far shrinking from its task, but cannot hope to avoid it. Its proposed constitutional reform appears likely to be settled by a liberalisation of its Legislative Council which would pave the way for the substitution of a general land tax in place of the class measure that now obtains. In every State the burdens of taxation will need to be readjusted. In none can we hope that they will be reduced.

THE STATES AND THE COMMONWEALTH.

New South Wales will receive from any Federal tariff a great deal more than she has been accustomed to obtain from this source. It might, therefore, be supposed that the proposed reductions need not interest us in any way. As a matter of fact the largest revenue estimated will not more than meet our proposed expenditure, though we have a land tax already in operation. Though rich, we are in precisely the

same dependent position as our neighbours. New Zealand, prosperous as she is and appears to be, is no exception. All Australasian communities are in the same boat. We spend too much, borrow too much, owe too much, and tax too much. We are too willing to anticipate the future and too sanguine in our expectations of early development. The Protectionist policy we are adopting is one instance of the way in which we are forcing the pace, but in another aspect it is the necessary outcome of our general habit of seeking to exploit all our possibilities without delay. What we have long needed, and still need, is a rude awakening to the realities of the present. Looking too far ahead, we are blind to the pitfalls under our very noses—spendthrift politicians require to be brought up with a round turn. Nothing short of a severe experience will sober them or induce the electors to insist on an economising policy of prudence and patience. This seems much nearer now, as an unexpected fruit of the Labour proposals to throw the raising of fresh revenue on the State Legislatures at once instead of supplying them from the customs. This will be a breach of the general understanding arrived at among Federalists at the convention and maintained ever since until formally embodied in the Barton manifesto. The Labour section were never Federalists, and the division between Free Traders and Protectionists now enables them to control the situation. The crisis in the States will be forced on at once, will occasion much injury, and intensify the bitterness between them and the Commonwealth. But in the long run it may easily prove most salutary and even timely, having regard to the unabated appetite for new loans manifested on every side. If the ultimate effect is to stop Australasian borrowing except for very moderate amounts required for immediately reproductive works the Union will begin its financial career wisely and auspiciously.

BRITISH NEW GUINEA.

After ineffectual attempts to induce Mr. Chamberlain to continue the subsidy from the Imperial Government towards the cost of administering British New Guinea, the Barton Cabinet has decided to become responsible for the £20,000 a year required to maintain it. This outlay is small in itself, but we are fast approaching the limitation imposed on Federal expenditure under the **Braddon** clause of the Constitution. When once we exceed one-fourth of the revenue from customs and excise we require to raise an additional £4 for every £1 demanded by Federal necessities. As it is plain that Parliament grudges provision even of the £1 it may be taken for granted that no £4 will be forthcoming; not merely economy but parsimony reigns already as far as **Sir George Turner** controls expenditure, since he sees himself being steadily pushed towards the dangerous boundary line of the authorised fourth of the revenue. It may be years before the new territory will be able to pay for itself. It is necessary to keep a steamer for the use of the administrator, Mr. **Le Hunte**, whose energetic rule has

given great satisfaction to all concerned. There are coast islands to be touched at, and there is practically no overland communication from point to point. Very probably the Solomon Islands will be included in the new possession before long. The task of maintaining order and assisting settlement over an area on the mainland as large as Victoria and in these groups besides involves no light responsibility.

DEVELOPMENT OF THE NEW TERRITORY.

New Guinea will be the first territory of the Commonwealth, and as such entirely subject to the control of the Federal Parliament. Its residents will be entitled to no share either of the privileges or obligations of the Australians except as far as either may be granted to or imposed on them. Its tariff, its taxation, and its laws will be left to the discretion of the Federal Legislature, in which it will have no representation until it is specially conferred. The country is rich in tropical products of all kind, in gold, and in pearl shell fisheries. The prejudice against chartered companies is strong on the mainland, so that the speedy means of development which they afford will only be employed under strict conditions. There are some three hundred and fifty thousand Papuans to be reckoned with, but only a few hundred Europeans. Access to the western interior and to the high mountain regions can be obtained by means of the Fly River, navigable for some five hundred miles to steam launches. It would be possible if profitable to find altitudes at which our race could be domiciled on the high slopes of the Owen Stanley Range, but it is improbable that the temptation will prove sufficient. Cultivation will only be possible by black labour. A "White Australia" may exist across the straits, but a "Black New Guinea" the territory now is and must always remain. The responsibility of dealing justly with the native inhabitants will become serious as the country is opened up. The experiment of governing it will be difficult as well as costly, because it will involve problems which a distant democracy can but imperfectly comprehend.

THE NEW COMMONWEALTH.

TARIFF PROSPECTS.

THE BLACK LABOUR SPECTRE.

NEW GUINEA PROBLEMS.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Nov. 26 1901; Dec. 31 1901.

The Commonwealth is progressing, though this is not very apparent. Its Parliament, on the contrary, is, in colonial phrase, "bogged". The team attached to it is so evenly divided and pull in such exactly opposite directions that the State vehicle makes no advance. Here in Sydney we are so much overstocked and so uncertain as to the commercial future that business is almost at a standstill, and, in some degree at all events, the same condition exists in the sister capitals. Our State Legislatures are, as usual, making excited efforts to conclude their sittings by Christmas, though this will only be possible with the sacrifice of many measures and the postponement of necessary business. But though trade is stagnant and policy confused the Commonwealth progresses in spite of these unsatisfactory circumstances. Our season of surprise is passing away, our discords are less marked than they were. We are settling down to our new relations, and on every hand there are evidences of an encouraging character plainly perceptible to the thoughtful.

FEDERAL PROGRESS.

Climatically, a cold and stormy winter has been followed by a cool, wet spring, and though this has been broken by unseasonable storms, including one of unprecedented fury, the general result is evidently a good harvest and splendid growth of grasses. Such a statement as this is, of course, to be understood of the settled portions of the continent. What the weather or the prospects are over thousands of square miles of the central and north-western areas nobody inquires. There are great tracts even in the eastern States which would need to be excepted from the general summary, but for all practical purposes it is correct. When the final test of facts and figures finds expression in statistical records 1901-2 will be certainly reckoned among our

fat years. Wool, wheat, wine, and gold will all yield more than the average. We shall show an upward tendency in all our primary industries—agricultural, horticultural, pastoral, and mining. When these flourish the backbone of our prosperity is stiffened, and sound bases for public and private finance are at once and for some time assured.

THE NEW TARIFF.

Despite the temporary depression in our capitals commerce as a whole will exhibit satisfactory returns, though some months must elapse before normal conditions can be looked for. The great disturbance occasioned by the establishment of inter-State Free Trade, coupled with the imposition of new duties on all over-sea imports, cannot be expected to expend itself earlier. But already preparations are being made for the expansion of business which all commercial men consider must prove to be the inevitable consequence of the pooling of our resources which is now beginning to really establish our union. Nowhere is this stir more apparent than in Sydney, where factories are being enlarged and multiplied in order that advantage may be taken of the encouragement afforded to local production by the new tariff. New South Wales was the last and most unwilling convert to Federalism, and yet the many gains attaching to the creation and maintenance of the Federal capital are guaranteed to her by the Constitution. Sydney is the head centre of the resistance to Protection, and is still applying all her great influence to defeat that policy, and yet it is the Metropolis which must reap the chief benefits of its adoption. Just in the nick of time comes the striking of an enormous coal deposit which underlies our city and harbour, providing us with an almost inexhaustible supply of fuel at our very doors. From every aspect, therefore, it is plain that our mercantile, shipping, and manufacturing supremacy are absolutely secure.

THE MINISTRY AND FREE TRADE.

Obnoxious as the tariff remains to us, the general acceptance of even its most unpopular provisions is already plain. Excitable as our electors are, their political loves and hates rise rarely, and only for short periods, above the dead levels of indolence and indifference. They will probably make the Ministry pay for its defection from Free Trade principles, and that at the first opportunity, but in the meantime they have become and remain inert. Public meetings called to denounce the duties are poorly attended, and display no effective enthusiasm. The concessions made by Mr. Kingston in regard to the method of levying and the manner of calculating some imposts have to an extent smoothed the way for business men. In any case, they have neither time

nor taste for continuous political agitation. Competition among themselves between wholesale holders of stocks and retail shopkeepers is gradually restoring reasonable prices. Like Mr. Kipling, our householders are consistent devotees of things as they are, never kicking against the political pricks except spasmodically in fits of bad temper. To understand all the ramifications and refinements of fiscal taxation as devised by Mr. Kingston is not to pardon them, but they are nevertheless endured with patient stoicism. Hence it comes about that readjustments are being steadily carried on, and after six weeks' experience the tariff itself is ceasing to retain attention. Nothing else is talked of in the House of Representatives and little else is written about in the great Metropolitan papers, but the interest is becoming specialised, and no longer affects the public mind as it did a month ago.

THE KANAKA MEASURE.

While the House is occupied with the tariff the Senate has commenced the consideration of the second of the Black Labour Bills which have been sent up by the Representatives. The postponement of the Alien Bill at the committee stage is a tactical endeavour of the Government to weaken the antagonism of the Labour section to the educational test embodied in that Bill, first, by drawing attention to the thoroughly radical nature of the Kanaka measure, and next, by compelling the Opposition to declare against it, to render their proffered alliance with the Labour section on the Alien Bill suspect as a mere piece of party strategy. This ingenious device promises to be, at least, partially successful. When the Premier of Queensland was recently in Melbourne he soon found it impossible to make any impression on either the Ministry or the House of Representatives. From thenceforward he concentrated his attention on the Senate, and remained some days longer in order to personally canvass its members. Mr. Paget, who sits for Cairns in the Queensland State Assembly, and stays in Melbourne in the sugar interest, has followed the same plan. From the first it has been plain that the great majority in the Senate is as determined as the House to prohibit the importation of Polynesians, and consequently all that the envoys from Brisbane can attempt is to obtain an extension of time, if possible, for recruiting, and in any case for employing them. A close whip has been made and every possible influence exercised for this purpose, but the best forecast appears to be that, though a strong party has been organised it will not be powerful enough to obtain the concession desired.

MR. CHAMBERLAIN'S ATTITUDE.

The position of the Ministry on the Aliens Bill has been strengthened by the despatches just published here passing between Mr. Chamberlain and the Japanese Government. Alert and well informed, as always, this Government of an enterprising people has put the whole case frankly and fairly to the Foreign Office. The adoption of an European language is objected to as invidious, and the intention of the Commonwealth Parliament to employ that test discriminatingly for the express purpose of excluding coloured races is protested against in anticipation. The reply of the Secretary of State for the Colonies to this appeal through the Foreign Office is equally clear and uncompromising. Only a few years ago the Japanese Government itself pressed for an educational test and agreed to the employment of European languages for that purpose. Representations against these provisions could not, therefore, be made by the Imperial Government to the Federal Parliament, and if made could not be expected to be entertained. As to the resolve of the Australians to employ the test on Asiatics alone as a polite means of excluding them, while not applying it to Europeans, Mr. Chamberlain wisely said nothing. He cannot have official knowledge of the present or future intentions of the Governor-General's advisers. If unofficially acquainted with their aims he would not be likely to discuss them with a foreign Power. The firmness of his tone has given great and general satisfaction here to the very large majority who confidently rely on him to protect Australian rights and represent Australian interests in the Cabinet as integral parts of the Imperial rights and interests with which they are indissolubly associated.

BRITISH NEW GUINEA.

The Black Labour spectre has once again risen to haunt both Houses of the Federal Parliament during their consideration last week of Mr. Barton's resolutions accepting on behalf of the Commonwealth the offer of the Imperial Government of full control over British New Guinea. What to do with the three hundred thousand vigorous Papuans who inhabit its forests and jungles and whether its settlement will involve the importation of other coloured field hands are questions which as yet no one is competent to answer. They have been necessarily relegated to the future, though they occasioned during the debates many forebodings of difficulties yet to come. The more immediate subject of discussion was as to the significance and necessary implications of the policy of adding to the vast unpeopled mainland of which we are the custodians any over-sea possessions at all. Absurd as the application of such terms is, those who declared against any further extension of the boundaries of the Commonwealth were at once dubbed "Little Australians". Because of the unknown responsibilities involved, and especially those likely to arise along the arbitrary

boundaries separating the British area of New Guinea from those of Germany and Holland, it was contended that we should decline the gift. Sir W. McMillan, as acting leader of the Opposition during Mr. Reid's absence, and most of their sympathisers in both Chambers, while willing to find the money for the maintenance of the existing Administration, shrank from any immediate acceptance of the burden of its control. Mr. Barton and his followers would hear of no delay. The offer must be at once accepted and a Bill introduced under which the Commonwealth would assume the whole and sole control of that part of New Guinea over which the British flag is flying. Both Houses went so strongly with them that there was no division in either. Here then is a new set of problems forced on a new Government which has already been chained to a session for six months and on a Parliament that may have to continue at work for months more. Surrounded by hostile State factions, with its departments not yet organised, with a huge tariff of which only a few items have been considered by one House, with vast legislative projects already launched, more to come, and staggering under the task of acting for a continent inhabited by a scattered population accustomed to require and receive attention almost daily, the Commonwealth, still in its first year of life, is courageously saddling itself with fresh duties abroad of undefined extent and immense complexity. If its machinery of government and legislation does not break down under the weight of ever-gathering obligations, its achievements will well deserve to be classed among modern political marvels.

THE NEW COMMONWEALTH.

POLITICAL ALLIANCES.

NOVEL ELECTORAL PROPOSAL.

PARTY LEADERS AT STRIFE.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Dec. 3 1901; Jan. 7 1902.

In Australia, as elsewhere, the politician occupies the centre of the stage, even when his proceedings count for little among the real forces and influences that are shaping the future. We cannot afford to neglect him, and we are in a measure responsible for his doings. Hence the importance assigned to his vagaries. When we would be glad to overlook him his meddlesomeness here, as in the United States, compels us to pay him the homage of an attention which is not always flattering in character. A chief feature of the Conservative platform has long been a protest against undue political interferences with our social and industrial conditions. The two States in which the Administrations are of this way of thinking, Queensland and Tasmania, have nothing remarkable in their sessional records, unless the Electoral Bill launched in Brisbane be considered exceptional. Its proposal to give, in addition to adult suffrage, a second vote to every married man with two children is certainly novel. The management of the rolls under the present system has often been impugned by the Opposition, and if the new measure does nothing more than remedy the defects complained of its acceptance will be justified. Western Australia is losing its Conservative character. It has not recovered from the loss of *Sir John Forrest* or from the shock occasioned by the wholesale enfranchisement of the miners. Mr. *Piesse*, who, like his old chief, represents the early settlers, has failed to form a Cabinet, and the task has passed to Mr. *Morgans*, a representative of the goldfields, who has had somewhat better success. Whether the constituencies approve of his choice of colleagues or not the circumstances which have forced him to the front mark very significantly the great change in political conditions which has culminated of late. Whatever the personal outcome may be the Western State has now lost the even tenour of its way. It is falling into line with the democracies of the East, and will in future pursue much the same path. Similarity in politics and unity of aim among the States were very potent factors in constituting the Commonwealth, and now the Commonwealth in its turn is fostering the same tendencies. We are becoming more and more one people.

THE LABOUR AND LIBERAL ALLIANCE.

In New South Wales and South Australia the Parliaments are engaged on measures of more than common magnitude, deserving of much closer criticism than they are receiving. Neither of these, however, has captured the attention of their citizens to anything like the extent that has the Legislature of Victoria. The Peacock Ministry was formed by Sir George Turner just before he departed into Federal politics taking with him his Attorney-General, Mr. Isaacs. Deprived of its two ablest members the Cabinet has been sinking steadily in esteem ever since. The Premier alone has increased his reputation by his firmness as Treasurer and his capacity as leader of the Assembly. Of course, there were plenty of politicians alive to the possibilities of the situation, and intrigue has been prevalent for some time. The Labour section became bitterly hostile because of Mr. Peacock's reduction of old-age pensions from 10s. to 8s. per week, and an alliance was readily negotiated between them and the Liberals of the Opposition corner. When the Conservatives who compose the direct Opposition were informed of the bargain they peremptorily declined to take part in the flank attack proposed, a result of which would be the creation of a Ministry perhaps more Radical than that they were asked to displace. A caucus was held in obedience to which the leader of the Opposition, Mr. Irvine, who a short time back brought his followers to heel by tendering his resignation, was deputed to move a motion of no confidence. Directly this was done his banner was forsaken by those behind him, who had been prepared to unite with the Labour section in such numbers that after having solemnly challenged the Government to a trial of strength the motion was all but rejected without debate, and was disposed of after a few feeble speeches, being negated on the voices. Rarely even in these States has any such ridiculous travesty of responsible government been perpetrated. But the incident is notable, indicating as it does the instability of parties and of administrations everywhere.

ATTITUDE OF THE CONSERVATIVES.

The upshot may be a valuable precedent, for the situation to be dealt with reflects that prevailing in other States and in the Commonwealth. What the Conservative Party properly refused to do was to provide a bridge by means of which a more antagonistic Ministry might march to power. A union with men nearer to themselves in temper who sit behind Mr. Peacock would be much more to their taste and to their advantage. The basis of this combination would be resistance to the Labour section and its domination. There would be a strong majority supporting the new Government composed of Constitutionalists and Liberals with ultra Radicals, and their congenial associates, the Labour members, as a new Opposition. Such a division would be more justified on grounds of principle than many that we have seen of late years. The alternative is a

reconstruction of the Ministry, in which all but Mr. Peacock himself, his Minister of Justice in the Legislative Council, Mr. Wynne, and possibly his hardworking colleague the Minister of Lands, Mr. Duggan, would retire to make way for new Ministers. The first difficulty would be to find men capable of filling the vacant places to the satisfaction of the House, and the next to prevent those dispossessed from joining the malcontents, and with little delay crossing the floor in a body. Such transformations as these are possible only in colonial politics. At the commencement of the recent Victorian crisis it was calculated that the Ministry would be defeated by a two to one majority. After a week's delay the Opposition was so weakened by desertions that it did not dare to register its numbers. It is such uncertainties that give our Parliamentary history the main interest which it possesses for large classes of the electors, swayed in this, as in other fields, mainly by their sporting instincts. The State session in Melbourne, though barren of great measures, has engrossed attention far and near because of its problematic possibilities as to the personal fortunes of those engaged in it. Questions of principle are found far less appetising to the public.

PARLIAMENTARY OBSERVANCES.

As a universal rule Australian politics have been pure and above all suspicion of corruption. Members have been swayed often and openly by favours conferred on their constituents, but are rarely suspected of being influenced by bribes of any kind affecting themselves. It is many years since anything approaching the sale of a vote has been sheeted home to a representative. As a rule our Parliamentary proceedings are decorous, though not infrequently wanting in dignity. In this State we have set aside not only most of the formalities, but many of the stricter observances which are of great aid in maintaining order. There are in most local Legislatures a few men lacking in breeding and in self-control who bring about scenes at intervals which we are all glad to ignore at the moment and forget as fast as possible. They are not symptomatic of anything except individual coarseness, and have, therefore, been passed by without comment in these columns. In the Commonwealth Parliament on a higher and wider stage there has been more self-restraint than we have been accustomed to, though not more than has been habitual in most State Legislatures. There are a few brawlers who are frequently called to order, and once or twice a member has been warned that he will be named if he persists in disobeying the Chair, but these lapses have, in all cases, been confined to committee proceedings, where a not too resourceful Chairman has been presiding. The Speaker, Mr. Holder, has ruled with firmness and decision from the very outset. He has already won, by the impartiality and capacity which he has displayed, the first place among the Speakers who preside over our Assemblies. There has been no disorder in the House of Representatives while it has been under his control.

PARTY INVECTIVE.

The tension during the tariff discussion in Committee of Ways and Means has on several occasions proved to be too much for the temper of those engaged in it. Before Mr. Reid returned to Sydney to attend to his practice at the Bar he had been engaged in sundry passages at arms with the Prime Minister and others. When Sir W. McMillan took his vacant chair it was anticipated that business would proceed more harmoniously. Perhaps the very fact that he was expected to prove a milder and more patient chief determined him to vindicate his capacity for aggression, but whatever the reason he has displayed a courage in assault which has given the Government a stormy week and a severe lesson. As a commercial magnate he has lectured Ministers on the shortcomings of their proposals, their "absolute ignorance", and the "absurd and unadulterated nonsense" by which they support them. Whether intentionally or not, those "refined censures", as he terms them, appeared to be delivered directly at Mr. Kingston, and naturally Mr. Kingston retorted warmly. When the Melbourne *Argus* took up the cudgels on behalf of the Leader of the Opposition it blundered in its interpretation of an interjection which it took to relate to some incident in the Minister's career. He replied at once in a letter referring to the "malignant insult" of a report which "reeks with recklessness". Under such a stimulus the Committee sat for thirty-three hours consecutively, only adjourning according to colonial custom for meals. A number of minor combats followed the violent duel between the two leaders. The Commonwealth Parliament showed that even in its first session and with a picked body of members its inflammability, like that of our local legislatures, requires but a spark to produce an explosion.

To present a fair picture of Antipodean politics it is necessary that such failures to maintain their ordinary standard of good behaviour should be noted in their place. There is a sufficiently healthy feeling of pride in our institutions to promote a sense of shame among our representatives and the public generally at such exhibitions of temper. They make excellent "copy" for the newspapers, which is widely read and even enjoyed by those whose instincts are against order and self-control. But on the whole the verdict rendered is sound and sane. Each party condemns the language employed by its adversaries, and the impartial censure both. The gross epithets of personal abuse, insinuated slander, and extravagant coarseness occasionally spattered over each other by a few ungovernable partisans only serve, after all, to throw into relief the good sense and good feeling of the great body of the members of all our Parliaments.

THE NEW COMMONWEALTH.

OPPOSITION TACTICS. TARIFF SCHEDULE CONFLICT. MINISTERIAL TRIUMPH.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Dec. 10 1901; Jan. 15 1902.

Australian politics have been passing through an eventful phase, with many dramatic episodes and stirring surprises. A game of chess between experts would be tame and circumscribed in comparison to the incessant evolutions of its living pieces. The moves on the board have been confined to no set scheme, but out of a "most admired disorder" are gradually developing important consequences. The Ministry, worsted in the House of Representatives in a series of minor encounters, has had all the honours of war in the Senate, where, after a brilliant campaign, the Opposition has been disastrously outgeneralled. Yet it is the former Chamber which has captured public attention for the time and filled the columns of the daily Press. There the battle of interests has raged with unintermitting fervour and occasional spasms of fury. Twice within the fortnight have the angry passions of the members risen to such heights that sittings lasting more than thirty continuous hours have been required before the combatants could be parted. The Ministry have fulminated their demands for the transaction of more business. The Opposition has refused to make one pace farther or faster than it has thought fit, and has trumpeted its defiance against all coercion.

FREE TRADE ASSAULT ON THE TARIFF.

But coercion of any kind has been beyond the power of Mr. Barton, however much he and his colleagues may have thirsted for action. The Standing Orders under which business is being conducted are the emasculated remnant of a temporary code adopted provisionally pending the passage of permanent orders. No closure is provided, and the opportunities for prolonging debate at any and every stage are numerous. The consequence has been that the tariff schedule has been tediously and remorselessly discussed fraction by fraction until it has become plain that it cannot be carried through the House before a short Christmas adjournment. It is fought inch

by inch by the Free Traders in the presence of spectators whose business is likely to be largely influenced by the results. On the one side sit importers and on the other manufacturers feeding their respective champions with facts and figures to plead their own case and destroy that of their adversaries. Endless repetitions, innumerable digressions, prolonged declamations, and occasional scenes have made up a spectacle confused to all spectators and to most of those engaged in it, but filled all the time with energy, movement, and excitement of some kind. No wonder that the crowds without and the crowds within alike have come to believe that here before their eyes they are beholding the shaping of the future of the Commonwealth.

Yet the really important struggle has taken place in the smaller and quieter Chamber, where the Senate has composedly conducted its business in the presence of empty benches. Here the destinies of the Continent have been at stake, and the parties who are battling for control of them have fought each other fiercely though undemonstratively day after day. The true inwardness and character of Commonwealth politics have been disclosed far more palpably in this handsome, well-appointed, and richly-cushioned room than in the noisier, more crowded, and more effervescent hall of the House. In the Senate the men whose constituencies are States, and who are beginning to possess the wider outlook belonging to their larger areas of responsibility, have, under the pressure of circumstances, discovered themselves, their motives, aims, and alliances more conspicuously than heretofore. Contrasted with the turbulence and occasional lapses into chaos of the representatives, the gravity and decorum exhibited have been impressive. There has been much less of the fortuitous to distract attention. Finally, all masks have been dropped during a prolonged struggle between individual leaders on behalf of their respective parties. As compared with the conflict in the Lower Chamber it has seemed a tournament contrasted with a *melee*.

THE BALANCE OF POWER.

The smallness of the Senate reveals the play of political forces more plainly than in the larger House, but they are precisely the same in both. There, headed by the Hon. Mr. O'Connor, one of the sanest, ablest, and straightest politicians of New South Wales, are the Ministerialists, a motley gathering of Protectionists, Liberals, and Conservatives, who for one reason or another prefer Mr. Barton to Mr. Reid. Over against them sit the Opposition, composed of Free Traders, Conservative and Liberal, united by bitter antagonism to the fiscal policy of the Government. Their chief, Senator Symon, leader of the South Australian Bar, is also the most classic and eloquent orator of his State. His Parliamentary experience has been brief, his successes having been achieved in the National Convention and on the public platform.

In self-restraint, judgment, and tactics generally he is no match for the Minister, though his ability encourages him to aspire to the chief place in the Senate. These parties are about equal in numbers and in divergence of views among themselves, though the Opposition necessarily have the advantage. It is much more easy to keep together those who agree to dislike particular propositions than it is to combine independent members in their support. In the House of Representatives the same general condition obtains, the advantage being with the Government. In the Senate the Opposition have, on the whole, the upper hand. In both the Labour section hold the balance of power.

Senator McGregor, who leads the Labour members of the Senate, is one of the most picturesque and striking figures in the Federal Parliament. A sturdy Scotsman, powerfully built, with rugged features and large, grizzled head, he has but one weakness, that of his voice, which is thin in quality, though penetrating and clear. A working man till middle age, he has a large store of experience to draw on, besides being exceptionally thoughtful and well read. He is a trenchant speaker, bold, incisive, and humorous, ready and caustic in retort. An almost total loss of his sight from which he suffers seems only to have accentuated the retentiveness of his memory, his reflective powers, and the resolute vigour of his character. The high place he won and held in South Australian politics has been more than justified by his career in the Commonwealth, where his clear-headedness, courtesy, and caution have placed and kept him in the front rank. He is recognised as head of the Labour Party as a whole, and acts as its unquestioned leader in the Senate. Fortunately for the Government he is one of the most ardent Protectionists, and unfortunately for the Opposition has no confidence in their commander. Senator Symon, during his political career in his own State, was associated throughout with the Conservatives until the proposal to abolish all appeals to the Privy Council healed a deadly breach between Mr. **Kingston** and himself, and secured for him a share of the Radical vote which placed him at the top of the poll at the Senate election. United in their endeavour to secure legal autonomy for Australia, Mr. Kingston and Mr. Symon still remain at issue on all other points. Naturally enough, Mr. McGregor cares little for a professional agreement of this kind. He has consistently regarded Senator Symon's Liberal votes with suspicion, and has thus assisted to prevent a blending of his Labour Senators with the Opposition, which would have given to Mr. Reid's party the absolute mastery of the Second Chamber, and, through the Senate, the control of the whole of the legislation of the Commonwealth.

THE ALIEN LABOUR PROBLEM.

From the first it was plain that the battle royal for the alliance of the Labour section must be fought out in the Senate, as it had been in the House, on the question whether the wishes of the Imperial Government as to the terms of exclusion in the Immigration Restriction Bill were to be respected or flouted. Ministers had pledged themselves to lay aside the measure altogether rather than to plunge the Foreign Office into difficulties by the adoption of phraseology aimed in express terms against all Asiatics, including Japan, as well as against Africans and Polynesians less able to protest against an indignity of this kind. This was the opportunity which Mr. Reid had seized, though in vain, in the House. Senator Symon made careful preparations to repeat the attack on a field so much more advantageous that success seemed certain. One or two leading Free Traders, such as Senators Walker and Pulsford, were too loyal to the Colonial Office to sacrifice their convictions at their party's call, but the greater number made no scruples. Foreseeing defeat, the Ministry, in the hope of breaking their fall, interposed the Kanaka Bill, on which the Labour Senators warmly supported them. On this question the Conservative members of the Opposition made the longest and severest struggle of the Session. Mr. Philp put his trust in them, and counted with confidence on at least some relaxation of the severe conditions imposed. They did their best to help him, but were defeated at every point. The term of employment allowed, the power of deportation, the prohibition of recruiting after two years and of only fixed proportions during that time, were all assailed, but all at last were retained unaltered. Several Conservative Ministerialists were so angered at the obduracy of Mr. Drake, who, as Queensland Senator as well as Minister, refused to modify one jot or tittle of the Bill, that they revolted from the Government yoke. Ignored by Ministers on the Kanaka question, they deserted them in their hour of need on the Immigration Bill. Mr. Philp was beaten, but they had their revenge when Mr. Barton was beaten too, and badly, on the crucial clause of the Immigration Restriction Bill, on which he had staked the fate of his Cabinet.

KEENEST CONFLICT OF THE SESSION.

The rejected Ministerial sub-clause provided that any immigrant could be refused admission to Australia if unable to write out fifty words of an European language selected by a customs officer. No colour nor racial disqualification was mentioned, but the Government openly proclaimed that the test was not proposed to be applied to Europeans or Americans of European race, but would be adopted in regard to coloured aliens or even British subjects if Asiatics or Africans. Senator Symon and his friends declared that what the Ministry intended to do by way of administration under this colourless clause should be expressly stated in plain words on the face of

the Bill, as Senator McGregor proposed. They should prohibit all Asiatic, African, and Polynesian peoples by those names. He protested that he was a good Imperialist, who recognised Mr. Chamberlain's services to the Empire, but told the public that they had themselves to think of first, adding that he would rather displease fifty Mr. Chamberlains than put this "dishonest piece of legislation" on the Statute-book. He earnestly commended Senator McGregor's amendment, and assured the Senate that the Imperial Government would never venture to veto the Bill if it were included. Consequently when the trial of strength came only one of his party voted for the sub-clause in the Bill, which was struck out by a majority of six. Thus a Ministerial crisis was assured so soon as the measure should reach the House, where it had been only saved a few weeks since by five votes, though the life of the Ministry was at issue, after the keenest conflict of the session. The situation was of the gravest.

Senator O'Connor patiently bided his time. When Mr. McGregor moved his objectionable new clause he supported an amendment moved by those who desired a milder educational test than that proposed by the Ministry as being more acceptable to the Colonial Office. By the aid of three and the abstention of two members of the Opposition he succeeded in striking out the obnoxious words by a majority of one. The Natal clause of a similar character was then moved, allowing the immigrant himself to select the European language in which he should comply with the test. This, too, was lost by a majority of one. Then Senator McGregor arose to denounce the Opposition rank and file for their breach of faith, and to announce that he and the Labour section would henceforward support the Government. The rejected sub-clause was again moved, and this time ordered to be replaced in the Bill by a majority of eleven. An attempt to embarrass the Labour members by the submission of their own sub-clause as an addition was defeated with the aid of their own votes by a majority of twelve. The crisis was over. The Kanaka and Immigration Bills have been returned with only a few verbal amendments to the House from which they emanated. The Ministry have snatched a great victory out of the very jaws of defeat, not only by saving their Bills, in spite of Mr. Philp's appeals and the Opposition tactics, but by consolidating in the Senate the support which they have hitherto only received occasionally from the Labour section. The only question that remains is whether the end justifies the means.

THE NEW COMMONWEALTH.

AUSTRALIA AND THE WAR.

“ONE PEOPLE, ONE DESTINY.”

SERIOUS FINANCIAL PROBLEMS.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Dec. 17 1901; Jan. 22 1902.

South Africa has proved the touchstone of Empire. The war with the Transvaal first demonstrated the unity and unanimity of the British race in all its realms. Our Federal motto, “One People, one Destiny,” with the Tennysonian addition, “one Flag, one Fleet, one Throne,” became at once the Imperial motto. It was no holiday parade. The greater the demand made on the nation and the darker its fortunes the ampler was the response from every part of the King’s Dominions. Side by side with the Regulars, the colonial troops relieved the imprisoned forces and defeated the Boers whenever they could be brought to bay. Then commenced the guerrilla phase of the struggle, in which Lord Kitchener has been slowly but surely wearing down his cunning and resourceful foes, and of necessity at the same time exhausting his own. The need for reinforcements of fresh men was no sooner felt than Canada was to the front with an offer of nine hundred men. Australia and New Zealand did not follow her example, and there was immediately an outbreak of exultant spleen in the German Press, in which it was recklessly asserted that our abstinence was due to disapprobation of the continuance of the war or the methods employed in it. This stung New Zealand at once into action, and the gallant little colony offered as many men as the Dominion.

CAUSE OF AUSTRALIA’S HESITATION.

Australia has still hesitated. No rumour of any disappointment felt in the Mother Country on this account has reached us, but if it exists, as is natural, it cannot equal the chagrin felt here, where the inaction of the Government has led to many angry comments. Our States having at last united, we have achieved one of our chief objects, the blending of our defence forces under one head. Yet Australia, now for the first time enabled to speak with one voice and to act as one whole, neither speaks

nor acts when confronted by the first emergency of a national character that has as yet presented itself. No wonder that our people are penetrated with indignation and a sense of shame. Was it for this, they ask, that we struggled and sacrificed our State sovereignty—in spite of whose drawbacks Australasia contributed nearly half-a-million in money and a small Army of courageous men, who made a reputation for themselves and for us? The taunts hurled at the Ministry and the jeers scattered over the Federal Parliament reflect a rising tide of popular exasperation which would bode ill for both if a day of reckoning were at hand.

Australian opinion as to the war has not changed. The Federal Ministry contains four Premiers who volunteered contingents from their several States, while all its members were in some way associated with their despatch. The Federal Parliament includes a few Pro-Boers, Home Rulers embittered against the British Government in general and Mr. Chamberlain in particular, and a few members who on principle oppose all appeals to arms, but probably three-fourths of both Houses would strongly support any proposal to offer aid to the Mother Country at any time and for any place. The States are just as patriotic as ever, and many of them inclined to step forward in front of the Federal Ministry if it continues to hang back. Several wealthy private citizens, chafing at the delay exhibited, have offered subscriptions of £500 and £1,000 towards the expenses of a new Federal contingent. This would have been tendered as soon as that of Canada but for the fact, too often forgotten, that we are federated under restrictions for the next ten years. The States, when appealed to by men eager to enlist, have all of them properly replied that, their defence departments having passed out of their hands into those of the Commonwealth, they are without the organisation necessary to repeat their former levies, though they may attempt the task if the Union lingers. They have none of them offered to find any part of the cost of the equipment of a Federal contingent because one and all of them are in financial straits and uncertainties.

FEDERAL PREDICAMENTS.

The Federal Government is in precisely the same predicament, and, for the time at all events, even less able to spend. Its tariff has been cut down so much already by the representatives that it is plain it will not have more than enough, if indeed it has enough, to pay its way with the severest economy. All it can do will be to offer the men, and, as in the case of the last contingent, allow them to be enrolled as Imperial soldiers at Imperial expense. The sudden close of Parliament by the sheer exhaustion of its members after the prolonged sittings of the past few weeks has prevented this from being accomplished on the instant. The Prime Minister unguardedly promised that nothing should be done until the House had been consulted. The intention was

that it should continue sitting for another week, by which time the matter would have been ripe for submission. His anxiety was not to obtain its sanction. Of that there could be no doubt. His aim evidently is to secure an unanimous vote by disarming the small minority opposed to any assistance being given in South Africa. Parliament will not meet for another month, when, no doubt, the requisite authority will have been obtained, and it is hoped without dissent. This may content our representatives, but will by no means satisfy that large section of the public which feels that Australia has lagged behind her fellow dependencies. We should have been first, but shall be third, while the local conditions hampering us will assuredly be misinterpreted abroad.

The Commonwealth is rich, but its riches are not available. The Constitution ties its hands, and thus prevents them from reaching its pockets for the next ten years. The fear of its founders was that it would be heedlessly extravagant in the first flush of its freedom, outrunning the constable with juvenile heedlessness. Three-fourths of its main income—that from customs—was therefore mortgaged to the States. The consequence is that for the present it can scarcely keep pace with the everyday requirements of its Departments. In addition to this both political parties in Parliament, as a further guarantee to the States, have pledged themselves to their constituents not to jeopardise their finances by any Federal direct taxation whatever for the first three years. Only a few members of the Labour section are free from this obligation, which is equally binding on both Houses.

LIMITED SOURCE OF REVENUE.

Limited in this way to customs and excise duties for the whole of his revenue, Mr. **Barton** submitted a tariff sufficient for the reasonable requirements of the Commonwealth and the States, which is now being cut down far below that level. **Sir G. Turner** will have no margin left to operate on. There are no other resources available. The cost of despatching a contingent would require to be paid for wholly by the Commonwealth. Under the “**Braddon blot**” this would make it necessary for the Federation to raise £4 for every £1 needed, of which £3 would be returned to the States and only £1 devoted to the purpose intended. This project is thus in fact impossible.

There are other considerations of a less serious character. We have not yet united our several defence forces, except by Ministerial control. The Federal Defence Bill not having passed they remain under six separate Acts as of old. Our new commandant, **Major-General Hutton**, is only just setting out for our shores. Still, all these obstacles to efficiency will be easily surmounted. Unhappily, we cannot escape from our

financial impotence in Federal affairs. The public have been left to learn this valuable lesson by the check to their patriotic impulses and the wound to their pride at what abroad is evidently mistaken for want of sympathy with our parent State. The incident, though felt by them as humiliating, will have at least one compensation if it teaches them how little is to be expected from the Federal Parliament for the next ten years in anything that demands expense.

APPROACHING DANGERS.

There is another more general and even more serious conclusion to be drawn from a consideration of these circumstances. They make it evident that we have almost reached the end of our tether in the matter of borrowing. It is not so much the Commonwealth, though its future is affected. It is the States that each and all have outrun discretion and are about to be called to account. As has been repeatedly insisted in these columns, Australia is spending borrowed money too fast, taxing too little, and putting off the settlement of its obligations too long. The last State loans floated have been at heavy discounts, yet the cash acquired is no more cautiously disbursed than of old. We are sinking in the mire of habitual improvidence, and unless our ways are mended we must drift towards a painful awakening.

In New South Wales we have just received an ominous intimation of approaching dangers. The Lyne Government, of which the Cabinet in power is a reconstruction, lightly passed an Act requiring part of our accumulated deficit to be paid off at the rate of £250,000 a year in addition to £269,000 a year previously charged on the revenue for the same purpose by Mr. Reid and Sir W. McMillan. Now our present Treasurer, Mr. Waddell, has carried the second reading of a Bill postponing the whole of this repayment for this year, and reducing it to £100,000 per annum for the future. In justification he pointed to £439,000 unforeseen outlay during the twelve months, and pleaded his absolute ignorance of the sum to be received from the Federal Treasurer as the State's share of the customs and excise collected within its borders. Mr. Lee, the Leader of the Opposition, predicts a deficit of half a million, in consequence of our plunge into old-age pensions. Yet the very same moment there were laid on the table of the House loan estimates totalling nearly £3,000,000. The facts have only to be considered to prove the gravity of the situation. One of the largest and certainly the most prosperous of the States is being brought to the very brink of disaster by the accumulated extravagances of its predecessors, and those for which it is now heedlessly making itself responsible. What then can be hoped for our neighbours a little more economical and less favoured with natural resources?

CHANGE OF TACTICS NEEDED.

The position is very simple. The electors desire public works, but are unwilling to find the money to pay for them out of revenue. Their representatives, anxious to oblige them and to increase their own importance, borrow on the public credit, and the works are constructed accordingly. Some are reproductive, others will be, but the bulk have poor prospects. On the whole they are not profitable enough to make up the interest on their cost. We have superb assets such as railways, post, telegraph, and telephone services, but here again the electors step in demanding a multiplication of conveniences and a decrease of charges, so that they are never permitted to earn more than they cost, and generally are cut down to a less remunerative figure. This natural but pernicious policy of passing on the burdens to posterity has been pursued as long as possible. We now owe about £200,000,000. Our interest already absorbs 27 per cent. of our exports. The tricks and devices for postponements of the evil day have been almost exhausted. Nothing remains but to face the situation, retrench, stop borrowing, and impose such taxation as may be required to balance our accounts.

So absolute a change of tactics will not be easy. During the year ending last June £7,500,000 was spent out of loans, of which over £2,500,000 was for unproductive undertakings. We have been obtaining and disbursing an average addition to our revenue of about £6,000,000 per annum of foreign capital. If we cease to receive it we are not in the least likely to see an equal amount raised in addition to our present income. Do what they will, the State Legislatures will be compelled to dip into the purses of their constituencies without delay, and somewhat deeply too. We can afford to find the money, but our people, rendered dependent by an unwise regime, will cry out loudly when they are asked to contribute the increases required to make their Treasuries strictly self-supporting.

IMMEDIATE RESULTS OF THE UNION.

Federation is in no way answerable either for the policy or its results, but it certainly will hasten the crisis. In spite of the pledges given to the States that the customs revenue would be kept at a figure which would assure a return to them of about the same net receipts that they have been accustomed to collect, it is now plain that they will be left far short of this in every State except New South Wales, and even we shall not obtain as much as we need. So far our union is costing us less than a quarter of a million for the year, and is indirectly relieving the State Administrations of a good deal of work in return for that sum. But the Administrations are making no real savings, no retrenchments, no reductions of any kind in consequence of this. They have been hoping against hope for some new and less painful contrivance for

evading their plain duty in this regard. Now that their Cabinets are realising how rapidly they are approaching the breakers a general alarm is beginning to be manifest. Mr. Waddell's Bill here, Mr. Peacock's lowering of old-age pensions in Victoria, an abortive attempt to decrease the expenses of Parliament in South Australia, a cry of expostulation at the lowering of the tariff from Mr. Philp, Premier of Queensland, a rejected Bill for the assessment of incomes in Tasmania, and a Ministerial crisis in Western Australia have all been affected by these considerations. The States are all feeling the pinch, and are fiercely grudging the Federal Government every expenditure, however necessary.

The Commonwealth, bound by the Constitution, compelled to return to the States three-fourths of its receipts, and with fresh responsibilities for New Guinea and for the Northern Territory looming ahead, is in some respects even more entangled than the States. It owes nothing, and never ought to owe anything except for reproductive developments of Departments, such as the Post Office, by which its revenue may be enlarged. It can barely pay its daily way for the next few years in existing circumstances. But the most disconcerting evidence of its present impecuniosity and embarrassment has been displayed to its citizens and to the world by its consequent inaction in regard to the contingent it would have sent to South Africa to assist in putting an end to the guerrilla raids by which the inevitable conclusion of the war is delayed. This has been felt, and is being felt keenly. It is to be hoped that the warning which it conveys as to our future financing will be laid to heart by the public the more speedily by reason of this galling disappointment.

THE NEW COMMONWEALTH.

TROOPS FOR THE FRONT.

SHIPPING TROUBLES.

OBSTINATE GERMAN OFFICIALS.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Dec. 24 1901; Jan. 29 1902.

Christmas brings us no peace this year. On the contrary, it arrives, so to speak, sword in hand. There is, first, the great national issue as to how far our obligations to the Empire require us to offer further Australian reinforcements for South Africa. Besides the national problem, which has aroused great heat, anxiety, and impatience because of the non-committal caution and reticence of the Federal Ministry, we have forced on us an international difficulty of a serious character. In this instance it is the aggressive legislation of the same Cabinet—providing for the levying of duties on the ship's stores of all British and foreign vessels consumed by them in or on the voyage between our ports—which has brought us into collision with German and French mail steamers subsidised by their Governments. The Colonial Office evidently has its hands full of Commonwealth business just now. The War Office has had to determine the strength and character of our contingent for South Africa. The intervention of the Foreign Office has been invoked by the angry Powers whose ships we have claimed to tax. Finally, the delay of the **Governor-General** to assent to the Alien Immigration Bill points to consultation between Mr. **Chamberlain** and himself as to the wisdom of allowing this sweeping measure of exclusion the force of law. No wonder that exasperated Australians are beginning to inquire if the only purpose of our union is to stir up hornets' nests at home and abroad. So far these seem to be its chief fruits.

TROOPS FOR SOUTH AFRICA.

The contingent for South Africa is to go, as everyone knew it must from the first moment that Canada gave the lead. It was only a question of how, when, and in what numbers. The War Office has modestly fixed the number at a thousand mounted men. It could have had three thousand as easily, and five thousand without any difficulty. In these conditions we ought to send only picked men. Australian anxiety

is relieved. We are doing our duty—not as promptly or amply as we should have wished, but we are doing it. The instant the intimation arrived that a thousand men would be accepted the reply flashed back that they were available. This means that as soon as the House resumes its sittings the Prime Minister will announce the determination of the Cabinet and accept any challenge that may be offered of its action. It is doubtful if one will be forthcoming. If a challenge comes it will be swiftly disposed of, and a short shrift given to those who venture to object to the despatch of another corps. So far as that is concerned, the contingent may be regarded as already authorised. Our local commandant, *Major-General French*, is once more ambitious to take the field at its head. Mr. *Barton*, who is spending the vacation at his home in North Sydney, has given him no definite reply. The rest is a matter of detail and organisation. So far as Great Britain is concerned, the incident is closed. The Commonwealth has fallen into line with the Dominion and with New Zealand. The Empire once more presents an absolutely united front to the foe and to our German critics, whose insinuations that Colonial opinion of the war has changed are conclusively refuted.

ARDENT PATRIOTISM.

But for us here the difficulty about the troops remains no nearer solution than ever. Why did not Australia offer as soon as her sister dependencies? Why are we the last to step forward, and for what reason did Mr. Barton await an intimation from Downing Street instead of volunteering as before? Nobody knows, and until Parliament meets no one is likely to know. What the Prime Minister has said to our Press throws no light on the matter. Apparently he doubted the necessity for action at this juncture and waited for the War Office to determine the matter for him. But this would have been done just the same if he had proffered assistance. Our tenders of aid have not always been accepted. Was the Prime Minister's motive political? If so he has missed his aim. He will win but few votes by his abstention, and will certainly come in for severe animadversion because of the dilatoriness displayed. The fact that he has always personally proved a fervent Imperialist will not palliate his lukewarmness in the minds of either friends or foes. The patriotism of our people is not of this temper. It is ardent, inflammable, and not prone to forget those who fall short of the high level it is resolved to maintain.

FEDERAL TARDINESS.

Federal tardiness gave the States an opportunity which they have not been slow to seize. The honours of the day are theirs. Victoria, always the most actively Imperial among them, appealed through its Premier, Mr. Peacock, to all their Cabinets, and in addition carried with enthusiasm in its Legislative Assembly a resolution that another contingent should be spontaneously offered. Though the Parliaments of New South Wales, of Queensland, and of South Australia had not closed their sessions none of them copied the example of Victoria, possibly because to do so would have been to seem to follow the lead of that State. Their Premiers, however, were practically unanimous. Mr. Philp made no secret of his anxiety to outbid Mr. Barton as a loyalist. Mr. Lewis, of Tasmania, was equally eager to act, while South Australia at once agreed to co-operate. In this State alone the Premier, Mr. See, declined to interfere with the Federal Ministry's responsibility. Western Australia was involved in the throes of a complicated Ministerial crisis; but there was no doubt of her sympathy. Once again New South Wales was isolated from all her confederates. Mr. Reid and Sir W. McMillan have kept their counsel, and Mr. Lee, the leader of our local Opposition, has made no sign. Possibly this abstinence is concerted and tactical, but if any agreement of the States had been arrived at it would not have included us. It never was clear what their Governments could do now that the control of all the defence forces that were theirs has passed to the Commonwealth. Under the Constitution they are forbidden to raise or maintain troops, and it is difficult to see how they could have organised the men offering for service. But whatever the obstacles might have been, their protest at least relieved Australia from the appearance of procrastinating indifference conveyed by the chilly deliberation displayed by the Commonwealth Ministry and by our own Cabinet.

FOREIGN LINES OF STEAMERS.

The advent of the Norddeutscher Lloyd and Messageries Maritimes lines of steamships was certainly of advantage to both Australian passengers and merchants. The conveniences afforded have surpassed in some respects those which are offered on most British mail steamers, while they carried cargo at lower rates. These circumstances made them unwelcome competitors not simply to over-sea traders, but to our inter-colonial shipping, which they deprived of a great deal of traffic between port and port. Their subsidies gave them one advantage. Their compatriots loyally supported them, and the fact that the boats were recently built, of great size, with all modern improvements for comfort and cheapness of loading, rendered them formidable antagonists. Hitherto their experiences have been all favourable. The

cosmopolitan feeling of our race soon overcame the natural partiality for our flag, a sentiment which was displayed more and obeyed longer by colonists than by our visitors from home. Consequently these foreign lines have done a growing business in our waters, have sold us increasing quantities of goods manufactured in their own countries, and have firmly established themselves in all our capitals. They have been made the means of a good deal more than the ordinary amount of covert smuggling on the part of their petty officers, but beyond the annoyance occasioned to our customs in this respect have been received on the same footing as the P. and O. and Orient liners and enjoyed the same esteem.

THE CUSTOMS BILL.

When the Customs Bill was before the Federal Parliament it was at once noted that the Federal Ministry proposed to obtain revenue by collecting duties on all ships' stores consumed in Australian waters. Every vessel arriving at any port on our shores and proposing to touch at any other port within our boundaries was allowed to set aside a sufficient supply of food and liquor for its crew and passengers during its voyage between them on which duty was collected. The remainder of its stores were sealed up as had always been the practice even when duties were not levied, and it was made an offence to enter any Australian port with those seals broken. The aim was, of course, to secure payment of duty on everything used while the ship was engaged in the Australian coastal trade. Inter-colonial steamers in competition with them paid those duties on all their stores, and it was maintained by Mr. Kingston with great vehemence that the equities of the case demanded that all boats plying in our waters and engaging in our trade must conduct their business under the same conditions and on the same terms. Of course, it was at once perceived that this requirement in both cases implied the payment of duty on goods consumed beyond the territorial limit, where local legislation generally ceases to be obeyed. Mr. Reid and Sir Josiah Symon, among others, doubted the right of the Commonwealth to make any act committed beyond those limits an offence against its laws, and questioned the policy of enforcing the right if it did exist. The Government stuck to its guns and carried its way in both Houses in spite of protests from all the over-sea shipping interests, British and foreign. The Government was supported, it is true, by leading lawyers like Mr. Isaacs, K.C., and, with some doubt as to foreign ships, by Sir John Quick. But the Government needed no encouragement. On the ground that the powers of the Commonwealth extending to trade and commerce, including navigation and shipping, allowed the Government to impose any condition it pleased on all vessels doing business between the ports Mr. Barton and his colleagues, according to their invariable practice, have sought to use to the full all the authority entrusted to them.

BROKEN SEALS.

Inter-colonial shipowners accepted the law without demur, but the whole of the European companies determined to resist it first and last. All of them were willing to test its validity in the courts except the Germans, who showed themselves at the outset anxious to adopt more bellicose measures, and only under pressure from all their colleagues reluctantly consented to a peaceful course of disobedience. By consent of both parties seals were broken on the P. and O. steamer *Oceania*, and a case stated to the Victorian Supreme Court, which was ably argued for two days before a Bench consisting of Judges *Holroyd*, *Williams*, and *Hood*. With very little delay judgment was given unanimously in favour of the Crown. The entrance into port with broken seals was declared to be an offence under the law, for which penalties were recoverable. An appeal to the Privy Council is now in progress, but so far as local legal opinion can be ascertained it appears to be wholly in agreement with the Victorian Supreme Court. The Commonwealth has a special jurisdiction over all British ships whose first port of clearance and port of destination are within its borders, but this was not invoked in the case just decided. The judgment appears to cover foreign as well as Imperial vessels, and has been so interpreted by inferior courts both in this and in other States. An agreement has been come to between the Customs Department and the British companies as to the payment of duties until the appeal home is decided. There is no more friction between them on this score. The law-abiding characteristics of our race are capable of sustaining a much heavier strain on them than has been imposed by this incident, which involves a revenue from all the shipping together of some £50,000 or £60,000 a year.

GERMAN DEFIANCE OF LAW.

The German company has never been satisfied to treat the matter calmly or patiently. Its representatives counselled those interested from the outset to provoke a more sensational conflict. No sooner was it apparent that the adverse judgment of the local court was being accepted by its colleagues than this company, on its own account, began the hostile campaign which it had vainly urged on them. After frequent cable communications with Hamburg and Berlin the captains of the vessels have been instructed to break the seals afresh before entering every port, to refuse to pay duty or to enter into any agreement for paying it, for paying any penalties that may be inflicted, or for accepting service of warrants or in any way acknowledging the jurisdiction of the Commonwealth or any of its courts. At Perth the legal representative of the Germans announced to the local Bench that they desired and intended to “defy the authorities”. There was no other resource, therefore, for the Western Australian magistrates but to commit the captain of the *Neckar* to the local

lock-up, from which he was immediately bailed out. When a guarantee was refused here for the *Prinz Regent Luitpold* the ship was refused permission to land her cargo, but subsequently, under instructions from Mr. Kingston, its discharge was sanctioned apparently without conditions. The Norddeutscher policy is not merely an outbreak of commercial annoyance. The whole of these extraordinary proceedings have been conducted by its officers under the advice of the **Consul-General for Germany**. Its agents have openly stigmatised the levying of duties as piracy, and declared it contrary to all international law. The obvious intention of the company is to compel coercive acts by the Federal officials, on which remonstrances are now being founded from Berlin to London. Whatever may be thought of the action of the customs officers, they are at all events acting in pursuance of a law passed by the Commonwealth Parliament, assented to by the Governor-General, and declared valid by the Supreme Court of a State. That law can still be disallowed by the King on the advice of **Lord Salisbury**, or its interpretation may be varied by a judgment of the Privy Council. Possibly it is open to international criticism; but the pity is that the challenge comes from the nation whose Press comments on our forces in South Africa have raised a spirit of resentment in Australia, rendering us less willing to excuse the wanton arrogance and needless violence with which German commanders have defied our Parliament and our courts.

THE NEW COMMONWEALTH.

“WHITE AUSTRALIA.” INDUSTRIAL ARBITRATION. TARIFF LEGISLATIVE EFFECTS.

FROM OUR SPECIAL CORRESPONDENT.
SYDNEY, Dec. 31 1901; Feb. 4 1902.

The close of the first year of the Commonwealth does not appear triumphant to those within its boundaries. At the moment the public are vexed at the dilatoriness of the Federal Government in sending its first contingent to South Africa and vexed with the Federal Parliament for its tardiness and shiftlessness in dealing with the tariff. Such a mood may be mainly due to the lack of perspective and want of a sense of proportion exhibited almost everywhere by those engaged in the conduct of affairs as actors, the heat and burden of the daily fray impairing their competence as spectators. To those who judge us from abroad with any knowledge of our affairs it must be at once apparent that we are closing by far the most momentous year of our history as far as it has gone. This strong phrase would be used by many as appropriate only because of the circumstance that on the 1st of January of this year the Commonwealth came into being, or, at all events, they would make that event the chief reason for exalting the period just closed. But though it would be perfectly justifiable to employ such an expression on that account, as everyone will realise, few will be prepared to admit without consideration that measured simply by its achievements in legislation the twelve months just passed is the most momentous that Australia has seen. Yet such is the fact.

THE ALIEN IMMIGRATION BILL.

His Excellency the Governor-General after a decent interval for deliberation, and probably for consultation with Mr. Chamberlain, has assented to the Alien Immigration Bill. This measure bars our door against the Asiatic and other races incapable of blending with Europeans on terms of political or social equality. Ostensibly it also excludes all immigrants of all nationalities unless they are linguists, and also every European or other labourer under contract of service. Neither of these

prohibitions really mean anything. The half-criminal city sweepings of Southern Europe may find themselves caught in the net should they threaten to invade us in shoals. In times of strike it will not be possible to introduce cohorts of cheaper labour from abroad bound down to their former rates of pay. Expert workmen under contract or not will always find welcome and a splendid field for their energies. The Polynesian Labourers Act supplements the general measure by providing for the exodus after five years of the Kanakas introduced into Queensland under bond to the sugar planters. Unless the term is extended their numbers will be speedily diminished and they will sooner or later disappear from our shores. Between them these Acts ensure a White Australia. They enclose the continent with a "Chinese wall" intended to keep out the Chinese and all other coloured races permanently, so as to preserve the continent for the Anglo-Saxon stock, the British flag, and the Christian faith—no mean ideal, it must be confessed, in spite of the intolerantly pharisaical appearance of its methods.

ARBITRATION IN NEW SOUTH WALES.

The antagonism of our democracy to unrestricted immigration from abroad is largely dictated by its devotion at home to a complementary ideal of what it terms social organisation. The two must be taken together. The year 1901 will be memorable because an Act just assented to by our *Lieutenant-Governor* expresses this ambitious aim more distinctly than any Commonwealth legislation has yet done, though the time is not far distant when it, too, will be inspired by the same spirit. It seems scarcely too much to say that the social revolution is on us. The Industrial Arbitration Act just placed on the Statute-book, and coming into force next month, constitutes the high-water mark of State interference in New South Wales. There is nothing like it in the Commonwealth, or, indeed, in the world except in New Zealand, and in certain important particulars we have outpaced even that most daring community.

Exactly how far the measure may take us it is impossible to say until we have had experience of its working and have tested its sufficiency in the light of legal interpretation. So far as can be foreseen there is little hope of its amelioration by these or any other methods. It has been drafted in so general a fashion that the limitations imposed on its administrators will be few and remote. Assuming that they act as they are intended it is plain that no change so vital has ever been accomplished by statute in the conditions of industrial life in this part of the Empire. In one sense private enterprise will have ceased to exist when this Act is in full operation. The relations between employers and employed are permanently altered and controlled. The production of the community is henceforward to proceed on a new basis. Nothing escapes. Every "business, trade, manufacture, undertaking, calling, or employment

in which persons of either sex are employed for hire and reward” comes under its sway. Nothing is omitted except “domestic service.” Even the Government railways and tramways, our Harbour Trust and Water Supply Board, are among its subjects. A court is created which is to decide all the issues that may be raised between masters and men. This is not all. It may of its own motion determine in the minutest detail as well as by broad and comprehensive regulations the manner and cost of carrying on all the work done in this State in factory, warehouse, field, or mine.

FUNCTIONS OF THE COURT.

Wherever else the law of supply and demand may reign unchecked it will not be here. Among us neither employees nor employers are to be allowed to make a bargain to their mutual satisfaction, but whether they approve or not must conform to the dictates of an outside authority. In the first place every workman for his own protection will require to be a member of an “industrial union,” which is a registered trade union brought under the operation of the Act, its finances supervised, and its funds protected against any levies except those made under its provisions. Industrial unions are authorised to make contracts for the supply of labour, and are then, each of them as well as their members, made responsible for its performance. Though one or more employers who have on the average fifty hands a month on their books may be registered as an industrial union they, like their employees, will find themselves forced into alliances with those of their own class for mutual protection. These associations, though nominally voluntary, will, in point of fact, be compulsory under the new condition of affairs, and thus before the law comes directly into play a set of restrictions will be imposed on the free action of all the individuals concerned either to find hands for their work or work for their hands. The employees’ unions together elect one member, and those of the employers another, to the court, which has as third arbiter and president a judge of the Supreme Court. Mr. Justice Cohen has already accepted this office, and is now proceeding, with Mr. B. R. Wise, the author of the Act, to New Zealand, where they purpose to study the methods adopted under Mr. Seddon’s regime in administering a similar law. All “disputes” arising between employers and employed, whatever their nature, are to be referred to the court so constituted, whose decision, whether as to wages, hours, appliances, appointments, or dismissals, are to be binding and without appeal.

SETTLEMENT OF DISPUTES.

This triumvirate, judicial in character and method but despotic in power, is not to be left to act only when invoked by one of the parties to a "dispute." There is to be a "Registrar", whose duties are very inadequately indicated by his title. While he is to be the administrative officer charged with the registration of unions, their supervision, and with giving effect to the decisions of the court, he is to be clothed with unlimited authority to lay before it any and every matter relating to employment in any business which he may deem unsatisfactory. By his mere fiat it comes to court, though all parties to it may have been contented to allow it to remain unchallenged. An executive officer of this authority, paid by the State and closely associated with the tribunal before which he can bring any unions or individuals whose earnings or circumstances he may feel inclined to question, is a remarkable creation of and for a democracy. The court can give a decision on an individual case or promulgate a "common rule" which shall be binding on a whole industry or industries, creating, amending, or destroying any practice, usage, or condition of employment or industrial dealing. It may fix a standard wage for anybody or everybody. It may even order that a preference shall be given by employers to unionists over other applicants for engagement not belonging to unions in that particular trade. An employer may be required to submit his books for private examination. On the other hand, all agitation of any kind is strictly forbidden until reasonable time for an appeal has elapsed or during its hearing. Those responsible for a strike or lock-out until these periods are past are liable to fine and imprisonment as guilty of a misdemeanour. A new Department of State is thus suddenly established which can shape the whole machinery of trade production and commerce within the State. All business undertakings are to be absolutely subject to its supervision and direction on behalf of the public. Our New South Wales captains of industry find themselves turned into members of a State organisation in which they are by law compelled to take their instructions from its officials as their superiors or face the consequences of being dealt with as mutineers.

THE VICTORIAN WAGES BOARD.

The Act is to remain in force for six years, after which period it will be open to revision. Such are our political conditions that unless it occasions a catastrophe indisputably traceable to its provisions it will be renewed. In Victoria a few months ago it seemed probable that its Factory Acts might be modified, if not repealed, with the consent of their authors on the ground that the restrictions on hours and apprenticeships, and the increase of wages occasioned by them, would render employers in that State unable to compete with the unregulated rival industries of

New South Wales. No such proposal is mooted now, and indeed one of the last sanctions given by the Victorian Legislative Assembly was to a set of proposals creating wages boards in six more trades. There are now no less than thirty-five Wages Boards in that State, composed of equal numbers of employers and employed, controlling their several trades with more or less judgment. It too frequently happens that these opposing parties neutralise each other to such an extent that most decisions are arrived at by the casting vote of the chairman, who does not belong to the trade affected, and is appointed in every instance by the Government. It is claimed that some of these boards have accomplished good work, and certainly, if it be possible to deal at all with industries separately by means of elective bodies of skilled men, it is to be expected that this method will ensure some successes. The plan preferred in New South Wales is more imposing and the power vested in the court greater than that entrusted to the Victorian boards. For this reason it is preferred by the trade unions and is likely to be generally adopted throughout Australia. The increase in cost of production involved by these Government establishments for the management of commercial undertakings, and in consequence of their rulings, is put forward by the Protectionists as a ground for the imposition of duties on imports from countries in which the employees are worked harder for longer hours and less pay. But the **Barton** tariff as originally introduced could not have affected the business interests even of New South Wales, where it was least prepared for, as much as this new Arbitration Act rejected last year but now triumphantly placed on our Statute-book to mark the beginning of a new Industrial era.

EXPERIMENTAL LEGISLATION.

The first and final question, of course, is whether we can afford this luxury or not. It is not our manufactures merely which are to be governed by the new court. Our coal miners are likely to be among the first to appeal to it in the hope of obtaining concessions as to wages and hours for which they have been fighting with variable success for many years. The shearers are certain to follow, and the farm labourers themselves may be found willing to organise under the temptations presented by such a statute. The country as well as the town will feel the shock of the changes likely to be brought about and of the strain attendant on the uncertainties that must continue until the court has arrived at decisions on the main problems arising out of the clash of interests in this State. Probably some years must elapse before we attain to fixed standards, so that in the meantime we may expect unsettled conditions. The new Australian tariff, inter-colonial Free Trade, and the increasing attack made on our importations by Germans and Americans had furnished us with a sufficiently complicated situation before our Parliament undertook to add the unknown perils evolvable out of its experimental legislation. All these trials are coming at once. It is

impossible not to admire the courage and confidence exhibited by our business men under these trials. New factories and enlargements of those already in existence are visible all around the Metropolis. Those which have languished in face of foreign competition are rallying under the stimulus imparted by the new duties. Though Sydney has resisted their imposition fiercely and pertinaciously no part of the Commonwealth is preparing more vigorously to take advantage of them, and that without delay. We have been deprived of the freedom from State interference on which some were counting in their coming contest with Melbourne manufacturers, but there is no indication of any slackening of energy on that account. We have the coal under our feet, the harbour above it filled with shipping, and the city crowning its cliffs rich in ability and energy that will enable us to more than hold our own.

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