

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



Volume 10: 1910

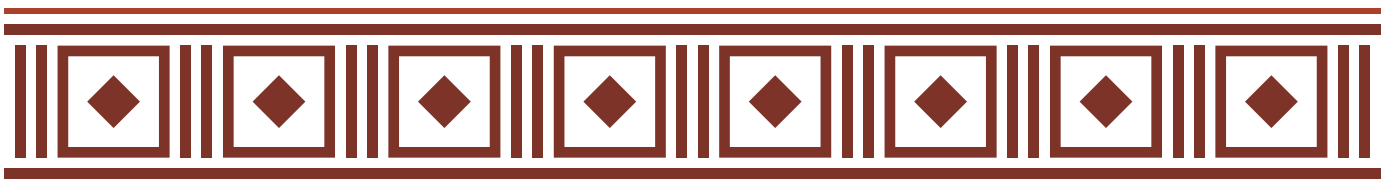
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London Morning Post

— Volume 10 —

1910



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

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



'Alfred Deakin', JH Chinner, c. 1910

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Acknowledgements

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Illustrations

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'Alfred Deakin', JH Chinner, c. 1910, National Library of Australia, nla.obj-135306508

'Australian Commonwealth Ministry: Sworn in on 1st June 1909', *The Telegraph* (Brisbane), 5 June 1909, p. 12

The Fisher Ministry 1910, composite using photographs from the *Parliamentary Handbook*, Parliamentary Library

Introduction to the series

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Notes on the text

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

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

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

The letters are organised chronologically by date of writing. Two dates are provided for each letter, the first being the date of writing, the second that of its publication in the *Morning Post*. Where a letter has been published with an incorrect date of writing, the corrected dates are inserted in square brackets on the basis of the list of published Letters in Appendix II of La Nauze's edition.³¹

In March 1907, Deakin travelled to London to participate in the Imperial Conference, held at the Colonial Office from 15 April to 14 May. He returned to Australia in June 1907. During that period, the majority of letters were written by TR Bavin. Bavin continued to contribute until 1911:

Until early August 1911 [TR] Bavin wrote fairly regularly on topics such as the politics and legislation of Queensland and New South Wales; industrial legislation and disputes; constitutional questions; the River Murray waters agreement. It is impossible to identify all his paragraphs or sections of articles, since Deakin himself sometimes wrote on such themes, or adapted Bavin's drafts. In general it may be assumed that all the material on federal issues was written by Deakin or had his sanction.³²

1910 has one of the more unusual pieces to appear under Deakin's 'Correspondent' by-line, dealing with the results of the Australian General Election held on 13 April. It is a sparse, seat by seat summary of the returns for the House of Representatives as known on 14 April which was cabled to the *Morning Post* and published on April 16, supplemented by other information provided by the Reuter agency. However, not all the early leads were sustained, and the final election outcome differed in a number of seats. These are discussed in footnotes to the letter.

Endnotes

- ¹ JA La Nauze in the Introduction to his selected edition of the letters to the *Morning Post*. (A Deakin, *Federated Australia: selections from letters to the Morning Post 1900–1910*, JA La Nauze, ed, Cambridge University Press, Carlton, 1968, p. ix.)
- ² *Federated Australia*, *ibid.*, p. vii.
- ³ *Ibid.*, p. viii. See also: JA La Nauze, 'Alfred Deakin and the *Morning Post*', *Historical Studies Australia and New Zealand*, 6(24), May 1955, pp. 361–75, and JA La Nauze, *Alfred Deakin: a biography*, Melbourne University Press, Carlton, 1965, volume 2, pp. 347–61.
- ⁴ 'Banquet to the Colonial Delegates', *The Argus*, 25 May 1887, p. 5.
- ⁵ Philip Mennell cable to Alfred Deakin, NLA MS 1540/7/8–10.
- ⁶ E Peacock letter to Alfred Deakin, NLA MS 1540/7/14.
- ⁷ J Nicol Dunn letter to Alfred Deakin, NLA MS 1540/7/12–13.
- ⁸ Philip Mennell letter to Alfred Deakin, 10 and 26 May 1901, NLA MS 1540/1/613–16, quoted in J Brett, *The enigmatic Mr Deakin*, Text Publishing, Melbourne, 2017, p. 252.
- ⁹ *Ibid.*
- ¹⁰ *Federated Australia*, *op. cit.*, p. viii.
- ¹¹ 'Alfred Deakin and the *Morning Post*', *op. cit.*, p. 361, 373.
- ¹² *Federated Australia*, *op. cit.*, p. viii.
- ¹³ 'Alfred Deakin and the *Morning Post*', *op. cit.*, p. 369.
- ¹⁴ *Ibid.*
- ¹⁵ J Nicol Dunn to Alfred Deakin, NLA MS 1540/7/14.
- ¹⁶ Brett, *op. cit.*, p. 242.
- ¹⁷ Quoted in *Federated Australia*, *op. cit.*, p. x.
- ¹⁸ W Murdoch, *Alfred Deakin: a sketch*, Constable & Co. Ltd, Sydney, 1923, p. 252.
- ¹⁹ Alfred Deakin to Richard Jebb, 29 May 1907, quoted in *Alfred Deakin: a biography*, *op. cit.*, volume 2, p. 353.
- ²⁰ Alfred Deakin to F Ware, 4 January 1909, NLA MS 1540/7/45–48, quoted *ibid.*, p. 358.

- ²¹ *Morning Post* editor J Nicol Dunn had at the outset urged Deakin not to put himself 'too much in the background' but, rather, to 'mention [his] own part in affairs as fully as any other body's'. J Nicol Dunn to Alfred Deakin, NLA MS 1540/7/12–13.
- ²² *Federated Australia*, op. cit., p. ix.
- ²³ H Tennyson, 'Prorogation', Senate, *Debates*, 22 October 1903, pp. 6436–37.
- ²⁴ *Alfred Deakin: a biography*, op. cit., volume 1, p. 199.
- ²⁵ *Federated Australia*, op. cit., pp. ix–xii; *Alfred Deakin: a biography*, op. cit., volume 2, pp. 360–61.
- ²⁶ *Federated Australia*, op. cit., p. x.
- ²⁷ *Alfred Deakin: a biography*, op. cit., p. 361.
- ²⁸ *Federated Australia*, op. cit., p. xv.
- ²⁹ *Ibid.*, p. xv.
- ³⁰ *Ibid.*, p. xvi.
- ³¹ *Ibid.*, pp. 297–99.
- ³² *Ibid.*, p. 304.

— 1910 —



‘Australian Commonwealth Ministry: Sworn in on 1st June 1909’

From top (L–R): Alfred Deakin (Vic), Prime Minister; Joseph Cook (NSW), Minister for Defence; Sir John Forrest (WA), Treasurer; Patrick McMahon Glynn (SA), Attorney-General; Littleton Ernest Groom (Qld), Minister for External Affairs; Senator Sir Robert Wallace Best (Vic), Minister for Trade and Customs; Sir John Quick (Vic), Postmaster-General; George Warburton Fuller (NSW), Minister for Home Affairs; Senator Edward Davis Millen (NSW), Vice-President of Executive Council; Justin Fox Greenlaw Foxton (Qld), Minister without portfolio

(‘Australian Commonwealth Ministry: Sworn in on 1st June 1909’, *The Telegraph* (Brisbane), 5 June 1909, p. 12)



The Fisher Ministry, 1910

(Top, L–R): [Andrew Fisher](#) (Qld), Prime Minister and Treasurer; [William Morris Hughes](#) (NSW), Attorney-General; [Egerton Lee Batchelor](#) (SA), Minister for External Affairs; [Josiah Thomas](#) (NSW), Postmaster-General; [Senator George Foster Pearce](#) (WA), Minister for Defence

(Bottom, L–R): [Francis Gwynne Tudor](#) (Vic), Minister for Trade and Customs; [King O'Malley](#) (Tas), Minister for Home Affairs; [Senator Gregor McGregor](#) (SA), Vice-President of the Executive Council; [Senator Edward Findley](#) (Vic), Minister without portfolio; [Charles Edward Frazer](#) (WA), Minister without portfolio

(Composite using photographs from the *Parliamentary Handbook*, Parliamentary Library)

THE COMMONWEALTH OF AUSTRALIA.

LORD KITCHENER'S VISIT.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Jan. 3 1910; Feb. 9 1910.

Lord Kitchener arriving at Brisbane two days ago characteristically took control of the local forces' manoeuvres without a moment's delay. Needless to say, his visit being perhaps the most important event in our defence history, no trouble or expense is being spared to make it interesting to him and profitable to us. He begins well. Much is expected. Twenty years ago a report by an Imperial officer, Major-General Edwards, upon our defence was the immediate cause of bringing Australian Federation from the region of patriotic aspiration into the realm of practical politics. Ever since Federation was accomplished, the subject has absorbed more of the attention of our legislators than any other single topic. Owing to the immaturity of public opinion, the clash of conflicting ideals, and the party divisions in Parliament a real decision has been long postponed. No one could claim that hitherto the practical results of all our consideration have been particularly satisfactory. This, however, is not surprising. It is not too much to say that the problem of organising the defence of an Island Continent, sparsely populated round parts of its coastline, and under the new conditions of modern naval warfare, is without, a precedent. It has to be solved by a people without any experience in the art of defence: a people who have been rightly in the habit of considering the risk of hostile invasion in the last degree remote. In the circumstances it is only natural that we should have had to feel our way, with slow, sometimes misdirected, and often expensive experiments. At last we are beginning in earnest.

THE MOST OPPORTUNE MOMENT.

The visit comes at the most opportune moment. In the first place, Australia, since 1907 and lately by official participation in the Defence Conference, has fully recognised the principle of organising local forces upon a common system, so that in time of emergency they may be capable of acting effectively together, if necessary, in any part of the Empire. As far as this Dominion of the King is concerned it is particularly true, to quote the Memorandum submitted to the recent Conference,

that a great deal remains to be done before we shall be justified in claiming that our section of the forces is organised as desired. We are only just about beginning to take our fine raw material in hand. We are particularly weak in officers. The most encouraging feature of the situation is that Ministers seem keenly conscious of our weakness. Secondly, we have authorised but not yet adopted the principle of compulsory training. To give effect to it will not only need time, but in a vast country like ours, where our small population is so widely scattered, it will make large demands upon whatever organising ability we possess or can obtain. Hence a great soldier of the long experience and fine capacity of Lord Kitchener will be able to afford the very help we need at this instant. Elaborate preparations are being made to enable him to see as much of the quality and quantity of our existing Militia as the unfortunate time of the year will permit. Lord Kitchener, moving southward, will find such of the troops of each State in camps as the hottest period of the summer and the closing days of the Christmas and New Year holidays allow to assemble. The camps have been organised on a scale hitherto unprecedented in Australia, and are intended to give our critic a practical insight into the conditions of our "Territorials" after eight years' experience. One of our *leading journals* puts it plainly that the object is to "enable him to become as familiar as possible, at first hand, with the military resources and capabilities of Australia, as developed at present, and also with its requirements, so that he can advise how they may be most efficiently met".

THE COAL STRIKE.

Our coal strike is now degenerating into a very undignified squabble between the two sets of representatives of the miners headed respectively by Mr. *Bowling* and Mr. *Hughes*. Until recently the direction of affairs was in the hands of a "Congress", which included both parties. There the influence of Mr. Hughes, representing the moderates, became predominant. The area of the strike was restricted to the smallest possible dimensions, the ultimate object being to get all the men back at work except the Newcastle miners, and to use the funds those employed would earn to enable the Newcastle men to remain out as long as might be necessary to compel the owners to submit to their demands. At the same time, this plan of minimising public inconvenience and suffering did not tend to alienate public sympathy. This did not commend itself to the Bowlingites, whose ideal was a general strike, or at least, one comprising the whole coal industry. But the rival factions could not keep their differences within the walls of their meeting room. They were too fundamental to be concealed. Ultimately the Bowling party withdrew from the "Congress" altogether and are now directing the strike independently. The old "Congress", or what remains of

it, is still pursuing its policy of moderation. In the time it can spare from attacking or repelling the attacks of the Bowlingites, it is endeavouring to get support for its policy from the Northern and Southern miners. So far it scores no real success. The men still have the appearance of being determined, but one has not to look very far beneath the surface to find signs that they would be much better pleased to be back at work.

WAGES BOARDS.

The Wages Board, appointed by the Government against their will, offers them the opportunity. If they can manage to suppress their unreasoning dislike of the tribunal appointed under what is contemptuously called "Wade's Act", and submit their grievances to this Board, on which they are adequately represented, there is no reason why the disastrous conflict should not soon come to an end. It has already cost us an enormous sum, and will involve continuous losses of business for a long time to come. Having regard to the overwhelming evidence of the great advantages which the operations of the Wages Boards have conferred on the workers in this State, it is impossible for an impartial looker-on to appreciate the persistent hostility with which the miners regard these tribunals. The Act framed by Mr. *Wise* preceding the present measure relied upon what may be termed legal methods and legal tribunals. It proved costly and ineffective. Wages Boards under the new Act have been more expeditious and much less expensive. On every mine in daily association with the coal miners are engine-drivers and firemen. At the annual meeting of their Union the other day their secretary, who is himself closely identified with the Colliery Employees' Federation, gave some figures explaining how the different sections of the Union had fared under Wages Boards. Firemen and engine-drivers employed in breweries had received an increase of 2s. and 1s. 8d. per day respectively. The wages of engine-drivers working on collieries had risen from 9s. 9d. per day to 11s.; those of firemen from 7s. to 8s. 6d. and 9s. Every branch of the Union had received substantial increases in pay, accompanied, in several cases, by reductions in working hours. In the face of these facts, which are before their very eyes, the leaders of the Colliery Employees' Federation persist in plunging their men into a struggle which, independently of the permanent injury it must do to the trade, is costing their Union tens of thousands of pounds. What can be said to excuse such suicidal tactics?

LORD KITCHENER'S VISIT TO SYDNEY.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Jan. 10 1910; Feb. 19 1910.

Lord Kitchener was assured beforehand of the heartiest of welcomes to Australia. So much was due to his career and reputation. Accordingly, since he landed all classes have united in doing him honour. Sydney, rather piqued by his aloofness and balked by his absorption in self-imposed duties, has none the less frankly recognised both his eminence as a soldier and the well-known idiosyncrasies that mark his methods. Our newspapers having dubbed his visit a "success" before it had really begun have certainly spared nothing to make it one. He is watched and reported, and in some cases credited with significant words, gestures, or silences which are then interpreted at journalistic pleasure in marvellous fashion. However, he is, or rather was, with us, for to-day he passes on to Victoria, having acquired a series of snapshot impressions of the forts, forces, and situations of Newcastle and Sydney, with their surroundings. Beyond a tribute to the great importance of Port Jackson as a permanent naval base, he has given no hint of any opinions that may be forming in his mind. Upon all military matters he remains absolutely dumb. This judicious reticence leaves the field open to the imaginative Pressmen, who do not hesitate to tell us in advance what he is really thinking, or inferentially what he ought to think, in the circumstances. Still, despite the drawback that the very unfortunate time at which he arrived foredoomed our camps to small proportions and curtailed the manoeuvres, we are not altogether dissatisfied with our improvised display. The manifest shortcomings, especially in equipment, with which we have become familiar, reveal themselves in their true proportions directly they are seen, so to speak, through Lord Kitchener's eyes. No one can be more sensible of our unpreparedness than the *Minister for Defence*, who has been personally associated with his distinguished visitor ever since he arrived. Mr. Cook, at all events, is receiving an invaluable education in the needs of our Militia. Officers and men, though only temporarily brought to attention under the penetrating eye of a great expert, have also obtained an invaluable reminder of their shortcomings and of the urgency for higher efficiency.

THE AUSTRALIAN DEFENCE ACT, 1909.

The following is a brief account of the provisions of the Australian Defence Act, 1909, the general lines of which are approved by Lord Kitchener. The Act came into force on January 1, although the organisation necessary for carrying out the proposed

changes is not expected to be complete before the middle of 1911. It will be noticed that particulars are given as to the compulsory training system which is considered insufficient by Lord Kitchener, despite the fact that it provides for eight years' military training between the ages of eighteen and twenty-six.

The Act preserves the existing Militia as the First Line of military defence. The Volunteers disappear, and in the Estimates for 1910–11 provision will be made for their conversion into Militiamen. The result will be that in 1910–11 Australia will have to provide pay for nearly 5,000 men hitherto classed as Volunteers, and the peace establishment of the Militia will be raised from about 18,000 officers and men to 28,000 of all ranks. Members of the existing rifle clubs will, after certain training – yet to be indicated in detail – form part of the National Reserve. Young men over twenty-six years of age who have passed through the compulsorily trained corps may, under the new order of things, voluntarily become members of rifle clubs instead of joining Militia regiments. They, nevertheless, will form part of the National Reserve.

In regard to raising compulsory levies the whole idea of the Law is the gradual creation of means by which every lad under eighteen in 1911 shall find a place in a network of training which leads from simple physical exercises up to battalion organisation in the field. Young men over eighteen in 1911 will be encouraged and urged to join Militia and Naval corps, but the compulsory principle will not operate in their case. On those younger than eighteen it will be pressed firmly and, it is to be hoped, judiciously; and it will apply to them till, at the age of twenty-six, they have attended the last annual master parade of the portion of the National Reserve to which they may belong.

For financial and other reasons the compulsory principle is not applied uniformly over the entire Commonwealth on any given date. A beginning is to be made with the more closely populated districts, containing about 60 per cent. of the population. What will happen will probably be as follows, says a writer in the *Melbourne Age*: The settled portions of each State – where necessary State boundaries may have to be ignored – will be divided into military districts. Each district will have, for the Infantry, a complete chain of compulsorily trained units leading up from the schoolboys in the junior cadets to the adult Militia and National Reserves. The commander of the military district will be in technical matters supreme over the whole chain – subject to given safeguards – and will be responsible for the smooth working of the machine. A date in 1911 will be announced on which in each of the military districts then in existence all boys and youths between twelve and eighteen years of age will be required to register, personally or through their parents. When the medical examination is over the boys, being all under eighteen, will be drafted into

junior or senior cadet corps. In the second year the lads who have passed through their term in the senior cadets and are over eighteen will have to be handed over to an adult citizen corps. If they have expressed a preference for a particular arm – and they are to be invited to do so – regard will, as far as practicable, be paid to their wishes. The Defence Act, however, specially stipulates that “of all persons liable to be trained, such a number as are required shall first be allotted for training in the naval forces”. Senior cadets with engineering or seafaring qualifications will, therefore, be required to fill up vacancies in the Naval Militia.

As the projected organisation becomes perfect and Parliament votes more generous supplies, the number or area of the military districts will be increased. It will, however, be many years before the spread of population will justify the application of the Defence Act of 1909 to every part of Australia.

LABOUR PROBLEMS IN AUSTRALIA.

DIFFICULTIES FOR LEADERS.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Feb. 9 1910; Mar. 21 1910.

The Labour Leagues have not accepted the challenge of their openly Socialistic comrades. They have not risen in their might to defy again the Act which sent Mr. **Bowling** and his friends to gaol. They had followed him in openly breaking the law when they struck. If the strike had succeeded they would have been masters of the coal trade. If they could have broken the prison gates behind which Mr. Bowling remains they would have been masters of our Legislature and of the State. But the Broken Hill call to arms met with a few echoes only and they were dying echoes. The annual political Labour Conference appears to have been anxious to avoid any interference or appearance of interference with the melancholy lingering tragedy for which its leaders were responsible. The Labour Party in this State sits in dust and ashes, impotently venting its spleen on everything it touches, but unable to face or escape the real dominating issue of the whole situation. The battle against the industrial law of New South Wales has been fought and lost. Everyone associated with it has been discredited. Even now not a coal mine in the north or south is working. The community, though in straits, stands quite independent of the arrogant and reckless men who have openly attempted a political revolution.

The effects of this defeat should be far-reaching. Short as is the memory of the public, it cannot forget the blatant threats of confiscation made by the ultras who brought about a strike, to establish their mastership of the coalmines and coal supply of Australia. The complicity of the Unions in this design has proved the most colossal blunder in the history of labour in this country. The strike was foolishly conceived. It has been still more foolishly conducted. The Unionists themselves have been disheartened by the open and undignified squabbling of their leaders, and by the discovery that the promised land to which they were to be led turns out to be a hopeless morass, from which it will take them a long time to extricate themselves. The impartial public has been disgusted, and many of those with strong Labour sympathies alienated, by the callous indifference with which the strike leaders have plunged tens of thousands of unoffending people of their own class into suffering, loss, and in many cases into ruin, merely to gain redress for some very imperfectly

proved grievances against their own employers. Law-abiding citizens have been equally repelled by the discovery that, with a few marked exceptions, such as Mr. **Holman**, the deputy leader of the party in our Legislature, neither the State nor the Federal Labour Party appears to include anyone who possesses courage enough to denounce the open and flagrant defiance of a law passed primarily in the interests of working men themselves. Mr. **Fisher**, the ex-Prime Minister, while openly expressing sympathy for the men, offered no criticism of the revolutionary methods adopted, while Mr. **Hughes**, the ex-Attorney-General, has been their chief director and counsellor. It is true that he has hurriedly transformed himself into a strenuous advocate of peace, and that the advice he is now offering the men if offered at an earlier period would have greatly raised him in public esteem. Coming at this stage, when the men are hopelessly beaten, the advice only excites the suspicion that he, in common with other Federal Labour members, is very anxious to have the strike terminated at all costs, and as far as possible forgotten before the Federal elections in April.

OTHER CAUSES.

Bad generalship is, of course, a principal cause of the general depression that has overtaken Labour in Australia. There are others. There is, for instance, the division of opinion, open and clamant in this State, between those who advocate an increase of the very limited Federal power over industrial conditions and those who cling to the belief which animated the framers of our Constitution, that the State Legislatures and Governments are more efficient instruments for effecting industrial and social reforms than any Federal Government can hope to be. This has been a most marked feature in the proceedings of the present Labour Conference. It was exhibited, first, in the debate on a motion in favour of the complete unification of Australia, a proposal which, although at present recognised as thoroughly impracticable, received a good deal of support. It was ultimately rejected. But a motion in favour of the transfer of the whole power over industrial conditions from the States to the Commonwealth was carried by a large majority. This proposition is a rock upon which Labour in Australia runs considerable risk of splitting. Members, or potential members, of the Federal Parliament are strongly in favour of it. Most State members, who with its adoption would lose the reason for their existence, are strongly opposed to it; and from the nature of the case it is hardly likely that they will tamely bow to the will of the majority in such a matter. The division of opinion is fundamental. It cannot be settled by compromises or smothered by phrases. The Conference has made its choice. It has openly espoused the cause of industrial unification.

LEADERS AS FOLLOWERS.

The leaders in this as in other instances have proved themselves followers. That is always the case in the Labour Party. One of the results – perhaps one of the worst results – of the strike has been to dissipate the last hopes of those who believed that, whatever the irresponsibles in the Labour ranks might do, the controlling powers were sincere in their adhesion to the principle of industrial arbitration. Their attitude towards this strike has proved beyond any possibility of doubt that they are not. Whatever Mr. Peter Bowling's reflections in his cell may be he and those of his way of thinking can, at any rate, comfort themselves with the recollection that they are consistent. They have always preached militant industrial combination rather than legislation as a remedy for the real or alleged grievances of labour. They have clung to the strike as the most effective weapon in the Labour armoury and to the general strike as their panacea. Mr. Fisher, Mr. Hughes, and the other Labour members of Parliament who have assisted to pass our Arbitration Acts, are in quite a different position. They publicly recognised that industrial tribunals with compulsory powers and strike methods were absolutely inconsistent. They were parties to the tacit bargain made by Labour in every Parliament, where industrial tribunals have been established, State or Federal, that if they got the tribunal they would give up the strike. Now we are beginning to understand that there was a mental reservation. They would give up the strike, but only if the award of the tribunal was to be always in their favour. The transparent absurdity of such a position escapes no one. It is gross as a mountain, open, palpable. We have no longer to deal with fellow citizens with reasonable political aims and methods, but with irresponsibles, most of them foolish, many of them reckless, and with leaders to match, capable of any subterfuges or raids upon the public.

THE COMMONWEALTH OF AUSTRALIA.

COMING ELECTION STRUGGLE.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Feb. 28 1910; Apr. 5 1910.

The Australian political situation has been governed since Federation by three conflicting tendencies, still very much in evidence, and still responsible for supplying most of the motive power to party purposes. The real divisions of public opinion have been upon federal, fiscal, and industrial interests. They are now federal and industrial only. At the outset, in 1901 Sir Edmund Barton combined the support of those who sought to secure to the Commonwealth the full exercise of its Constitutional powers, and of those whose aim was to protect Australian industries. The Opposition was composed of men anxious to take as little as possible from the States and to trust to Free Trade for the development of the country. The Protectionists were also inclined to throw their weight into the scale in favour of legislative intervention on behalf of the working classes, while the Free Traders viewed these projects with suspicion. It was by organising upon an industrial basis and by aiming first and last at industrial measures that the Labour Party arrived in Federal politics, holding the balance of power and twice attaining office. To-day the situation is simplified by the acceptance of Protection and the rallying of all Federalists in defence of the Constitution, which is being attacked by the Labour Party with a view to its amendment at the cost of the States and the establishment of an unitary as opposed to a Federal form of Government. That is the crucial issue of the elections. This being the fundamental question, it might seem that the course should now be clear. Listening to sanguine supporters of the Federal Ministry one might suppose that the election contest now proceeding is but a necessary official procedure preliminary to the formal extinction of the Opposition. Probably they believe themselves to be smoothing the way for such a result. Less biassed observers see in these unripe prophecies only further incitements to the crowd of indolent voters who approve its programme to remain away from the polls. As a matter of fact, the heat already kindled in the Labour Party and among its Opposition allies is palpable evidence of the fierceness of the struggle which has still six weeks to run its course.

FEELING IN THE STATES.

In Queensland there is an open split among Ministerialists because of the nomination of Mr. *Glasse*, formerly a Senator, who lost that title because of his Radical relationship. In New South Wales a more serious danger has been encountered. Party discipline in this State has been severe in all Federal electorates while our majority was in Opposition, but a disruption was lately threatened by the entrance into the field of Sir *Joseph Carruthers* and Sir *James Graham* as candidates for the Senate. A soreness still remains. In Victoria the selection of Senator *Trenwith*, whose victory six years ago was largely due to the bitter antagonism of the *Melbourne Age*, and the sympathy this evoked from the public may possibly recur again. In South Australia there is one and in Western Australia there are two of the Senate nominees of the Ministry whose lack of political experience is likely to put them out of court. Tasmania has also at least one Senate seat in peril. As already mentioned, the real fight is for a majority in the Second Chamber, where it must be confessed that several of the new aspirants on the Ministerial side are not sufficiently established in public reputation. Of course, in qualifications they are superior to their Labour opponents, whether or not these have already sat in the Chamber, but then there is no other proof of fitness required in the Leagues except that their standard bearers have been selected by a majority. Having regard to the fact that the constituencies for the House are always in peril owing to the apathy of the electors, particularly of those who are well-to-do, and that all of them who neglect to vote deprive of support the Senate candidates of their party, at the same time it has to be realised that the strongest Ministry, except the first, that the Commonwealth has yet seen goes to its fate in some doubt as to its command of the popular Chamber and in more doubt of its strength in the Senate.

THE STRIKE CONVICTIONS.

Though our mills of justice grind slowly here as elsewhere by legal process, yet in the end they do their work. Though on the Northern fields the strike still lingers, the verdict of the jury in the charges of conspiracy against *Bowling* and the other leaders practically brings down the curtain on what has been a great industrial tragedy. Several of the principals had been previously convicted and punished individually under the penal clauses of the Industrial Disputes Act. These proceedings, however, took place before a Judge sitting without a jury, and they merely added to the sense of hardship from which the men were suffering "What else would you expect", they asked "from a capitalist Judge?" The chief offenders – the executive officials of the Miners' Union – were next charged, not under "*Wade's Act*", but with the common law offence of conspiracy, which involved a trial before a jury. The utter failure of the

strike as a means of getting redress had already been proved. The existence of a public opinion which regarded a strike as something more than a mere technical breach of a rather one-sided law had yet to be demonstrated. The verdict of the jury in this case goes a long way towards proving this to be the public sentiment. In doing so it must have helped to drive home to the leaders of the men the conclusion that the strike as a means of industrial reform has earned a place in the museum of obsolete weapons to which it is both foolish and dangerous to resort.

INDUSTRIAL PROSPECTS.

It may be too much, of course, to say that we shall have no more strikes in this State, It is not too much to expect that a strike of any serious magnitude is vastly less likely, in future, than it was before the Newcastle miners gaily followed Mr. Peter Bowling into the struggle which has ended so disastrously for everybody concerned, even shaking to its foundations the confidence which our Labour leaders had begun to earn for themselves. The latter have yet to realise this. Before long the men still recalcitrant will be back at work, and their grievances under consideration by a tribunal which was open to them without any strike at all. The place of the imprisoned leaders has been taken by Mr. **Charlton**, a Labour member in the State Parliament and a candidate for the National Parliament who is anxious to commend himself to the employees as well as to the employers by his efforts to close the hopeless struggle without further delay. His efforts are being directed to making the final and open surrender of the men as palatable as possible, and thus hastening a resumption of work in the Newcastle collieries – the only ones which still remain idle. For organising and commencing it Mr. Bowling has been sent to gaol both by a Judge and a jury. Mr. Charlton was no doubt obliged to follow with the rest wherever the many-headed lodges of miners chose to lead him and his fellow-representatives. It will be significant if his change of tactics enables him to conclude the futile and fruitless struggle with a seat in the higher Parliament as a reward for his labours from the same miners.

THE AUSTRALIA FEDERAL ELECTIONS.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Mar. 8 1910; Apr. 16 1910.

Except in South Australia, where the **Prime Minister** has been campaigning apparently with marked success, and where a Coalition Government is about to face the electors against the Labour Party, Australian political interest is now absorbed in the coming federal elections, which take place on April 13. We have very little rest from politics in this rather over political portion of his Majesty's Dominions. When we have finished electing our municipal authorities, which we do in some States yearly, and here every two years, we proceed to the choice of candidates for the States' Legislatures. That done, we have to face the still more important and difficult task of electing our federal representatives. Sometimes, too, as in this instance, there are grave questions being put to a popular vote. The ordinary casual male elector, with his living to make, finds it a little hard to follow the proceedings of all these authorities with sufficient attention to enable him to form an independent judgment on the issues which are presented to him from so many different quarters. The female elector is probably even less prepared for her equal responsibilities. In these circumstances it is not surprising that both of them should incline to allow their political thinking to be done for them by the Press – a tendency which, it need hardly be said, has been often remarked upon by observers of political conditions in this and other countries. Assuredly Federation, now at last coming into its full powers, has brought with it a new demand upon the intelligence of the Australian. It is not so difficult to make up one's mind, with reasonable independence, upon the relative merits of two rival parties and policies, and to vote for the candidate preferred. That, however, as we are finding at this election, is not all we have to do. The Federal Constitution can only be altered with the direct consent of a majority of the electors in a majority of the States voting at a referendum.

IMPORTANT PROPOSALS.

At the coming General Election two proposals for amendment are to be submitted to the direct vote of the whole people. In the future it seems probable that proposals for additions or subtractions from it will be rather more than less frequent. These impersonal votes on questions of constitutional amendment are not mere party questions. Take, for instance, the two that are now about to be submitted. One is for the embodiment in the Constitution of the recently concluded agreement for the payment by the Commonwealth of 25s. per head to the States. The other is to

vest in the Commonwealth the power to take over the whole of the State debts – its present power being limited to the acceptance of the management of those existing at the establishment of the Commonwealth. Both these proposals are fathered by the Government. But each of them has caused a cross division in our political parties. Labour is divided over the question of the financial agreement. Some State Labour men, with a leaning towards the maintenance of State rights, are strongly supporting it in Western Australia. The Federal Labour members to a man are opposing it. A similar rift appears even in the ranks of the Government supporters, many of whom, without otherwise sacrificing their party relationship, are resisting the adoption of this agreement. A similar cross division of opinion has arisen over the debts transfer, though in this case it is by no means so well marked. In these circumstances the voter is robbed of the guidance usually afforded by his regular party allegiance. The quandary would not be so serious if the party Press spoke with a single voice. But here there is the same confusing clash of opinion. Our *Daily Telegraph*, the oracle of the old Free Trade majority in this State, supports the Government, advocates the adoption of the financial agreement, but resists the transfer of the debts. The sober and solemn *Herald*, which represents much the same political school, supports both the agreement and the debt transfer, so do the Melbourne *Argus* and the South Australian *Register*. Our *Bulletin*, still a potent though a diminishing force in the country districts, opposes the Government, denounces the financial agreement, and supports the transfer of the debts. The Melbourne *Age* is following the same road more circumspectly. So that, as far as the referendum is concerned, the voter who reads more than one paper is thrown back on his own independent judgment considerably confused by the clash of opposing oracles.

RECOGNITION OR RESPONSIBILITY.

Thus the vote in Australia, exercised by the whole of our population, by women no less than by men, carries, under our new conditions, a responsibility which is not discharged by voting at stated intervals for the candidate of a party into which the voter happens to have been born, or into which he has been led by his paper or by the pressure of social or commercial interests. The demands made upon him, and especially upon his wife, daughter, or sister are becoming exceptionally great. To do our people justice, they appear to recognise this. Complicated financial questions do not make enlivening topics, either for platform addressee or newspaper articles. But the daily discussion of these questions on the platform and in the Press appears to be followed with real interest, and so far as one can form a safe opinion on such a subject, over so immense an area as that of Australia, they are being weighed with a good deal of intelligence. Evidently our complicated federal system with adult suffrage as its basis makes large demands upon us, besides requiring unrivalled opportunities for an extensive political education.

ACTIVITY OF LABOUR LEAGUES.

When the votes have been taken in April it will probably be found that the exceedingly poor polls of previous General Elections in which only one-half of our adult citizens took part have been considerably exceeded. The incessant work of enrolling all who are eligible for the franchise, and who share their views, is pursued by the Labour Leagues all the year round with the most exemplary persistence. When their partisans are enfranchised they are systematically shepherded to the polling-booth. Their women pass from house to house enlisting those of their own sex. Financial support derived from various sources enables them to command at election times the services of horses, cabs, and even motors, in addition to the vehicles owned by their members. This year Labour will put forth its full strength, and that is great. It faces a direct challenge. This expectation will, it is hoped, provoke an equally vigorous response from the supporters of the Government. These are far from including all outside the Labour Leagues. They have other divisions among themselves fomented by the *Bulletin*, the *Melbourne Age*, and, in this State, by the papers published by and for Roman Catholics. Cardinal Moran, as head of that Church, favours the Labour Caucus, partly because it includes a large proportion of working people of his own flock, but also because in New South Wales aggressive Protestants are traditionally anti-Labour. The federal Ministry must therefore expect reverses when such strong subterranean forces come into play. But, whatever these may accomplish, the real verdict will rest with the mass of our everyday citizens, male and female, when their extemporised political activities are pitted against the permanent and highly-efficient organisation of the Labour Leagues, stimulated by visionary aims of a new social Paradise to be conjured out of the ballot-boxes. If they vote in sufficient numbers the Government and its policy will be perfectly secure.

THE COMMONWEALTH OF AUSTRALIA.

ELECTION CONTEST.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Mar. 14 1910; Apr. 22 1910.

Whether the Australian is more or less demonstrative in public affairs than his British progenitor is a moot question very much open to different readings at present. Journalistically the whole continent is “convulsed” with electoral anxieties; “destinies” are at stake, “parties” are in battle array, “rallyings” are occurring nightly, and “a whole people” is “rising in its might” to do something desperate and final. As a matter of fact, an intelligent foreigner who did not understand our language sufficiently to read our papers would probably discover nothing whatever of the supposed upheaval. Even if he could follow the current conversation in public or private places he would obtain little inkling of a political crisis. It is even more impossible than usual to forecast results in advance. If, as is the rule, only half our men and women vote next month the returns are not likely to materially affect the disposition of parties in the new Parliament. Of course the Labour voter always grows, and may grow again this time. On the other hand, the larger the proportion who poll the stronger the Government expect to be. A month remains for the contest to develop. So far, though speeches pour forth night after night, and there is a great parade of party “machinery” in Press reports, all the “organisations” outside the Labour Party are weak indeed, and may not contribute materially to the vote against its Caucus candidates. The news from other States confirm the opinion that after all the average Australian is keeping his own counsel. The Labour Leagues, led by professional politicians with a relatively large following, will poll heavily. The four-fifths of the community beyond their control may or may not poll. A small section at times votes sympathetically for Labour candidates, without in any way agreeing to the extreme proposals they father, on a general impression that there are social grievances to be redressed. But three-fourths of the electors, if they poll at all, dislike or suspect the Labour Party as selfish and ignorant. The whole problem is what proportion of these will poll. To-day all estimates are guesswork, but it is apparently clear that in proportion to any increase of voters over 50 per cent. will be the Government gains on April 13.

LABOUR PARTY'S MANIFESTO.

The *Prime Minister's* programme, which he is continuously expounding far and near just now in Queensland, consists of the series of important measures already summarised in these columns. The Labour Manifesto, on which the party is to fight the coming election against him, was published last week. It is a document of portentous length, as might naturally be expected from political leagues which bind their supporters hand and foot by requiring their formal acceptance of a long catalogue of aims, some very precise and others very vague and generally of an extravagantly revolutionary character. On the whole, the present Manifesto is very much more moderate in its tone than the general run of official Labour utterances. Evidently it is realised that "watering down" is necessary just now. Labour in Australia has always been handicapped by the want of some Press exponent of its views which realises that bombast and brag are not the most effective political weapons. Our *Worker*, perhaps the most important Labour paper in the Commonwealth, is invariably disfigured by its unqualified claim for the Labour Party of a monopoly of political virtue, and by a glorification of the achievements and character of that party, which is just as wildly unfair as are its sweeping and sometimes venomous denunciations of everybody outside it. The current Manifesto begins with a significant and in some ways an indiscreet admission. "The difference between the parties", it says, "is fundamental." If the difference between the Government and Labour is fundamental it is being pertinently asked what becomes of the hysterical outcry about dishonesty and sacrifice of principle with which the fusion of the two sections of the Ministerial Party is greeted in the same manifesto. The difference is really fundamental to-day, though it is fair to say that, as far as practical issues go, there are few fundamental differences in Australian politics. Our conflicts are mainly as to times and methods of doing much the same thing; wide discrepancies are infrequent. But there can be no doubt that the Labour manifesto is right to this extent, that to-day there are much wider differences between the Labour Party and the people outside it than usual, and very much wider than between the different sections of the electors themselves. So that, on Labour's own admission, the union of parties confronting them was and is not only justified but inevitable.

FUTURE DIFFERENCES OF POLICY.

The substantial part of the manifesto consists, in the first place, of a long retrospect of Federal policy, in the course of which, incidentally, everything that is good is attributed to Labour and everything that is bad to its opponents. The perversions and suppressions of fact necessary to sustain this thesis indicate the ignorance of those to whom its authors make their appeal. But the most interesting part of the document

is that in which future differences of policy are emphasised. These are, of course, mainly upon the financial agreement, the “nationalisation of monopolies”, against which Mr. Deakin always directs his artillery, and the Federal land tax. As to the first there is no longer any objection either to the annual sum proposed to be paid to the States in place of the 15s. in the pound of the Australian Customs revenue to which they are now entitled or to any other feature of the agreement except its permanence. Of course, it need hardly be said that this relative permanence is the only thing that renders it acceptable to the States. Strangely enough, nothing whatever is mentioned in connection with the other financial proposal of the Government on which the people are to be asked to vote – the proposal to enable the Commonwealth to acquire the whole of the State debts. On this, apparently, Labour has no opinions. As a fact, it supports the project, but is afraid to give its reasons. Commonwealth land taxation has always been a Labour panacea for every social ill. That the land monopoly of Australia, where it impedes the most profitable utilisation of our lands, must be broken up no party disputes. But that the State Governments in nearly all the States are doing what they can by resumption for closer settlement and by land taxation to break it up is a fact that the Labour Party invariably ignores. It also tries to appear oblivious of the important consideration, that if the measures now being taken by the States are ineffective their electors have unrestricted power to adopt others. Of course, those electors are also the electors of the Commonwealth. The principle on which Labour seeks to act in this as in so many other matters is that if the electors of the States will not take a course which the Labour Party thinks desirable its caucus is justified in acting and speaking as if they could not take that course and must therefore be superseded. In other words, Federal power is to be used to coerce State electors into adopting measures for Australia as Federal electors which they are already perfectly free to adopt in the States on their own initiative. The “nationalisation of monopolies” is glided over with a passing reference to it as a simple matter of obvious urgency, although in fact, if ever approved, it would allow our Central Government to annex, at the public expense, any or all of the great industries of the country. Among others that of coal is particularly aimed at, though many more are indiscreetly mentioned at times. In that particular industry, after months of strife and privation and a loss of many millions sterling to the community, the strikers, whose leaders are in gaol, have hauled down their flag, admitting an ignominious defeat. What would be the conduct of such men if they were merely Government servants is a question that this experience answers only too distinctly.

THE COMMONWEALTH OF AUSTRALIA.

POLITICAL PARALLEL.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Mar. 28 1910; May 3 1910.

Though it must seem decidedly out of date to remind the readers of the *Morning Post* of the first leading article which appeared in its columns on February 15 last, yet the political situation there described and discussed still possesses for us antipodeans as much vivid interest as if that article had occupied the same place to-day in our *Morning Herald*. Your article related to the state of parties in the Imperial Parliament last month. Here it would have applied to the condition of affairs in the Commonwealth Parliament while there were three parties, that is, up till last year. At any time from 1901 to 1909 it could have been said of our Federal Houses that "neither party received from the electors any mandate which would enable it to carry out in practice the policy which it professes and in which it believes. It follows that the balance of power in Parliament may be turned by the smallest exertion of force by the tiniest group". With us the Labour cohort enjoyed that position of vantage until our recent coalition (whose genesis in some respects recalls the original formation of your "Unionist" Party) swept the caucus into isolation and gave for the first time a settled policy to Australia. Oddly enough, too, the identical platform which your article submits for adoption by Unionists in the coming political campaign is included in that which Mr. Deakin is now laying before the electors of the Commonwealth. We, too, "must preach the doctrines of Tariff Reform" (in our case of Protection) and of "a joint league of democracies throughout the Empire and pursue a policy of union among classes for the good of a united State" – with us "United States". Here, as there, the same tactics are required. "The opponents of these principles must be compelled to come out into the open and publicly disown them." Indeed, the political parallel between our recent past and your immediate entanglements might be pressed much further without over-straining. Possibly it may not be peering too deeply into the future of the Empire to forecast a growing likeness between the dominant policies of the Mother Country and her self-governing Dominions in regard to those general Imperial issues which even now affect all of us though in varying degrees and at different times. This appears to be the natural, as well as the most desirable, line of our development, suggestively foreshadowed in the leading article quoted, though when and by what roads such a healthy and spontaneous unanimity will be attained cannot yet be predicted.

WESTERN PACIFIC INTERESTS.

In the meantime any glance forward into Imperial possibilities of this kind would possess a distinct value for Australians, if it served to awaken them to a sense of their already existing obligations. We have been so long exclusively concerned with our own internal politics that we find it more than a little difficult to adjust ourselves to the external responsibilities which Federation brought us. The special "external affairs" of this Continent on which we have constitutionally express power to legislate arise out of our relations with the Islands of the Western Pacific. Having taken over Papua as a Dependency we conduct its government and provide for its commercial development. To the New Hebrides we stand in a rather ill-defined relationship, so far as its government is concerned, but have a vital interest in maintaining, and if possible extending, British and Australian trade and settlement. We have for some time subsidised a local shipping company, but for all that have been actually losing trade, even in Papua, where with truly British indifference we admit German and Dutch vessels on the same terms as those of our own citizens. As a consequence while in 1903 the whole of the tonnage entered and cleared from the island was British, in 1908-9 no less than 47 per cent. had become foreign. Though the whole business done is so far small, these figures are a little startling in themselves and in their suggestion. Fortunately, we are able to put a finger on the secret of the invasion without much difficulty. It does not imply any falling-off in our capacity or desire to further our own trade interests. It is the humanitarian element which is a prominent feature of our legislation that assists this result.

LABOUR CONDITIONS AND SUBSIDY.

German, Dutch, or French ships may trade between Australia and the Islands, may employ black labour at 26s. to 28s. per month, while at the same time enjoying subsidies, which vary from 2s. 8d. per mile in the case of the Dutch to 8s. 7d. per mile in the case of French ships. Australian vessels trading with the Islands may also employ black labour if they please and may pay the white men on their ships the lowest wage for which they can get them. But before they can earn a penny of subsidy from the Commonwealth Government, they must comply with the condition (to quote from the official contract) that "no coloured labour or Asiatics are to be employed as crew, engineers, or in any other capacity whatever in manning the vessel. The rate of wages paid, and the working conditions on board the vessel employed shall be those recognised in the Queensland coastal trade". This legislation, in the eyes of people who want to stem the current which threatens to empty the British Mercantile Marine of British sailors, is unexceptionable. But a necessary corollary to it, is the payment of a subsidy which should make it worth while for our shipowners

to pay high wages. Since our rates range from £6 to £7 a month, while the subsidy is 1s. 3d. per mile there is no real compensation in the grant made. Nor is it sufficient to say that even more generous consideration in this way could cover the whole case. We shall have to go further, if we seek to regain the commanding position in the trade of the Western Pacific to which our geographical position entitles us. But in going further we shall possibly raise questions of Imperial moment. The only way in which we can maintain our fair proportion of the increasingly valuable commerce of our own possession, Papua, seems to be by forbidding foreign vessels to engage in the trade between Australia and that island, unless they comply with the same conditions as are imposed upon Australian ships. We already have the constitutional power to do this, and the most fervent lover of his country's rivals could hardly take exception to the fairness of exercising it, though, of course, it may raise some international questions.

UNIFORM REGULATIONS WANTED.

There is another aspect of this question which concerns the Imperial Government. It has already been mentioned that there are a large number of islands, or groups of islands, in the Pacific remaining under the jurisdiction of the Colonial Office, with which our relations are purely commercial. Australian traders complain that they are harassed by the want of uniformity in the regulations governing trade in these different groups. They are also handicapped, in their rivalry with traders of other nations, by the fact that Great Britain does not require from foreigners trading with British islands compliance with those regulations which are imposed by foreign Governments on British traders trading with their possessions. These are disabilities which must be removed from your end of the world. If Australia does her part to maintain British trade in the Pacific, as she no doubt will, it is not unreasonable to ask that Great Britain should do hers, since the advantages of any gain must be mutually shared between us. Unless our past experience is belied there will be little or nothing done even in this relation except as a tardy consequence of insistent pressure applied from this side of the globe.

THE COMMONWEALTH OF AUSTRALIA.

AGRICULTURAL PROSPERITY.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Apr. 4 1910; May 13 1910.

The figures showing the astonishing progress of Australia demonstrate not only the enormous wealth-creating power of this continent, but point directly to its source. Thriving as our manufacturing industries are, the facts disclosed give the city man a useful reminder that he and all of us are almost wholly dependent on the great primary industries of which our Labour Party is so regardless. Last year, of a total production of £58,000,000 in New South Wales, all but about 13½ millions came from agriculture, dairying, wool-growing, or similar occupations. In fact our statistics still consist of a progressive record of the development of our rural resources. This year tells a tale of increase richer than any of its predecessors, for it comes at the end of the most prosperous of a long series of prosperous seasons, perhaps the best we have ever had. All through the continent Nature has been dispensing her favours with a lavish hand. The way in which our production for the last few years has been mounting up would bear comparison with any records of the same kind in North or South America, or, indeed, in any country of the world. For instance, at the end of the last drought, in 1903, Australia was exporting little under a million bales of wool. This year she will export just about two millions, an advance of 100 per cent. in seven years. We have, of course, still to be watchful of possible dry seasons. But we learned some lessons from our experience which have not yet been forgotten, and it is in the last degree unlikely that Australia will again be found as ill-prepared for such emergencies, of which at present there is no indication for the current year in any quarter.

CANDIDATES FOR THE SENATE.

By the time this reaches readers of the *Morning Post* the cable will have told them the full results of the Federal elections. Whatever they may be we can safely prophesy at this stage that the calibre of the new Parliament will be no better, if it is as good, as that of its predecessors. The nominations closed this week, and it must be regretfully admitted that the intellectual quality of the majority of the candidates is not of the best. Our system does not allow us to replace inferior members nor to encourage new high-class candidates. This feature of Federal politics is a little disquieting. It

is equally apparent on both sides and in all States. It is easy to suggest explanations – much easier than to find effectual remedies. One unquestionable handicap for candidates is the enormous area of many of the constituencies. For the Senate, the whole of each State is one constituency. It is physically impossible for any man to canvass it or become acquainted with its varied interests or local differences even in well-settled districts, however much time and money he may spend in the attempt. In consequence there is little real competition for its seats against the men in possession in spite of the six years' tenure and the adequate, though not extravagant, remuneration of £600 a year. Our Senators are chosen on both sides by party conclaves in Sydney, where old associations and many considerations other than those of merit carry weight. It is roundly true to say that no independent man, unless under most exceptional circumstances, can have a fair chance of election to the Senate for any of the larger or more populous States. The result may be seen in our own case, where there are a large number of capable men available. We have six estimable Senators belonging to the same party, who appear likely to continue in office for the rest of their natural lives, though only one or two of them have conspicuous merit of any kind. The same thing holds, to a less extent, with regard to the Representatives. Personal canvassing, being more possible there, is more necessary. But in most of the country constituencies it makes demands on the time and means of those ambitious of public service which limit seriously the area of choice.

PARTY NOMINATIONS.

The size of the constituencies, however, is only one of the contributing causes to this falling off in the quality of candidates. It does not cover the whole ground, for the same thing is seen in some of the city areas. For instance, one of the most important constituencies in this metropolis, which has been represented up to the present by a leader of political thought, is now being contested by two gentlemen – of excellent personal character, but of whom it may be fairly said that whichever may be elected he can add little except his vote to the strength of his party. Not without reason, therefore, many people are beginning to find a reason for the deterioration of which I speak in a practice that with us is growing in strength – that of allowing local electoral party organisations to select the candidate. This system, which has worked less harm, because less rigorously observed to the Labour Party than to its opponents, has foisted on quite a considerable number of electorates in this State men who owe their selection more to skilful manipulation of petty local organisations than to their real qualifications. It is common knowledge that our Central Council, acting for the Government Party, has had to support several aspirants who would certainly not have been chosen had the selection rested with that Council in the first instance.

THE STANDARD OF PARLIAMENT.

These are two of the causes which, added to the ever-present and inevitable difficulty of getting men of standing to leave their homes and occupations to attend a legislative body which meets hundreds of miles – in the case of some members thousands of miles – distant, are contributing if not to lower, to prevent the raising of the standard of the Federal Parliament. None of them, of course, are peculiar to this Commonwealth, but they seem to be operating with especial force just now. It would be absurd to regard them as causes for despairing of our legislative future. Their force can and will be diminished, on the one hand by an improvement in our means of transit, on the other by amendments in our electoral law and practice. Politics is still a dignified and honourable occupation in Australia, and there is nothing in the temper of the people to suggest that it will not continue to be so. Still it must be confessed that the tactics adopted by our Press, and particularly that section of it conducted in the interests of the Labour Leagues, are so violent and unfair as to discourage all but the thick-skinned from venturing into an arena disfigured by wholesale personal attacks and indiscriminate calumnies.

AUSTRALIAN GENERAL ELECTION.

DEAKIN MINISTRY DEFEATED.
DECISIVE LABOUR VICTORY.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Apr. 14 1910; Apr. 15 1910.

[cabled]

There is no doubt now but that the Australian Government has been decisively beaten at the polls. It has lost ground in every State but one, and the Labour Party will meet the new Parliament with a working majority.

The following are the detailed results in the various States:

NEW SOUTH WALES.

THE BARRIER – *Hon. Josiah Thomas (Lab): No change.

CALARE – *Hon. Thomas Brown (Lab): No change.

GWYDIR – *William Webster (Lab): No change.

MACQUARIE – *Ernest S. Carr (Lab): No change.

NEPEAN – *E. K. Bowden (Min): No change.¹

NEWCASTLE – *D. Watkins (Lab): No change.

NORTH SYDNEY – G. B. Edwards (Min): No change.

PARKES – *Hon. Bruce Smith, K.C. (Min): No change.

PARRAMATTA – *Hon. Joseph Cook, Minister of Defence (Min): No change.

¹ After the final count Eric Bowden was defeated by the Labour candidate George Cann by 652 votes.

EDEN-MONARO – *Hon. A. Chapman (Min): No change.

HUME – *Sir William Lyne (I Lab): No change.

EAST SYDNEY – J. E. West (Lab): Labour gain.

DALLEY – R. Howe (Lab): Labour gain.

COWPER – *J. Thomson (Min): No change.

HUNTER – M. Charlton (Lab): Labour gain.

NEW ENGLAND – *F. J. Foster (Lab): No change.

RIVERINA – *Hon. J. Chanter (I Lab): No change.

WERRIWA – *D. R. Hall (Lab): No change.

COOK – *J. H. Catts (Lab): No change.

DARLING – *W. G. Spence (Lab): No change.

SOUTH SYDNEY – E. Riley (Lab): No change.

WENTWORTH – *W. H. Kelly (Min): No change.

WEST SYDNEY – *Hon. W. M. Hughes (Lab): No change.

RICHMOND – W. M. Greene (Min): No change.

ILLAWARRA – G. W. Fuller, Minister of Home Affairs (Min): No change.

LANG – *W. E. Johnson (Min): No change.

ROBERTSON – W. Johnson (Lab): Labour gain.

New South Wales returns 27 members to the Federal Parliament. Before the election the position stood: Supporters of Mr. Deakin, 14; Labour members, 11; Independent supporters of the Labour Party, 2.

Mr. Deakin's Party has lost four seats to Labour, leaving the position:

- Supporters of Mr. Deakin, 10;
- Labour and Independent Labour, 17.²

No notable members were beaten at the polls. The Hon. J. C. Watson, ex-Prime Minister, did not stand. His seat is held for Labour by Mr. Riley. Sir George Reid, of course, did not stand. Mr. Riley has won his old seat for the Labour Party.³ Sir Thomas Ewing, ex-Minister for Defence, did not stand; his seat has been held for the Ministerial Party. Mr. Wilks, who was defeated at Dalley by a Labour candidate, was the leader of the militant Protestant Party in the House.

VICTORIA.

BALLARAT – *Hon. Alfred Deakin, Prime Minister (Min): No change.

BOURKE – F. Anstey (Lab): Labour gain.

KOOYONG – *Hon. W. Knox (Min): No change.

FAWKNER – *G. Fairbairn (Min): No change.

MARIBYRNONG – J. E. Fenton (Lab): Labour gain.

BENDIGO – *Sir John Quick (Min): No change.

CORANGAMITE – J. H. Scullin (Lab): Labour gain.

ECHUCA – *A. C. Palmer (Min): No change.

FLINDERS – *Hon. W. H. Irvine, K.C. (Min): No change.

GIPPSLAND – *G. H. Wise (I Lab): No change.

MELBOURNE – *Dr. W. Maloney (Lab): No change.

² Taking into account the final Nepean result, Deakin supporters held nine seats, while Labour and its Independent supporters held 18 seats.

³ George Reid's former seat of East Sydney was won by Labour candidate John West. Riley (as noted earlier in the paragraph) won the seat formerly held by Chris Watson. This is likely simply to be a transcription error by the typesetters.

MERNDA – Hon. R. Harper (Min): No change.

WIMMERA – *S. Sampson (Min): No change.

BALACLAVA – *Hon. A. Wynne (Min): No change.

BATMAN – H. E. Beard (Lab): Labour gain.

MELBOURNE PORTS – *James Mathews (Lab): No change.

WANNON – *J. K. McDougall (Lab): No change.

YARRA – *Hon. F. Tudor (Lab): No change.

LAANECOORIE – A. J. Fraser (Lab): Labour gain.⁴

There are three seats in Victoria as yet not accounted for – Corio, the Grampians, and Indi.⁵ In the electorates for which polling has been finished Labour has made five gains.⁶

QUEENSLAND.

OXLEY – *Hon R. O. Edwards [sic] (Min): No change.

HERBERT – *Hon. F. W. Bamford (Lab): No change.

KENNEDY – *Hon. C. McDonald (Lab): No change.

MARANOA – *Hon. J. Page (Lab): No change.

MORETON – *H. Sinclair (Min): No change.

DARLING DOWNS – *Hon. L. Groom, Minister of External Affairs (Min):
No change.

⁴ After the final count, the sitting member and Speaker of the House of Representatives, Charles Carty Salmon was returned, defeating the Labour candidate Arthur Fraser by 295 votes.

⁵ The final results were: Corio – Labour's Alfred Ozanne defeated the incumbent Deakin supporter Richard Crouch by 1,645 votes; Grampians – the sitting member and Deakin supporter Hans Irvine defeated Labour candidate Archibald Stewart by 143 votes; Indi – Labour's Parker Moloney defeated the sitting member, Deakin supporter Joseph Brown by 1,267 votes.

⁶ Taking into account the final Laanecoorie result, Labour made four gains across the 19 divisions listed.

The returns are not yet complete in three Queensland electorates.⁷ So far there has been no change in the position of parties.

SOUTH AUSTRALIA.

BARKER – J. Livingston (Min): No change.

ADELAIDE – E. A. Roberts (Lab): No change.

ANGAS – Hon. P. A. Glynn (Min): No change.

BOOTHBY – Hon. E. Batchelor (Lab): No change.

GREY – Hon. A. Poynton (Lab): No change.

The position in South Australia is unchanged thus far. Two electorates are yet to send in returns.⁸

WEST AUSTRALIA.

PERTH – *Hon. J. P. M. Fowler [sic] (Lab): No change.⁹

COOLGARDIE – *Hon. H. Mahon (Lab): No change.

KALGOORLIE – *C. E. Frazer (Lab): No change.

SWAN – *Right Hon. Sir John Forrest (Min): No change.

⁷ The final results were: Brisbane – Labour's William Finlayson defeated the sitting member, Deakin supporter Justin Foxton by 409 votes; Capricornia – Labour's William Higgs defeated the incumbent Deakin supporter Edward Archer by 2,809 votes; Wide Bay – the sitting member Andrew Fisher (ALP) defeated the Deakin's candidate Jacob Stumm by 1,851 votes.

⁸ The final results were: Hindmarsh – sitting Labour member William Archibald was returned unopposed; Wakefield – sitting member and Deakin supporter Richard Foster defeated Labour candidate John Vaughan by 248 votes.

⁹ Although James Fowler was re-elected, his win was notionally a gain for the Deakin supporters. Fowler contested the previous 1906 election as a Labour member but subsequently quit the party, with Labour nominating Ernest Henshaw as its candidate for Perth in 1910.

One West Australian return is still to come.¹⁰ So far the position is unchanged.

TASMANIA.

FRANKLIN – *J. W. McWilliams [sic] (Min): No change.

WILMOT – *L. Atkinson (Min): No change.

DARWIN – *Hon. K. O'Malley (Lab): No change.

DENISON – W. L. Smith (Lab): Labour gain.

BASS – J. A. Jensen (Lab): Labour gain.

The Tasmanian returns show two gains to the Labour Party. A notable loss is that of Sir Philip Fysh, who was a member of several State and Federal Administrations.

THE TOTAL RESULTS.

Thus far 66 seats out of a total of 75 have been finally decided. Of these 66, 39 go to Labour or sympathisers with Labour in the last Parliament and 27 to supporters of Mr. Deakin. Assuming that all the nine doubtful seats go to the Ministerialists – an assumption which is hardly reasonable – the Labour Party would still have a majority of three votes in the new Parliament.¹¹

* Signifies member of last House of Representatives; “Lab”, Labour; “Min”, supporter of Mr. Deakin; “I Lab”, Independent, but supporting the Labour Party.

¹⁰ In the seat of Fremantle, sitting member and Deakin supporter William Hedges defeated Labour candidate William Carpenter by 1,292 votes.

¹¹ After the final results in all divisions were accounted for, Labour and its Independent supporters held 44 seats, while Deakin supporters held 31.

THE COMMONWEALTH OF AUSTRALIA.

NEW ERA IN POLITICS.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Apr. 19 1910; May 26 1910.

A week ago the Commonwealth was governed by a Ministry with a large majority in the House and a small majority in the Senate whose policy of immigration, settlement, and defence seemed certain of acceptance. To-day, deprived of two members of the Cabinet, one-third of its Representatives and one-third of its Senators, it constitutes a powerless Opposition. No transformation in our politics so complete or so unexpected by the general public has ever been witnessed on this side of the world. Not even the great rout of the Unionists when Mr. Balfour was ejected and a huge majority supported his successors accomplished such a wholesale reversal of the political situation. The House of Lords remain. To parallel our *volte face* you must picture that body under the control of Mr. Keir Hardie as completely as the Commons seems under the thumb of Mr. Redmond, the two working in absolute accord for common ends. After all, the South Australian ballot-boxes did foreshadow the verdict of our Federal electorates, and the warning of Mr. Peake recurs ominously in our reflections. We have not only a change of Ministry and of policy of a most absolute character, we have also a new system of Parliamentary Government introduced with the full sanction of the people. Responsible Government on the British model has ceased to exist. The new Cabinet will consist of the Caucus of the whole party meeting in secret, discharging its Executive duties, and shaping its legislation collectively and aloof from observation, according to the decision of a majority. From this body there will be no appeal. The proceedings in Parliament will merely embrace the formal registration of Caucus decrees. Debate or discussion in the true sense of those terms there will be none. Party solidarity being maintained through the Caucus, we commence a new era in politics without precedent for its methods. No means exist of obtaining an appeal to the electors until 1913. Until then the Labour Party will remain supreme over Australia and her destinies, absolute in authority over Federal administration and legislation.

VIGILANCE OF LABOUR LEAGUES.

This marvellous transformation took place in one day and without warning. It is true that the results were most accurately and officially predicted by Mr. Fisher a fortnight before, but it having been the constant practice of his party managers to make announcements of that kind, his explicit forecast was disregarded. The fact that it was made officially points directly to the main cause of this overwhelming victory. Their permanent organisation in Leagues which cover both town and country with a network of perpetually active bodies enrolling voters and adding disciples, has, as Mr. Deakin remarks, no parallel in the extempore agencies hurriedly established by his supporters on the eve of elections and then abandoned until the next campaign begins. It must be remembered too, that the Labour Leagues are eternally vigilant both in State and Federal fields, and that all their nominees in either Legislature are constantly employed in the interest of the common party. Beyond its bounds no such alliance exists except by accident, while often there has been a distinct antagonism between our Federal and State representatives. An army of unpaid volunteers acts under officers of the League's recruiting without beat of drum, from year's end to year's end, and also reporting upon all local incidents of party interest. These operations are supported by small levies paid by members, by private subscriptions, sometimes really forced contributions, from business people, and by very substantial donations from other sources less honourable to donors and receivers. The regular outcome is a campaign fund of considerable magnitude, supplemented by much unpaid effort, constant vigilance, and an untiring propaganda. The ultimate effect of all these agencies, now for the first time brought completely into play after some fifteen years of steady expansion is the enormous vote of Wednesday last. The Irish vote, always solid for Labour as comprising a large section of working men, carried on this occasion, in all the Eastern States the whole influence of the Roman Catholic Church as well. The eighteen Senate seats have all passed to Labour nominees, because the party suffrages were absolutely concentrated in each of the six States upon the three men selected. In no constituency for the House was there more than one accredited candidate. The nominees who failed to win were rarely far behind. Other far less creditable and some very discreditable means, either of coercion, of wholesale and reckless calumny, or of poisonous slander, were also used, and at times systematically used; but the foregoing summary of methods is sufficient in itself to explain their victory.

LIGHTENING WORKERS' BURDENS.

Of course the discipline, unity, and indeed the life of the Labour Party springs from its policy, and apparently, therefore, first place should have been given to its contents. As a fact, however, the policy counted for less than usual in the recent contest. Vague in statement and nebulous in promises it would have evoked much the same response if the principal tenets had been widely varied. Beyond a general faith that all who earn their living by work are to have their burdens lightened by legislation, class-taxation, and Government proprietorship, little stress appears to be laid upon the particular programme resubmitted. That has altered little during the decade, and always in the direction of more generality. But as the organisation has progressed the electoral power of the party has increased in an exact ratio. For a long time past the elaboration and perfection of the means for capturing seats has occupied most of the energy of the Leagues. After two short-lived experiences of office without power, while in a minority in Parliament, the Caucus has at last achieved its ends owing to the complete efficiency of its machinery. With a majority in both Federal Houses it will now require to frame a definite policy and put it into action. Master of the situation, nothing outside the Caucus can prevent it from carrying all its measures, no matter how drastic, revolutionary, or novel they may be. There is no check left. Of course, there are constitutional limits that they cannot overstep at once. But the results of the voting upon the two amendments of the Constitution just submitted demonstrate the possibility of enlarging its terms when sufficient grounds are shown. A Commonwealth Land Tax will be the first measure submitted – and “submitted” now means passed in that or any other matter. Beyond that are proposals to “nationalise” several large industries, some of them already more or less associated so far as their proprietaries are concerned. The underlying assumptions of the whole Labour “policy” are that all poverty is due to the spoliation of the wage-earners by the wealthy, and that if these can be compelled to “disgorge their ill-gotten gains” everybody will become comfortably off. Immigration is angrily opposed on the ground that it brings more to share the sum about to be divided among the oppressed toilers. The “policy” of the new Labour Administration will undoubtedly contain some experiments without precedent in this direction. Since these must be either originated in or at least approved by the Caucus it would probably not be possible for Mr. Fisher himself to indicate them at present.

POWERLESS OPPOSITION.

For the first time in the history of the Commonwealth a Ministry is assuming office with a large majority in both Chambers. For the first time in the history of Australia a Labour Government becomes its ruler in its own right. For the first time the Opposition in both Chambers will be powerless despite the fact that it now includes both of the parties which between them have reigned conditionally for eight years out of the nine since Federation. Nor can it be said that their members have declined in popular favour, since in many instances even their defeated candidates this year obtained more votes than in 1906. With few exceptions, of which the Prime Minister affords the most notable, those among them who have been returned have exceeded their previous records. It is not then decline, but the remarkable increase in the Labour polls, that has carried the day. It is estimated that 12 per cent. more electors have just exercised the franchise than in 1906, when 53 per cent. polled. The programme lately submitted by Mr. Deakin at Ballarat and elsewhere was always received with favour, and certainly the work done last session has never been surpassed. A forward policy favouring immigration, settlement, the fostering of production, the peopling of Northern Australia, and the construction of transcontinental railways, was buttressed by proposals for the maintenance and completion of the Protectionist policy and the federal control of State Wages Boards in competition with each other. This seemed little open to challenge. In fact, it has not been challenged except on the plea that it omitted any measures hostile to "capitalism" and "landlordism". For the first time, too, the State Governments and their supporters lent some aid to the Deakin-Cook Party, though the traces of their intervention are slight. In summing-up the situation therefore it must be kept in mind that Ministers have been badly beaten, not because they did not poll more votes than in 1906, nor because their coalition of parties lacked cohesion, nor even because their policy was twisted or resented. They have been defeated by a remarkable rally of the working-classes, who have been brought upon the rolls and to the poll by far the most, efficient organisation we have ever seen in this country. Although in this sense a surprise there is no reason to believe that the vote would be materially altered if a dissolution could be forced within a year or two. It will require nothing less than an awakening as remarkable and organising as persistent as that of the Leagues to enable the opponents of the Caucus to confront it successfully even by 1913. Whether the new Opposition will be capable of this Herculean task remains to be seen. Unless they are their fortunes seem hopeless. But as remarked at the beginning of this letter, we have not yet recovered from the shock of last week's election, and are not likely to recover from it for some time to come. The one thing beyond dispute is that we have definitely abandoned the old paths to launch upon a turbulent sea with an imperfect chart and a scratch crew of controlling officers of insufficient experience.

AUSTRALIAN FEDERAL ELECTIONS.

FINAL RESULTS DISCUSSED.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Apr. 26 1910; Jun. 8 1910.

After all the final results of the Election are most suggestive when read in the returns for the Senate and in the mass votes upon the Referenda. In the former a majority of 50,000 to 60,000 out of more than 1,300,000 eligible votes has sufficed to give the Labour Party the whole of the eighteen seats for the Second Federal Chamber. It is by that relatively narrow margin that the Caucus is made master of the destinies of Australia, probably for six years. In any broad aspect those figures are quite sufficient to condemn our existing method of choosing representatives. So small a percentage of excess on the part of the victors ought not to imply the annihilation of a minority which so nearly equals their strength. It is needless to say that any reformation of this system is not to be anticipated while those who have so much benefited by it remain in power. We must therefore reconcile ourselves to live under a *régime* established in this unsatisfactory way by a block vote admirably organised and nowhere divided by superfluous candidates in the same interest. The fact that the Ministerialists divided their support in three of the six States helps to account for their total extinction. But even if this had been avoided they could hardly have expected more than six Senators, since some proportion of them persists in departing from the party ticket in order to exercise an individual choice. The Senate will be a stronghold of the Labour Leagues, even should another appeal to the country three years hence reverse the situation in the House where at present they are almost equally supreme.

THE REJECTED FINANCIAL AGREEMENT.

The Referenda tell another tale, of perhaps more permanent import even than the overwhelming party triumph of Labour. Here again its adherents remained solid, though there were just enough divergencies to indicate the effect of local influences upon them, especially in the less populous States. The division of opinion among Ministerialists was of course much more marked. Consequently the totals point to extraneous influences, and these of an unmistakable character. Behind the Financial Agreement were all the seven Governments of Australia who had drafted it and practically the whole of the Legislatures not under the sway of the Labour Caucus. It attracted those who are Federalists first, and also those associated with our producing interests, who realised

its very great importance in fostering local development. It seemed, and might well seem, that such a combination would be irresistible. But though Labour was, on the whole, distinctly on the winning side, the three most undeveloped States where its Senators were preferred adopted the Agreement by good majorities. Nevertheless it was rejected not only by New South Wales, Victoria, and South Australia, but by the mass vote of the whole Commonwealth. There will probably be little or no difference in the amount of money that will be returned to the States. But tenure will be limited and all payments made simply under the authority of an Act of the Federal Parliament, which will remain the sovereign authority. Every one of its elections will be a source of anxiety to all the State Administrations. Every change of Government at Canberra will be watched with apprehension by each Cabinet. The end of the period fixed by the first Act dealing with the endowment will be prepared for in all camps and by all parties. The State Cabinets must then come cap in hand to the Central Government to learn within what bounds they are to confine themselves for an ensuing term, which may be made long or short at pleasure. This was the situation last year when Mr. Wade and his fellow-Premiers went to Melbourne in fear and trembling. They left it hopeful and serene, having obtained an agreement from a very friendly Government, which the electors of the continent have just torn to pieces.

FEDERAL PARLIAMENT AND STATE LOANS.

The second Referendum related only to a proposed extension of the existing authority of the Federal Parliament so as to embrace the management of all State loans contracted prior to Federation and already under its sway. The aim was reasonable especially having regard to the partial control already created. After all it only amounted to an agency, not affecting in any way the financial freedom of the local Legislatures to borrow on whatever terms and at whatever times they pleased, though indirectly no doubt it suggested a certain supervision. To this measure the strongest exception was taken by our *Daily Telegraph* and a number of leading public men like Sir W. McMillan and Sir Joseph Carruthers, who are anti-Federal in sentiment. The Labour Party as a whole, though not officially directed, cast its weight into the scale in most parts in favour of the necessary amendment of the Constitution. Here Mr. Hughes and some others voted against it, though the large majority for the negative in New South Wales was probably not materially affected by this action. In every other State and by an immense majority of the electors of the whole country this proposition of the seven Governments was emphatically approved. Originally pressed by the Prime Minister as part of his national programme, but pressed in vain at successive conferences of Premiers, it was accepted by the State Ministers last year only as a counter-balancing concession for the Federal spirit which dictated the Financial Agreement. It was recommended by them to their constituents in order to keep faith with Mr. Deakin and strengthen him in the campaign he was conducting for both compacts. It is not surprising, therefore, that a

considerable minority resisted the project in the other five States. It is clear that but for its association with the Agreement it would have been openly opposed by every local Administration and probably defeated. The new authority now conferred upon the Commonwealth will be exercised before long to the advantage of Australia as a whole. The Commonwealth Bank which the Labour Party and its Federal Government are pledged to create will probably be utilised in this connection. In their hands every power of this kind will sooner or later be pushed to its extreme.

NATIONAL PATRIOTISM AND LOCAL FEELING.

Any student of our newspaper Press as a whole must admit that its discussion of both the great financial issues just submitted was wholly inadequate to properly inform the electors of their merits and meaning. The platform utterances of candidates were even less valuable. As a consequence the electors really decided on neither one nor the other except as they appeared to them to operate for or against the Federal Parliament in its relation with the States. There was a consensus of opinion that the Agreement greatly improved the financial position of the States for an indefinite term, and this was assumed to be at the expense of the Commonwealth. It was, therefore, negatived. The transfer of the balance of the State loans was interpreted as enhancing the financial supremacy of the Federal Parliament at the expense of the States and their Legislatures. It was therefore adopted. The two decisions coincide. They indicate, apart from the particular questions submitted, one strong tendency which is certain to continue, and probably increase in definiteness. The tide of national patriotism is running strongly. The ebb of local feeling is not inexplicable. The Labour Party, having realised that in the Commonwealth both Chambers are absolutely subject to adult suffrage while in the States only one Chamber stands on this basis, is definitely diverting its very effective and unceasingly active propaganda into national channels. To this positive influence towards Federal dominance must be added the negative character of most of our State Legislatures and the absence from them of conspicuous or attractive personalities. It is true that the Federal Parliament has little to boast of in that respect, but it is much more conspicuous in itself, has challenged public interest to a greater degree, and is gradually gaining a pre-eminence which makes it the goal of all aspiring public men. The turn just taken in Australian politics is plain; it is an abrupt turn; it may not provoke a reaction; it is not likely to be followed by a turn in the opposite direction unless the new Labour Ministry and its majorities really live up to their programme. The probability is that they will be too politic to take such risks. Still they have the opportunity, the temptation will be strong, and the pressure from the Leagues may be irresistible. In any event Australia, always a field for political and social experiment, is about to afford the rest of the Empire some entirely novel illustrations of what may happen in a Democracy with a defective electoral system making for the despotism of a majority, however narrow, when it can capture at one election and in one day both branches of the Legislature.

THE COMMONWEALTH OF AUSTRALIA.

GOVERNMENT BY CAUCUS.

A NEW EPOCH.

FROM OUR OWN CORRESPONDENT.
SYDNEY, May 3 1910; Jun. 14 1910.

A Federal Labour Government has been formed and its members have taken the oaths of office. It is the first we have ever seen that has justified its title. Some repetition of my previous comments is probably necessary to bring this cardinal distinction before your British readers. Australia with this Ministry now enters upon a new epoch. Unless this is constantly remembered the true line of development here will not be clearly recognised. We have seen several Labour Administrations in the States and two in the Commonwealth. But all of them were upheld by the aid of members who did not belong to the Caucus. All of them came into existence as a consequence of coalitions providing a temporary majority, and that only in the popular Chamber – none of them controlled the fellow-Chamber, none of them were independent even in the Lower House. These “Labour Ministries” assumed the reins with fear and trembling, only to maintain hesitating policies of compromise and concession. When they expired, except in the case of the **Price–Peake** combination in South Australia and the **Kidston–Bowman** alliance in Queensland, they left no material contribution to any State statute book. The first Federal Cabinet under Mr. **Watson** came into office in 1904 because Mr. **Deakin** refused to accept one amendment of his Arbitration Bill, and presently went out of office itself upon another amendment which he supported. The **Fisher** Ministry survived its birth-pangs with great difficulty during the last month of the session of 1908 and perished directly Parliament reassembled. No fraction of the Labour programme was accomplished by either of these stop-gap Cabinets. Hitherto, therefore, the Labour Party – always a potent influence behind the Commonwealth Throne – has never occupied that eminence except in subservience to allies from whom it was obliged to take instructions.

LABOUR HOLDS THE SCEPTRE.

To-day there are no similar limitations and no control. Labour holds the sceptre. The Caucus to-day is in itself both Government and Parliament. It dominates with absolute supremacy a Cabinet consisting only of members of that Caucus.

It commands one irresistible majority in the Senate, a body intended to supervise legislation as a Chamber of Review, and another majority in the House of Representatives, where it is half as strong again as all its opponents put together. It is therefore not only the first real Labour Government seen *in* Australia, but also the first Labour Government *of* Australia. Indeed, it is the first party of any colour which can truthfully say *L'état c'est moi*. Master of all our political machinery and subject only to the restrictions embodied in the Constitution, the Caucus to-day is the despot of our destinies.

METHODS OF THE CAUCUS.

The new regime began last week characteristically in a secret meeting where a secret ballot chose the new Cabinet to assist its leader, Mr. Fisher, in discharging the routine duties of the departments. The Executive thus constituted then distributed the departments in the same manner as in 1908, when all but one of them held portfolios. Little, if any, authority is entrusted to them. Their policy is already in print, having been settled for them by the last Brisbane Labour Conference. Not only are they bitted and bridled in this respect, but are only permitted, under the constant supervision of the Caucus, to draw the load which it has determined along the rails laid down before them by that imperious and mysterious junta. When Parliament meets the offices within its chambers will be taken by men whom the same method of balloting has selected. Mr. Charles McDonald is already heir to the Speakership, and Mr. Poynton to the Chairmanship of Committees, two months before the House over which they will preside will meet for the first time. Intrigues on behalf of Senator Sir Josiah Symon are alleged to be delaying the adoption of a President and Chairman of the Senate. At all events the Caucus has not yet announced its pleasure in that regard. Its ballots have yet to be held. Whoever gets the votes in Caucus will get the offices. The Opposition might as well remain absent during those proceedings. Important as these appointments are they are chiefly notable as illustrating in advance the fate of measures as well as men. The Bills ordered by the Caucus to pass will pass; those directed to be amended will be reshaped; any fathered by the Opposition will only emerge to be ejected. Whatever deliberations there are will be possible only in the Caucus and among its members. "Parliament" can only obsequiously endorse its decisions. Debate there will be superfluous. This is not prophecy. The essence of the new system is to supplant the traditional methods of legislation under the public eye and of administration by responsible Ministers by Caucus mandates. Ministers will be accountable for their acts not to Parliament or the people, but to the secret Caucus, which in its turn obeys the Labour Leagues. These numerous local groups of Labour men are the permanent election committees of the party, which select candidates and secure their return. Naturally their dependents when members are docile to dictation.

The rest of the community must remain as powerless as our Opposition members of the House and the Senate will be because always outvoted by their colleagues acting as delegates of the Caucus. This is the necessary consummation of the application of Labour methods in the country and in the country's government.

POSSIBLE EFFECTS IN THE STATES.

With such an object-lesson before their eyes, and the polling results in Federal constituencies staring them in the face, no wonder if every State Administration in Australia is undergoing much searching of heart in respect to its future. Mr. Wade has a General Election due six months hence, the bitterness engendered by the coal strike still angrily smouldering, and sectarian discords ringing angrily in his ears. Finally a *volte face* on the part of Mr. McGowen, leader of the Labour Opposition, creates a new situation, with which he will find it difficult to deal. When our Premier originally resisted a further reduction in the number of the members of our Legislative Assembly he enjoyed the hearty support of its Caucus. To-day, plucking up courage after its Federal victories, that body declares for the reduction of members, formerly resisted, under the belief that this will give it sufficient command of the next House to place it on the Treasury benches. Once there, the schemes for the acquisition by our Government of some large businesses on the plea that they are "monopolies", probably including our coal mines, or some of them, will be brought into play. The reduction of members need not be faced until three years later if circumstances then require it. In Victoria anxious conferences are being held between the hitherto divided Ministerialists in order that they may present a united front to their triumphant Labour Leagues. In Queensland the present condition of mind among Mr. Kidston's followers appears to be one of stupefaction. Upon a poll such as the Federal poll each of the three most populous, influential, and prosperous States of Australia would fall into the hands of its Caucus, as the Commonwealth Government, and Parliament did three weeks ago. South Australia is now awaiting the accession of the new Labour Ministry about to be formed. Western Australia, after one such experience, is not unlikely to repeat it under the stimulus from its neighbours; it is therefore by no means impossible that all the Administrations of the continent, and perhaps that of Tasmania, too, may be brought under Caucus rule within two or three years. In that event the next Federal contest may repeat the verdict just given. The possible consequences of a wholesale transfer of the practically absolute powers of government enjoyed in Australia to a party organisation unrecognised by the Constitution would tax the liveliest imagination of the best-informed student of public affairs. In the meantime we are presenting probably the most fascinating object-lesson in practical politics that the world affords, at all events for Caucasian countries enjoying self-government.

THE COMMONWEALTH OF AUSTRALIA.

FROM OUR OWN CORRESPONDENT.
SYDNEY, May 10 1910; Jun. 21 1910.

That the shock of King Edward's death should be felt in the Commonwealth just as keenly as in the Mother Country itself need arouse no surprise. The Crown is much nearer to us to-day than the other Estates of the Realm, however potent their influence may be. In addition the personality of his Majesty King Edward VII had become deeply impressed upon his distant subjects, to whom his strong sense of public duty and constant achievements as the Crowned ambassador of Peace established a title to complete confidence and unswerving affection. To all oversea Britons he stood forth as the commanding central figure of the Empire. But the cable has already conveyed to your readers an expression of our sentiments. In this country do not forget that ten years ago, when prince of Wales, the present King honoured us by his presence in order to open our first Federal parliament. But for the demise of his Royal father he would have this year paid a similar visit for the same purpose to a United South Africa. It is at least singular that when his deputy addresses the first representatives of that Federation he will be wearing mourning for the late King, as his Majesty King George V wore it in 1901 for the great Queen-Empress under whose sceptre all the daughter Dominions came into being.

LABOUR PARTY DILEMMA.

Federal politics are apparently somnolent. Our Labour Ministry is incubating – not its policy, which it receives as a whole ready made, but the particular fraction its plethora of the promises that it will venture to put into effect. The electorates have been captured much more by the golden expectations aroused by hundreds of platform orators, whom the Leagues turned loose upon the community, than by any antagonism to the programme of their predecessors. Indeed this will probably be in great part annexed by the new Cabinet, with some superficial alterations, no matter how trifling, upon which to found hereafter a general claim to originality. What worries them to-day, and must for many a day to come, is how to save their faces by even affecting to fulfil their explicit undertakings to make life easy all at once for every working man by providing him with constant employment for shorter hours at high wages. Up till now the Labour Party have gained ground steadily in the States and in the Commonwealth by virtue of these often-repeated pledges, which so far they have never had to redeem. On this occasion they foolishly multiplied

these undertakings more than ever. Hitherto it has always been their opponents who have suffered because of their non-fulfilment. To them attached all the odium of failure because they would not (and, indeed, could not) take up all Labour's promissory notes. When the Caucus became the Federal Government at the close of 1908 its short experience of responsibility sobered Mr. Fisher so much that his actual programme during his term of office sank to very moderate proportions. Having forced old age pensions on some months before the Commonwealth could possibly afford to pay them, he refused to look at any extension of the system, and made offers to the States in a vague fashion about their finances. He was so careful to keep within his means that his land tax was to yield no revenue worth mentioning, its single purpose being to force a subdivision of great estates. Out of office last June and expecting to remain there, he rushed at once to the opposite extreme. He and his supporters in the Legislature shamelessly demanded that the new Government should at once undertake all the costly schemes they themselves had ignored or refused to entertain. They once more insisted that the pension system must be extravagantly enlarged without delay, and all the expenditure for postal development and defence should be found from revenue. The Financial Agreement which would have doubled the annual sum available for Federal service was bitterly opposed. Pursuing the same tactics the Labour Party went to the country last month with lavish promises to their adherents, coupled with assurances of liberal treatment to the States for a fixed term, yet without a single proposal for defraying the cost of any of the new projects to which they were committing themselves whole-sale. These are the "chickens" fast "coming home to roost" around Mr. Fisher's puzzled head since the votes of the trustful wage-earners have placed him again in control of the Federal Treasury.

THE FINANCIAL SITUATION.

Exit the Leader (full of promises) of the Labour Opposition. Enter an anxious Prime Minister seeking to make both ends meet. No wonder he lunches with Mr. Murray and is pleasant to our Mr. Wade. Yet Mr. Fisher owes the State Ministries nothing. They fought him at the polls with all the forces at their command. He can dispense with their consent to the proportion of the Customs receipts he chooses to seize after December next. Then apprehensions for their solvency are of no importance to him. The State Administrations to-day have not even a Senate to protect them against his inroads upon a revenue of which until now 15s. in every £1 has been dedicated to them by the terms of the Constitution. Mr. Fisher has the numbers and his will can be made law. To be accurate, it is the Caucus that has the numbers, and it is its will which must become law. The new Cabinet would willingly let sleeping dogs lie, but its so-called followers are, in fact, its leaders. They issue mandates which Ministers must implicitly and promptly obey. Still, many even of these, while taking

full advantage of the familiar practice of entering into unlimited liabilities to their constituents, found the pressure of local needs so strong that they were obliged to give specific assurances of financial help to the States. The Labour Party, Federal or State, are one and indivisible, especially during elections. So even their most Nationalist Federal nominees were obliged to meet their own State colleagues half-way. They are, in fact, indebted to them in most cases for their return. Moreover, with local elections close at hand State Labour candidates would have little hope of a favourable reception from their electors unless some fixed share of the Customs revenue the States have been receiving were left for their Legislatures. This is how it happens that Mr. Fisher himself and most of his colleagues have become bound by their own platform undertakings to pay annually the 25s. a head to the State provided in the rejected Financial Agreement. It was the indefinite payment of that sum until the Constitution should be again altered that provoked its rejection as a settlement with the States. Labour members even now differ among themselves individually in respect to the particular number of years for which the Commonwealth Parliament should consent to bind itself to any return of the kind: some favouring ten and others as much as twenty-five years. Those variations, however, are a matter of indifference. The shortest period named will outlast the new Parliament, and Mr. Fisher's financial troubles, of course, lie within its compass. His task to-day would be simple if he had not rushed old age pensions, leaving himself instead of his opponents with a deficit of three-quarters of a million sterling on June 30 and a further growing deficiency on the same account up till the New Year. After that if the same subsidy to the States of 25s. be authorised by the Federal Parliament, he will enjoy double his present income. Even then it will be some time before his receipts catch up to his regular outgoings and longer before he can clear off the steadily accumulating debt now confronting him.

PROLOGUE TO THE COMEDY.

To-day the amicable tone and studiously considerate manner in which the new Prime Minister approaches the State Premiers are in marked contrast to his campaign conduct. What he wishes from them is the £600,000 that under the Financial Agreement they had consented to transfer to the Commonwealth. Possibly he even asks the further sum of a million and a quarter which the same Agreement would also have left in the Federal Treasury had the electors rejected his advice to vote against it at the Referendum. Assuredly if Mr. Fisher could have guessed that he would be in power to-day he would have taken care to divert enough of his supporters' votes to allow of its acceptance, even in the teeth of its Caucus denunciation. Not being gifted with second sight and eagerly anxious to cripple the late Cabinet, he pulled down upon his own head the avalanche of obligations intended for his predecessors.

What he has to offer the Premiers in exchange for their cash is not clear, unless it be an extension of the term for which the 25s. a head is to be returned to them after the ten years elapse, to which he bound himself during the elections. Unless they have been scared by the discovery that the Labour Leagues have now an absolute mastery of the Federal Parliament they must be aware that a ten years' extension is promised. Perhaps they can pinch the Labour Cabinet into doubling the period as a consideration for their help. It was all very well at the time for the nominees of the Caucus to declare against any borrowing except for continental railways, for Mr. Fisher and his colleagues to condemn Sir John Forrest's Treasury bills out of hand, and for his own colleagues to declaim against the iniquity of overdrafts. These protests were intended to harass and hamper the late Ministry and its supporters. They are now "leg-ropes" upon the Labour Caucus and its Cabinet, whose movements are painfully limited in consequence at a critical juncture. Still this is but the prologue to the comedy about to be staged in Melbourne, in which the great majorities in both Houses of Parliament will be confronted with their own promises and pledges. These will constitute a more formidable danger to the exultant phalanx now in undisputed possession of the Executive citadel than the small body of the Opposition, whose only function is to keep a watch from without upon the movements of a triumphant army of occupation against whose operations they are and must remain powerless.

THE COMMONWEALTH OF AUSTRALIA.

LABOUR AND LAND.

FROM OUR OWN CORRESPONDENT.
SYDNEY, May 18 1910; Jun. 28 1910.

Our Labour Government has reigned for nearly three weeks, and judging by its consistent conduct has no other object in view at present except to reassure the public that it has nothing to fear from the change. This, of course, implies that its followers' anticipations have to be steadily and persistently "damped down" from the condition of feverish excitement to which they had been stimulated for election purposes. By the time the ten weeks' interval prior to the opening of the session has elapsed it is hoped that there will be no expectations of extravagant measures that cannot be appeased by vague generalisations in the *Governor-General's* Speech. Radical legislation we must expect, and some of it sufficiently unfair or predatory to gratify the appetite of the "forward" elements; but this we have already experienced to some extent from time to time both in the States and the Commonwealth. The one new departure in Federal legislation will be the imposition of a land tax applicable to the whole of Australia. Whatever else may be included or omitted that is certain to have the front place. As this will be the first direct taxation levied by the Federal Parliament it will both be, and appear to be, a memorable achievement on the part of the new Government. More than this it will be very popular. In New South Wales, and indeed everywhere else, the promised land tax was the most attractive bait held out by Labour to large numbers of voters. The proposed exemption of land up to £5,000 in value robbed it of all terrors for the small farmer. The slowness with which the *Wade* Government's closer settlement policy operates and the distrust of its intention to introduce any more effective method of making good land available for cultivation did the rest. The same sentiment prevailed elsewhere. The Liberal platform meant relying upon the State Legislatures. But large numbers of electors, not only in the ranks of Labour, are tired of leaving the business of fostering agricultural developments in their hands. They have lost their chance. No doubt they could have dealt with the question more fairly and more effectively than the Commonwealth, but once more all our local Governments have missed the tide. On the other hand, Mr. *Fisher's* course is not quite clear. Land monopoly, according to the Labour electioneering placards, holds Australia in an octopus grip, which must be loosened

at whatever cost. There is no reason to suppose that the actual proposal for loosening it will differ from the one made by Mr. Fisher during his previous term of office, a year or so ago. He then tabled a tax varying from £20 a year odd on an estate worth £10,000, unimproved value, to £600 per annum on an estate worth £50,000, with 4d. in the pound on estates over that value. It is obvious that these rates, far from breaking up big estates, will allow their owners to keep them intact on payment of a comparatively moderate fine. It is significant that the *Sydney Worker*, the least violent of Labour's Press organs, demands a much heavier tax, rising on large estates to 1s. in the pound. The *Worker*, however, unlike Mr. Fisher, has not to face the electors three years hence. A knowledge of the political limitations imposed upon him explains the complacency with which the majority of non-Labour electors view his advent to power. No one, except the dupes in and of the Leagues, believes that he will seriously attempt to carry out the more extreme of the promises which filled his election programme. These are generally regarded with the same good-humoured incredulity as the puffery of an auctioneer's advertisement. Australia will have its Land Tax Act at once, instead of in State sections. This snub administered to the local Legislatures for their remissness is another sign of the times, repeating as it does the lesson of both our recent Referenda.

GRADUATION AND EXEMPTION.

But perhaps, after all, Labour's Parliamentary majority may not have the last word on this matter. Recent decisions of the High Courts have run so strongly in the direction of curtailing Federal authority, wherever its exercise tended to diminish the reserve powers of the States, that some opponents of the tax are sanguine that the ingenuity of lawyers will discover a ground for invalidating a measure whose professed object is, by means of imposing taxation, to dictate federally a land policy to the States' Governments, who alone own and control all lands. In other words, to do indirectly, by means of a tax, what the Federal Parliament could not do directly. The constitutional objections to the Labour proposal, so far as they have been publicly stated, seem to be focussed on the proposed graduation of the tax and on the exemption of all areas under a certain value. These are alleged to amount to infringements of the constitutional principle that Federal taxation must not discriminate between one part of the Commonwealth or of a State and another. It is certain that, whatever the Government scheme may be, it must contain both the elements mentioned. So that if there is any substance in the objection there is no doubt that the scheme will be challenged. What the result of the appeal will be seems very doubtful. But the contingency is worth keeping in mind.

FINANCIAL DIFFICULTIES.

A land tax of this kind, even if valid, will add but little to the revenue of the Federal Treasury, and that little not for many months, at the earliest, in any considerable proportion. But Mr. Fisher's needs of cash are peremptory. Having explained his views to the Victorian Premier and Treasurer in Melbourne, Mr. Murray and Mr. Watt visited this city last week in order to discuss confidentially with Mr. Wade what are the best terms they can make in the circumstances. Our Premier is obviously not in a pleasant mood, extremely anxious as to the results of his own coming appeal to the country, and undisguisedly sulky whenever he forecasts the future financial policy of New South Wales. The audacity of Mr. Fisher offends him the more deeply because he recognises his own impotence and that of his fellow Premiers. The only bonds hampering the Labour Prime Minister are his own public promises and those made by his fellow nominees of the Leagues. He having promised the States 25s. a head for ten years, he finds himself bound to observe that undertaking. State Labour members and coming candidates are all eager upon this score. Yet from what one can gather from the visit here of Victorian Ministers, followed by the announcement that a conference of State Premiers will assemble on June 17 next, one conclusion is clear. The Labour Prime Minister must be insisting that the local Governments shall ignore his pledges to the public, though they were made quite unconditionally. He is demanding that the half of the Federal deficit formerly estimated at £600,000, but now at about £400,000, shall be paid to him out of State funds, and that the Braddon Section's operation shall terminate on June 30 next instead of at December 31, thus giving him another £1,100,000 or more. This can only be brought about by the passing of a separate Appropriation Act in each State Legislature. In other words, the very liberal terms that the States conceded to Mr. Deakin unwillingly in order to secure to themselves a continuance of the 25s. a head until the electors should amend the contract by a double referendum, are now asked for a ten-year period without further guarantee. Here again the key to the situation is to be found not in the rejection of the Financial Agreement by the electors, which was partly anticipated, but in the establishment at the polls of a Labour Ministry, so strong in both Federal Chambers that now the Caucus has only to issue its ukase to its own members in order to ensure its immediate appearance upon the Statute Book of the Commonwealth in the form of law. Party despotism of this character is still novel to Australians. The States are only gradually awaking to their plight. Should they refuse Mr. Fisher the sum he needs, whether it be a million and a half or two millions, he has only to wait until December 31 and he can retain it from the revenues he is at present obliged to return to them month by month. He may claim that this is in some kind of consonance with his own ten years' promise, which will be fulfilled

after making these or any other deductions the Caucus is pleased to authorise. The Premiers have no choice. But here, as in the land tax, they have themselves to blame. When Sir **John Forrest** pursued them with generous offers at conference after conference they held haughtily off, insisting upon their claims to the uttermost Federal farthing. To-day they are coming to Melbourne to show cause, if they can, why they should not pay the costs occasioned by their own delay. They must also give a full quittance to the Federal Parliament, which they treated as their debtor, but now have to face as their creditor and judge.

THE COMMONWEALTH OF AUSTRALIA.

THE STATE ELECTIONS.

FROM OUR OWN CORRESPONDENT.
SYDNEY, May 24 1910; Jun. 30 1910.

The political affairs of the Commonwealth have so monopolised public attention during the last month or two that those of the States have had to remain very far in the background. But the approach of our local general elections, which are already in sight, is now bringing the affairs of the several States once more into the public eye. In New South Wales both our parties are beginning to burnish their electioneering armour for the fray. The poor elector, who has much else to do beside discussing and deciding political issues, sometimes gets a little tired of this ever-recurring buzz of political controversy. Give him good seasons, he begins to think, and it really matters very little which Ministry is in power. This, of course, is more or less true. However, as the election day draws near his political instinct begins to reassert itself, and numerous as our elections of one kind and another are since Federation there is no sign of any increasing indifference on the part of our electors. Interest is growing as far as the approaching State election is concerned, because the recent sweeping Labour victory in the Commonwealth has roused a fear in the friends of Mr. *Wade's* Government that the same disaster will overtake it as fell upon the Federal Government last month. Our Labour Party, confidently anticipating an overwhelming victory, are already making preparations for it. No discreet person, especially since the *Fisher* victory, would make any positive prophecy. But there is good reason to doubt whether Labour success in the Federal sphere furnishes a very strong augury of success in this State.

LABOUR IN NEW SOUTH WALES.

The Federal Labour Party has always attracted independent support not bestowed upon the local party in New South Wales. The reputation of the latter, never very high, has been further diminished of late by its obvious weakness and internal divisions. Hence it is not at all uncommon to find men who as Federal electors vote Labour emphatically refusing to accord their support to a party which has such a record of incompetent leadership and lost opportunities. Mr. *McGowen* and his lieutenants, one at least of whom, Mr. *Holman*, is a man of marked ability, seem to

have an inexhaustible capacity for getting on the wrong side. A good illustration of this was furnished only the other day. None of the legislation passed by the Wade Government has done more to attract general support among all classes, except those immediately affected, than its reform of the liquor and gambling laws. Mr. Holman, however, amusing himself publicly by suggesting a programme for Mr. Wade, which might help to save him from the fate which is supposed to hang over him, proposed a modification of the restrictions imposed by these laws thus publicly identifying himself with the party which, to quote Mr. Wade's fair retort, is after "more grog and more gambling". This incident in itself is a mere trifle. But it goes to explain why the State Labour Party here has never achieved a reputation or inspired the confidence which have been well within its reach during our past few years of hesitating and timid administration.

STATE AND FEDERAL LEGISLATION.

There is another consideration which does not tend to gain for Labour the independent sympathetic vote without which it cannot win in either State or Commonwealth. This is the reflection that there is really no need for a Labour majority, both in the Federal and the State's domains. The Caucus stands distinctively just now for a Federal land tax and for a Federal control of industrial conditions, securing to every worker fair wages and reasonable conditions of employment. It also aims at the nationalisation of some of the great trading monopolies, such as the sugar-refining, tobacco-manufacturing, and coal-producing industries. The State parties aim, so far as they can, at precisely the same things. It is obvious these ends cannot be attained by both Federal and State agencies at the same time. Mr. McGowen has declared that if the Federal land tax is passed he does not desire to add a State land tax to it. If Federal control of industrial conditions is secured, there is nothing for the State party to do in that direction. As for the nationalisation of monopolies, this is hardly a practical question at present in either Federal or State arena. The Federal Parliament cannot nationalise any monopoly without an amendment of the Constitution, which is at least three years off. The State Parliament cannot nationalise them either, because the only ones that are powerful enough to destroy the name extend over all or nearly all the States. Now that Labour is in power in the Federal Parliament there seems to be hardly any distinctive function which its members in the States need essay or can accomplish without clashing with the work of its colleagues in the Commonwealth.

There is, however, another means by which some of the great commercial “combines” can be brought to book by Federal action legalised and recently authorised by the late Government. Our Newcastle colliery proprietors have been for a long time past acting with the coastal shipping companies which convey their output, many of the latter owning or sharing in the ownership of some of the mines. Between them they seem to have captured the control of the coal supply of Australasia, at all events outside this State. It is suspected that our mine-owners sell to no one outside the shipping ring, which in its turn declines to carry coal except for those in the mining ring. Their defence may be that they have not charged more than fair prices, while paying wages, especially on the ships, which could not have been afforded without this joint agreement. Admitting that they possess a giant’s strength, their plea is that they have used it mildly. Admittedly also consumers, especially beyond our borders, pay higher rates for their coal. The Labour Cabinet must needs go on with the legal proceedings initiated by the late Government, so loudly challenged last month for its undue friendliness to Capital, but Mr. Fisher seems to find himself hampered, not only by the interest in the combination said to be shared by the miners and sailors employed, but also by his platform proposals for “Nationalisation” as the only means of preventing such “trust” dominations. His action or inaction in this matter must also influence his party’s prospects in the State elections.

THE COMMONWEALTH OF AUSTRALIA.

FEDERAL CONTROL OF INDUSTRY.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Jun. 1 1910; Jul. 5 1910.

Our Federal Union was never possible except on condition that trade and commerce between the six Colonies which were to compose that Union were made absolutely free. This meant one tariff for Australia, and to this all parties assented because there was really no other choice. One tariff on the seaboard of the Commonwealth implied one set of industrial conditions in all the States if they were to be put upon a fair footing with one another. But the consequential steps necessary to bring the State laws affecting production into harmony which were left to the States have been deliberately ignored by them notwithstanding repeated appeals and warnings, especially from Mr. Deakin. The compromise which his Government proposed providing for joint action to this end will not be proceeded with now. Our Labour Cabinet is certain to include among its several endeavours to amend the Constitution the assumption by the National Parliament of a sovereign authority over all industrial affairs. Its economic supremacy over trade and commerce and production, internal or external, will then become absolute and complete.

In the meantime the one authority vested by the Constitution in the Federal Legislature in order to enable it to deal with industrial upheavals beyond the control of the local Legislatures merely conferred a right to pass laws providing for conciliation and arbitration in order to prevent and settle industrial disputes extending beyond the limits of any one State. The framers of our Constitution did not realise, when they adopted these apparently simple words, that they were shrouding the industrial powers of the Commonwealth in a cloud of ambiguity. To disperse it the ingenuity of Australian lawyers has been exercised, ever since the Federal Arbitration Act was passed, in finding unsuspected limitations to the endowment. So far they have been remarkably successful in their search, and to-day no one is quite sure where the State powers over industrial conditions end and the Federal powers begin. The most serious limitation yet admitted is to be found in or implied from the latest judgment of the High Court in a case between the employees in the boot trade and their employers. In some of the States the conditions of employment in this trade are already fixed by local tribunals, such as Wages Boards. During the hearing of the case in the Federal Court the question arose whether it was within the competency of that Court to prescribe

conditions inconsistent with those laid down by these State tribunals for their own areas; in other words, whether the Federal Court could overrule the determinations of the local authorities. The High Court, by a majority of three to two, has just answered this question in the negative. The effect of the decision will be far-reaching. Hitherto, it had been assumed that where an industrial dispute came properly before the Federal Arbitration Court its President, a Judge of the High Court, could settle it, even though the terms of the settlement involved prescribing conditions of employment inconsistent with those laid down by the judicial authorities of the State. We now find that is not so. The industrial powers of the States are held to be primary and paramount. All operations of the President of the Federal Court are therefore hedged about by awards or determinations of the State authorities.

STATE AND FEDERAL POWERS.

This decision adds a new element of confusion to a question already sufficiently confused. It will certainly add force to the demand now being made, with growing urgency, for some amendment of the Constitution that will define more clearly the extent of Federal control over industrial conditions throughout Australia. Two distinct currents of thought on this question are beginning to emerge, and it is not at all unlikely that before long party lines in Australian politics will be defined by them. On the one hand there is the Labour Party and its unofficial sympathisers, who demand a wide extension of the Federal political power over industrial conditions, as well as undisputed Federal judicial supremacy in case of conflict between Federal and State powers. On the other, there is the party which stands for the maintenance of State control, political and judicial, and would limit Federal intervention to the narrowest possible area. The proposals of the last Deakin Government represented a compromise. They aimed at maintaining State industrial powers intact, but extending the Federal power so as to enable it to harmonise varying awards in the same trade in different States, and thus to prevent unfair competition between any of their manufacturers engaged in that trade. It is too early yet to assert that this would have furnished a final solution of the difficulties that surround the subject. Probably not. The nearer we come to actual grips with the question the more numerous its problems appear. Two salient facts stand out. One is that complete unification and centralisation of the whole control of industrial conditions throughout Australia, which is the ideal of the Fisher Administration, is for the present and probably for the future a far too cumbrous, costly, and ineffective scheme. The other is that some equalisation of the conditions under which our industries are carried on in the respective States must become, and is already becoming, an urgent necessity. The solution to be found should be Federal in principle and practical in operation if it can be adapted to the differing conditions of the Commonwealth.

THE INTERPRETATION OF THE CONSTITUTION.

It is interesting, not only to lawyers, but to everybody interested in our constitutional development here to observe the gradual moulding of the Constitution in respect of the relationship between Commonwealth and States by the decisions of the High Court. In the early years the tendency of its judgments made strongly towards liberality and even generosity in construing Federal powers. Lately the stream seems to have an opposite tendency, the effect of the more recent decisions being to restrict the Commonwealth power and generally by a majority of three Judges against two dissentients, Justices *Isaacs* and *Higgins*. Most, if not all, of these later decisions have been given in connection with attempts on the part of the Federal Legislature to extend its control over industrial matters. The decision against the validity of excise duties imposed to enforce better wages and hours against the Union label, and now against the supremacy of the Federal Industrial Arbitration Court over the legislation of the States and findings of its tribunals are striking instances in point. It is probably hard for English readers living under the sovereignty of a single Parliament to realise the political significance of such judicial deliverances under a Federal system. The legislative methods employed here for the settlement of industrial disputes by public tribunals appointed for the purpose are as yet foreign to your principles and practice. It may seem to many of your readers that our experiments are unlikely to discover a permanent method of dealing with them, but there can be no doubt that they will be pursued unremittingly. Whether the Commonwealth Arbitration Court becomes sole master of the situation or is limited in its sway by State autonomies, the substitution of industrial laws and tribunals for strikes and lockings-out is certain to be persevered with in Australia.

THE COMMONWEALTH OF AUSTRALIA.

INDUSTRIAL PROBLEMS.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Jun. 14 1910; Jul. 20 1910.

Steady and very significant developments are already taking place under the operations of industrial tribunals now established in five out of the six States of the Commonwealth. Though these do not secure us unbroken industrial peace, they have composed many differences. Independently of practical gains, they are furnishing us every other day with some valuable lessons in practical economics. In the course of their investigations all sorts of subsidiary problems associated with the distribution of wealth, of which most people never suspected the existence, are pressed upon these tribunals in one form or another. Every detail of the conditions under which our working population lives; every change in their necessities wrought by alterations in our political and social environment; every process in our manufacturing industries, with its effects upon those engaged in it; every aspect of the relation between employer and employee are liable to be inquired into, and many are being explained with precision by the people actually concerned. This is done before an impartial authority, whose business it is to deal with or allow for these varied and varying factors in the life of working people. Such matters must have come from time to time in some shape before employers and employed. But their discussion in the presence of the public and their examination by minds free from the prepossessions of self-interest have a far higher social value. They make possible the correlation of similar sets of facts in different employments; elicit new suggestions for the solution of industrial difficulties; furnish the historian and the economist with a capacious storehouse of material for new inferences. What is perhaps more useful still, the proceedings of these tribunals let light into the dark places of our social system, so that it becomes daily more difficult for the well-to-do half of our community to remain unaware how the half that is not well-to-do manages to live.

THE APPRENTICESHIP SYSTEM.

One important question already the subject of study in many lands has just been dealt with by an award of Mr. Justice Higgins in the boot trade dispute, given in his capacity as President of the Federal Arbitration Court. Some of the chief matters in dispute arose out of the question of apprenticeship, which presents difficulties that crop up nowadays in nearly all industrial undertakings. The men always strive for a rigid limitation of the number of apprentices, partly, no doubt, because they do not want to see work that might employ a well-paid man done by an underpaid boy, and partly because they want to keep up wages by limiting the supply of fully-qualified men. The employer, on the other hand, naturally enough, wishes the system extended rather than curtailed. His aim is to get his labour cheaper, while he shares the public interest in seeing that an ample supply of competent workmen is always at hand. Mr. Justice Higgins, after an exhaustive inquiry into the working of the system in the boot trade, arrived at the conclusion that the apprenticeship system is unsuitable for factory work under modern conditions, and that, as a mode of technical education, it is doomed. The teaching of a trade, he affirmed, did not appear to be an appropriate function for the managing director or the foreman of a manufacturing business. The substitute for apprenticeship, as an educational system, he suggested, was an extension and improvement of our State system of technical education. Our educational authorities in New South Wales, who, after a long period of comparatively undisturbed slumber, are now exhibiting a great deal of well-directed activity, had already recognised that apprenticeship was obsolete, although they had never before obtained so cogent a demonstration as the evidence in the Federal Arbitration Court supplied. For some time past they have been formulating plans which would enable them to furnish the workers of this State, at a trifling cost, with a thoroughly effective system of training for their respective trades. They foresaw that if the modern conditions of factory production had not rendered the apprenticeship system obsolete it must in time give way before the greater effectiveness of technical education. An apprentice learned one, perhaps two, processes in an empirical fashion before spending the rest of his life in their monotonous repetition. Knowing nothing beyond these processes he was only in the most limited sense a skilled tradesman. On the other hand, a student in a technical school can learn the trade from A to Z, if he so chooses. He at least understands the machinery he has to work and work with; knows the relation between the process on which he is engaged, and other processes that precede or follow; in short, he is or can become a trained mind instead of a part of a machine. In such circumstances the growing efficiency and popularity of technical schools is one of the healthiest signs of our industrial life.

HIGHER EDUCATION.

Passing from technical education to higher or secondary education, we have just seen Mr. Wade, in a fit of generosity, making promises unusual even for a Government uncertain of its prospects and soon to go to the polls. On the eve of a General Election, when nearly every class in the community is getting a promise of something to be provided without any additional taxation, he has just announced the intention of his Government to establish free high schools, at which students in every large centre of population throughout the country may obtain an education which will take them from public schools to the stage at which they are fit to enter the University. We already have high Government schools, at which the kind of education generally designated as "secondary" is furnished. Hitherto these have been confined to Sydney and one or two large country towns, while fees somewhat beyond the capacity of the ordinary working-class parent have been charged, although a liberal system of scholarships has made it possible for practically any boy or girl of ability to make his or her way into these schools at no expense of his or her parents. We are now taking another stride forward. In future an education in which so far as subjects and standards are concerned will be up to the level of that afforded by the best of our great public schools will be offered free to almost the whole of the boys and girls of this State. We have not yet got to the length of throwing Sydney University open to everybody free of expense, but this, after all, is a matter of time and necessarily of means. Our Ministers are talking lightly of spending millions in new railways, harbour works, and the like, most of them promising investments for public or private capital; but it may be questioned whether any of them afford as sound an investment as would be provided by a complete system of national education conducted upon modern methods and supplemented by up-to-date technical schools.

THE COMMONWEALTH OF AUSTRALIA.

STATE POLITICS.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Jun. 21 1910; Jul. 30 1910.

At the moment State politics hold the field everywhere, and are likely to continue important within their sphere for the next twelve or eighteen months until all their Legislatures shall have received fresh mandates. The Labour Party in our State Parliament affects to regard the result of the Federal elections as the irrevocable death sentence of the **Wade** Government. Its members only await the general elections, which are due in October, to place them in a position of power to which they have always been complete strangers in New South Wales. Whether their sanguine anticipations are fully justified or not October will tell. Meanwhile they enter on the last session of our Assembly, which began last week, in better heart than they have been for a long time. Their chief trouble, bewailed loudly and long, is that the Government programme, proposing nearly all that they would propose, leaves them practically nothing to oppose. Theirs is the grievance of men out of office who have never held office and are desperately eager to enjoy its privileges. They are determined to make the most of it at any cost and by any devices. It must be admitted that our Premier has met his Parliament with a programme which would require three sessions to pass, even if members were not afflicted, as they always are during a last session, with a desire to say as much and do as little as possible. Some of the measures tabled are so obviously necessary that it will be hardly safe at any rate, for a member who has to face a country constituency to put any difficulties in their way. Happily for us, the urgency of the policy which Mr. Wade asks the House to adopt is occasioned by the necessities arising out of several years of great prosperity. We have had season after season of increasing richness, both in the pastoral and agricultural industries. Our last wheat harvest, the figures of which are just published, is a million and a half bushels higher than the highest point hitherto reached. Every year the tasks of transport on our railways from this growing prosperity have become more and more severe, until we have reached breaking point. It is imperative, if we are to get our produce to its markets, that we should have more railways and more ports. Whatever they may cost, the investment will pay us handsomely. Our Legislature must chiefly occupy itself for the next three months in finding the country fresh facilities. New railways

are to be laid down to centres of production not now in direct connection with the existing trunk lines. These are to be duplicated, and better arrangements made for the delivery of produce in Sydney. A Royal Commission is to report upon the best means of opening up new harbours along our coast, and connecting them by rail with the hinterland. The only conflict about this very practical and profitable policy in Parliament will be as to the best and quickest way to carry it out.

SUGGESTED CONSTITUTIONAL REFORMS.

Any time the House has to spare from the work of providing for the requirements of our overflowing harvest fields and mineral resources will be devoted to two other plans, on which there seems to be hardly less unanimity. The first is the wide extension, both in country and town, of the means for higher education, which is to be made free to residents in the country districts by the establishment of high schools in the country towns. To this there will be no opposition. The second, and politically more dangerous, is an amendment of our State constitution in the shape of a reduction in the membership of the Lower House and some change in the constitution of the Upper. This last proposal, however, is to be the subject of a referendum. Some difference of opinion between the two parties on the subject of constitutional reform is certain to arise. The Labour Party have hinted at though they have not yet officially adopted a project for abolishing the Legislative Council altogether. Strange to say, in this drastic proposal they have now the powerful backing of a journal so far removed from them in general policy, as the *Daily Telegraph*. With such backing it seems clear that the abolition of the bi-cameral system in State politics is fast coming, if it has not already come, within the range of practical politics. A proposal which receives support from two such widely severed and influential organs of political thought as the *Telegraph* and the *Bulletin* is bound to make itself felt in the near future, even though it brings us within the scope of Lord *Rosebery's* contemptuous references to Greece and Costa Rica.

LABOUR PARTY'S DIFFICULTIES.

The chief obstacle Labour has to surmount, in its struggle for supremacy in this State, is its lack of men who command the confidence of electors outside the regular ranks of the party. Mr. Wade, whose reputation for political ability does not stand so high as his reputation for unswerving honesty, is surrounded by a group of colleagues, none of whom appeals to the enthusiasm of the electors. His prospective new candidates are decidedly undistinguished. But poorly equipped as our Liberal Party is

with commanding personalities, Labour is much worse off. Even Mr. McGowen, its leader, while respected for his character, can lay no claim to anything but mediocre intellectual qualifications for his task. One or two of his lieutenants, better qualified intellectually, attract no public confidence. Among people who are not blinded by prejudice, the attitude of the party as a whole over the coal strike – which they would neither approve nor reprobate – aroused the keenest disappointment and disgust. An endeavour was made to improve their prospects by getting Mr. J.C. Watson, the Federal ex-Prime Minister, to accept the leadership in the State. This having failed, the party will go to the polls quite unconcerned with all its imperfections on its head. Prior to the recent Federal election stress was laid upon the fact that the crowd of new candidates supporting the Deakin Government were distinctly less attractive to the general public than their predecessors. As outside the Labour Leagues our electors are very independent in attitude, often refraining from voting unless the party's representative for their constituency appeals to them himself, and not seldom voting Labour if they think their friends are sluggish, the defeat of that Administration was in some degree due to the absence of new men either of proved political capacity or distinct promise. Mr. Wade is now in a similar predicament. Mr. McGowen need have no such fears. Whomsoever is selected will receive the hearty and undivided help of all Labour members in the Federal and State Legislatures, all the Trade Unions and their officials, and all the local leagues with those enrolled by them. It does not matter one straw how poor in character, ability, and experience the nominee may be. If returned of course he remains a mere nominee of the organisation that put him in, and keeps him in only so long as he continues to do the bidding of its majority without question or hesitation. The electoral dice in Australia are always loaded in this fashion in favour of the Labour caucus.

THE COMMONWEALTH OF AUSTRALIA.

PROSPECTS OF THE SESSION.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Jun. 28 1910; Aug. 5 1910.

Our political season in Australia always occupies the last half of the year. Three days hence the Melbourne Parliament House will exhibit in a very impressive manner the revolution authorised by the national poll of April last. The Ministerial benches in both Chambers, crammed with the nominees of the Labour Leagues, will confront mere remnants of the Coalition following which went so confidently to the country a few weeks back. Since King George opened the first Parliament of the Commonwealth nine years ago the Protectionists and Free Importers alternately, and last session unitedly, have held the reins of power. Twice a Labour minority reigned without power and on sufferance for a few anxious months, only to fall directly their adversaries had time to compose their differences. The Labour representatives, together with sympathisers who hesitated to sacrifice their liberty though in general accord with the Caucus policy, constituted less than a fourth of the Legislature of 1901–3; in 1904–6 and 1907–10 their proportion had risen to a third. To-day they are as strong as the forces of Mr. Deakin and Sir George Reid were when combined twelve months ago; with a large working majority in each House they are assured of a monopoly of the current Parliament until 1913. The Opposition, without winning one new seat and having lost nearly half its members, is now meeting a Parliament that has parted with three of its five Prime Ministers and most of their prominent associates. The measures to be submitted in the Governor-General's speech have already been debated at length and passed in a secret Caucus of the Labour majority. The coming session has in that sense completed its labours and closed before it has opened. With these few facts kept clearly in mind English readers should be able to appreciate the possibilities of a situation without precedent in the history of any of our seven separate Legislatures or of any other Legislatures of which we have knowledge. Whether Mr. Wade will survive the General Election due three or four months hence in this State, or Mr. Murray the Victorian dissolution due at latest next year, is quite uncertain. Of course, the methods of the Federal Labour Party will affect both results, and a recollection of this may steady its first exercise of despotic authority in the present entirely novel situation. The late Coalition formed to overcome the undue influence exercised by Labour members in a minority has now to watch them in a majority exercising an absolutely unchecked sway.

THE WHEAT HARVESTS.

Before we are launched upon the year's uncertain stream of political chances and changes it may be advantageous to seize the opportunity of noting the material advances we are making in every direction, and particularly in the most promising field of all, agricultural development. The figures recording the wheat yield of Australia for 1909–10 have just been made available, and, like most of our recent statistics, they tell a tale of astonishing progress. In four out of the six States our production of this grain is far ahead of any previous total. In this State we are a million and a half, perhaps two million bushels, above the harvest of 1904, which up to this year exceeded all previous records by six million bushels. In Victoria and in South Australia the largest previous harvests have been exceeded by one million and five million bushels respectively. In Western Australia, which until a few years ago was famous principally for its immense unoccupied areas surrounding rich mining camps, recently settled tracts of agricultural land have yielded a harvest of 5,600,000 bushels – more than double the quantity garnered in any previous year. In Queensland and Tasmania alone there have been decreases, and those small. Taking the Commonwealth as a whole, however, the crop in the season just closed has exceeded that of last year by thirty million, and the highest previous yield, by fifteen million, bushels. Our contribution to the world's wheat supply was about 90,000,000 bushels. It has to be remembered that this quantity, which is as much as Canada produced in 1907, is derived from sections of Australia which bear to the total area of our available wheat land a proportion that might fairly be called small.

IMPROVED METHODS OF CULTIVATION.

In New South Wales alone, we have at the present time before us railway and settlement projects which will more than double the area under wheat within a very short time. In Western Australia and Queensland, only the fringe of the wheat belt has yet been exploited. In none of the States have we undertaken intensive cultivation. We have been satisfied with 10 and 11 bushels to the acre, from soils, which if we adopted better methods of cultivation ought to return 30 bushels. This fact is not unknown to our Governments, and as the demand for our agricultural land increases, every device that the solicitude of a paternal administration can suggest is being used to educate our farmers, and to facilitate their use of the most approved methods of farming. Not content with establishing experimental farms in different parts of the country, our Treasury recently provided money enabling the University to establish a *chair* of agriculture. Its occupant is at present touring the country in order to learn in what way his services can be made of most use to the

agricultural community. In nearly every one of the other States there is much the same tale to tell. The old days of careless, slovenly cultivation of large areas by people who were satisfied to make a bare living with the minimum of effort are closing fast. The large tracts are harder to obtain. There are now applicants for land near the railways under private ownership who, being ready and able to extract from the soil as much as it will fairly yield, can naturally afford to pay a higher price for it than their easy-going competitors.

INCREASED YIELD EXPECTED.

What effect the recent decline in the price of wheat may have is, of course, an important factor, though present prices are still remunerative. It is not at all unreasonable to anticipate a rapid increase, within the next few years, in Australian wheat production. We shall still be dependent, to an extent, for this increase on the continuance of good seasons. But with the use of scientific methods and the extension of our railways, the importance even of this factor tends to decrease. The Imperial significance of this progress needs little emphasis. It shows, on the one hand, that as far as we are concerned, the anticipation of those preferential traders who look for a time when the Empire will be able to produce all the wheat and indeed all the foodstuffs it needs within its own borders is not an idle dream. On the other hand, it emphasises the imperative necessity, from our point of view, of an immediate increase in the stream of immigration which has been slow in turning towards us and upon which all branches of the Labour Party turn a consistently unfriendly eye. One thing is clear. We cannot hope to handle 90,000,000 bushels with the same number of hands as 60,000,000. Yet that is what they are trying to do.

THE COMMONWEALTH OF AUSTRALIA.

LABOUR MINISTRY'S POLICY.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Jul. 5 1910; Aug. 12 1910.

The Labour majority has made its first appearance in the Commonwealth Parliament with a more chastened demeanour than might have been anticipated from its always demonstrative members. The speech read by the **Governor-General** was cast in the ordinary mould and the address in reply moved in the customary fashion. Nevertheless, under its familiar phraseology the distinctive features of the policy of the Caucus discovered themselves though more or less obscurely and in very much the same way as when its Ministry faced the last session of the late Parliament. It retired from office emitting a tornado of violent threats against its successors and now returns crowned with victory to reoccupy the Treasury Benches in permanence so far as this Parliament goes. The Land Tax of 1909 will be reintroduced with a maximum rate of 6d. instead of 4d. in the pound upon all estates whose unimproved value exceeds £5,000. An estate worth £80,000 will pay something over £1,000 a year as tax, one of £1000,000 over £1,500 a year, and so on. With its majority in both Houses the measure is as good as passed already. In the meantime, the Ministerial till is to be filled by an issue of Government notes, taking the place of the bank notes current in all the States except Queensland. There the Government has had its own note issue ever since a financial crisis nearly twenty years ago. The expectation is that the Federal paper issue will represent £4,000,000, against which the Treasury will keep £1,000,000 sterling in Melbourne ready to redeem any notes that may be presented. In the meantime, it appears that Mr. **Fisher** has been tiding over a temporary want of cash by borrowing £50,000 from the trust funds under his care, though this simple manner of replenishing his cash is expressly forbidden by the Federal Audit Act. Apparently proposing to repay this advance in a short time, his notion of the official obligations of a Treasurer permitted him to regard the transaction as too trifling to mention. Called to account he cheerfully intimated his intention of meeting, from the same source, other pressing liabilities amounting to £400,000 so as to make up his deficit for the year just closed. Sir **John Forrest's** amazement at his successor's methods of finance appears to have had the effect of inducing him to recognise that he must revert to some ordinary business procedure within the law.

FINANCIAL QUESTIONS.

The Financial Agreement rejected by the electors because its duration could only be determined by a Referendum amending the Constitution in which it was intended to be placed has been adopted by the new Ministry for a term of ten years. With this guarantee the States have to be satisfied, although pleading that they only consented to accept 25s. per head in order that the subsidy might be assured for an indefinitely longer period than that now to be fixed. The Federal Treasury after January 1, 1911 will retain on our present scale of Customs receipts at least 25s. per head for the Commonwealth instead of 12s. 6d. as heretofore. This doubling of its revenues was the great gain which Sir John Forrest had in view when he eagerly endorsed the Agreement since set aside by the Referendum. With £3,000,000 more anticipated from the Commonwealth note issue Mr. Fisher is well able to repeal the Loan Act passed by his predecessors. He will then defray the outlay upon our new armoured cruiser, ordered by his predecessors and now in course of construction, out of the money he will have in hand, supplemented before long by the payments under the Land Tax, which are to become due, so it is understood, prior to the completion of official valuations. With such outlays, together with those upon Land Defences, the Post Office, and other commitments of various kinds, it is evident that the finances are intended to be handled much less circumspectly than heretofore. The States have now a fixed income instead of a three-fourths share of our varying Customs collections. These have been running high of late and are likely to be increased hereafter in connection with expansions of our Protectionist imposts. All other additions to the national income are to come from direct taxation, to which the Labour Leagues are deeply pledged. What new demands the Treasury, while in Labour hands, will be able to meet cannot yet be assessed even in a general way. The most ominous and most vague portion of the speech is that which points towards social legislation of a new type and possible Government control of some of our greatest industrial enterprises. Embarking upon these ventures with a light heart and a well-filled purse the absence of any precedents for undertaking the risks of such "nationalisations" goes for nothing in the Labour camp.

THE EXPORT OF WOOL.

According to the season's figures closing on June 30 in New South Wales, where more than half the Australian wool export is grown, we are likely to rival even the wheat successes with this year's clip. Last season we obtained total of over 1,000,000 bales, thus exceeding by more than 60,000 bales the production of any previous twelve months. When it is stated that the value of our wool is from £12 to £13 per bale it will be realised what such an income must mean to a country with less than a million

and a half inhabitants. For what is true of this State is true of the whole country. Fortunately for our pastoralists, this period of large production has synchronised with a period of high prices, so that for them, as for wheat-growers, the last year has been a sort of golden age. The man on the land, however, is not the only one that has benefited. In the old days a large proportion of the wool clip was shipped direct to London by the grower and sold there. As recently as 1900 only 66 per cent. of the wool for England and the Continent was sold in Sydney. In the season that has just closed over 88 per cent. was sold in the local market, and the tendency seems to be for the percentage to go on increasing. This means, of course, the existence of a large and growing body of middlemen here and in the other centres of the continent from which wool can be conveniently shipped. These figures not only record the present prosperity of our greatest industry, but they are also belying fears that were formerly entertained that the encouragement of the small holder at the expense of the great would necessarily diminish the quantity and the quality of the clip. The small owner, it was said, will mostly have neither time nor money to attend to the breed of his sheep. He will be content with an inferior animal and a lower grade of wool. As far as the quantity of the individual fleece is concerned, no prophecy was ever wider of the mark. Concurrently with the subdivision of the large holdings and the multiplication of the small there has gone on a steady increase in the weight of the fleece; and to-day, with forty-five million sheep, we actually produce more wool than we did when, some years ago, the flocks in our State numbered more than sixty million. As far as the quality of the clip is concerned it cannot be disputed that substitution of the small farmer of moderate means and limited area for the old wool kings, who spared neither money nor care in their effort to produce the finest wool in the market, must have, at least in some parts of the States, a tendency to cause depreciation. But what we lose in this way ought to decrease as our farmers become more experienced, and should be more than compensated for by the increased quantity of wool, and by the enhancement of the productive quality of the land which is the inevitable consequence of closer settlement. What with our wheat and wool exports Australia, as a whole, is to-day in a more prosperous condition than at any time since Federation, or, indeed, taking everything into account, than at any period in her past.

THE COMMONWEALTH OF AUSTRALIA.

LABOUR PROGRAMME.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Jul. 13 1910; Aug. 20 1910.

In the Commonwealth Parliament there is peace and quiet. Labour sits uneasily upon its throne, the new contingent of members making up its overwhelming majority being still unduly self-conscious and imperfectly adapted to their new circumstances. Ministers, too, though jubilant of course, are obviously somewhat awed by their elevation to the giddy heights of unchecked supremacy. But the *Leader of the Opposition* himself is as much if not more responsible for their chastened mood. His opening of the address in reply debate directly implied, though it did not state, his acquiescence in the new condition of affairs, and indeed expressly indicated his party's acceptance of the verdict of the electorates upon the main programme submitted by the Labour caucus. Going farther still, he urged that the measures proposed shall be promptly passed into law. While this generosity gives one to the Ministry, it counts two or more for the Opposition, since nine-tenths of the subjects touched upon in the *Governor-General's* Speech were dealt with in the programme of the Deakin–Cook coalition. Embracing all of these in his benediction, Mr. Deakin confined his criticism of the Speech to the insufficiency of the safeguards intended to support the new Government paper currency, to the conditions of the coming Federal land tax on the unimproved values of estates worth more than £5,000, and to the several amendments of the Australian Constitution darkly outlined there in vague phrases. The recent elections were summed up from the Opposition standpoint in Kipling's lines on the South African War: "We have had no end of a lesson; it will do us no end of good". The *Prime Minister* replied in much the same mood, though apparently he had prepared himself for a more militant encounter. His pet project, the note issue, occupied the greater part of his time. After this, in spite of a dashing attack by Sir *John Forrest*, it seems to have been impossible to alter the keynote of the debate. Labour members repeated their pre-election addresses, but without their former accompaniments of applause and excitement these repetitions are said to have fallen very flat. It must be remembered that though with one exception all the present Ministers have been in office already for two very short terms they existed as Governments on both occasions merely on sufferance for a few months each time and exercised very little authority. This, therefore, is in fact their first real essay in

administration and their first attempt at legislation. Previously they existed pending supersession. To-day, impregnable, they are obliged to attempt a great deal. No wonder that they are silent and preoccupied at the commencement of their new reign of untrammelled authority and direct responsibility.

“NUMERICALLY UNREPRESENTATIVE”.

Two points made by the Leader of the Opposition upon matters not mentioned in the Speech to which no rejoinder has been forthcoming are now attracting attention outside. The Ministerial majority in the House is considerably larger than the total of the votes polled in its behalf can justify. In Queensland 85,000 voters for Labour sent in six representatives, while 80,000 Opposition voters only obtained three representatives. In this State 252,000 electors secured 17 Federal members of the House for the Labour Leagues, while 230,000 voters for the Opposition gained only eight seats. In the Senate, though the present Opposition in the six States recorded the votes of 662,000 citizens of the Commonwealth for its candidates, these were left in a minority in each instance and therefore without a single Senator. On the other hand, 671,000 Labour voters, only 9,000 more, captured the whole 18 seats in that Chamber, thus placing the Senate under the thumb of the caucus probably for six years to come. With a majority of but 5,000 persons out of the 1,300,000 who voted for the House the Labour party has 11 more representatives in that body than the Opposition. No wonder our electoral system is challenged. These amazing distortions of the actual verdict of the electors have rendered parties in both Chambers numerically unrepresentative of the recorded opinions of the people. Mr. Deakin also returned once more to his familiar attacks upon the caucus system, dwelling this time upon its destructive effects upon the principles and practice of constitutional government. According to him, all our key words need to be re-defined when used in relation to Australian politics. The present “Prime Minister” has no such power as his title implies, since he can be outvoted in his own Cabinet and is obliged to obey its majority; neither he nor his “Cabinet” can determine their own policy or decide upon their own “executive” acts. These are first dealt with by their rigidly, exclusive “party” in a secret “caucus”. To this Ministers are obliged to submit their measures and their proposed acts of administration prior to their Bills being laid before Parliament or their Acts before the Governor-General in Council. The Leader of the Opposition contends that as a consequence we have no longer a “Prime Minister” or a “Ministry”, neither a “Cabinet” nor an “Executive Council”. Ministers are mere “heads of departments”. Cabinet and executive authority are both transferred to a “caucus” in which a casual majority of members, who are nominees of the Labour Leagues and remain under their control, deprive the “Government” of authority and Parliament of its freedom. They dictate and determine the policy of Ministers, acting through them at their pleasure out of the sight and out of the hearing of the public.

PARTY EXPENDITURE.

Allowing for any exaggeration or undue emphasis of a party leader framing an indictment of his rivals, who are in office, it is evident that suave and smooth as the Federal Opposition manner may seem there is no intention existing in its minority of taking their crushing defeat “lying down”. The more the circumstances of the late election are probed the more clearly it appears that the restrictions imposed by law upon the expenses of candidates, which are formally observed, are practically of no effect, since they do not effectually forbid expenses incurred for candidates. The official declarations published show little or no difference between the admitted outlay by Labour and Liberal members. The almost universal estimate is that in this campaign the party expenditures on both sides have been higher than ever, and that in many constituencies the Labour disbursements were considerably larger than those on behalf of the late Ministerialists. In unpaid assistance there was a far greater disparity. Yet the marvel is that with all these advantages and our defective methods of election the Leagues did not achieve an even more disproportionate victory. They have three years at least to consolidate it. On the other hand, even in its first hours of sovereignty the Fisher Cabinet finds a backward swing of the pendulum indicated. A new system of Government telephone charges has been autocratically fixed by the Postmaster-General, Mr. Thomas, which is causing much complaint, and the shadow of the land tax is already creeping over the landscape. At the rates proposed it will, no doubt, produce a larger amount of revenue. But it will at the same time produce a good deal of hardship. While the owners of country lands can escape the burden of the tax, should it become too heavy, by subdividing their large areas, the owner of the town lot, which cannot be sub-divided, will have to grin and bear it. This is the feature upon which most of the Parliamentary struggle over the measure will concentrate. It is well known that the larger landowners do not intend to let this new adventure of the Federal Parliament into a new sphere – that of the regulation of the size of land holdings – which seems clearly reserved by the Constitution to the States, pass without challenge in the High Court. The more closely the dicta of a majority of the Judges are examined the more clearly does it appear that the Federal principles of the Constitution will be upheld against any invasion from the Central Government, as it has been hitherto upheld against raids attempted by the local Governments.

LAND QUESTION DIFFICULTIES.

Moreover, the States are not leaving the land question to the tender mercies of a Federal Labour Parliament. Four, at least, out of the six States Governments have measures either for land taxation or compulsory repurchase, or both, in the forefront of their present programmes. Here, having gone farthest with compulsory re-purchase

and subdivision, we are finding the system unwieldy and expensive for general use. In particular cases it is useful and necessary. But it is coming to be generally admitted that it will not solve the problem. It takes too long and costs too much. This session an attempt is being made to get over some of the difficulties by authorising advances of public money to groups of settlers purchasing large estates for the purpose of subdividing them among themselves. In Victoria the large landholder is threatened with a scheme for compulsory repurchase, and a State land tax as well, at any rate until the Federal tax is actually in operation. In South Australia the new Labour Government has similar proposals. It remains to be seen how these drastic measures will fare at the hands of the Upper Houses in the last-mentioned States. Elected on a property qualification, both these Upper Chambers contain a considerable proportion of large landholders and their kin. Should they refuse to face the situation the Federal Government will be furnished with an excellent argument for its immediate intervention.

THE COMMONWEALTH OF AUSTRALIA.

LABOUR PARTY PROMISES.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Jul. 19 1910; Aug. 27 1910.

The present Federal session is and bids fair to continue the most tranquil of which we have any record. All Labour members have spoken with commendable brevity and with hardly a pretence of answering the few speeches delivered from the Opposition Benches. Almost every newcomer to the Caucus has made his public bow, and yet the Address in reply has been already disposed of, while one of the most important measures in the Ministerial programme is about to be sent to the Senate. If the position of parties had been reversed we should have been wandering still in a barren desert of recriminatory debate. Though it was impossible for Mr. **Joseph Cook** and Mr. **Hughes** to stroke opponents the smooth way even their strictures upon each other's misdeeds seem to have been comparatively light and pleasant. After a volcanic upheaval in the country without parallel in our experience, Federal politics have "dwindled to a calm", the like of which we have not witnessed heretofore. Of course, the present Financial Bill differs from that which the late Government fathered only in respect to its limitation of the payment to the States to ten years. Those who object to that period as too long, and they are more than a few, are silenced because, being Ministerialists, they are bound by the decision of their Caucus. The suppression of all real criticism on so great an issue from the Government side is one of the first fruits of the new order of things. Whatever else this may lead to it makes for placidity of demeanour in the House, and also for rapidity of legislation. Parliament is reduced to a registration chamber. The humour of the situation lies in the spectacle presented by the members of the Labour Cabinet, resembling ever since their occupancy of the Front Bench the historic "row of extinct volcanoes", while behind them the bandits heading the late lawless electoral outbreaks having become placid police guardians of the Treasury abandon themselves to slumber.

Whatever clouds there are to-day lie along the Commonwealth horizon where stormy State sessions reflect the eagerness of Labour members to rush to the country before the enthusiasm aroused by the Federal elections dies away. South Australia, already in their hands under Mr. **Verran**, is the single exception to the rule. Here in New South Wales the public interest is centring both because our dissolution comes

first and because Mr. Wade is flinging himself into the fray with what for him is extraordinary energy. And well he may with so many omens against him. Probably his Administration is as strong as any that could be formed in our Legislature. It is certainly much stronger than any that could be obtained from our State Labour Caucus. Mr. Wade himself stands well above his colleagues, two or three of whom make excellent lieutenants. But even he is trusted rather than loved or admired. Rarely does he exhibit a spark of contagious enthusiasm, or if it does appear it is only to disappear. He is a judicious adviser rather than a leader. On the other hand, over the border Mr. Kidston is a striking and effective leader, admired but not loved, and not even trusted by the large section of his following who prefer Mr. Philp with all his faults, because of their attachment to him. Nothing but the imminent danger of dividing their forces keeps these two men together. Yet the Labour members in Queensland are even less personally distinguished than ours in New South Wales. The leader, Mr. Bowman, is a more capable general than our Mr. McGowen, though he has no Mr. Holman at his elbow. The whole strength of parties everywhere is being concentrated in the National Parliament, where it has become manifest to all who consider the last Federal polling that the political destinies of Australia will henceforth be decided. There and in its High Court, not in the State Legislatures, not in their Courts, and not even in the Privy Council shall we find the will of the people of Australia declared and put into effect.

LABOUR LEAGUES AND THE HIGH COURT.

The High Court, which has gained in an extraordinary degree the confidence of the responsible section of our public, is not entirely trusted by the Labour Leagues. Yet the decisions of Mr. Justice Higgins, President of the Federal Arbitration Court, and those of Mr. Justice Isaacs upon appeals from them have given their chiefs great satisfaction. The findings appreciated relate, of course, to industrial conditions, and it is to industrial conditions that the Labour Leagues and their candidates necessarily devote themselves in season and out of season. The wage-earners as electors are to be captured or retained chiefly by appeals to their pockets, and, therefore, first and last, it is to promises of the betterment of their positions as employees that Labour candidates and Labour members continuously scatter broadcast. Where constitutional limitations upon Federal powers have stood in the way the Caucus has sought to evade them, so as to establish "new Protection" or authorise a Union label indirectly. There was a colourable warrant for both of these attempts, but both failed. The majority of the High Court Judges have taken a consistently clear and strong view of the limitations of Federal powers. It has jealously adhered to the principle that the Commonwealth cannot interfere with the internal concerns of the States, of which

industrial reform is one, to any greater extent than is clearly authorised by the express words of the Constitution. In the result, for all its large and obedient majority in both National Houses, the Labour Party to-day finds itself powerless to achieve most of the reforms, the expectation of which won for it wide support at the last elections. Between it and the El Dorado which Labour candidates were so fond of picturing for sanguine electors as the immediate result of a Labour victory, stands the stern necessity for a constitutional alteration, which cannot be secured without the perils of a referendum. The cooler heads in the party are by no means sure what the result of a referendum would be. If it were against an extension of Federal industrial power there would be an end, once for all, to its electoral prospects. Some extension is admitted to be necessary if the Federal authority is to be effective or adequate. But it is doubtful indeed whether the majority of our voters in a majority of the States are prepared to go to the lengths advocated by the Federal leaders whom demanding a transfer to the Commonwealth of the whole range of power over industrial concerns. Nothing short of this, however, would enable the Labour Party to redeem its lavish promises to the electors. For it this issue is politically all important.

FEDERAL POWER AND WAGES.

A decision of the High Court last week laid fresh emphasis on the extreme narrowness of the Federal power to legislate with regard to wages and conditions of labour. The sheet anchor of the Caucus hitherto has been the Federal Arbitration Court. Every Trades Union disappointed with or distrustful of the industrial tribunals of its own State, and this practically includes the whole of them, for political if not for practical reasons, seeks to get its case before Mr. Justice Higgins. This has been partly on the ground that most of the awards of that Court have so far been in favour of the employees – partly on the *omne ignotum pro magnifico* principle. This latest decision of the High Court promises to render the activities of its Arbitration Court almost futile. The backbone of our Australian arbitration systems has been the “common rule” – the power of the Court or Board, when it has decided upon what it considers to be fair and reasonable conditions of labour, as between the parties to the dispute before it, to extend the application of those conditions to all employers and employees in the same business, in a given area, even though they were not parties to the dispute. This power appears to be necessary to any system intended to achieve a complete and permanent settlement of industrial strife. The High Court, however, has in effect decided that the Commonwealth Arbitration Court cannot legitimately go so far, and that the Federal Parliament, in affecting to confer such a jurisdiction on that Court, exceeded its constitutional powers. The authority of the Federal tribunal, they say, is limited to the settlement of the dispute actually before it, and binds only

the parties to that dispute. To impose the terms of such an award upon others is to go beyond the mere settling of disputes and to legislate a power which the Constitution, in the opinion of the High Court, does not bestow upon the Federal tribunal. This point, it is true, has not been actually decided by the Court. But the language used by the Judges leaves little doubt what their decision will be when the question comes properly before them, as it will do probably before this meets the eyes of English readers. If the Arbitration Court has no power to make its awards a common rule its usefulness, so to speak, continentally, in the settlement of industrial disputes is practically at an end.

Such a blow to Labour hopes will probably give a strong impetus to the movement for a constitutional amendment, endowing the Commonwealth with widely-extended powers over industrial conditions. At present the whole matter, from every point of view, is in an unsatisfactory condition. Even the pronounced believer in State control of industrial legislation must admit that the Commonwealth, if it is to have any industrial sway at all, should have more than it now possesses, and should have it more clearly defined. The solution of this problem, which is beset with political and constitutional difficulties, will furnish the Labour Government with the best opportunity for proving its quality that has yet presented itself. Solved it must be, and that soon. It can be solved practically. If too much is demanded the attempt may and ought to fail.

THE COMMONWEALTH OF AUSTRALIA.

LABOUR GOVERNMENT'S DIFFICULTIES.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Jul. 27 1910; Sep. 3 1910.

Reports of the debates in the Federal Parliament as published in our daily papers are far from illuminating – even the bi-weekly “Hansard” does not elucidate many problems connected with the financial measures which Mr. Fisher is painfully piloting, although the only cross seas he encounters are those of his own raising. To English readers it would be tedious to dwell upon details. As has been intimated in your columns several times all the present difficulties of the Labour Ministry are financial. Besides those arising directly out of the termination of the ten-year period for which the States were guaranteed three-fourths of the national revenue from Customs, there are items of policy costly enough to constitute disturbing influences. Some of these, such as defence, would have occurred no matter what Administration was in power. Another set are necessary consequences of the platform promises made by the Labour Party in order to capture the electorates. Having won many seats by this means, Ministers have now to foot the bill. But even with the assistance of most of the leading members of the Opposition, who appear to be genuinely anxious to push the Ministerial car ahead, content if they can gradually awaken the constituencies to the burdens which the late elections authorised the majority to impose, the Prime Minister as Treasurer has been making heavy weather. Vowing he would never consent to amend his Surplus Revenue Bill, he defeated the Opposition by ten votes, only to proceed with the next clauses, where he made amendments for which they had been contending. His next measure had to be adjourned in mid-career because of the confusion in which his explanations involved his own followers. Knowing his Bill, he was not sufficiently versed in the alternatives it presented, and with a sufficient understanding of his intention could not convey it to the Committee free from apparent contradictions. His Attorney-General, Mr. Hughes, was more helpless. Still the general result seems plain. The States get for 9½ years the exact 25s. a head proposed by the late Government, though Mr. Fisher levies a forced toll of £450,000 upon them after, in effect reducing the term by six months. Safe in the exoneration at call owing to his majority in both Houses, he is retaining for a few weeks some half a million of Trust Funds to meet a debt which the Constitution

required him to make good to the State Treasuries last month. To complaints from all the legal members of the House provoked by the tortuous drafting of both Bills and the risk of their failing if tested in the High Court, the Government simply applies its majority, though in the chief instance already mentioned it afterwards obeyed the advice its Ministers had affected to ridicule.

UNPRECEDENTED REVISION.

Two of the Bills, or rather two drafts of the same Bill, formally submitted to Parliament have been withdrawn without being proceeded with, this unprecedented revision attracting more attention because of the immediate interest of the Prime Minister in their subject. As a Queenslander representing a sugar-growing constituency he has personally taken charge of a proposal for repealing the existing Act relating to the industry so far as it limited the duration of the excise and bounty now paid to the grower or reduced the latter. Mr. Fisher's intention appears to be to make both of these permanent, though his first two efforts have been abortive owing to technical omissions. Now that his drift has at last been made clear it is certain that the searchlight of public criticism will be brought to bear upon the special circumstances leading up to the special treatment accorded to this greatest of all our sub-tropical products. The sugar industry has been a thorny subject for our legislators ever since Federation. One of the first problems presented to the first Parliament was that of getting rid of the Kanakas, by whom practically the whole of the field work in the industry was at that time done. The method adopted was embodied in an Act providing for their gradual deportation, in addition to fiscal safeguards designed to compensate the growers for the increase in the cost of production, which, it was clearly recognised, must be occasioned by the substitution of white for coloured labour. Foreign sugars all dependent on coloured labour were handicapped by a protective duty of £6 per ton. An excise duty of £4 per ton was placed upon our own sugars, so that £3 could be given back to our cultivators of cane in the shape of a bounty, provided that no coloured labour had been employed in its production.

SUGAR PRODUCTION AND WHITE LABOUR.

In this decided fashion the first National Parliament of Australia affirmed in the most emphatic fashion its resolute determination to shut the door once and for all upon the servile labour of any non-Caucasian race. This policy has been in operation for some eight years, and has proved extraordinarily successful in fulfilling its intention. Broadly speaking all the Kanakas have gone back to their islands. At the time of the initiation of the policy 68 per cent. of our sugar was produced by coloured labour. Now, more than 90 per cent. is produced by white labour. In the same

period the amount of sugar produced under the stimulus of this policy has increased enormously. In 1902–3 the sugar production for the Commonwealth was 98,700 tons. This was less than half the amount consumed here. In 1907–8 the production reached 214,000 tons, and we were able not only to meet all our own requirements but to export. Last year the result was not quite so good owing to a bad season and other temporary causes. But it is not an exaggeration to say that, as a result of the policy initiated by Sir Edmund Barton's Government in 1902, practically the whole of the sugar required in Australia is to-day grown in Australia by white labour.

A COSTLY POLICY.

So far, so good. But unfortunately this is not the whole story. While our "White Australia" policy has been remarkably successful it has been exceedingly costly. It is calculated that our consumers are paying from half a million to £600,000 a year to preserve our racial integrity. Not long ago Parliament, realising that a term could be put to this expenditure, and that the industry should be required to stand on its own feet, enacted that the bounty should gradually decrease, after 1910, until it entirely ceased at the end of 1912. The growers have been clamouring, and are about to obtain its indefinite continuance, asserting that without it the industry, highly protected as it is, will not be able to withstand the competition of the black-grown sugar of Java and Fiji. This is one of the difficulties the Labour Government is trying to solve. Another is more complex. It has long been complained that the actual grower of sugar, the man who has had to face the risks and difficulty of substituting white for black labour, is receiving practically no benefit from the large expenditure on bounties. The allegation is that the whole of the subsidy to the industry goes to the refiner, in other words to the Colonial Sugar Company, which holds a complete monopoly of the refining business in Australia. This company is getting from the public £23 per ton for the refined product. It is only paying to the grower about £8 6s. per ton – a sum which is barely enough to enable him to meet the increased cost of employing white labour at good wages and make a living at the same time, to say nothing of the risks of untoward seasons or of preparing new ground for the crop. The Colonial Sugar Company is probably the chief "monopoly" on which the more ardent spirits among the Labour Party have been for some time casting longing eyes. More than once motions have been tabled in favour of an amendment of the Constitution which would permit of its nationalisation by the Commonwealth Government, partly to benefit the sugar farmers and partly to divert the profits of the company into the Federal Treasury. Whether the present Government will grasp this nettle or not, and, if so, in what manner, we have yet to learn. The projected amendment of the Constitution to permit the nationalisation of monopolies by the Commonwealth will certainly be drafted so as to permit of the acquisition of this lucrative manufacturing monopoly, and so events march.

THE COMMONWEALTH OF AUSTRALIA.

THE LABOUR CAUCUS.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Aug. 2 1910; Sep. 9 1910.

The Federal Parliament has been occupied up till now with the financial policy endorsed by the electors in effect when they rejected the agreement concurred in by all their Governments last year. The narrow majorities in the constituencies adverse to it are now turned into disproportionately large majorities in both Houses of the National Parliament free to work their will in this and any other matter. If the section of the Federal Labour Party which was in favour of the agreement had been free to vote as it desired it would have been carried in all probability with a greater margin than that by which under duress those very voters brought about its defeat. In the Labour Caucus this State and Victoria were too strong to allow the minority to act according to conscience. Now, through its elected nominees in the popular Chamber, the Caucus has passed within a month three Bills affecting the finances of all Australia most materially. In accordance with its dictates though not without outbreaks of grumbling from some members whose independence, though flickering and ineffective, still discovers itself occasionally, those Bills will be placed upon the statute book at once. Their passage through the Senate is a mere form. Its members have been enjoying a three weeks' holiday without being missed. They meet again tomorrow simply that their Caucus majority may say "ditto" to the Caucus majority in the House. Nobody cares how or why they say it. With these preliminary Bills out of the way the preparation of the Caucus Budget, of which they really constitute the most important part, can be proceeded with. Much complaint has been made by the Opposition because the Bill embodying the new agreement to pay the States 25s. a head for 9½ years, the Bill legalising an illegal appropriation of Trust Funds by the Treasurer (who is specially prohibited by statute from laying hands upon them), and the Bill repealing the Naval Loan Act for 3½ millions sterling have all been put through the House without any information as to the sources of revenue from which our liabilities, including those upon the armoured cruiser now building, are to be met, and before the Financial Statement for the year has been made. That has not been even outlined for public information. Still, the Caucus having decreed both the business and the order of business for the opening month of the session, its fiat has been obeyed despite Opposition protests, with only a few grumbles from a few of its nominees among the Representatives.

The new Arbitration Bill now on the table would no doubt have been the very earliest measure if the Ministry could have made up its mind how far it dare go. In this instance the Cabinet has evidently been left to decide that question, since it can only be answered upon legal advice. There are only two members of the legal profession in the Caucus, the *Attorney-General* and a *junior*. Although their experience has been confined to cases either under this or the State Arbitration Acts they cannot claim the necessary constitutional equipment for dealing with this delicate problem. For guidance they in their turn must look to the permanent Law Officers of the Crown. Still, it may be doubted whether these have voluntarily fathered the Bill now before the House, or, at all events, its two or three new departures, in each of which the drafting is palpably of the loosest and vaguest description possible. The Caucus has directed that the Government shall go to the utmost limit of its constitutional powers. This has been done. A series of decisions in the High Court have already defined in part the authority conferred by the sub-section of the Constitution which empowers our National Parliament to legislate with respect to “conciliation and arbitration for the prevention and settlement of industrial disputes extending beyond the limits of any one State”. The list of cases, which is steadily lengthening, has so far consistently limited the area within which the Federal authorities can interfere in this field with the otherwise unrestricted powers enjoyed by each of the States. An uneasy sense of the futility of attempting to evade these judgments has led the Cabinet to take refuge in some phrases which it would be difficult, if not impossible, to parallel elsewhere. The President of the Arbitration Court, Mr. Justice *Higgins*, is the junior member of the High Court, and though in that capacity he is the final authority on matters of industrial fact he is subject to his colleagues in all interpretations of the law.

Our first Arbitration Act was chiefly framed by the late Mr. *Kingston*. He left the *Barton* Government because an extension of its orbit to include seamen in Australian waters pressed by him was held by his colleagues to be unconstitutional. This was on the advice of the then Attorney-General, Mr. *Deakin*, who introduced the measure after that retirement in 1903. When he brought it forward a second time in 1904 it was as Prime Minister in a new Parliament. Then, as now, the Labour Caucus resolutely ignored the Constitution; in that instance by insisting upon assuming a Federal right to control the State railway employees. Mr. *Deakin* resigned rather than accept their doctrine, and the High Court subsequently declared it illegal. His successor, Mr. *Watson*, in his turn resigned during the same session and on the same measure, because conditions were imposed by the House upon the Caucus’s claim that all Unionists should be entitled to receive a preference in employment over non-Unionists whenever the Court might think fit to grant them that privilege. He, too, is now to be vindicated by one of the amendments contained in Mr. *Hughes’s* Bill. This, by sweeping away the whole of the restrictions adopted in 1904, requires

the President, whether he approves or not, to grant that preference in every case for the future in which he fixes a minimum wage. This time, as on the former occasion, the new clause will be carried. This time, however, the whole Bill will pass as it stands, and with acclamation. For this is the Caucus Bill of the session, appealing to its members even more than the Land Tax. That, like the financial measures, was favoured by many electors outside the Leagues, and some candidates who were free from the pledge. The loudest promises made at the late election, uttered in many tones and varying degrees of extravagance, were those which assured all manual workers, male and female, that they would be secured higher wages or shorter hours – usually the promise was for both at once – in return for their votes for Caucus nominees. Therefore in form, if not in fact, Mr. Fisher is now fulfilling the first part of his undertaking to give his supporters the rewards they are eagerly awaiting. This Bill goes even farther, though how far, owing to the drafting, no one can guess. Yet it is now openly confessed to be only a first essay. We are to have, in addition, an amendment of the Constitution, which will make the Commonwealth Parliament directly master of the whole of the industrial interests and activities of Australia. State control, though not denied, will be superseded in the whole of the endless series of questions affecting investments, employments, and management, of employees in all the occupations of all our people outside the learned professions. That is the crown which the Caucus covets and means to secure at any cost.

Of course, the people of the Commonwealth have yet to be consulted upon this and some other proposals, almost equally drastic, intended to be submitted to them next year. Up till now nobody takes fright at the prospect, if, indeed, anyone perceives it. Nor is it to be assumed that even the leaders of the Caucus, whoever they may be, have any realisation of the consequences of the effect of the constitutional transformations which they have propounded. It is quite clear already that none, even of the most capable among them, foresaw the gift of absolute power which, owing to the defects of an electoral system, our voters were about to thrust upon the Caucus without themselves intending to do more than approve its general policy instead of that submitted by the then Government. If they had foreseen it their promises would have taken quite another shape and a very different colour. They now find themselves launched upon sundry wild experiments, the results of which seem beyond calculation either by themselves, by specialist experts in social science, or by the most venturesome of speculative theorists who have glanced at such possibilities. The sober sense of the community may be trusted to deal with them once their true bearings become understood.

THE COMMONWEALTH OF AUSTRALIA.

TRADE UNION DOMINATION.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Aug. 9 1910; Sep. 17 1910.

The Arbitration Bill is through Committee in the House of Representatives with but few amendments. These were enforced because the whole weight of legal opinion in the Chamber being against the *Attorney-General* some of his many venturesome attempts to encroach upon the Constitution became clearly indefensible. The High Court, though trusted by the whole community, is distrusted by the Trade Unionists. That is because of the sincerity with which it safeguards our Constitution against the constant endeavours of the Labour Leagues to destroy State authority. This they persistently assail because it confines their ambitions within six separate domains. The Labour majority to-day is federal; its only sovereign administration is federal; the short road to the control of Australian industries and of their proprietors is federal. Nothing but the High Court bars the way of the Caucus to a complete control of the whole of the employers and employments of the Commonwealth. That is now their great objective. The new Caucus plan of campaign includes an appeal to the people by referendum next March or April, which they expect to give them an unrestricted national control of all our industries. Since the Federal Parliament already possesses absolute authority over the fiscal policy, the Customs revenue, the Defence Forces, and the taxation of Australia as a whole, this further addition to its autocratic powers would practically make its sway supreme. Our Constitution would cease to be federal; like that of South Africa, it would be unitary and centralised. Whatever view critics at home may take of this fundamental transformation now confronting us, everyone here must admit that it was entirely unforeseen ten years ago. Then not a single State could have been carried for federation with such a prospect. Unification may not be adopted yet. In any event the distance we have travelled since his Majesty opened our first Parliament in 1901 affords a striking illustration both of the mobility of opinion in a new country and of the extraordinarily efficient organisation of our Labour Leagues.

THE MASTERS OF THE SITUATION.

It would be unfair to attribute the sweeping success of the Labour candidates at the April election to their platform promises of higher wages and shorter hours to all employees in Australia. Yet these had an enormous effect upon the masses, even when accepted only as evidences of the goodwill and generous aspirations of the Caucus Party. But over and above this it must be remembered that though the Leagues embrace a certain number of working people who join them for political purposes, yet the backbone of the Labour organisation as a whole in every State, and broadly speaking in every local branch, is derived from the Trade Unions. These bodies exist, of course, for the one purpose of winning concessions in wages and hours for their members, though incidentally they do much more. Their prestige on this account extends far and wide; adhesion to them is accepted everywhere as a guarantee of good faith towards the working classes. Then again the paid officials of the Unions, always available, are always used as propagandists, recruiters, and leaders by and in the Leagues. The every-day work of registering fresh voters, the every-week missionary enterprises are undertaken by them without difficulty in connection with their duties to their Unions. Naturally Labour candidates are most readily found in this class. It is admitted in the Federal Parliament that every member of the Labour majorities in both Houses belongs to a Trade Union. There is no exception to this rule. From the Prime Minister downwards each of them sits in a double capacity – representatives of both Labour Leagues and Trade Unions. The same condition of affairs obtains in the State Legislatures. To-day in the National Parliament and in South Australia the government is vested in these nominees of the Leagues and of the Unions, who cannot venture to slacken in their devotion to either of the coteries to whom they owe their selection, and to whom they must look for their maintenance in office. Every Caucus consists of these two blended elements, and it might be said to consist of these only were not a large section members of the Roman Catholic Church. The number is in excess of the proportion to which the large body of Irish working men and women entitles them. Clannish outside their class, there are always a number of people apart from the Leagues and Unions who support these candidates when they are of the same persuasion or the same blood. The Unions dominate the Caucus, the Caucus rules the Cabinet, and hence in the Commonwealth and in South Australia (possibly in this State too before long) the Unions will in fact dictate the policy of their Governments. Nowhere in the Empire or out of it has such a class ascendancy existed as now threatens Australia.

THE AMENDED ARBITRATION ACT.

With this situation in mind it is easy to understand why the Fisher Caucus has pressed on its Bill amending the Arbitration Act, forcing it through the House with a pressure quite unprecedented this session. Hurriedly introduced, and explained in a perfunctory manner, an attempt to oblige the Opposition to debate the Bill on the same day, apparently with a design of rushing the second reading, was only defeated by a stern protest from Mr. Deakin, who refused to discuss it unless time for consideration was afforded. As a consequence of examination of the measure by some members of the Opposition who have had direct experience of the Arbitration Court either as employers or as counsel for employers, sundry clauses were so severely exposed that Ministers had no choice but to alter their provisions. One of these purporting to deprive the President of the Court of the right of exercising a discretion under any circumstances was so obviously unconstitutional that the duress intended to be applied to him was withdrawn. Even this was accomplished against open protests by members who were of course, like their supporters, Trade Unionists first and members of Parliament afterwards. The clause in question directed the President that whenever he fixed a minimum wage for any industry he must at once, whether the circumstances required it or not, grant a preference to all Unionists seeking employment over non-Unionists similarly situated without reference to qualifications in the requirements of the trade. As amended the President is now allowed to use his judgment in the matter, but even this justice was only wrung from the Cabinet when it became clear that to refuse it would involve the annulment of the whole clause by the High Court. Even as now qualified the Bill is reckless in its cancellations of every safeguard retained in the Act of 1903–4 despite the dangerous consequences. Our Arbitration President already enjoyed the power of dispensing with the laws of evidence and the technical forms observed in all other courts, and is expressly authorised to inform his mind upon any evidence collected in any way he thinks fit. When the present Bill becomes an Act a fortnight or so hence he will be free to dispose of any industrial complaints brought before him according to his individual opinion “of what is fair and right”, having regard to “the persons immediately concerned and of society as a whole”. No wonder the late Attorney-General (Mr. Glynn) wished him joy when he takes advantage of the extravagant charter contained in this “very indefinite definition”.

LETHARGY OF THE PUBLIC.

Still the real core of the new Bill from the Labour point of view is to be found in the clause repealing each and all of the conditions imposed by the present Act upon every grant of preference to Unionists made by the Court. They may not now employ their funds for political purposes, their rules and terms of admission must be reasonable, and generally their responsibilities as public bodies require to be recognised before they can be endowed with independent authority covering powers the exercise of which, as Mr. Irvine, K.C. said, may be “absolutely tyrannous and cruel”. Henceforward their rules will remain private, their actions unchallengeable, their funds may be spent in political agitations, they may impose their own terms upon all who join them, and limit the employment of any free labourers who remain only, after all, Unionists, without regard to their comparative efficiency, are fully employed. Truly the Unions have extorted “their pound of flesh” without delay and without mercy from the Fisher majority. They have enjoyed opportunities of obtaining preference for six years, which some of them accepted because fair conditions were enforced in order to prevent gross abuses of this privilege. That preference no one opposed or has sought to restrict. Amendments making it more attractive would have been conceded so long as injustice was guarded against. But now every barrier, high or low, is broken down. The Unions in a few days more will be enthroned and absolute masters of the industrial situation. The coming change, though clearly explained by our principal papers, apparently does not diminish the lethargy of our public. It is true that the extreme individualism and the remains of the anti-federalism of our Free Trade *Daily Telegraph* discount its attacks upon the Labour movement, while the timidity and tepidity of the *Morning Herald* render it equally ineffective, in spite of its more national spirit. Yet, all allowances made, the apathy with which Sydney accepts these aggressive strides towards Caucus Party despotism augurs ill for effective opposition at our approaching State elections, though in respect to these both papers are anxiously earnest. The Labour Party, begun in the Unions, depends upon them for its Leagues, and for its members in our Legislatures, who, sitting in Caucus to-day, reign over the Commonwealth. Naturally their first decree gives them, as Unionists, a law of their own, free from conditions, and a Court of their own, through which they can and will establish themselves as a privileged class.

THE COMMONWEALTH OF AUSTRALIA.

NORTHERN TERRITORY BILL.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Aug. 6 [16] 1910; Sep. 20 1910.

In the Commonwealth Parliament all the new and important business of the session is evidently intended for the House. The Senate has been given the Northern Territory Bill, which only failed to become law last year because the late Government lacked two votes, and will have the Defence Bill this week. But no sooner was the Arbitration Bill pushed through the House than the measure authorising the first issue of paper money that Australia outside of Queensland has yet seen was laid upon the table. Mr. Fisher, satisfied with the results of the experience in his State of substituting Treasury notes for bank notes, has always advocated a similar addition to the Federal currency. But as he attempted to justify the new departure to the public when moving the second reading, even the assistance of his officials did not furnish him with any argument in favour of the change except its measurable success in the north. So in this, as in the case of preceding Bills, it has been left to the Opposition to supply the data and deductions, which the world's experience has made available, so as to make the debate educational to the public. Our Press had preceded the Bill with many studies of the subject, though none of the Labour papers exhibited more than a superficial acquaintance with even its simplest problems. Governed as we are by the Caucus and through a single Chamber, this is all we can expect. Of course, it will pass probably with a few useful amendments, which even the obsequious majority of Labour delegates dare not reject.

CHOOSING OF CANDIDATES.

By the time this meets the eyes of English readers we shall be on the eve of the General Election for our State Parliament. Every dissolution in this State, and indeed many of the States, provides fresh illustrations of the peculiar difficulty which every party in Australia except the Labour Caucus seems to find in arriving at a satisfactory method of choosing its candidates. As far as Labour is concerned the choice is in the hands of a central election authority, and although now and again there is a spasmodic rebellion against the choice made for a particular constituency, in a very

short time the local leagues accept its decisions with loyalty. The central Liberal authority, on the other hand, very rarely has either the courage or the power to do more than endorse the selection of improvised or unrepresentative local bodies, which are for the most part badly organised and often subject to petty local prejudices. These carry little weight because they are chosen by men who can only claim to speak for small minorities of their own party. Hence it is not at all difficult to see that the difference between the two methods of selection accounts to a considerable extent for the steadily growing power of Labour. The Labour candidate is chosen by a capable central authority, with due regard to local interests and prejudices, but with primary regard to the interests of the party as a whole. Generally speaking, therefore, the best candidate, which in this connection means the man most likely to win, is chosen. On the other side the candidate is frequently picked by a local clique for personal reasons, and is anything but the most likely to win.

All this, of course, is the description of a tendency rather than a precise statement of facts. It is hardly necessary to say that we still have many good and able men on the Liberal side in both Federal and States Parliaments. But they get there rather in spite of our methods of party organisation than because of them. This would not matter so much if it were not for the fact that, thanks to the example set by Labour, party organisation is playing an ever-increasing part in our political life. The "independent" candidate has less and less chance of success. The political future, so long as our system of government remains what it is, lies with the party which has the most efficient system of party organisation. Hitherto the non-Labour Party or parties have had the numbers, while Labour has had the party discipline. The Liberals are beginning to discover that in politics it is organisation and not mere numbers that counts.

SUGGESTED PREFERENTIAL VOTE.

So marked have the evils of local selection become in this and in some of the other States that there is growing up a very general demand for the adoption of what appears to be the only effective remedy – the preferential vote. This system, which of course is familiar, in some shape or other, to your readers, is already in partial operation in Western Australia and Tasmania. In the other States the party in power, nervous about altering the electoral system under which they obtained their power, have always hesitated to introduce the new methods. It has the immense advantage over the present system of selection that it avoids the necessity of a preliminary choice of candidates by the party authorities, and leaves the task of selection to the electors themselves. It is beginning to be generally recognised that its adoption, which in some of the larger States is almost a certainty of the near future, would tend to

improve not only the character and the prospects of the non-Labour Parties in our Legislatures, but the whole standard of our politics. The Wade Government at the last moment is now submitting a Bill to authorise a second ballot for any seat in which the most favoured candidate fails to secure a majority of the votes polled. In that event a second election is held between the two leading candidates within a week or a fortnight, as the case may require.

ANTICIPATIONS OF A LABOUR VICTORY.

What may be the fate of our Liberal Party in this State at the coming election it is next to impossible to prophesy at this stage. The anticipations of a sweeping Labour victory, which are very general, are based almost entirely upon the extraordinary success of Labour at the Federal elections last April. The results then, however, are not a sufficient guide. The issues are very different, the constituencies are different, the character, ability, and reputation of the party leaders are vastly different. Mr. Wade's Government may be defeated. There is not a great deal in the personal characteristics or abilities of its leading members, except perhaps the unquestioned, personal integrity of its head, to attract support, though it certainly offers the electors a useful working programme. But little as there is about the present Government to arouse enthusiasm, there is still less about their opponents. The sympathetic vote, unpledged to either side in the Federal contest, went for the Caucus. Unless the State Labour Leagues can repeat that capture their chances of displacing Mr. Wade are not yet promising and not likely to become so.

TRANSFER OF THE NORTHERN TERRITORY.

The Bill for the transfer of the Northern Territory has been the cause of some amusing political posturing between the two Labour Ministries now concerned with the agreement made by their predecessors. Their respective Crown law advisers, with a willingness to give the kind of advice their clients want, which is not uncharacteristic of the profession, are at issue about the meaning of the agreement. Those of South Australia are quite clear that it means that the transcontinental railway line must be built wholly within South Australia proper on its Northern Territory. The Federal law officers are equally clear, as a matter of law, that the agreement only fixes the terminal points of the line, leaving open the question of the intermediate direction and route. Mr. Fisher, who is a Queensland representative as well as Federal Prime Minister, feels that he must get the transfer through, but wants to avoid pledging himself to a view of the meaning of the terms which will exclude the carrying of the line through the

western areas of his own State. Mr. Verran, the Labour Premier of South Australia, unwilling to risk amending the Bill against the interests of his own State, and, fearing that his Legislative Council would insist upon that course, wishes to get the transfer completed without losing, at any rate, the possibility of having the line built wholly within South Australia. In the result, the Bill seems certain to pass, the meaning of its terms being left to be settled later by the Courts. This, of course, is an utterly indefensible and costly way of doing the nation's business. Still the transfer of the Northern Territory is such an urgent national necessity that even in this fashion it may be put through, though to the discredit of both Ministries concerned with this last stage of a great national measure.

THE COMMONWEALTH OF AUSTRALIA.

UN SOUND LABOUR FINANCE.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Aug. 24 1910; Sep. 29 1910.

The Fisher Government, despite its overwhelming majorities and their disciplined obedience in both Houses, is by no means exempt from humiliations at the hands of its colleagues. Ministers have few followers in the ordinary sense of that political term, since all of them share in Cabinet decisions. Although the action of the party is decided from day to day in Caucus, without any hint to Press or public of the number of divisions taken or of the votes on either side, some curious sidelights become available every now and then. For instance, Ministers accepted an amendment in the Senate, of course from their own ranks and resisted by the Opposition, granting to Trade Union officers the privilege of appearing practically as counsel for their comrades in the Arbitration Court, from which all lawyers have been banished. After the measure was returned to the House the Prime Minister moved the acceptance of the alteration endorsed by his Cabinet colleagues above, but when some hostility was disclosed from his corner very unceremoniously and without explanation adjourned the debate. In next day's Caucus the new clause must have been disapproved, for presently in the face of the House the Prime Minister moved and carried the rejection of his own proposal of the night before. No such exhibition had ever been witnessed under the old regime, but in the new conditions now established it passes almost without observation. Rumours of dissensions and of bitter recriminations reach the outside world now and then despite the elaborate precautions, but remain mere hearsay. Still unguarded interjections occasionally disclose the pent-up heat smouldering in the breasts of those who, being in the minority in Caucus, are obliged to obey the larger number of the Labour members. Ministers have no more authority than that carried by their votes, and are therefore always liable to be dragged at the tail, or rather by the tail, though generally treated elsewhere as the heads of the party.

The Federal Opposition, small as it appears, especially in the Senate, is having its successes, one of the most conspicuous being achieved upon the Australian Notes Bill. Although this was introduced ostensibly to establish a Commonwealth paper currency, displacing the existing bank-notes, its principal purpose was to place some

£5,000,000 at the disposal of the Government, that being the difference between a £7,000,000 issue and the £2,000,000 of gold retained in the Treasury to back it. Much jubilation had been expressed in the House and out of it by members of the Federal Caucus and their comrades at the prospect of obtaining this forced loan without interest, from the banks obliged to purchase the notes for the use of their customers. But, under the steady pressure of Opposition criticism in Parliament and in the Press, the project became so discredited that Mr. Fisher found it necessary to explain a change of mind. He still intends to take advantage of his custody of the gold to be received for the notes in order to square his accounts for the year; but after that temporary overdraft pledges himself to employ the funds, only in the purchase of Australian or British debentures. The capital sum will thus be secured, while the interest earned by it will be annually available for the Treasury. Such a *volte face* leaves in the lurch many of his supporters in Parliament and out of it, who have been smacking their lips at the prospect of the raid upon the capitalist banks intended to be accomplished under cover of the Bill. Even as amended, it is still being keenly attacked by Mr. Deakin and his party on the score that the management of the issue should be dissociated from politics altogether, and the control either remitted to the banks under strict guarantees or to a new institution resembling the Bank of England. There seems little prospect of any success in these directions. Nevertheless, the steady fire of Opposition criticism is having its effect, and the general trend of public opinion seems passing from hesitation into conviction – a conviction that the Labour Administration is unsound in its finance and cannot be trusted in its experiments with the currency.

NEW SOUTH WALES ELECTORAL METHODS.

Under present circumstances, although the high pressure in the National Parliament and the importance of the drastic legislation in hand are of supreme interest, the coming crisis in our own State cannot be ignored. The prospects of the Government at the forthcoming election in October will not be improved by the legislative efforts and achievements, such as they are, made during this the last session of the Parliament. Mr. Wade, during his term of office, has done useful work, but by an unfortunate fatality everything he does seems to lose its savour, being either untimely or ungraciously handled. Hence his work, useful and honourable as it has been, has not won for him half the reputation or the gratitude which less faithful public service has often obtained for others. These defects of manner and method have been particularly obtrusive during the short session which has just closed without dignity, leaving new measures of the utmost moment hurriedly introduced and in the most far-reaching instance only to be hastily abandoned. The session as a whole ought to have been a good deal more fruitful, and easily could have been if tactfully

handled. One of the worst disappointments, for the friends of the Government, was the Premier's insistence upon his proposal of the second ballot as the one and only Cabinet contribution to the reform of our electoral methods, the necessity for which has been emphasised in this column on many occasions. What we wanted was some provision that would get rid of the necessity for the preliminary selection of party candidates by petty committees, and would prevent, in case of there being three or more candidates, the return of one who could only obtain a minority of the votes cast. Most people who have thought about the matter here regard the preferential vote as the only device yet suggested that even approximately meets these requirements. We have had clear illustration in Tasmania and in Western Australia of its practical possibilities under Australian conditions. Despite its promise Mr. Wade has persisted with his second ballot, of which the best that can be said is that it is a little better than the present system, and that it will sometimes prevent the representative of a minority from being elected, where without it he would be. Stated shortly, the new law amounts to this, that whenever there are three or more candidates, and the one receiving the largest number of votes does not obtain an absolute majority of the votes which were lawfully polled, the two highest on the list are called upon to resubmit themselves to the electors again within a week or ten days of the first poll. Notwithstanding the very faint praise, or the open censure, of his supporters, Mr. Wade has adhered to this rule-of-thumb method of improving electoral methods, apparently on the strictly practical ground that it involves less alteration in the existing system than any other. It may do something, but it is all but certain that it will not do enough.

CONSTITUTIONAL REFORM.

Our Government caused still greater disappointment, in fact, something very near rebellion, by its attitude towards the more important question of the general reform of our State Constitution. For a long time Mr. Wade seemed resolved to make no proposals on the subject. It was not until the Labour Party had come out with its plan for reducing the number of members of the Assembly from 90 to 54, and abolishing the Legislative Council altogether, that the Liberal leader seemed to awake to the fact that some policy on this subject was demanded of him. His eleventh-hour scheme was to submit to a referendum the questions: first, whether the number of members of the Assembly should be reduced to 72, and next whether a limitation should be placed on the numerical strength of our nominee Legislative Council, the suggestion being to fix its total at 50. A joint sitting of the two Houses, though only one of them would be elective, was to provide for the settlement of these differences. It is unnecessary to discuss this piebald plan, since one and all of its parts were no sooner announced than they were incontinently and ingloriously

abandoned. An effort of a kind was made to reduce the size of the Assembly, but the rejection of that judicious and reasonable project brought down all the rest of a structure far too artificial and inconsistent to call for serious examination. Of course, this performance is discreditable to the good sense and foresight of the Cabinet. It was probably due to the persistent procrastination and obstinacy of our courageous but hard-working, sincere, and competent Premier, who is excellently fitted for everything except leadership, and a particularly useful Attorney-General. Still, with all Mr. Wade's defects his sterling character and sound administrative abilities will, it is hoped, secure his Government from being dispossessed by its far less trustworthy and experienced rivals.

THE COMMONWEALTH OF AUSTRALIA.

VIGOROUS EXPANSION OF QUEENSLAND.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Aug. 30 1910; Oct. 3 1910.

The apparently impossible has happened. A Ministry fortified by its Caucus majorities in both Chambers, and in no way affected by the hostility of the principal Australian papers in the Commonwealth, has been forced to surrender the principal provision of one of its principal measures even before it left the House in which it was defiantly introduced three weeks ago. This Bill authorises the issue of Australian notes of 10s. and upwards to the amount of £7,000,000 against a gold backing of one-fourth of that sum. Above that amount the backing must be raised to £ for £. This meant, as the Opposition was not slow to point out, that the banks who must accept this new Government paper currency in place of their own notes, which are being taxed out of existence, will be compelled in this way to make a forced loan to the Federal Treasury, over and above its reserve of £1,750,000, that is expected to amount to over £5,000,000. The Bill explicitly declared that this large sum might be expended "for any purpose that the Parliament directs", which under present conditions means anything that the Caucus chooses to prescribe in its secret sessions. The whole control of the issue was to be left to the Treasury, or, in other words, to Mr. Fisher as Treasurer, who intended to place himself in a very pleasant position as distributor of the splendid largesse with which our banks are to be bound to supply him. The scheme, so fundamentally unsound, was naturally criticised with severity by the Front Bench of the Opposition. Under its concentrated fire Ministers began to be uneasy, then to give way, and finally threw over their own clause altogether in favour of another demanded by their critics. As the Bill goes to the Senate, the Governor-General in Council becomes the custodian of the gold from the banks, which is to be paid into a Trust Fund, inaccessible except by Act of Parliament, while the whole of the sum above the reserve retained is to be devoted, after paying expenses, to the purchase of British or Australian Government securities, the interest upon which will go to the same fund, thus furnishing a very substantial guarantee that the note issue will be above any possible suspicion. The only point on which the Caucus insisted was that the Gold Reserve need not exceed 25 per cent. of the issue. Still the political victory of the Opposition is highly satisfactory in its results, and constitutes an almost unprecedented triumph for Mr. Deakin and his colleagues.

IMMIGRATION, RAILWAYS, AND LAND SETTLEMENT.

The three needs of Queensland (and indeed of Australia) were defined the other day by its *State Treasurer* as immigration, railways, and land settlement. In recent years this State has been enterprising in these regards. Already lines nearly 4,000 miles in length are open to traffic, probably a higher mileage in proportion to population than any other country in the world. In respect of immigration, too, they have been a good deal more active and practical than any other State except Western Australia. Their arrangements for assisted immigration brought during 1909 an addition to the population of nearly 7,000 persons, all of whom, according to Mr. Hawthorn, have been provided for without any difficulty. These figures, of course, take no count of the large numbers of immigrants who during the year came to Queensland from overseas, or from the other States, without assistance from the Government. All the unproductive expenditure – unproductive, that is, so far as immediate returns are concerned – involved in the extension of railways into new country, and the promotion of immigration and land settlement, has not prevented the Treasurer from being able to show a surplus on the year's accounts. Every department of industrial activity, except mining, shows signs of vigorous expansion. The State Railways, a useful guide to the condition of the pastoral and agricultural industries, gained a revenue exceeding that of the previous year by more than £200,000. The figures recording the output of frozen meat, wool, and coal show progress greater than any previously recorded. The production of sugar, notwithstanding a heavy handicap imposed by uncertainty as to the policy of the Commonwealth Government with regard to the continuance of the bounty, was considerably greater than that of the year before. Now that his uncertainty has been removed by the introduction of a Bill into the Federal Parliament, making the bounty permanent, it is expected that a very much larger area will be put under cane.

EDUCATIONAL ADVANCE.

This prosperity is opportune, for the demands made on our Governments in a country of wide area and scattered population are very large indeed. Ministers are contemplating a considerable increase in the expenditure on education. Having recently resolved on the foundation of a University, its governing body has been brought into existence, and the necessary buildings are now in course of erection. The establishment of a University has long been a cherished object with Queensland's leading men, of whom the Chief Justice of Australia, Sir *Samuel Griffith*, is the foremost. It is very fortunate in having as its first Chancellor Sir *William MacGregor*, the Governor, whose scientific attainments are in no way obscured for Australians by his great administrative abilities. Besides the University, it is proposed, as in New

South Wales, to extend the facilities for secondary education by the establishment of secondary schools in the larger towns. In this connection, it is interesting and encouraging to observe that in nearly all the Australian States a considerable portion of our reforming energies are running in the direction of providing more ample and more efficient means of education. Western Australia intends to follow the lead of Queensland and start a University of her own. The Victorian Parliament has before it a Bill which is designed to effect a great improvement in the existing methods of technical and secondary education, making them available practically to every youth in or near a centre of population. Here it is part of the policy on which the **Wade** Government is going to the country to extend the facilities for secondary education right throughout the State by the establishment of State secondary schools in all the larger provincial centres. The Labour platform goes one step further in proposing that not only secondary but University education should be absolutely free. So that in four at least out of the six States improvement in the facilities for education holds a prominent place among the political projects of the immediate future.

THE FEDERAL NOTE ISSUE.

To revert, however, to the fortunes of Queensland, the Budget calls attention to one point in which the Northern State is hit harder than any other by recent Federal legislation. The Federal Note Issue Bill in effect prohibits the issue of notes by State Governments. Queensland is the only State of the Commonwealth which has ever issued notes. There are £1,600,000 of these now in circulation, out of which she has made a profit of some £25,000 a year. The Federal note issue not only deprives her of this profit but makes it necessary for her to redeem at once the £1,600,000 worth of notes outstanding. The exuberant prosperity of the last few years enables Mr. **Kidston** to do this without any inconvenience, and, fortunately, without any curtailment of the necessary expenditure on railway extension and land settlement. The Federal land tax will also be felt very heavily in Queensland. In the other States, for the most part, most of the large areas fit for closer settlement, at which this tax is aimed, are near enough to railways to make this closer settlement possible. But Queensland possesses enormous areas of fertile land, now being put to good use as sheep runs, which are at present much too away from the sea coast or from existing railways to be used by small settlers, even if sufficient were available. Granted a steady influx such as is now being obtained and the continuous prosperity of this prolific part of Australia is assured.

THE COMMONWEALTH OF AUSTRALIA.

FEDERAL LAND TAX.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Sep. 6 1910; Oct. 18 1910.

The Land Tax Bill has monopolised public attention, and is certain to continue its monopoly, because, directly or indirectly, it affects the interests of more people in a tangible and substantial fashion than any Bill that has seen the light in any Australian Legislature. It would not be an exaggeration to say that no legislative proposal hitherto introduced in this country will have anything like such immediate effects upon individual citizens as this measure if carried in its present form promises to have and must have unless it altogether fails to fulfil the intentions of its authors. The case for the imposition of some form of land taxation by the Federal Parliament, can be shortly stated. There is a case for it now, and a fairly strong one. Whether that case justifies a tax in this form is another question. First, large areas of land suitable for agriculture are certainly at present locked up in the hands of wealthy holders, and are not put to their most productive uses. The extent of this evil is always exaggerated, but the evil is undoubtedly there, and in the interests of immigration and defence, if for no other reasons, requires to be cured. It is not so easy for the small farmer as it ought to be to get land not too remote and suitable for cultivation on a small scale. Second, the State Parliaments have had this evil before their eyes for a long time, but they have up to the present taken no vigorous or properly effective steps to cure it. With them land taxation was a duty, and they are directly responsible for letting it pass into other hands and upon a scale that makes any kind of equity, not to speak of equality of sacrifice, all but impossible. Third and last, the electors undoubtedly gave their sanction on April 13 last to the imposition of some form of graduated land taxation, calculated to “burst up” the big estates containing land suitable for closer settlement. They did this because in most cases they despaired of State action, long overdue, and still either neglected or inoperative. All this may be, in fact must be admitted, whatever we may think of the form in which the proposed tax is now introduced. Admitting it all, however, we are still considerably short of a justification for the measure now before the Federal Parliament. There is, to begin with, the fundamental question whether, taking for granted all the evil results of State inactivity in the past, the Federal Parliament can be the proper authority to correct these.

In other words, is it constitutionally entitled, in the apparent exercise of its taxing powers, to regulate the conditions of land holding in the States? This is, in one of its aspects, a dry question of law, which is certain to be submitted to the judgment of the High Court as soon as the tax comes into operation, and our constitutional lawyers seem much divided as to what the answer will be. On the precedent of the new Protection cases, where the High Court held that the Federal Parliament could not, by pretending to impose an excise tax, regulate the conditions of workers in factories, there seems to be some ground for the anticipation that the graduated land tax, which under the guise of a tax undoubtedly regulates the conditions of the holding of land, will be disallowed. At all events, this is the main ground on which the **Leader of the Opposition** has based his adverse amendment.

POLITICALLY UNCONSTITUTIONAL.

The question, however, is more than a dry question of law. Even assuming the tax to be constitutional in the legal sense, it is still quite possible for it to be unconstitutional in the political sense. Here Mr. Deakin was on much stronger ground. It certainly strains the Federal powers to their utmost and imposes a grave limitation on the freedom of the States to control their land policy – which they alone can control effectively – and on the State powers of taxation. This may be consistent with the bare words of the Constitution. It is certainly not consistent with the maintenance of the equilibrium of governmental powers which most people thought had been established by the Constitution. It means, in effect, the transfer of a governmental power of the first importance from local authorities which can exercise it effectively to one central authority, which for both constitutional and practical reasons cannot. Not, of course, that every form of Federal land taxation is obnoxious, but only that form with which we are now confronted, since while affecting to be a tax for revenue purposes it in effect controls the size of land holdings in the States. It may be a good thing that the Commonwealth should be now invested with the power with which the Constitution has not endowed it to legislate on this question. It is not a good thing that it should obtain or exercise the power by a subterfuge. These considerations, of course, will not prevent the passage of the Bill. It is a little out of fashion just now to show any regard for the maintenance of the Federal principle upon which the whole of the Constitution was deliberately and carefully founded. We have become impatient of any barriers that stand between the majority and the immediate realisation of its political aspirations, even though we ourselves placed the barrier where it is only ten years ago.

“ON THE JUST AND THE UNJUST”.

This measure not only threatens to disturb the nice balance of our constitutional powers. It also promises to work many great and obvious injustices, for which it is difficult to find any excuse. The Labour Government can claim, with perfect fairness, that it has the warrant of the electors for imposing some form of tax that will make the monopolising of good land unprofitable and compel the subdivision of large areas which are now put to inferior uses. For this purpose it was only necessary and only fair to impose the tax on those landholders who were doing the thing against which the Act was directed, and who could subdivide their large holdings. This tax, however, is practically without limitation or consideration. It falls on the just and the unjust alike. Two classes are specially hard hit. One is the urban landowner, who is obviously not a party to the evil which the tax is meant to cure, and who cannot avoid its incidence by subdividing. The other is the country landholder whose land, not being suitable for closer settlement and not having been improved by the construction of railways or other public works, remains now at the same value as the Crown originally obtained for it. His case is even harder than that of the urban holder. He cannot subdivide, for the land would be useless in smaller areas. He has no “unearned increment”, like some, at any rate, of his urban fellow sufferers, out of which to pay the tax. So that in his case the tax amounts to sheer confiscation. For this kind of thing there is no warrant in the vote of the electors at the recent election. And, it may be added, there is no warrant in any principle of sound economics or of common fairness. Revenue, indeed, is wanted. But more revenue can be obtained by a tax which falls with something like equality all round. But the avowed first principle of this graduated tax is not to obtain revenue. The less revenue it produces the more nearly it fulfils the purpose of its authors. This Government is undertaking the difficult task of associating two precisely opposite principles in the same measure. It penalises the holders of certain lands whether they retain them or not, for the tax has lowered their values if they sell; it punishes those who have improved their estates to the utmost as much as those who have simply shepherded broad acres fit for the plough. It bears with especial severity upon the pioneers “out back” where closer settlement is impossible.

INDISCRIMINATE INCIDENCE.

The only justification that has been attempted for this ruthless proposal is the statement that the Constitution forbids discrimination of the kind that would be necessary to avoid such results, and that to try to avoid them might endanger the validity of the whole tax. This could perhaps be regarded with more propriety as an argument against the tax, rather than in favour of the discrimination. However, there seems to be no doubt in the minds of our constitutionalists that while ways of escape from these injustices are open without destroying the whole fabric the Government has not up to the present indicated any desire to take advantage of them. The Cabinet is taxing blindfold, and, if the *Attorney-General* is to be taken as an authority, will not be baulked by any of the series of unnecessary hardships it is forcing upon many landowners. The prophecies of national disaster and ruin with which this proposed tax has been received are, of course, the outcome of the exasperation of reluctant taxpayers. The law will have some good results, and many more bad ones. It will throw open to the small settler some areas which ought to have been thrown open to him by State activity years ago. It will tend to force holders of taxable areas to put their land to its most productive use. It will produce a large revenue; no one knows how large. Unfortunately these advantages will be associated with inevitable constitutional injury and political confusion, as well as with a great deal of injustice and hardship. In some cases, it is to be feared, the Act will involve ruin to persons who are in no way censurable. Our democracy has not discriminated between land settlement on principle and land unsettlement without principle.

THE COMMONWEALTH OF AUSTRALIA.

PRESS AND FEDERAL CAPITAL.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Sep. 20 1910; Oct. 25 1910.

Sydney people cannot but admire their Press, though at times under the influence of a provincial spirit it becomes not merely unpatriotic to the Commonwealth but ridiculous to all observers. Whenever any question as to the Federal capital arises our editors take leave of their judgments and become mere scolds. On the instant the *Herald* and the *Telegraph* shriek for Canberra, the *Bulletin* whoops for Dalgety, and commonsense is ejected from their leading columns. The Fisher Cabinet has pledged itself to the site accepted by its predecessors, though seeking an additional area where Mr. Deakin was satisfied with water rights. Even if it had never been pledged that Cabinet dared not waver on this question, because the State Caucus nominees at our election now proceeding would undoubtedly have suffered severely in consequence if it had. It was in order to commence to prepare Canberra for occupation that a sum of £50,000 appeared in the Federal Works Estimates. This item was at once challenged by the Victorians, who always insist that the capital should be much more distant from Sydney. Badly beaten in the House, the item was again challenged in the Senate, when the numbers were equal, and under the Standing Orders, in the absence of a Speaker's casting vote, the amendment was taken as negatived. But even if the amendment had been carried nothing need have happened, as the other House would not have surrendered its prerogative. Then, again, Ministers have only to issue a proclamation finally annexing Canberra, which they can do whenever they please. Undoubtedly they must have done so if the veto had been lost before the polling day arrives in this State a month hence. Yet our metropolitan Press behaved as if the fate of this State and of Canberra hung upon a division that in all probability would have been reversed in the Senate itself directly the House refused to accept the alteration. Both sides during the debate appealed to "national" considerations. In the Melbourne papers these are held to require that the capital should be on the Victorian border; in our papers that it should be as close to Port Jackson as possible. If, then, the leading journals in both States are sinking in popular esteem and in political power it is because after such exhibitions they lose weight with their readers. It is true that the Labour newspapers in existence are even less judicial, and that those which the Caucus intends to found, so that it may have a daily of its own in every State capital,

will be even more reckless in furthering their own party ends, but then their readers are much less critical. They wish to be supplied only with partisan caricatures of facts and persons unfavourable to them, and they are. On the other hand, our more educated and discerning public, badly advised by our newspapers, lose confidence in them, become more distrustful, remain disorganised, or refrain from voting, and thus leave our best educated and most thoughtful citizens unrepresented in Parliament.

LABOUR PARTY'S LEADERS.

So far, therefore, the reaction against Labour supremacy and its Federal policy though steadily growing is not becoming effective. The principal cause of this is the very slow awakening of our citizens to the fact that the ostensible leaders of the Caucus, who become as moderate as they dare, under the influences of experience and responsibility, are not masters of the situation, are not indeed even their own masters. To begin with, they have no sufficient grounding in the principles upon which constitutional government should be carried on. They, like their followers, have an excellent grasp of all methods of obstructing debate or creating crises, but almost all their knowledge even of these has been gained by rule of thumb. Their policy has no foundation to sustain it. Federalists they never were, except under pressure from State interests, and whatever reading or information composes their knowledge of the structure of the society which they now control or the ends to which it can be moulded are derived from ultra-Socialistic hand-books of various schools whose common aim is to destroy existing institutions first and begin to develop afterwards. Few realise and few of these care to confess what constructive plans they propose to pursue. Even among the leaders the future programme remains visionary and vague, and in the meantime they are constantly surprised by finding that at every critical juncture the control is taken out of their hands. They themselves are led. Immediately behind the Parliamentary chiefs of the party, and always ready and willing to step into their places, march eager and irresponsible Trades Unionists, never sobered by political responsibility, never satisfied or confessing satisfaction with the rate of progress achieved by their political leaders. These people have the advantage that always belongs to extremists – the advantage that the impracticable or unjust character of their schemes is not being understood. Their counsels are generally much more acceptable to the rank and file, of the party than are those of more moderate and experienced guides. Consequently these non-Parliamentary leaders of our Trades Unionists are men to be reckoned with. They exercise an influence out of all proportion to their public repute. Most of the time they work unseen and unheard of, so far as the outside public is concerned, disguising their militant aims as long as possible. From time to time in a crisis they emerge into publicity, and only then

do outsiders have a chance of learning from others than the official Parliamentary spokesmen what really is the attitude of the untrained and un-trainable mass behind them towards our social fabric. In Melbourne last week Ministers were openly resisted and coerced by the Caucus for which they act. Looking nearer home over the industrial crises of the last few years, it is very interesting, and a little disconcerting, to find how often there has been revealed a serious difference of opinion, both as to objects and methods, between the nominal leaders of Labour in this State and the non-Parliamentary heads of the Unions who take the reins out of their bands at the smallest provocation.

ATTITUDE DURING STRIKES.

At the time of the passing of our Industrial Disputes Act the Sydney Trades and Labour Council, in flat defiance of the advice of its political representatives, headed by Mr. McGowen and Mr. Holman, strongly counselled the Unions they represented to ignore the Act. On the occasion of the tram strike, when the leaders of the Tramway Employees' Union, with the active assistance of other Union leaders, plunged the men into a futile and ridiculous strike, the leading Labour members, although they dared not say much in public, were known to be strongly opposed to any such course. At the time of the Newcastle coal strike, nearly a year ago, Bowling and his associates, who engineered the struggle, were openly contemptuous of the tactics and counsels of those who are allowed to pose as leaders while the party is marking time; and in South Australia only the other day we had a strike lasting several days, of Government employees, too, against Labour Ministers, because their Premier refused to get rid of a foreman who was disliked by the men under him, but who had been exculpated from the charges made by them. After the strongest protestations by Mr. Verran that he would never yield he was obliged to transfer elsewhere the officer who had done his duty and had been exonerated by a competent and impartial board of inquiry. The unpleasant aspects of these incidents are, first, that the second-rank Union leaders in nearly every case have advocated deliberate and open defiance of the law, and that on appeal they have been supported in this ruinous policy by the great majority of the party; and, second, that none of the Parliamentary leaders has had the courage to openly denounce them or to insist in public upon the obedience to the law. In most cases, finding that their private opinions in favour of honest citizenship did not recommend themselves to the men, they have, at best, satisfied their consciences by abstract declarations for legality at the same time trying to satisfy their constituents by denouncing the Government for enforcing the law. In Western Australia the other day, on the occasion of the tram employees' strike, the leading men in the Parliamentary Labour Party appeared to throw themselves wholly

on the side of the lawbreaking employees, whoever openly resorting to violence, and that without reservation in favour of the observance of order. On the contrary, they openly approved the insurrection of the employees. All this makes many electors who were quite prepared to sympathise with the general objects of the Unionism very uncomfortable. The feeling is not diminished by the fact that we have had instances, even in the recent history of the Federal Labour Ministry, of a spirit, if not of hostility, of reckless levity towards the law. Money being wanted to balance the year's accounts, Mr. Fisher took it in defiance of the law from trust funds, without even asking for an act of indemnity until this was insisted upon by the Opposition. Further, when any part of his programme appears to conflict with the Constitution, his policy is to pass the Act and "chance it" with the High Court. This sort of thing is doing the party much harm with those who reflect upon the demoralising effect of such continuous invasions of law and justice. Australia has had no fear of the constitutional platform and policy of Labour, and need have none so long as it is secured by deliberate Parliamentary enactment made with the approval of the electorates; but as we discover that its leaders do not and cannot lead, but are driven by the lawless and violent Socialists in the rear, confidence is fast disappearing.

THE COMMONWEALTH OF AUSTRALIA.

LABOUR PARTY CAUCUS.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Sep. 27 1910; Nov. 5 1910.

Perhaps because so considerable a number of Labour members are new to membership the transformation they have already conjointly accomplished in the procedure of the Federal Parliament continues open and flagrant. The business of both Chambers is now frequently suspended, or put aside, by the Caucus, to suit its own convenience, in a fashion that would paralyse an English Constitutionalist. An array of empty benches on one side of the House, while the two or three negligible Labour representatives present relieve each other in talking against time, all the rest of them being engaged in their private room, behind locked doors, deciding how many and what amendments shall be made in Ministerial measures, is a spectacle now becoming quite familiar in Melbourne. Our town newspapers report these extraordinary proceedings with hardly an indication of their full significance. It is true that in critical moods they dwell with pleasure upon the ferocity of the encounters occurring out of sight between the Cabinet and aggressive members of its following, though they really concern the public very little. Open outbreaks such as those frequent of late in the Senate, between the Minister leading the Labour majority and a few angrily contemptuous assailants from among his outwardly docile crew, properly provoke some comment. But, after all, these recurrent evidences of personal frictions might occur in political assemblies anywhere, and do occasionally discover themselves everywhere. But nowhere else under the British flag can one witness the public sittings of a Legislature being held up every now and then by the Government itself. Its sessions are being not merely wasted of set purpose in idle talk by its orders, but a deserted Chamber evidences an entire subordination to decisions arrived at in a closed room of the same building, where laws that are to bind the whole of Australia are being fashioned in strictest secrecy. Ministers in Caucus descend from their positions to become units, whose only authority springs from the fact that they have some knowledge derived from officials of the public service behind them. They enjoy no other advantage or distinction over their comrades, are voted down again and again, finally emerging with mandates that they must obey, however repugnant they may be. Returning to the Parliamentary members waiting in the Chambers they meekly introduce, or amend, or withdraw their measures as they have been directed.

Solid majorities in both Houses straightway vote them through exactly in that form, no matter how fierce the struggle or how narrow the majority in the Caucus may have been. This is democracy as developed to-day in the Commonwealth. This is self-government and Cabinet responsibility according to the Labour Leagues and their legislative dummies. Next week Mr. Fisher escapes from his political penances to attend the festivities in celebration of the opening of the South African Parliament. Seeing that the session is at its height, two vital amendments of the Constitution about to be introduced, the Budget debate not even commenced and the Northern Territory Transfer only just sent down to the House which he leads, his departure would under ordinary conditions be almost inconceivable. Many onlookers are satisfied that he is breaking away at any cost from a situation fast becoming intolerable. On the other hand his health is unimpaired, his majority impregnable, and his satisfaction unconcealed. The perplexity of the public arises from the mistaken supposition that he is a Prime Minister in the old sense. First Minister he is, but then under the Caucus system all Ministers are merely heads of departments. If Mr. Fisher with the whole of his Cabinet took ship together the next batch of Labour men who headed the Caucus ballot for their positions would carry on without any break and without the slightest change either of policy or administration. It would be hard for them to find new men as personally presentable as Mr. Fisher and two or three of his colleagues; but then after all only the outward appearances would be altered – the real government, *i.e.*, the Caucus, would remain. Mr. Fisher is glad to go, and his party will lose nothing but his presence on the front bench. Having the numbers they can afford to spare him and also the other Labour members who are joining in the electoral campaign in this State.

NORTHERN TERRITORY DEFENCES.

Sydney has been occupied during the last week in entertaining a fleet of three Dutch warships, which are visiting here from their station in the Dutch East Indies. The cordiality of their reception is customary and natural. We have more in common with our visitors on this occasion than the memory of honourable rivalry at sea in the now remote past. Both British and Dutch have large interests at this end of the world. Both are exposed to a common danger, so far as proximity to the 800,000,000 coloured men who inhabit the South and East of Asia and its neighbouring islands constitutes a danger. We are quite convinced here that it does constitute a danger. Timor, the nearest of the Indies, is within a few hours steam of Port Darwin, in our Northern Territory. For a period that runs far back beyond the beginnings of Australian history, the coloured inhabitants of these islands have come across year by year in their primitive boats for the purpose of fishing along our north and north-west coasts. They know the land is empty, they know it is rich and attractive,

they know from experience that it is accessible. Just beyond them are the millions in China, and, a little further off, Japan. At present, of course, we have little to fear from any of these quarters. The trouble is, we have been too ready to assume that present conditions are permanent. However, one of the most hopeful signs of our recent politics is the focussing of attention on the undefended condition of that part of the Continent which is most exposed to these dangers – the Northern Territory. The measure for its acceptance by the Commonwealth has passed in the Senate. By the time this reaches the eyes of English readers it is almost certain that the essential preliminaries of the transfer from South Australia will have been accomplished so far as the Federal Parliament is concerned. The considerations that weigh more, perhaps, than any other, in expediting the transfer are those of effective defence. This implies, of course, a huge expenditure upon railways and other public works. Meantime, we are consolidating our friendship with our Dutch neighbours. The visit of their Fleet is only one evidence of an increasing sense of neighbourhood. Another is the inauguration of a line of Dutch steamers of substantial size, which are catering with a good deal of success for the tourist and cargo trade between Australia and the East Indies. Some of our own shipping companies are also engaging in this traffic with encouraging results. Sydney is the centre of all such marine enterprises.

ENCOURAGEMENT TO SETTLERS.

The resignation by Sir **Newton Moore** of the Premiership of Western Australia, the accession of the Treasurer, Mr. **Wilson**, and the entrance into the Cabinet of Mr. **Daglish**, formerly Labour Premier of the State and lately Chairman of Committees in the House, implies no alteration of the progressive policy with which Sir Newton Moore's name will always remain honourably associated – immigration and land settlement. The keynotes of that policy are being repeated in Queensland, and certain to be copied in the Q Northern Territory – in fact, they are the watch-words most in favour in Australia to-day. The **Murray** Government has united them in Victoria to closer settlement by means of irrigation with very encouraging prospects; they are emblazoned upon Mr. **Wade's** banner in the electoral battle now raging in this State. In South Australia the Labour Ministry under Mr. **Verran** is increasing its Land Tax at once, though it might have seemed that the drastic measure of Mr. Fisher would have accomplished much more than was necessary to compel the wholesale cutting-up of large estates, whether or not they were suitable for cultivation. Altogether, the situation in the Commonwealth, however costly to landowners, is affording lavish opportunities for intending settlers north, south, east, and west at one and the same time. However questionable the methods, there can be no question of their result.

THE COMMONWEALTH OF AUSTRALIA.

ANTI-FEDERAL PROPOSALS.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Oct. 11 1910; Nov. 19 1910.

What may be left of the Federal Constitution by the time the Fisher Caucus has finished with it will certainly not be Federal. In addition to the amendments, four in all, which were included in one Bill, a fifth has now been introduced, having a measure all to itself. This is intended to invest the Commonwealth Parliament with absolute control of all industrial or business "monopolies" large or small, operating either in one State or in more, and whether they are at all injurious to the public interest or not. Moreover, whatever power it possesses under the existing "Anti-Trust" Act is also being enlarged by an amending Bill making all such organisations operating in more than a single State amenable to penalties, whether or not they benefit the public. Under these conditions it might be thought that the authority of the National Parliament had attained its utmost possible expanse. But another avenue for interference having suggested itself the Caucus has resolved to "go the whole hog". The usual definition clause, describing the distinguishing characteristics of any "monopoly", though in itself that is a very comprehensive and elastic word, has been omitted. Though it may hardly appear credible the new Bill actually proposes to place on the Constitution a clause providing that any "industry or business of producing or supplying goods or services" shall become a "monopoly" whenever both Houses so declare by resolution during the same session. If this becomes law, then for the next two years the Caucus will exercise despotic control over every commercial or manufacturing undertaking in Australia. Its blind majority, under the orders of its Leagues, can bring within its all-embracing sweep any and every one of them. Each and all must obey its behests, no matter how harsh or inequitable they may be. Those enterprises that have been made remunerative run a fresh risk, for the Government is expressly authorised to acquire them and carry them on for its own profit. If they are made unremunerative by the conditions imposed on them they will fall into its hands with even greater ease and on worse terms for the owners. There is no safeguard of any kind for any business. Resolutions of both Chambers suffice to make it their prey. The High Court and all other Courts are powerless to intervene. Nowhere in

the world does such a regime exist. The whole of the property of every community is of course subject to its laws, but in no other country is the power conferred upon a majority in its Legislature to appropriate its businesses and industries without provocation, or proof that the tyrannical act has any justification beyond the will of the confiscators.

INTERNAL AND INTER-STATE TRADE.

Apart from its injustice this new amendment is absolutely anti-Federal. If this proposal be carried in addition to those previously brought forward State powers over general business or industrial undertakings and conditions will be reduced to a shadow. Our local Legislatures are being attacked on all sides at the same time, and can scarcely hope to beat back their assailants unless reinforced. To come to the details of the Government's proposed amendments the first deals with the Federal powers over trade and commerce. At present these are strictly limited, like those of the United States Government, to trade and commerce among the States, and with other countries. The internal trade of a State is entirely beyond Federal reach. This division of their domains sounds simple enough. In reality it is anything but simple. In practice numberless difficulties are found here, as in the United States, in defining precisely where internal trade ends and inter-State trade begins. Consequently, the ambit of the Federal power is very indeterminate. The Government proposes to remove the difficulty by the simple process of extending the Federal power to all trade and commerce. One illustration of the difference between the present and the proposed state of things is to be found in the case of anti-trust legislation. At present, this is necessarily limited to those trusts which engage in inter-State trade, such as the great coal and shipping combine, which is now being prosecuted in the Federal Courts. But there are many other trusts in Australia which operate only within a single State. These, at present, are outside the reach of the Federal law. The Government proposal will bring them within it. It will also bring at the same time many other businesses and agencies which are not in fact or in any sense "monopolies", though Parliamentary resolutions can make them such at any moment.

INDUSTRIAL CONDITIONS.

The second proposed amendment is one of a rather technical nature, relating to the control of Corporations, and also very wide in its sphere of influence. The third, relating to the power over industrial conditions, is of much more general interest and importance. At present the Commonwealth powers over the conditions of labour, such as hours of work, rates of pay, sanitation, and so on, are of a very limited kind. It has, indeed, no direct power over these subjects, only a certain judicial control in

special circumstances. Yet these to a Legislature in which there is such a large Labour element are of course the most important subjects of legislation. What power it has comes mainly from its authority to establish arbitration and conciliation tribunals for the prevention and settlement of industrial disputes extending beyond a single State. In practice the exercise of this power has been productive of an enormous amount of expensive and harassing litigation, though in a few instances immensely useful in securing industrial peace. The operations of the Court are so hampered by constitutional restrictions and limitations of a purely technical character, that it is, perhaps, a matter for surprise that it has been at all effective. Apart, however, from the imperfections of the power already granted, it has long been the ambition of the Federal Labour Party to secure for the Commonwealth industrial powers of an altogether wider and different nature. The mere authority to deal with a rather limited class of industrial disputes, by the establishment of tribunals for arbitration and conciliation, was far too narrow to give scope to their aggressive energies. What they have wanted, and what the Government proposes now to take, is complete power to legislate directly with regard to all "industrial matters", a phrase which is wide enough to include all the legislation for improving the conditions of the workers, which has hitherto formed such a large element in the legislative programmes of the States. The immense importance of this proposal will be apparent at once. It means in effect substituting the Commonwealth for the State as the regulator of the conditions of the workers throughout Australia. Theoretically, concurrent powers over these subjects are to be left to the States. In practice, however, as Federal legislation must be supreme, it will be only a matter of time for the State authorities to be crowded out of the field altogether. This is the proposal which will excite the keenest discussion. Among its strongest opponents will be found most of the State Labour members, who naturally do not regard with any enthusiasm a proposal which will leave them without a reason for their existence as State Labour members. But few, if any, will venture to say so. The Caucus is king. It is impossible to attempt to discuss such an enormous subject here; all that can be done is to call attention to its practical difficulties and some of its political consequences in a preliminary way.

THE COMMONWEALTH OF AUSTRALIA.

LABOUR POLICY'S TREND.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Oct. 25 1910; Nov. 29 1910.

Political prophecy is out of date in Australia. At present it has no scope except as to the results of Commonwealth legislation under Caucus control, the disasters expected being variously estimated by those afflicted. The course of legislation admits no opportunity for prophecy. That was settled at the Brisbane Conference years ago, sealed at the last election, and is now being automatically typed for the Statute Book by majorities in both Houses. Labour members speak little. Their business is to vote to order, or when they do address their Opposition critics to confine themselves to quotations from their programme or previous speeches. There is no debate and few rejoinders to criticism. Last week a Bill authorising the submission to the people of four drastic amendments of the Constitution passed into Committee, the Labour majority being half as large as the total Opposition vote. That is but one of the fruits of the late election. Prior to that the political prophets of the daily papers of our several State capitals forecast a sweeping victory for the then Government which was to usher in an era of Federal constructive legislation completing the original design of its Federal founders. Instead of this we are facing a destructive cyclone, wrecking the structure we have built so painfully. Neither the *Melbourne Age* which went over to Labour headlong, nor the *Adelaide Advertiser*, that trimmed its sails in the same direction, foresaw the state of affairs in which we find ourselves. The majority of the voters polled was very small and is greatly overrepresented in Parliament. But the numbers are there. Our own State election ten days ago discovered an ebb in the Caucus vote, but for all that it enabled Mr. McGowen to form the first Labour Cabinet in New South Wales. Political prophecy may regain its opportunity with us, but our newspaper prophets are too discredited to encourage them or their disciples at present.

AMENDING THE CONSTITUTION.

This year's elections take us a step farther on a road which in Sydney we entered upon at Federation when a distrust of our metropolitan Press and particularly of its most venturesome paper became clearly visible. Hitherto the bulk of the public have accepted their guidance, but it seems that this can no longer be anticipated. Our local organisations did excellent work for Mr. Wade, but they, too, are necessarily under

a cloud at present. On the other hand the Caucus papers, leagues, and propaganda are all stimulated to greater exertions. Neither time nor money will be spared to record every possible suffrage it can influence for the crowning capture of the people's vote about to be essayed again in March or April next. Having possession of the Commonwealth Parliament for the time being nothing is impossible in the way of legislation, and in existing circumstances nothing is impossible in the country.

The divisions upon the Bill amending the Constitution were taken before and after the second reading upon two amendments from the Opposition front bench. The whole debate was concluded within a week. Mr. *Hughes*, as acting Prime Minister, introduced the Bill on Tuesday, and by Friday, after a very long reply by Mr. *Deakin* and brief criticisms from his principal colleagues, it was taken into Committee. Never in any single State has a measure of anything like its importance been so summarily disposed of. Again, considering that it will operate over the whole of this continent and that it fundamentally changes our present methods of government from top to bottom, it is not a little surprising that there seems to be so little concern on the part of those who directly or indirectly will be most prejudicially affected. Though there are still four State Ministries opposed to Caucus government not one of them has lifted up a voice of protest; not one of the eight Chambers of their Legislatures has attempted to defend its rights; not a public meeting with that end has been held or convened. Not a single interest, of the many great interests affected, agricultural, manufacturing, financial, and commercial has given any sign of disapproval. Yet, six months ago a mere forecast of such a policy as this Bill embodies and still more of its quiescent reception by the country would have been received with unrestrained ridicule. Patience has not been heretofore a conspicuous quality in any party in our politics. Apparently it is dominant in the Liberal ranks to-day; although the impatience of the Caucus to rush its extreme proposals through is feverishly acute.

VIEWS OF THE OPPOSITION.

The Opposition amendment moved by Mr. *Cook* indicated clearly that any reasonable and necessary extension of the industrial powers of the Commonwealth in order to cope with Federal needs would be adopted. Condemning by implication any indiscriminate annexation of State powers or local interference, except where a clear necessity arises, it ran as follows:

That, in the opinion of this House, the industrial provisions of the Constitution should not be altered, except to regulate the conditions of employment in all industries that are Federal in operation, or which cannot be effectively regulated by any one State, and, further, to enable the inter-State Commission to prevent and relieve unfair competition between the same industries carried on in different States.

Another submitted by Sir John Forrest, coveted Mr. Deakin's primary indictment of the new departure when four separate propositions, which ought to have been dealt with independently, each upon its own merits, were bound in one. This, too, was perfectly explicit in terms:

That, as the inclusion in a single measure of more than one substantive amendment of the Constitution is unjust and undemocratic, as it deprives the electors of an opportunity of the expression of a free and independent judgment upon the several issues raised gravely affecting the future of Australia, it be an instruction to the Committee to divide the Bill into four Bills so as to allow each proposed alteration to be dealt with as a separate measure.

The Bill as it stands is practically unlimited in each of its endowments of the Federal Parliament, every new gift to it being taken from the States for the purpose. Yet how small a fraction of our citizens appear to realise the crisis that is being created by this and its fellow measure, which are about to be remitted to the Referendum.

SUPERSEDING STATE LEGISLATURES.

One of the arguments used by the State Labour candidates in our recent election was that the return of a Labour majority in our New South Wales Legislature would promote a better understanding and lead to more friendly co-operation between this State and the Commonwealth. A day or two after the election Mr. Hughes, the Federal Attorney-General, moved these Bills which, as far as a good many of the more important functions of Government are concerned, practically wipes out this and every other State Legislature. What will Mr. McGowen and his Caucus-elected Cabinet say to this? Will they efface themselves at the first invitation? If so, by whose authority? Assuredly they have had no mandate from their constituents for our State committing suicide in this fashion. They cannot evade responsibility. It is close at hand. The Referendum will compel them to speak out. There can be no secret compact. They must face the issue and face it in the most public way. No choice so interesting or so important has been made by the Caucuses since Labour first organised itself. They are vital not only to its party but to the Commonwealth. This, then, is a fundamental question for the Australian Labour Party, upon the answer to which a good deal of our future history depends. If Labour as a whole should determine to suppress the internal differences which this problem is arousing in its ranks, in order to throw its united weight on the side of its Federal representatives, it would not be reckless to prophesy that unification, certainly in substance, and probably in form as well, is close at hand. Not that Labour alone could command

the majority necessary to carry it. But Labour, with the addition of the large and increasing vote which has been, and is likely to be, given to the national as opposed to the provincial side of any issue, can certainly carry it. We had proof of that at the last Federal election, when Labour won not because of its leadership, for that was weak; not because of its platform, for that was mostly irrelevant, but because it had managed to identify itself in the eyes of large numbers of non-Labour electors with the national as against the State rights cause. Our several State Ministers and their majorities are directly responsible for the strength of the unification movement to-day. Unfortunately, no Governments are anything like as much responsible as those of Sir Joseph Carruthers and Mr. Wade, whose aggressive anti-nationalism has brought us to this pass.

INFLUENCE OF THE PRESS.

So far the States' Labour Parties have avoided taking up any official attitude on this question. Individuals among them have said what they think. Mr. Prendergast, the Victorian Labour leader, is strongly in favour of the general extension of Commonwealth control. Mr. McGowen, the incoming Premier in this State, has been strongly against and strongly for at different times. His attitude is determined very largely by his associates for the time being. Mr. Verran, the South Australian Labour Premier, has not yet declared himself. They must all face the music and very soon. We shall then have a final opportunity of testing the influence of the Press in Australia. Apparently, except our *Bulletin*, the *Melbourne Age* and some at least of the Roman Catholic weeklies, we shall find all the most widely-circulated journals adverse to the proposed inroads upon our local Governments. The *Morning Herald* has consistently adopted a temperate and Federal course, though yielding too frequently to the influences of its city environment, always unfavourable to national expansion. But our *Daily Telegraph*, after overthrowing Sir George Reid before Federation because he finally cast in his lot with the national movement, continued to fight in the Free Trade cause against the Commonwealth Party, which was pledged to Protection, Imperial Preference, and industrial remedies for unfair inter-state competition. It has thus embittered many who ought to have been its adherents, and enfeebled its own power of resistance to the oncoming unification wave. In other States, though to a less extent, the anti-Federalist localism of the State rights' advocates has also played havoc with the very interests they have most at heart. It remains to be seen if our immediate emergency will bring about a sufficiently strong rally of those who originally carried the Constitution and are now willing to develop it nationally, but who will resist to the last its destruction by unificationists recklessly seeking sectional gains at the nation's expense.

THE COMMONWEALTH OF AUSTRALIA.

AMENDING THE CONSTITUTION.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Nov. 1 1910; Dec. 13 1910.

The first and more important of the two Bills for amending the Constitution of the Commonwealth has left the House of Representatives. If both become law with the consent of the electors expressed by Referendum that the Constitution and the Constitutions of the States will be as absolutely transformed as the Government of Great Britain would be by the concession of Home Rule. Yet such is the paralysis of public opinion that, beyond a few feeble newspaper articles and a few phrases of angry disgust from two or three State politicians, this revolution by Act of Parliament has proceeded so far as if it were some normal and necessary alteration on the Statute-book. The aggressive, oppressive, and unreasonable Land Tax evoked more antagonism because there was a minority directly pinched, but these violent invasions of the State's prerogatives and independence because they affect everybody provoke nobody to special activity. Here people seem more exercised in their minds in watching Mr. McGowen's clumsy but shrewd attempts to adapt himself to the Premiership. Elsewhere local political incidents seem equally absorbing. Melbourne itself witnesses the proceedings of the Federal Parliament as serenely as those of its local Legislature. For nearly all kinds of aberrations of an ordinary character relief can be anticipated from the next Federal Parliament. Most of the blunders in the Land Tax, severely as they fall both upon our producers and others, can be repaired before long, but should the Constitution become transformed, as it must if these Bills be endorsed at the Referendum next March, there will be no retracing of footsteps. The Opposition has explicitly warned us that it will be practically impossible to restore the great creation of our National Convention of 1897-8 or to breathe the Federal breath of life into its shattered frame.

THE POWER OF LABOUR.

One amendment and only one was made in the House, and that could not have been accepted if it had not been proposed by Mr. Hughes, acting under instructions from the Caucus. The conference of that body, held, of course, behind closed doors, was unusually protracted, occupying, indeed, much more time than it took to pass the

whole measure through the House. A majority of the Cabinet seem to have resisted the alteration proposed with all their strength, but the power that made them and can unmake them having spoken was not to be denied. The Trades Unions in most of our States control the Government employees upon the railways from without. In New South Wales the men have their own special organisations and boards within the service. But both are naturally under State control. The fierce strike of the railwaymen in Victoria a few years back and the more recent strike of those who serve under our Railway Commission upon the electric tramways of this city were due more to the ungovernable intrigues of dissatisfied Unionists than to any substantial grievances that had been refused redress. The great ambition of the militant Unions was and is to capture the railways of all the States. This would enable the Labour leaders to dominate the transport services of the whole Commonwealth so as to be able to stop them whenever that may be necessary to effect their Socialistic purposes. They intend to accomplish this by transferring them to Federal control. Naturally, this project, fatal to the authority of the States and to Federal principles, has been denounced by the Leader of the Opposition, Mr. Deakin, and his principal colleagues in the strongest terms. But not many of his supporters took an active part in the debate, while almost all the Labour members sat silent. Those who spoke were few and ineffective, possibly because exhausted by the contest in Caucus. In less than a fortnight the Bill has passed the House placing State Railway employees under the authority of the Commonwealth. Not a finger will the Senate desire or dare to lay upon it. Before the month is out the whole measure will be attached to the Statute-book, awaiting the sanction of a majority of the electors, including majorities in at least four of the States. If that be given 1910–11 will mark the birth of a new Australian Constitution superseding that of 1900 in most essentials. Its fundamental Federal principle will have been vitiated once and for all.

LEGISLATIVE COUNCIL REFORM.

Mr. McGowen expects to have a working majority by the help of half a dozen Independents in the Assembly who dread a General Election, but he also realises that the Caucus must have its “pound of flesh” in the shape of part of its programme, and that before long. There seems to be little doubt that an effort will be made to kill these two birds with one stone. Reform of the Legislative Council is undoubtedly a popular cry among the electors. Even the *Sydney Daily Telegraph*, the implacable foe of the Labour Party, in the interest of *laissez faire* has declared against the nominee system, so that the demand for reform of some kind extends far beyond the ranks of Labour. If a quarrel can be picked with the Council over some measure which is not in itself especially unpopular, and an appeal made to the electors on the issue of Council reform, our new Premier stands a fair chance of coming back with a

reinforced majority in the Assembly, and a mandate, which the Council can hardly withstand, to effect its reform. This is a very pretty scheme. Its success, however, will depend on factors outside the control of the Labour Party. For one thing, the Council will have the choice of a battle-ground, and it may be assumed they will choose very carefully. They will not find quarrel in a straw, however Mr. McGowen may desire it. He, on the other hand, may throw down the gauntlet by a direct challenge of their right to exist. Altogether, then, we are looking forward to a Session of keen interest and of great importance in our Constitutional history. Anxious as the desire of the new Cabinet may be to entrench themselves carefully and proceed cautiously, the Caucus power behind the throne will permit no dawdling. They must strike into a gallop at once.

RELEASE OF MR. BOWLING.

Meantime, Mr. McGowen's Government has at once supplied an excellent illustration of its methods and embarrassments. Legislation is not yet within reach, but administrative authority having been acquired, its immediate exercise was inevitable. The first act of the Ministry, done before it had been in office a day, was the release from prison of Mr. **Peter Bowling**, the ringleader in the coal strike of nine months ago, who had served about half of the sentence of eighteen months which he received for his share in the promotion of that disastrous outbreak. Mr. **Holman**, the new Attorney-General, whose business it was to give the necessary mandate for release, had no other course open to him. It had been promised from a hundred Labour platforms during the election campaign. Like many of his Parliamentary colleagues, Mr. Holman himself had no sympathy with the particular aims or methods of the extreme and revolutionary Socialistic gospel preached by Mr. Bowling. In fact, it is well known that if most of the Ministers had been able to consult their personal wishes and convenience the defendant would have served his full time. Altogether, the release of such a man in such circumstances was thoroughly unjustifiable. It affords the worst instance of interference on political grounds with the administration of justice which our recent history discloses. It threatens to prove anything but convenient to its authors, for already Bowling, who exercises a remarkable power over the Newcastle miners, has announced his intention of pursuing the policy of industrial strife which led to his incarceration. He has publicly referred to Mr. Hughes, the Acting Prime Minister, as "worse than Judas", and to Mr. Holman as "beneath contempt". For any trouble that Bowling and his methods may bring upon our Labour Governments, Federal or State, they will win little sympathy from the public at large. Both made use of his name as an electioneering cry, and both must prepare to pay for using it.

LAND POLICY OF THE GOVERNMENT.

The day after Mr. Bowling's release we had an announcement from the new **Minister for Lands** that no more freehold estates are to be granted by the Government. This involves an enormous departure in principle and in practice from our established land policy, which was to encourage in every possible way the sale of Crown lands to *bona fide* settlers. This Government may be sincerely anxious to get the settlers, but if it really hopes to attract them by offering leasehold estates instead of freehold its faith is folly. Existing freeholds or titles capable of developing into freeholds are to remain undisturbed. Whatever may be the respective merits of the freehold and leasehold systems, it is quite certain that so long as the former is obtainable men will prefer it. Hence, seeing that freehold estates can be obtained either by purchase from private holders in this State, or from the Crown in the other States, the Labour Government's little experiment in the way of a new policy will hardly have a chance in the competition. Its effects will be watched far and near with great interest.

THE COMMONWEALTH OF AUSTRALIA.

MACHINE-MADE LEGISLATION.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Nov. 8 1910; Dec. 17 1910.

The Federal Opposition was responsible for a sensation in the Senate last week differing altogether from those which ordinarily evoke newspaper headlines. The two Bills upsetting the Constitution having been formally introduced, Senator Millen, as Leader of the Opposition, declined to keep up the pretence that he was addressing a deliberative body. As he said, the customary course was certain to be followed; the Ministerial benches being emptied, all amendments would be voted down peremptorily by men who had heard none of the arguments. He therefore announced that the Senate having abrogated its responsibilities and functions he and his colleague intend to reserve their criticisms for the electors to whom the measure will be submitted in March next. After a short interval of furious complaints at this damaging demonstration of the fatal effects of Caucus methods in Parliament, Senator Millen's case was substantiated, by the immediate passage of both measures without debate, up to the third reading, for which an absolute majority will be formally registered at today's session. If the Opposition in the Senate has been rendered perfectly futile during the whole of the session, that in the House has been fruitful only in saving the Government measures from legal shipwreck owing to their defective draftsmanship in sundry particulars. Injustices, inequities, and abuses they have been powerless to cure, being limited, as a minority, to a number of technically valuable contributions to the debate. Beyond this the Caucus would not let them go, and indeed at first angrily resented the riddling of Bills which it had authorised. Gradually, however, its members came to appreciate the worth of the assistance being given them on patriotic grounds, though their gratitude did not lead them on any occasion into the extravagance of frankly acknowledging to their political foes their indebtedness for this generous help. Meanwhile the apathy of the public continues unbroken. Even Mr. Millen's protest, that under Caucus rule there is no room for a Second Chamber, has been stolidly received outside. Our newspapers have neither adequately recorded the debates nor effectively described the mechanical means by which legislation is being driven through a Parliament of which the Caucus is master. Our public usually take their tone from the Press, though in this State, at all events, it has lost for the time the ear of many readers. In South Australia alone are there

genuine evidences of a revival of courage. There the three existing party organisations of the Opposition have united in one, while a Federal conference of political women belonging to the National Leagues proved them vigorous and well informed. There are some slight signs of a rising tide in Queensland and Victoria, but they are inconsiderable. Lethargy reigns still except in the Labour Caucus.

NATIONALISATION OF INDUSTRIES.

The second amending Bill, swallowed as a matter of course by the Senate at one gulp, contains only one addition to the Constitution. Yet this is more novel than any of the five included in the first measure if, as is reasonable, the inclusion of State railway servants be calculated apart from the general power over Labour and employment under which it is placed. Should this Bill obtain its sanction at the Referendum, the Commonwealth Government will have authority over all the industries and businesses in Australia which are officially declared by Parliament to be subjects of a monopoly. It can enter into possession of them off hand and take over their property too, or so much of that as seems desirable. Only under Opposition pressure was the qualifying phrase “on just terms” introduced into a clause which might otherwise have been used to permit a confiscatory seizure without compensation to the property owners dispossessed. The excuse for this extraordinary extension of the functions of a Federal Government given in the Labour Manifestos before the election, and repeated in the House, was that it afforded the only sure means of defeating any trusts and combines found operating here in American fashion, for the pillage of producers and consumer alike. This contention was completely disposed of during the debate. The **Leader of the Opposition** showed conclusively that not only was a special power to deal in any fashion with trusts and combines given under the preceding Constitutional Amendment Bill, but that this, though adequate in itself, was supported by independent authority conferred upon our Parliament to dictate conditions of employment in all industries and in all trade or commercial undertakings, as well as over all corporations. Although no reasonable excuse could be invented for the introduction of this additional amendment, its passage was insisted upon. Of course, the plain object is to allow of the “nationalisation” of any industries or businesses for Socialistic purposes, whether under a trust or combine or not. They will be transferred to our Central Government at Canberra, no matter how well managed they may be, nor what wages they are paying nor what hours they are working their employees, and however small the return upon the capital invested may prove. In other words, the Bill amounts to an endowment of our future Federal Parliaments with proprietary rights over any and every business that it declares by resolution to be “the subject of a monopoly” upon any or no grounds. This is the fellow measure to that which includes five other root and branch alterations of the Constitution under which the people of Australia are expected to develop this continent.

ATTITUDE OF OTHER STATES.

But this break-neck rush for fresh Federal powers, being all at the expense of the States, is stinging even our most ardent local “ultras” into alarm lest they should wake up presently to find their occupation gone. Those who have just attained office, novices as they are in Ministerial control, cannot disguise from themselves the belittling effects upon their programmes and themselves of all the annexations gaily undertaken by Federal Ministers of their own complexion. Yet what can they do without opposing their own platforms and their own party? – for, in fact, they are one. How can they remain more than one and yet pursue one policy while both are dealing with the same subjects in the same field? No wonder our *State Premier* and *Attorney-General* hied off to Melbourne in hot haste last Saturday to confer with the Acting Prime Minister, Mr. *Hughes*, on these, to them, all-important problems. Mr. *Verran*, the Labour Premier of South Australia, has announced that his Government is also watching the developments, and foreshadows co-operation with the other States’ Governments. There can be no question, of course, as to what will be the attitude of the non-Labour State Governments. Mr. *Murray*, of Victoria, has already denounced the proposals as political brigandage. Mr. *Kidston*, of Queensland, has always been keen to resist any extension of Federal power. On this head they and the Western Australian and Tasmanian Ministers can all agree to protect their self-governing powers. But, of course, the interest of the situation lies not in what these non-Labour Governments will do but in the line of action to be adopted by Mr. McGowen and Mr. Verran, with the State Labour members behind them, Mr. *Wade* ostentatiously and Mr. *Peake* in Adelaide more quietly offering their aid against the Federal invaders. The difficulty of the position for the two State Labour Cabinets arose out of the precipitate action of the Federal Government in introducing the proposals for amending the Constitution of the Commonwealth before there has been any opportunity for negotiation between the official representatives of the Central and State parties. The only court of appeal open to either is the triennial Conference of Labour representatives. This met last in 1908 when Caucus majorities were not foreseen anywhere. At that time, therefore, the question of limits or boundaries between the Federal and State Labour sections was not urgent or, at all events not ripe for settlement. Although even then its shadow did very distinctly obtrude and rule itself into the debates, no definite conclusion was arrived at even upon the sharing of the Customs and Excise revenue between the Commonwealth and States’ Treasuries. Now, before any further opportunity for compromise between the advocates of Federal and State Caucus activity respectively, and apparently without any warning, the Federal Government has sprung upon Australia proposals

which mean the early degradation and the not remote annihilation of the State Labour parties as such. Little or nothing will be left to them if the new constitutional amendments are carried by Referendum. Yet how can the State section of the party refrain from supporting their own impoverishment? The ill-concealed anxiety of the local Caucuses, drawn one way by their instinct of self-preservation, the other by their anxiety to avoid an open conflict with their greedy and triumphant Federal brethren, is by no means surprising. So far, in spite of the visit to Melbourne, no solution is in sight.

THE COMMONWEALTH OF AUSTRALIA.

NORTHERN TERRITORY.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Nov. 15 1910; Dec. 24 1910.

Probably the most pregnant measure of the Commonwealth Parliament so far will ultimately prove to be the acquisition of the Northern Territory. This appanage of South Australia is considerably larger than that State, larger than the new South African Dominion, as large, to come to European comparisons, as Germany, France, and Italy put together. It is, however, in effect a week or ten days' distant from the nearest settled parts of our Continent, and its northern shores are in the tropics; at Port Darwin there is not ten degrees between summer and winter temperatures. The country immediately surrounding that fine and centrally situated port is poor. Without railways the Territory has been hopelessly handicapped in the competition for population. Even now the number of aboriginals is seven times as large as that of the immigrants and twelve times the number of Europeans. A short line runs southeast from Port Darwin into good mineral country, but, not reaching the agricultural areas and table land, is of little value. A long line from Adelaide struggles north-westward for 900 miles into probably as poor an area as the Territory possesses, but without even reaching its borders. From Port Augusta northward this line, though all its length lies in South Australia, now becomes the property of the Commonwealth. No article in the Agreement made between the late Mr. Price and Mr. Deakin when Prime Minister has been so bitterly attacked as this purchase. It was, in fact, the real consideration offered to South Australia in place of the pledge sought in all previous attempts at a bargain binding the Federal Parliament to connect the two lines on either side of the Continent within a fixed period. This piece of work and its necessary accompaniments, which could not be borne by the State, will now be borne by the Commonwealth as and when it thinks best.

DEVELOPMENT OF THE COUNTRY.

That, however, is not by any means the only obligation assumed by the Federal Union, though it is the most onerous. Of the wealth of the Territory there is no doubt; its known mineral, pastoral, and agricultural resources would seem huge were they not, so far as they are known, scattered throughout its vast extent. While

the remainder of Australia possesses such numerous attractions, coupled with many of the advantages of modern civilisation and social life, it takes very rich baits to tempt families to the privations and loneliness of pioneering in the far north. Yet, as Western Australia and Queensland will surely be subdivided when they are sufficiently peopled, the Territory will probably rank as the largest of our States, and possibly one of the richest. Eleven hundred miles of railway are necessary to begin the transformation of this great country, more than half a million square miles in extent. As the earth surface has been allotted pretty freely during the past generation the present century is hardly likely to witness another such gigantic transaction as this transfer endorsed in a single instrument. There being some dissension in the Labour ranks and grave doubt whether the Legislative Council in Adelaide would endorse any variation of the Price–Deakin contract, however slight, the Fisher Cabinet, despite its majorities, has tactfully sheltered itself behind the Bill that the late Prime Minister passed through the House and all but passed through the Senate last year. This Bill was reintroduced by Mr. Batchelor without the alteration of a syllable, and after some tedious debates has now been placed triumphantly upon our Statute-book. Thus closes one of the most important chapters in the history of Australia. The next, which opens on January 1 with the issue of the necessary formal Proclamations, must begin by describing our efforts to settle a domain of which the potentialities are evidently incalculable. Since everyone is satisfied that unless we do use it promptly someone else will, the work is sure to be pushed forward without delay. But no matter how rapid the process, it is realised that it cannot be pressed on too fast to meet the necessities of the case. We have to handle the new situation experimentally in the low-lying portions of the northern coast where the moist heat has to be faced by white men working in the sun.

ADMINISTRATION OF PAPUA.

Now that this great region has passed under Federal control, it will, of course, be governed as a “Territory”, and in this respect occupy a unique position. In other words, the task of conducting its local administration will, be entirely in the hands of the Commonwealth Government. Provision has been made by a Federal Statute for continuing in force the system of administration and the laws which exist at present until legislation of a permanent character can be enacted. In this regard it may be noted that we are beginning to gain experience in the business of governing subject territories. The new slice of the continent to be dealt with in this way is not the only territory now under Federal control. We have had several years’ experience in Papua – a distinct success – though the difficulty of obtaining sufficient black labour is still unsettled. No compulsion is permitted. All who work do so voluntarily, and the natives who volunteer are capricious as children. Notwithstanding this difficulty,

however, Papua shows all the signs of rapid development. The white population is increasing rapidly, so fast indeed that a recent influx caused some temporary embarrassment to the Administration. During the year which ended last June the imports increased by 50 per cent., while there was also a very considerable expansion in exports. The area under cultivation, thanks mainly to the rubber boom, has greatly expanded, sisal hemp and cocoanuts are also becoming valuable industries, while the experiments in cotton-growing have given satisfactory results. The Commonwealth has spent a quarter of a million there and is well satisfied with the results.

CAUCUS LEGISLATION.

Our National Parliament is becoming even more busily occupied, the Opposition minority having all that it can do to keep up with the rush of measures that are being rattled through. More and more as the session proceeds is the whole of the debate left to them and principally to the front bench, where ex-Ministers work together as if still in harness criticising Bills instead of framing them. Not that the Ministerialists are unemployed. They have been extremely busy. But the public only know in a general way why it is that the bulk of them rarely appear in the Chambers except to keep a quorum and answer the division bells. It seems that the Caucus sits as regularly as the Houses, and in another part of the building is engrossed in the task of instructing the Cabinet what it must do. No reports are published, but it is authoritatively stated that the immediate subject under discussion last week was the reorganisation of our far-stretching Post Office, with its Telegraph and Telephone Services, and new experiments with "wireless". The Royal Commission which lately reported on that Department included among its members several members of the Caucus who are now endeavouring to force their particular scheme upon their colleagues. The debates in secret have already occupied days, so that the struggle between the sections seems to be severe. Of course, these private proceedings are foreign to constitutional principles and practice. The whole of the party are acting as members of the Cabinet. Its majority having decided what the new methods of management are to be will give the Executive its instructions as to the changes to be made in the administration of our greatest public Department. They will at the same time lay down the law, which will be brought in next session by the **Postmaster-General** who, whatever his own judgment may be, must while nominal head of this branch of our public service, act as he is ordered. When once the majority in Caucus has voted discussion is over. That may be a minority of the House or Senate or in both; but as the party votes solidly according to rule this minority will govern both Chambers without needing, and probably without attempting, to justify itself to the

Opposition minority or to the public out of doors. The situation is certainly very curious, if not unprecedented, but is coming to be accepted apparently without any demur by the electorates. Our papers rail occasionally against the degradation of Parliament in good set terms, just as the Opposition persistently challenge the new system at every opportunity. Mr. Wade, who in spite of his defeat stands higher than ever in general esteem in this State, is resolute in his determination to attack the same system now being introduced here. His friends cheer him on, but the man in the street is apathetic still.

THE COMMONWEALTH OF AUSTRALIA.

THE LABOUR CAUCUS.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Nov. 22 1910; Dec. 26 1910.

The first session of the new Federal Parliament just drawing to a close will be remembered not so much for what it has done, though its record will establish a "record" as for the way in which it has done its work. Majorities in both Chambers have made legislation very easy for the Government. Though the ordinary forms of discussion have been preserved and the Opposition has fought tenaciously, the passing of all measures with due decorum has been a mere formality. There could be no effective resistance, criticism was fruitless, or nearly so; the majority has done exactly as it pleased in the long run. But the fact to be kept constantly in mind is that "the Government" does not mean the Cabinet. It means the Caucus. So obvious has this become that some transparent devices have been eagerly employed to keep up the pretence of Ministerial independence and responsibility. On trifling matters Labour members have been quick to seize their rare opportunities of registering their votes against Ministers, while Mr. Hughes has even gone out of his way a little when he could contrive some amendment for which Opposition votes could be registered. Nevertheless, the trifling matters at stake in such cases and the endeavours to magnify them mislead no observer. On every point of any importance and in most, even if of no importance, the Labour votes in both Chambers have been solid. Nor is this strange, since every Bill under debate in the House has previously been debated in Caucus and settled there out of sight. The minority being bound by their pledge, support the conclusions arrived at by the majority. The Bills are therefore as good as passed before they see the light of day. Their passage through Parliament is only a public promenade.

HUMILIATION OF MINISTERS.

Last week this agreeable routine was suddenly departed from. Mr. Hughes always relying upon Opposition votes against the occasional extravagances of his own eccentrics ventured to assume the role of a leader. In the question of defence he has always taken a lively interest, and the Bill in his hands being for the most part a transcript of that endorsed by his predecessor, Mr. Joseph Cook, he believed himself secure. But an amendment leaving an open door for "rankers" who wished

to obtain training at the Military College after the prescribed age under special conditions appealed to the House to such an extent that the Acting Prime Minister was to his great disgust for once left in a minority. He adjourned the debate in high dudgeon only to find himself brought to book by his Caucus, where he has since been spending unhappy hours seeking for some compromise that will save his face, while giving his masters in his majority whatever they choose to demand. Beyond this Ministers as a body and Mr. Thomas, the Postmaster-General, in particular have been subjected to a great humiliation before the House. Reforms in that department, except the Penny Post, have been postponed by the Cabinet until it was brought to book by its Caucus. Here again it has had to swallow the pill. The increases of wages and hours which have an electioneering value, have been forced from Ministers despite their resistance, and though the Postmaster-General confesses that he cannot estimate their cost to the country. Meanwhile the grievances of the business people and country settlers, who pay the losses incurred by defective management, go unredressed. Then again ominous grumblings come from the Labour Leagues because the principle of "spoils to the victors" is not being applied to the extent they desire. Yet in spite of these dissensions the Caucus continues solid, in spite of all the other evidences of the transformation of our politics and Parliamentary principles the constituencies are unmoved. They seem to accept almost in a spirit of fatalism the new methods of the new *regime* no matter how gross the abuses.

THE NATIONAL POLICY PRESERVED.

To a certain extent this somnolence is explained by the circumstance that a group of measures prepared or proposed by the preceding Government are being placed upon the Statute Book. These assist to disguise from the unobservant the gravity of the new departures with which they are associated. Deepening this superficial impression is the remarkable fact that some of these Acts, such as that for the acquisition of the Northern Territory by the Commonwealth, have been adopted by the Caucus without the alteration of a word, or with mere changes in their machinery. Others simply translate into law the very policy of the late Administration upon principal matters of policy. The all-important Defence issues find both sides in agreement. There are, indeed, more dissentients from the measures on the Ministerial Benches than in the Opposition. Hence there is some foundation for the belief that the Caucus after all is preserving the National policy in some vital matters. This is quite true. They dared not evade them, and realised the gain to themselves from magnifying their consent to take up and put through some of the principal Bills which the Coalition Cabinet had fought for last year, though unable to carry all in the time at its disposal, and in the teeth of the furious resistance then offered to each and all of them on one pretext or another. In this way the tale of legislation this year is being swollen to an exceptional degree.

NEW SOUTH WALES LABOUR GOVERNMENT.

In this State our new Labour Government met Parliament this week, with the most colourless of colourless programme news. They are evidently playing for safety and for time. Legislation amending the existing law relating to industrial matters, in a somewhat indefinite fashion; an amendment of our Electoral Acts, which is expected to allow of a larger number of Labour voters going to the poll; these two mild proposals represent the Government policy for its first session. All the epoch-making reforms with which the advent of Labour Governments is prophetically associated are postponed for the present. The fact is that the Government has to feel its feet before it attempts them. A majority which under stress cannot be relied on to exceed one or two is not a safe instrument with which to start out upon a comprehensive reform of society. Of course Mr. McGowen, the Premier, in a pre-sessional address, outlined a much larger programme than finds a place in the Governor's speech. All the public servants who, in the estimation of the Government, are underpaid, are to get a living wage; Crown land sales are to cease, educational facilities are to be extended; a more liberal scheme of workmen's compensation introduced, legal procedure to be reformed, and so on. The programme on the whole, and considering its authors, is not extravagant. With the exception of two or three of its proposals, it might have been introduced by Mr. Wade. The extreme proposals to which the strongest resistance will be offered are for the cessation of Crown land sales, and the alteration of our existing industrial legislation, so as to restore the system of preference to Unionists in industrial awards, do not stand a good chance of being adopted, even by the Assembly, to say nothing of the Council. And the Government cannot afford to risk a fight over either of them at present.

CUTTING UP OF ESTATES.

On the only two questions that really matter, the attitude of the Government toward the proposed amendments of the federal Constitution, and the steps that are to be taken to promote immigration. Mr. McGowen has nothing, or nothing definite, to say. He announces a large policy of industrial legislation, serenely ignoring the fact that his brethren in the federal arena are amending the national Constitution so as to give themselves the power of dictating the future industrial policy of the States. What Mr. McGowen's policy may then be will not matter to anyone. As to immigration we have yet to discover whether the vague desire which he expressed to attract immigrants, provided land is available for them, is merely a pious aspiration, dictated by the strong public feeling that an immediate increase in our population is an

urgent necessity, or represents the basis of some definite policy on this question. The condition which Labour has always attached to its support of immigration, viz., that the land should be unlocked, is rapidly being fulfilled. The Federal Land Tax, though it has passed through Parliament, has not yet come into operation. But the prospect is having considerable effect on land values, and large numbers of estates are being cut up for sale. If anything further is wanted, Mr. McGowen himself can supply it if he likes. Whether even then he will venture upon any practically effective immigration scheme is open to much doubt.

AUSTRALIAN POLITICS.

MILITARY DISCIPLINE IN THE COMMONWEALTH PARLIAMENT.

FROM OUR CORRESPONDENT.
SYDNEY, Nov. 29 1910; Jan. 9 1911.

The Commonwealth Parliament has closed under so many circumstances of haste and pressure that a good deal of uncertainty remains as to the fruits of its last few sittings. In Sydney and even in Melbourne the amount of space devoted to reports of its proceedings is always very limited, while the explanations that accompany them, being based as a rule upon those reports, are rarely sufficient. Hansard is read by few, and then, like a dictionary, for specific items. Even with that aid it is not easy to follow the real meaning of party manoeuvres, but without Hansard the feat is impossible. Hence one of the curious features of our popular Government is the very imperfect idea entertained outside its walls of what is being done within them by our national representatives. Still more imperfect is their understanding of why they do it. Democratic in the extreme in all its forms, our Constitution becomes undemocratic, in actual working. This is due to the lack of a truly comprehensive or critical knowledge of public affairs among the electors who decide the composition of Parliament and dictate its policy. Their control remains in consequence of a very loose and general character. Students of our political developments residing overseas must be constantly puzzled by the evident lack of consistency between the actual recorded facts in their true bearing and the popular misconceptions current among us. The course of business pursued is therefore generally left obscure as to its motives and often broadly misleading. Necessarily our legislation speaks for itself, though even in its regard there are always at least two interpretations of its origin, reception, and intention. Consequently the extent to which our politics escape the plain man in the bush is amazing. The active members of the Labour Leagues know only their own side of the case, and seek to know no other. Their rank and file are content with the partisan explanations circulated in their own papers for electoral purposes. These as a rule go wide of the truth. Sydney itself seems remote, while Brisbane and Perth are over the horizon of Federal politics.

GOVERNMENT'S ABSOLUTE MASTERY.

Of the outstanding achievements of the session there can be no dispute. They are numerous and noteworthy. But these can be better reviewed presently, when the crowded events of the recklessly prolonged sittings last week, one of them extending over 40 hours, can be deliberately taken into account. Never before in Australia has a Ministry exercised such absolute mastery over both Chambers; never before anywhere has a Parliamentary majority been so entirely under military discipline, and never anywhere has an Opposition been so utterly helpless. The tale of work accomplished by Ministers has been proportionate. But one feature least anticipated, and at this moment most apparent, has been the steadily growing influence of our Commonwealth Opposition, though quite powerless in the House, and, if a Hibernianism can be pardoned, more powerless still in the Senate. When this Parliament assembled last July its members were barely accorded a decent hearing; they were swept away as by a flood on every division. What were they there for? Gradually its principal speakers obtained a tolerant and sometimes respectful hearing. At last, though as a rule addressing half empty benches, they succeeded in restoring better traditions of debate. The session could not have been closed before Christmas without the active co-operation of their Front Bench. Something like cordial relations became established in making the necessary arrangements for the conduct of business. Criticism was left to Mr. Deakin and his late colleagues, while in many instances minor amendments were made on their advice. The patriotic course they pursued also exercised a steadying effect. Though nothing substantial was expected or could be accomplished by them, many awkward angles were smoothed away and the transaction of business greatly facilitated. Whatever fruits of this policy may ripen in the country, the situation in Parliament has been so far mended that an Opposition helpless in numbers and hopeless of converts has asserted its independence, won recognition from its opponents, and restored in some measure the confidence of its supporters outside.

MR. FISHER AND MR. HUGHES.

Having all the solid pudding to itself the Labour Party can well afford to dispense with praise. Some of its members were obtaining their first experiences of Parliament; others who had some training in State Legislatures were apparently overawed by their promotion. It must be recollected that both the principles and the practices of the Caucus are unfavourable to individual distinction. Perhaps this is why not one of them emerged from the ruck. Nor were Ministers any more fortunate with the single exception of Mr. Hughes, whom changed circumstances made a changed man.

Especially has this been demonstrated since he stepped into Mr. Fisher's shoes. He was not content for a moment with the narrow sphere which his chief was occupying with visible anxiety and manifest signs of insufficiency. In honesty of purpose, sincerity of emotion, good temper, and camaraderie, the Prime Minister far excels his lieutenant. It is to these qualities and to his platform abilities that he owes his leadership – often a confused debater and inconsecutive reasoner, it is his warmth and heartiness and not his logic that assure him a popular welcome everywhere. He is trusted and liked. Mr. Hughes, who began life as a school teacher in Wales, and is a barrister of this State, trenchant, energetic, fiery in attack, apt in retort, and always well documented, presents an almost exact antithesis to his official superior. Nothing has gratified him more than his opportunity to prove how superior to the Prime Minister he is in every way. Distrusted and disliked by many of his colleagues in the Caucus, he has been ready and resolute as its Chairman and a dashing general in the House. Hence Mr. Fisher is not regretted. He has not even been missed. Mr. Hughes is the one success of the party in Parliament.

THE NEW SOUTH WALES LEGISLATURE.

The first session of our new local Legislature is now in progress, having opened under circumstances that give little reason to expect much from it that will be either useful or creditable to this State. A rather ill-advised motion of censure, launched in the hope that it would detach from the Government the little knot of eight or nine "Independents" who hold the balance of power, was moved so as to generate great heat but little light, and, failing in its purpose, was defeated by nine votes. The "Independents" do not love the Government, but they like the prospect of a dissolution still less. So, while making it quite clear that the more extreme planks of the Labour platform, such as the restriction on granting of freehold titles, would receive no support from them, they found some excuse or other for voting with the Caucus this time at least. The debate tended to verify the prediction ventured upon in this column a few weeks ago, that Mr. McGowen can only keep his position by sacrificing his aggressive policy, or, at any rate, everything that is distinctively part of the Labour platform. Which alternative he is most likely to choose next year is not yet apparent. Meanwhile the censure debate resolved itself into an exchange of undignified personalities, in which some members of the last Government were as prominent as the Ministers of today. The spectacle presented to the country is far from edifying.

THE “INDEPENDENTS”.

The presence of the “Independents” in the House, the existence of a strongly anti-Labour Upper House, and the smallness of the official Labour majority – which the selection of a Labour man as *Speaker* has reduced to one – is, of course, the governing factor. This will fortunately make it impossible for the Government to break with the traditions of Parliament and the first principles of responsible government as the Federal Labour Party has done by turning the National Parliament into a mere machine for registering the decisions of a secret Caucus. Our State Ministers will at least be compelled to make a show of explaining to the Legislature and the electors the reasons which determine their policy. For this undertaking Mr. McGowen’s qualifications are those of a rougher, sturdier Mr. Fisher, supported as he is by the affection of those who have worked with and under him. His first lieutenant, Mr. *Holman*, supplies some, curious parallels to Mr. Hughes and fulfils very similar functions in the Cabinet, where he, too, holds the second place with the portfolio of State Attorney-General. A milder, better-mannered, and more cautious Mr. Hughes, he supplements the deficiencies of his burly leader, though he could hardly supplant him as determinedly as the Federal acting Prime Minister has done deliberately and of set purpose. When Mr. Fisher returns he will find his path much smoother than he found its earlier stretches. He will then, having enjoyed a much needed holiday, return to the quiet haven of recess. Mr. McGowen as Premier is bending all his rather lethargic energies in order to reach the same shelter by Christmas. The astuteness of Mr. Holman will be much in evidence both in tactics and in debate, and most serviceable to his chief. So far these colleagues seem likely to attract or deserve as little notice as the minor members of the Commonwealth Cabinet, who are now rejoicing to find themselves in the quiet of their departments instead of serving as targets in the Chambers.

THE COMMONWEALTH OF AUSTRALIA.

DELEGATES TO THE IMPERIAL CONFERENCE.

VALIDITY OF LEGISLATION.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Dec. 6 1910; Jan. 12 1911.

The Imperial Conference of 1911, owing to its association with the Coronation, will be signalised by the presence in London of a very much larger number of members of the Commonwealth Parliament and Governments than have ever been in the United Kingdom at the same time. But so far as the Labour Cabinet is concerned it will not be signalised in any other way. Its choice of subjects for discussion by the Conference is much more distinguished by what is omitted than by what is included in the official list about to be forwarded to the Colonial Office. That is somewhat enlarged by the introduction of two or three questions added during the debate, if that name can be applied to one speech from the *Leader of the Opposition* and some casual references by half a dozen members made while the Estimates were under discussion. That was the only opportunity afforded by the Government for comment of any kind. It was on the last day of the session, and in a thin and utterly wearied House. The Senate does not seem to have been even informed of the business intended to be submitted at the Conference. No doubt the majority, as members of the Caucus, had heard the list of subjects to be considered read, and, if so, probably either realised or were informed that there was nothing new in them and nothing in the whole of them worth wasting time upon.

DELEGATES NOT REPRESENTATIVES.

A *Senator in Opposition* read a resolution passed by the last Brisbane Labour Conference binding upon both Federal and State Caucuses. This requires "all Australian delegates" to London to remain mere delegates, and forbids them to assume the status of representatives. Before attending any Conference Ministers are to be "given definite instructions on specific subjects by the Federal Parliament", and further are expressly directed "not to deal with nor pledge the Commonwealth upon any subject not previously dealt with by the Federal Parliament". In the House a leading Labour member, Mr. *Higgs*, only went a little further when he informed

his colleagues in the Caucus, who are also in the Cabinet, that they had no authority to put any other programme before the Conference than that upon which they were lately elected. Since this programme is wholly devoted to local affairs it really means that Mr. Hughes's list, poor and meagre as it is, must be ruled out of order. That gentleman, when challenged, could find nothing to urge except that when in London Ministers could "discuss a subject". With this most unsatisfactory declaration the "debate" ended. Next May Australia will be restricted to "delegates" instead of representatives at the Imperial Conference.

THE QUESTION OF PREFERENCE.

The "subjects" which may be discussed but not decided, so far as the Commonwealth is concerned, are commercial co-operation, particularly as to British manufactured goods, British shipping and Navigation Laws, uniformity of Company Law, further facilities for inter-Imperial naturalisation, objections to Articles 24 and 48 to 54 of the Declaration of London, a reaffirmation of the 1907 resolution affecting emigration, inter-Imperial action for the prevention of acts of conspiracy against laws in force in any part of the Empire, a nationalised Atlantic cable, a reform of weights, measures, and coinage, and a declaration in favour of International Arbitration. Under pressure from Mr. Deakin, the Acting Prime Minister agreed to add a resolution for a single final Imperial Court of Appeal and for uniformity in Patents and Trade Marks, but he would neither add Preferential Trade, nor uniformity of trade statistics, nor improved mail steamship communication, nor Imperial interests in the Pacific. Possibly, being safe in recess, he may yet give way upon some of these matters. He showed no sign of sympathy when the Opposition Leader strongly urged the establishment of an Imperial Secretariat entirely independent of the Colonial Office, officered from the several Dominions, and paid for by their Treasuries. This the member for Ballarat insisted was the one practical means of approach to the Imperial unity which is the paramount condition of our future development and power. Until the status of the Dominions was recognised in this way there was no effective or continuous means of allowing them to exercise their legitimate influence, which must of course carry with it their acceptance of growing responsibilities and duties.

But there is nothing of this kind in the Brisbane platform, and not a responsive voice was lifted from the Caucus or from Ministers in support of this appeal. Consequently, the bill-of-fare is limited to the remnants from previous Conferences, unhappily omitting the Preferential Trade resolution which was made the key to the whole contest in 1907, and the demand for an Imperial Secretariat. Possibly Dr. Jameson may yet succeed in impressing upon the new Prime Minister of South Africa the value

of the opportunity then missed. It is our misfortune that the Labour Party which a few years ago was fierce in its denunciations of Imperial unity has in the meantime got only to the cross roads where its delegates in office, Mr. Fisher and Mr. Hughes, dare not, or, at all events, will not rise to the great occasion offered them next year.

PARLIAMENT AND THE HIGH COURT.

Yet the Labour Cabinet is only too ready for new departures of a doubtful kind when they appear to promise some advantage. Adopted almost in silence just before the session ended their latest betrayed a tardy sense of the risks they had been running by their neglect of all constitutional restraints. The measure in question proposes to enable the Governor-General to refer to the High Court for an advisory opinion the question whether an Act of the Parliament is within the powers granted by the Constitution or not. Hitherto the solution of a question of this kind has had to await the slow course of ordinary litigation. Acts of doubtful constitutionality have been passed very frequently since the present Cabinet came into office. But however far in excess of the constitutional powers of the legislature an Act may seem, it has to be treated as a valid and effective law until some private individual is prepared to run the risk of defying it and testing its validity in the Courts. Naturally enough this always implies something of a hardship. There is another side to the question. The Government itself has to treat its Act as valid. It has to incur the expense of bringing into existence all the machinery for its administration, appoint the necessary officers, and act generally as if there were no possibility of the law being set aside. In the case of an Act like the recently passed graduated Land Tax, which involves the appointment of large numbers of officers and the making of expensive valuations, this is a very serious matter. Yet it is recognised by everybody that there is at any rate some, by no means negligible, chance of parts of this Act being declared *ultra vires*. Unless these are separable the whole measure would be cancelled. Indeed, the new Act authorising this novel appeal must itself run the gauntlet.

All this, according to United States precedents which have always carried considerable if not undue weight in constitutional questions arising here, is a necessary part of the price we pay for the Federal system. In Canada, indeed, the Governments have for many years had a certain power to test the validity of legislation by referring the question specifically to the Courts before it arises through the voluntary act of a private citizen. This has been cautiously used in specific cases and with undoubted success so far. But it has been considered that the difference between

our Constitution and that of Canada rendered their methods inapplicable here. The federal Government, characteristically eager to seize any novelty that may diminish its responsibility has in its recent legislation declined to accept that view. Their Bill passed, of course, despite all challenge, though it permits the reference of abstruse and complicated statutes *in globo*, and before they have been applied to the practical affairs with which they are intended to deal.

It imposes on the High Court the duty of answering, on the application of the Government, the question whether or not any measure passed by the Parliament is within Federal powers, before it arises or has had any chance of arising, in the ordinary course of litigation, No doubt such a device, so far as it can be employed, and if it can be successfully used on questions of principle, will prove of the greatest practical convenience. Ministers need it, and feel their need of it, if they are to satisfy supporters clamouring for reckless experiments in law-making. They can flourish Utopian projects before their Leagues and force them through Parliament without any sense of Constitutional responsibility. They have done this already and will repeat a process which promises much advertisement and popularity to them while it throws all the odium upon the Court if it nips these wild experiments in the bud. All this is chiefly interesting to onlookers as another and a somewhat striking instance of the growing impatience of the Caucus with the only conditions upon which a Federal system of Government can be maintained.

THE COMMONWEALTH OF AUSTRALIA.

REFERENDA CAMPAIGN.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Dec. 13 1910; Jan. 21 1911.

The Referenda campaign was formally opened from the platform in Adelaide nearly a fortnight ago, when the three South Australian Leagues celebrated their recent union in order that they may make headway if possible against the Labour Leagues and their policy in that State. This was “the firing of the first shot” for the Commonwealth in the encounter which will be decided by the voting next April, but it did not attract much attention elsewhere, though Mr. Deakin and Sir John Quick attended and spoke. The Christmas holidays are so near at hand and our State Legislatures are so busy closing their sessions that serious attention is not likely to be given to the great national issues at stake until January is well over. Hence the “Open Letter” of the “Australian Opposition” published simultaneously in all the States on Thursday last, has partly for this reason created no great stir. The document itself is not, and perhaps could not be, sensational. The form of the amendments of the Constitution included in Mr. Hughes’s two Bills renders legal explanations indispensable, while at the same time attention requires to be stimulated by the appeals to the crowd customary in electioneering addresses. As a result the “Letter” falls between the two stools, not being sufficiently precise in its legal definitions for students and not sufficiently exciting in its popular appeal. Still, whatever may be its reception, the official declaration signed by Mr. Deakin is certain to be made the basis of future operations. Mr. Hughes’s only reply to an indictment, which certainly does not understate the defects and dangers of his Bills, is that it contains nothing new, a very feeble rejoinder from this expert dialectician. No doubt he had heard all the condemnation during the debates upon them in which he, and practically he alone, replied on behalf of the Caucus. Very little of his case for the defence was then relevant, and both his silence and his speech to-day practically confess as much. To this extent the Opposition has scored in the first round. But as it is only the first round, and the holidays are at hand, the light-hearted and very prosperous Australian people appear to be postponing further reflection upon the crisis until they shall have enjoyed their annual season of pleasure and respite from their regular tasks. This dilettante temper is common to both parties and to all classes. No prospect of changes in our political Constitution, however fundamental can affect the Constitutional devotion to sport and outdoor pleasures of our people as a whole.

THE "OPEN LETTER".

The hardest blow to the Caucus proposals in the "Open Letter" is directed against its deliberate confusion of the issues by submitting four out of their five radical amendments of the Constitution in one Bill. As the elector must say "Yes" or "No" to the whole four he is allowed no discretion in respect to any one of them. Two of the four subjects dealt with include large groups of matters associated only because they affect either "Trade or Commerce" or "Industrial affairs", the latter phrase embracing everything connected with Labour and employment. None but the "whole hoggers" of the Labour Leagues, those whose aim is complete unification, or a Socialism "naked and unashamed", in which the Government becomes the sole employer, can be eager to swallow the wholesale mixture tendered in this Bill. Yet, unless the elector accepts all he must reject all. He or she is denied an independent judgment and an unfettered vote. They are coerced into voting for what they disapprove or against what they approve.

A DOUBLE JURISDICTION.

Perhaps the next most serious condemnation of the whole of the five Caucus amendments is that in all the subjects affected they will create a double jurisdiction in every State. The Commonwealth Parliament is to be endowed with legislative authority equalling that of each local Legislature. All state laws will still continue in force except where explicitly set aside by Federal statutes. After such a warning, Mr. McGowen as Premier, and Mr. Holman, the keeper of both the political and legal conscience of his chief, had to be reassured. Mr. Hughes in his most solemn manner protested that though taking the power he will only use it to override the local Legislatures when he finds it necessary. He further reminded them that their Land administration, their Education system, State railways, criminal and civil law, insurance, banking, &c., would remain solely under their own control. He wished them to forget that their Land policy is already being deflected by his Land Tax, its railway services disturbed by the mere prospect of Federal control, and banking or insurance bound to conform to Australian law. There will be no security to the States against these or any additional invasions that may be undertaken hereafter. In the columns of our *Telegraph*, to which he is a regular contributor, he next attempted to laugh Mr. Deakin's indictment out of court. So far, however, neither his earnestness nor his merriment have been effective. Even the holiday humour, now in the ascendant in our light-hearted city, has refused to be stimulated by his jests. There is an uneasy feeling even in his own ranks that the vaulting ambition of the Caucus is receiving a check. All the Commonwealth is to gain the States will lose, as Mr. Bruce Smith, M.P., is now demonstrating in a series of scholarly articles,

which attract much attention. At the same time Mr. McGowen's path is not strewn with roses. Unfortunately for him and for us, our State Legislature has begun its session in a fashion which gives little promise of either dignity or efficiency, so far as the present Parliament is concerned. Apart from the personal squabbling and recrimination which has been the chief feature of the conduct of both parties, the Labour members have sadly disappointed those who credited not a few of them with ideals and standards of political righteousness. But their appointments to at least two high offices of State suggest that they are prepared to condone conduct which, to say the very least, should be regarded as a disqualification for office of any kind.

THE COMMONWEALTH OF AUSTRALIA.

DISCREDITED LABOUR ADMINISTRATIONS.

FROM OUR OWN CORRESPONDENT.
SYDNEY, Dec. 20 1910; Jan. 28 1911.

Australia's three Labour Administrations have been severally discredited during the last week. Our Mr. *McGowen* has added to the sources of discredit previously mentioned a dictatorship in debate which, after a sitting of thirty-six hours, drove the Opposition in a body out of the Chamber. Mr. *Verran's* Cabinet has exhibited a weakness and incapacity in dealing with the Adelaide strike without a parallel in our experience. The Federal Cabinet itself also became entangled in the same outbreak by its leader in the Senate, Mr. *McGregor*, who after, by implication, excusing the strikers whom he was addressing for the acts of violence, went on to assure them that they were justified in striking. English readers require to remember that the South Australian Statute Book contains a law passed in the interests and at the request of the employees, providing for a control of wages and hours by Boards composed of equal numbers of masters and men, and as a necessary consequence making strikes illegal. Those Boards, there as elsewhere, have been steadily increasing wages and reducing hours, while the employers have, of course, submitted to the new conditions imposed upon them. In this instance, though the Boards have not been, since they are being ignored, and presumably cannot be, satisfied that there ought to be further concessions in the carrying trade, the men employed in it have deliberately defied the law to which they owe so much, and also the general law protecting the public against violence. For two days last week Adelaide and its suburbs were in the hands of strikers, who by violent methods stopped all traffic, taking horses out of loaded drays and dragging the drivers from their seats, while the police looked tamely on at these acts of violence. The Premier, being appealed to, practically apologised to the strikers for being obliged to stop these outrages. Then, having received a legal opinion from the Crown Solicitor's Office, in order to give the strikers more time he referred it back for additional advice. The men are still on strike. They are liable to the penalties provided in the Act passed at their own instigation. This still binds their employers, while they not only refuse to obey it but resort to violence to attain their ends.

The glaring injustice of this abuse of the law, which under one excuse or another is adopted by employees from time to time wherever the circumstances permit, must gradually become patent to our public. The Statute is employed to coerce employers simply because they are always in a minority. It is not allowed to control the employers because they are in a majority. For practical purposes in such cases there is no law. Force prevails. Apart from this in a country so perennially prosperous as Australia the tendency is always for the employers to give way in order to get on with business. The question is when we shall reach the limit of concession.

THE WAGES BOARD SYSTEM.

Then, again, take the experience of New South Wales. If we do not arrive at the perfect solution of the problem of avoiding industrial strife it will not be for want of legislative experimenting. In 1901, we established an Industrial Arbitration Court, consisting of a judge and two assessors, one representing the employers, the other the employees. For seven years this tribunal settled, or attempted to settle, our recurring industrial troubles with more or less, but mainly less, success. The business of the Court grew so congested, the hearing of cases was so long and expensive, that a radical change became imperative. In 1908 Mr. Wade introduced the Victorian Wages Board system, under which each trade had, or could have, its own Board. The advantages of this system were very soon proved. Employees desiring an improvement in their working conditions could bring the matter promptly and inexpensively before a tribunal of experts, and get a prompt and inexpensive settlement. The Trades Unions were at first bitterly opposed to the system. They did everything they could to render it a failure. The Sydney Trades and Labour Council, which represents a very large number of affiliated Unions, passed a formal resolution calling upon all the Unions belonging to it to shun the accursed thing; to refuse to register under it, or to recognise its existence in anyway. This opposition was based on prejudice – largely mere personal prejudice against Mr. Wade – and it could not persist. The Unions that did take advantage of the new system gained such obvious and immediate benefits by such an easy process that the opposition, based on no real grounds, crumbled and gave way. The Union leaders have gone on denouncing the Wages Board system; the Unions have gone on enjoying its benefits. We have had strikes, and some serious ones, since it came into existence. The tendency is to renew them from time to time until the employers give way. The process provided is in itself fair. Without overstating the case, it may be fairly said that the Wages Boards tended to secure the aims of our industrial legislation – fair wages and conditions of labour – with less friction, less delay, less confusion, and less expense, than the old Industrial Arbitration Court.

NEW METHODS PROPOSED.

Now we are informed by the *Minister for Labour* in our new Government that a fresh method is to be tried in this State. The members of our Government and the Union leaders they mainly represent have been denouncing the Wages Board system so long that to save their faces they must do something. They were in a dilemma. The Unionists never objected to their members calling the Wages Boards names, so long as they could go on making use of their machinery. But to abolish them was quite another matter. The Government realised that the very men who had cheered them to the echo when they denounced "Wade's Act" would not thank them for getting rid of it. So they now propose to keep the Wages Boards, making certain useful and comparatively unimportant amendments in their constitution. Their only novelty is in fact not novel. They propose a Court which will look like, but will be very unlike, the original Arbitration Court. The Boards are still to hear and determine disputes and fix wages and conditions. But instead of making an award as they do at present, their determinations are to come before the Court, and to be made as awards, nominally by the Court. This Court is to have full power to revise the awards, and, if necessary to reopen the whole question. But as there is, under our present system, a right of appeal from the award of a Board to the Court, which has full power of review, and as this right is very rarely taken advantage of, there seems on the surface no reason to suppose that the new system will differ materially in its working from the old. Any real changes that are being made are changes in detail to which experience has pointed. So far as the system goes there is no revolution. Whatever else the new proposals may be, they are a triumph for the Wages Board system, for they are an open recognition of its excellence by men who were bitterly opposed to its introduction, and who in the easy irresponsibility of Opposition delighted in denouncing it.

The crux of the industrial problem now lies outside the system and outside Parliament. Our recent coal strike was an illustration of the true peril. All the machinery of boards and arbitration was at hand. But it was not used. It was refused by the men. When the new Bill is passed they can set aside the new Statute just as cavalierly as in Adelaide. With Labour Administrations in power and members of the Cabinet openly encouraging the strikers, the best possible methods of arriving at justice can be made of no avail. The appeal is always to force whenever the circumstances permit. The force of numbers outside the Legislature is now strengthened by the force of numbers in the Legislature. The law goes to the wall with the consent, if not at the instigation, of the law makers. Our industrial problem in Australia, though settled in form is not yet settled in fact.

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