Proceedings of the People's Federal Convention,

Bathurst, November 1896

University of Sydney Library

Sydney

2000
Source Text:

Proceedings of the People's Federal Convention, Bathurst, November 1896

Gordon and Gotch

Sydney; Melbourne; Brisbane; Perth; London

1896

All quotation marks retained as data
All unambiguous end-of-line hyphens have been removed, and the trailing part of a word has been joined to the preceding line.
Author First Published 1896

RB 1597.91 Australian Etexts 1890-1909 prose nonfiction federation federation debates

23rd May 2000
Corrections: Creagh Cole
Final Checking and Parsing

Published by Authority. Gordon and Gotch: The World's Press Agency
Proceedings

Opening Session

DELEGATES appointed by various representative bodies throughout Australia to attend the sessions of the People's Federal Convention, Bathurst, 1896, assembled in the Convention Hall on Monday, 16th November, 1896.

Dr. Thomas A. Machattie, as chairman of the Bathurst Federation League, the body initiating the Convention, presided. He took the chair at 10.40 a.m., amid hearty cheers from the delegates.

The Chairman read a letter of welcome and the instructions and suggestions to delegates, the letter to Federalists, and other papers issued by the Bathurst Federation League. And then, as President of the Bathurst Federation League, explained the object which the League had in view in calling the Convention. He stated that there were gentlemen in Bathurst who ardently desired to see the Union of the Colonies brought about. Some references in the local Press a few weeks back had attracted notice, and the advocates of Federation saw an opportunity of appealing to public attention in the interests of the cause. The Mayor of Bathurst was requisitioned to call a public meeting, which he did. The outcome of a very representative meeting was the establishment of the Bathurst Federation League and of a Committee to organise a Convention at which the ideas and principles of Australasian Union might be fully discussed. The result is seen in the assembly of this morning. (Cheers.)

The full list of duly-certified delegates and invited members was then called.

The Chairman announced that the duties of the Bathurst Federation League ended at that stage, and the business was now in the hands of the Meeting, and it would he their preliminary duty to elect a President.

Mr. Williamson, of Sydney, moved that T. A. Machattie, Esq., President of the Bathurst Federation League, be appointed Chair of the Meeting.

This was seconded by Mr. Councillor Turner, of Prahran, carried unanimously, the delegates rising and applauding.

Dr. Machattie acknowledged the vote with thanks.

Letters and telegrams were read from various parts, all of which, with others received during the Convention, are acknowledged in the Appendix.

INVITATIONS.

Invitations were received for the delegates from the Municipal Council of
Bathurst to an Illumination *Fête* in Machattie Park; from the Bathurst School of Arts, to use the Reading Room; and from the Bathurst Art Society, giving the *entrée* to its Exhibition.

Thanks were expressed for the above.

THE OFFICIAL ORGAN.

Dr. Hurst presented a report from the Finance Committee of the Bathurst Federation League, stating that arrangements had been made with *The National Advocate* for the official reporting of the proceedings of the Convention, subject to the approval and at the expense of the Convention.

Dr. Hurst moved that this be referred to a Finance Committee to be appointed by the Convention. Carried.

A FEDERAL HYMN.

A Federation Hymn, by Mrs. Kearney, of Orange, was read, and a vote of thanks passed to the authoress.

THE QUEENSLAND LABOUR PARTY.

A letter was read from Mr. Albert Hinchcliffe, Secretary of the Queensland Provincial Council of Australia.

Mr. J. E. West moved:—

"That the letter be received, and inserted in the proceedings of the Conference."

It was decided, on the motion of Mr. Councillor Turner, that the letter be simply received.

ELECTION OF COMMITTEES.

The following committees were appointed:—

PROCEDURE AND STANDING ORDERS: Mr. B. B. Nicoll (chairman), Rt. Rev. Dr. Byrne, Mr. John Turner, Mr. W. S. Dowel, Dr. Hurst, Lieut-Col. Davies, and Mr. John Kidd.


Committee to prepare addresses to the Governors of the Australasian The Very Rev. the Dean of Bathurst, Rev. Professor Gosman,


Adjournment for lunch.

The afternoon session began at 2.30 p.m.

The Standing Orders Committee presented its Report.

On the motion of Mr. John Norton it was decided to amend the proposed standing orders to allow the mover of a resolution 15 minutes in which to
reply.

DRAFT STANDING ORDERS.

1. The Convention shall unless otherwise ordered meet on Tuesday, Wednesday, Thursday and Friday, the 17th, 18th, 19th, and 20th days of November instant, punctually at 10 o'clock a.m.

2. Unless otherwise ordered previous notice shall be given at a sitting of the Convention in writing of all motions to be submitted by the members, and all notices of Motion shall be printed and circulated daily amongst the Members.

3. In the debate of the Convention the ordinary rules of the House of Commons (so far as applicable) shall be observed. But the President or Vice-Presidents as the case may be shall have the same rights as other members to make any motion, and take part in the discussion of any question.

4. In Committee the rules of debate observed in Committees of the whole in Parliament shall be adopted, but the Chairman of Committees shall have the same right as any other member to make any motion and take part in the discussion of any question.

5. In any division taken in Convention the President or Vice-President, as the case may be, shall have a right to vote, and in case of an equality of votes, the question shall be deemed to have been passed in the negative; and the names of members shall be printed in alphabetical order without reference to the quality of their status in the Convention.

6. The press and public shall be admitted, unless otherwise ordered, during the sittings of the Convention, on the order of the President.

7. A quorum of the Convention shall be formed by 25 members.

8. The mover of any original motion shall be allowed 30 minutes support of the same. The Members of the Convention shall be allowed 15 minutes to speak to any motion. The mover of a motion shall have 15 minutes to speak in reply at the conclusion of thereon.

ELECTION OF PRESIDENT.

The Chairman, Dr. Machattie, was then moved from the chair, which was taken by the Rev. A. J. Webb.

Mr. John Kidd, of Sydney, moved:—

"That Dr. Machattie be elected President of the People's Federal Convention." (Applause.)

Seconded by Professor Gosman (Victoria), supported by Mr. J. Williamson (Sydney), and carried with cheers.

Dr. Machattie then took the chair as President, the members of the
Convention rising in a body. The President expressed his thanks for the honour done him.

**ELECTION OF VICE-PRESIDENTS.**

Mr. Magney moved:—

"That the Standing Orders be suspended to admit of the election of Vice-Presidents at once." Carried.

The following gentlemen were elected Vice-Presidents:—

Mr. Edmund Barton, Q.C.
The Hon. F. B. Suttor.
Dr. W. P. Bassett, Mayor of Bathurst.
Mr. B. B. Nicoll (President A.N.A., Sydney).
Lieut.-Col. J. G. Davies, Chairman of Committees, Tasmania.

**SECRETARIES.**

On the motion of Dr. Hurst the following appointments were made:—

Secretary: The Rev. Arthur J. Webb (Bathurst).
Assistant Secretary: G. E. Flannery, Esq., B.A., LL.B. (Sydney).

**THE CONVENTION TITLE.**

The Rev. R. F. Becher, B.A., moved:—

"That it be hereby declared that this meeting of delegates of various bodies and other accredited persons assembled in Bathurst from the several Australasian colonies, for the discussion of Federal questions, and the devising of means whereby the cause of Australian Federation may be promoted, shall be known as The People's Federal Convention of Bathurst, 1896."

The motion having been seconded by Mr. Councillor Turner, Mr. Barclay moved as an amendment:—

"That the Convention be termed 'Convention of Australia.'"

The amendment was lost. The motion was carried.

**REPORTS OF SUB-COMMITTEES.**

Reports of various sub-committees were submitted.

Dr. Hurst read the Finance Committee's report, recommending the adoption of arrangements made with the National Advocate for a full official report of the proceedings of the Convention at a cost of £14 14s., the report to be seven columns daily, and that a levy of 10s. 6d. be made on each member of the Convention to defray the necessary expenses of the Convention.

On the motion for the adoption of the report, the Chairman declared it carried. Several members objected to the ruling, and the Chairman called
for a division. The ayes were 52 and the noes 34.

THE NATURE OF THE CONVENTION.

Dr. Hurst moved:—

"That the work and object of the People's Convention, being solely and absolutely, educative, and in no sense mandatory, the members of the Convention before entering upon the discussion of the various resolutions to be submitted, distinctly declare that in the event of any delegate or other member of the Convention being a candidate for the Statutory Convention of 1897, it is to be clearly understood that the opinions promulgated by such delegate or other member of this Convention are not to be regarded as final expressions of those principles which he will declare and to which he must necessarily adhere in the prosecution of his candidature for the Statutory Convention."

Mr. Councillor Turner seconded the motion pro forma.
Mr. Magney moved as an amendment:—

"That all words after ‘educative’ be left out."

Mr. B. B. Nicoll seconded the amendment.

After discussion Dr. Hurst withdrew the motion.

The Convention adjourned.

A PUBLIC MEETING in connection with the Convention was held in the evening, the President (Dr. Machattie) in the chair. The speakers were: Mr. W. S. Dowel (who presented a banner from the ladies of Bingara to the citizens of Bathurst), Mr. James Inglis, Dr. Quick (Victoria), Mr. B. B. Nicoll, the Hon. F. B. Suttor, Lieut-Col. Davies (Tasmania), Mr. Conroy, the Rev. Professor Gosman, and the Rev. A. J. Webb.

Second Day.

The Convention assembled at 10.15 a.m.

The Roll was called.

The Minutes were read and confirmed.

The President announced that Mr. H. O. Matthews (Bathurst) had been appointed by the Finance Committee as their Treasurer, and would receive the levy fixed on the previous day.

Letters were read and received.

The Credentialling Committee's Report recommending that Mr. Wm. Warren, General Manager of the Eastern Extension Cable Company, then in Sydney, and the Hon. D. O'Connor, M.L.C., then in Bathurst, be invited to attend the Conference, was adopted on the motion of Mr. J. J. Miller, Chairman.

THE LIST OF MOTIONS.
Mr. B. B. Nicoll moved:—

"That the adoption of the Report and Procedure and Standing Orders Committee, which recommended the placing of the Motions, of which notice had been given, as far as possible in the order in which they had been handed in."

Mr. John Norton moved as an amendment:—

"That the Motion in his name be placed first on the business paper."

Mr. Archer (Burwood) seconded the amendment pro forma.

Mr. Norton, after discussion, withdrew his amendment, on the understanding that Mr. Millen move an amendment on certain lines.

Mr. Millen moved:—

"That the Report of the Standing Orders Committee be referred back for consideration and revision."

Mr. Conroy seconded this.

The President put the amendment and declared it lost.

A division being called for the amendment was lost.

The Report was adopted.

THE PRESIDENTIAL ADDRESS.

The President delivered his Inaugural Address, which will be found in the Appendix.

The Hon. Sydney Smith moved a hearty vote of thanks to the President for his Address.

This was carried with cheers, the Convention rising en masse.

THE MOTTO OF THE CONVENTION.

The President moved that the Motto of the Convention be "Foedere fato Æquamur (By our Union we are made equal to our destiny)."

Mr. Norton seconded the motion, which was carried with cheers.

PRESENTATION OF BANNER.

The ceremony of presenting a banner to the Convention by Mr. W. S. Dowel, in conjunction with Mr. Finkernagel, Mayor of Bingara, on behalf of the ladies of that town was then performed.

The Convention received the banner, and directed that a letter of thanks be sent to the ladies of Bingara.

THE SCOPE OF THE CONVENTION.

The Rev. A. J. Webb moved:—

"That the aims and scope of this Convention shall be the discussion of the principles and details of Federalism, the issuing of a series of definitions of Federal principles, and the preparing a report to be published as a manifesto to the Australasian people on a scheme of Federation based upon "The Draft Bill to
constitute the Commonwealth of Australia,’ as adopted by the Convention Of 1891.”

Mr. E. Dowling seconded the motion, and Mr. Cormack supported it.
Mr. Millen moved as an amendment:—

"The leaving out all words after ‘Federation.’"

Mr. Pinkstone seconded the amendment.
The Rev. A. J. Webb accepted the amendment on the understanding that provision would be made before the Convention closed for a committee to draw up the details and definitions of a Manifesto.
Mr. Rolin proposed a further amendment:—

"That the aims and the scope of this Convention shall be the discussion of the principles and details of Federation, the issuing of a series of definitions of Federal principles, and the preparing of a report to be published as a manifesto to the Australasian people on a scheme of Federation, and that discussions of the Convention, with a view to the preparation of such definitions and manifesto, be based upon the Draft Bill to constitute the Commonwealth of Australia, as adopted by the Convention of 1891."

The Rev. A. J. Webb approved of this, and on its being put to the Convention it was carried.

THE RECOGNITION OF A SUPREME BEING.
The Rev. Professor Gosman moved:—

"That this Convention of the people, acknowledging the existence of a widespread belief in the government of the world by Divine Providence, desires to commend the cause of Australian Federation to the wisdom and piety of the people; that the Supreme Ruler may be invoked to further, if it please Him, the Federal movement, and so to guide and direct the course of events that Australian Unity may rest upon an enlightened public opinion, and on a solid foundation of righteousness, the only guarantee for the creation and continuance of national and peace."

A point of order having been raised, and some discussion following, the motion was withdrawn.

COMMONWEALTH DRAFT.BILL.
It was moved by Mr. W. Epps (Australian National League):—

"That Wednesday's sitting of the Convention be devoted to the consideration of the main features of the Draft Bill of the Commonwealth adopted at the Convention in 1891, and especially with respect to the question of federal finance; And that a committee be appointed for the purpose of declaring a series of resolutions to be presented at this (Tuesday's) afternoon's sitting dealing respectively with the general principles of the proposed Constitution and federal finance."
Mr. Norton seconded the resolution *pro forma*.
Dr. Hurst moved as an amendment:—

"That the Convention proceed at once to discuss the details of the Draft Bill of 1891."

Mr. J. Boyd seconded the amendment, and Dr. Quick supported it.
The amendment was carried.
The Convention adjourned for lunch.
The afternoon session opened at 2.45.
The President moved:—

"That on all questions of order, the Chairman's ruling should be taken at once without discussion."

Mr. Rolin seconded, and Mr. Inglis supported the motion. Carried unanimously.
Mr. B. B. Nicoll presented a report of the Standing Orders Committee. The report recommended that a public meeting be held that evening under the auspices of the Convention, to give the Hon. J. G. Duffy (Vic.), the Hon. J. Cook (N.S. Wales), the Hon. E. H. Wittenoom (W.A.), the Hon. Dr. Cockburn (S.A.), all delegates to the Postal Conference, an opportunity of addressing Bathurst citizens on the subject of Federation.
Mr. Nicoll moved the adoption of the report, seconded by Councillor Turner.

Mr. J. Boyd moved:—

"That the Convention continue its present sitting with the usual dinner Adjournment until 10 p.m."

The amendment was carried on division.

THE 1891 DRAFT BILL.
Mr. John Norton, opening the discussion on the Commonwealth Draft Bill, of 1891, moved that the preamble be postponed.
John Boyd seconded.

Mr. Kidd moved:—

"That the Convention resolve itself into a Committee of the Whole, and consider the Bill clause by clause."

Mr. Rolin seconded.
Mr. Norton withdrew his motion, and on Mr. Kidd's motion, the house went into Committee.
Lieut. Col. J. G. Davies (Chairman of Committees, Tasmanian Assembly) was elected Chairman of Committees of the Convention.
The Convention then went into Committee.
Mr. John Norton moved:—

"That the preamble of the Bill be postponed." Carried.

Clauses 1, 2, 3, 4, 5, 6, 7 and 8 as read, were agreed to.
Chapter 1. Clause 1 agreed to.
Clause 2.
Mr. John Norton moved as an amendment:—

"That the Federated States, on a basis to be agreed upon by the Convention, should have the constitutional power of electing their own Governor-General."

On the question being put the amendment was lost.
The Clause was agreed to, the delegates rising *en masse*, and giving three cheers for the Queen.
Clauses 3, 4, 5, 6, 7 and 8 as read, were agreed to.
The Convention adjourned at 5 p.m.

**Evening Session.**

**POSTAL DELEGATES PRESENT.**

The Convention resumed at 8 p.m., and went into Committee of the whole.

**DISCUSSION ON COMMONWEALTH BILL.**

Chapter I. Clause 9.

On this clause Dr. Quick moved an amendment:—

"That the words ‘Directly chosen by the Houses of Parliament during the session thereof’ be omitted, and that the words, ‘to be elected by the Federal electors of the several States in such constituencies as might be determined by State laws,’ be inserted in lieu thereof."

Mr. Inglis seconded the amendment.
Professor Morris, Mr. Millen, Mr. West and Mr. Norton, supported it.
Mr. Rolin and Councillor Turner spoke on it.
The Convention was then addressed by the Hon. Dr. Cockburn (Minister for Agriculture, South Australia), the Hon. J. G. Duffy 23 (Postmaster General, Victoria), the Hon. E. H. Wittenoom (Minister for Mines, Western Australia), the Hon. Joseph Cook (Postmaster General, N.S. Wales.)
The Chairman of Committees, Mr. J. G. Davies, then vacated the chair, which was taken by the President, Dr. Machattie.
Leave was asked by the Chairman to sit next day and was granted.
Dr. Quick moved, and Mr. Turner seconded, and it was carried:—
"That the thanks of the Convention be tendered to the Ministers of the Crown present that night, and that they convey to their respective governments a desire for an early meeting of the Statutory Convention for the purpose of arranging the Federal Constitution."

The Convention then adjourned till next morning.

**Third Day**

The Convention assembled at 10.15 a.m.
The Roll was called.
The Minutes of the previous day were read and confirmed.
Correspondence was read by the Secretary and duly received.
A poem by Mr. Wm. Gay, of Bendigo, was received.
The Dean of Bathurst moved:—

"That Colonel Bell, U.S.A. Consul, should be invited to address the Convention in the evening." Carried.

Mr. B. B. Nicoll moved the adoption of the Report of the Procedure and Standing Orders Committee, which was carried.
Mr. N. A. Webb, LL.B., of Port Augusta, S.A., addressed the Convention, saying that he had come 1,500 miles to be present at the Convention, and he bore messages of congratulation and sympathy from many of his fellow colonists; amongst others from the Hon. J. H. Symon, Q.C., and Mr. Tucker, Mayor of Adelaide.

**THE DRAFT BILL.**

The President was then moved out of the chair, which was taken by the Chairman of Committees for the resumption of the consideration of clause 9 of part I. of the Commonwealth Draft Bill of 1891.

A lengthy discussion in which Mr. Kidd, Professor Gosman, Mr. West, Messrs. Morton, Wilkinson, Epps, Melville, Byrne, Cormack, Garran, Millen, Rolin, Macnamara, and the Hon. F. B. Suttor, took part.

Mr. Kidd moved the Chairman out of the chair.

The Chairman then left the chair, and the President again took charge of the meeting.

Leave was obtained by the Committee to sit again, and the Convention adjourned.

**Afternoon Session.**

The Convention assembled at 2.35, the President taking the chair.

After reading telegrams,
THE DRAFT BILL.

The President then left the chair, which was taken by the Chairman of Committees (Mr. J. G. Davies), for the resumption of debate on Dr. Quick's amendment in clause 9 of part I. of the Draft Bill.

After further discussion, in which Messrs. Rosa, Dowel, and Martin also took part, the question was put.

The Chairman declared the amendment carried.

A Division was taken with the following result:—

Ayes ... 81

Noes ... 51

The clause as amended, was agreed to.

The following is the Division List:—

AYES (81).

Brewer    Gorman    Peacock
Batey    Hood    Pymont
Boyd, John    Hills    Paul, W. H.
Brown, D.R.    Hay, H.    Quick, Dr.
Barrett, A. D.    Higgins, R. W.    Rolin, T.
Byrne, Dr.    Hammond, A.    Reid, A. C.
Bell, A.    Hodge, W. F.    Rosa, S. A.
Burns, Wm.    Hurst, Dr.    Ryan, J.
Brown    Inglis    Richardson
Beveridge, A.    James, W.    Rees, Evan
Becher    Kidd, J.    Rohner, W. C.
Byrne, S. A.    Lee, J.    Renehan, J.
Curnow    Machattie, G. E.    Stratton, J.
Cowper, C.    Melville, N.    Shackel
Cohen, S.    Millen    Strafford
Cook, J.    Mills, J.    Smith, W.
Chippendale    Mills, H.    Struthers, J.
Callendar    McDonnell, H.    Small, W.
H.
Dickson    Muller, N.    Taylor, Rev. W.
G.
Dowel    McLennen    Thomas
Finckernagel    Macnamara    Thistleton, R. G.
Mr. Norton moved as an amendment:—

"That the word ‘ten’ be inserted in place of the word ‘five’ in sub-sections 1 and 2."

Mr. Melville seconded this.
Mr. Nicoll supported it.
Amendment agreed to.
Clauses 16 to 23 were agreed to.
Part III.
Clause 24 was postponed.
Clause 25.
Mr. Millen proposed to amend the clause by opening it with the words:—
"For the first election, and until the Parliament of the Commonwealth otherwise provides."
Mr. Rolin seconded.
Mr. Garran supported.
The amendment was carried.
The Convention adjourned at 5 p.m.

**Evening Session.**

Colonel Bell, U.S.A. Consul, delivered an address on "Progressive Liberty" to a crowded audience, including a large number of other than members of the Convention.

The Convention then resumed at 9.45 its discussion of THE DRAFT BILL.

The President was then moved out of the chair, which was taken by the Chairman of Committees, and the consideration of the Draft Bill was resumed.

Mr. Skelton moved a further amendment on clause 25.

The original amendment, that the clause as amended stand part of the bill, was agreed to.

Mr. Skelton said he would give notice for the recommittal of the clause.

Clause 26.

Mr. Rolin moved that the clause be omitted.

Mr. Millen moved as an amendment:—

"That the clause be omitted, and that the apportionment of representation of each state should be made upon the populations of that state, exclusive of colored aliens."

Mr. Norton: If Mr. Millen will withdraw his amendment I will give notice for the recommittal of clause 24 with a view of amending it in the way indicated. He moved that clause 26 be postponed.

Mr. Millen withdrew his amendment, and the clause was postponed.

Clauses 27 to 31 were agreed to.

Clause 32.

Mr. G. E. Machattie moved as an amendment:—

"That the word ‘three’ in sub-sections 1 and 2 of the clause be struck out, and the word ‘five’ inserted in lieu thereof:"
Mr. N. Melville moved as an amendment:

"That the word ‘either’ and all the words after ‘Queen’ in the first line of section 2 be omitted."

Mr. Melville's amendment was lost, Mr. Machattie's amendment being agreed to.

Clauses 33 to 44 were agreed to.

All the clauses in part 4 having been adopted, the Convention adjourned till 9.30 the following morning.

**Fourth Day.**

The Convention assembled at 9.45 a.m.

Correspondence was read and received from Chief Justice Way (South Australia) and others. (See Appendix.)

A Federal Hymn, by Vice-President Professor Gosman, was read, and ordered to be included in the records.

After a personal explanation by Mr. Epps on the matter of reporting, the Convention resumed its deliberations on the Draft Bill.

It was agreed, as Mr. J. T. Walker had compiled a paper on finance and trade, to postpone clause 52 of chapter 2 and pass on to chapter 4 on finance and trade.

Mr. J. T. Walker then read the following paper:

**A GLANCE AT THE PROSPECTIVE FINANCES OF THE AUSTRALIAN FEDERATION OR COMMONWEALTH.** (For paper in full see Appendix.)

Mr. Walker concluded by moving that the first clause of the part be agreed to.

Mr. Rolin moved as an amendment to clause 9:

"The Revenue of the Commonwealth shall be applied in the first instance to the payment of the expenditure of the Commonwealth, which shall, until uniform duties of customs have been imposed by the Parliament of the Commonwealth, be charged to the several States in the following manner:—

1. The expenditure of which each State has been relieved, and which is paid by the Commonwealth, shall be charged against that State.

2. The additional expenditure incurred by the Commonwealth shall be charged against the several States in proportion to their
populations. The surplus revenue shall, until such uniform duties have been established, be returned to the several States in the following manner:— The Revenue actually collected in each State shall be returned to that State, deducting the amounts by the previous clauses of this section charged against that State, and after deducting the amount of bounties paid to the people of that State.

10. After uniform duties of customs have been established, the Revenue of the Commonwealth shall be applied in the first instance in the payment of the expenditure of the Commonwealth. The mode in which this expenditure shall be charged to the several States, and the surplus Revenue divided, shall be determined in the following manner:—

(1) As to duties of Customs or Excise, provision shall be made for ascertaining, as nearly as may be, the amount of duties collected in each State or part of the Commonwealth in respect of dutiable goods which are afterwards exported to another State or part of the Commonwealth, and the amount of the duties so ascertained shall be taken to have been collected in the State or part to which the goods have been so exported, and shall be added to the duties actually collected in that State or part, and deducted from the duties collected in the State or part, of the Commonwealth from which goods are exported:

(2) As to the proceeds of direct taxes, the amount contributed or raised in respect of income earned in any State or part of the Commonwealth, or arising from property situated in any State or part of the Commonwealth, shall be taken to have been raised in that State or part:

(3) The Revenue derived from the Railway, Postal and Telegraph, or other services of each State, shall be credited to that State.

Each State to be credited with the amounts so ascertained.

The expenditure of which each State has been relieved, and which has been paid to the Commonwealth, shall be charged against that State, together with the interest on the public debt of the State taken over by the Commonwealth. The additional expenditure incurred by the Commonwealth shall be charged against such State in proportion to the population of each State.

The amount of bounties paid to the people of any State shall be
charged against the State. When these amounts have been ascertained, the amounts charged against each State shall be deducted from the amounts so credited to each State, and the surplus paid over to that State, or the deficiency charged against that State.

Mr. S. A. Byrne suggested the appointment of a committee to draw up a new chapter on finance and trade.

The Chairman ruled the proposal out of order, as the President had already ruled that the discussion should be continued in committee.

The Convention adjourned.

Afternoon Session.

The Convention resumed at 2.40 p.m.
Telegrams were read.
The Credentials Committee recommended that Mr. Hawthorne, M.P., become a member of the Convention. The recommendation was adopted.
The President was moved out of the chair, which was taken by the Chairman of Committees, and the discussion on the Draft Bill was resumed.

THE DRAFT BILL.

Mr. Millen said he would propose the postponement of chapter 4, and if that was carried he would move that the Chairman leave the chair so as to enable the Convention proper to appoint a committee to deal with the matter.

After discussion the Chairman reported progress and left the chair, which was taken by the President.

Mr. Millen moved:—

"That Messrs. Walker, Meeks, Epps, Quick, Martin, Rolin, and the mover, be appointed a sub-committee to consider and report on chapter 4 of the Draft Bill, and that it be an instruction to the committee to provide in its report for the placing of the railways under Federal control."

Dr. Quick urged that the words referring to the Federal control of the railways be struck out.
The motion was carried.

Dr. Hurst moved an adjournment, for the purpose of attending at the laying of the foundation stone of the Technical College.
The motion was carried, and the Convention adjourned till 7 p.m.
Evening Session.

DRAFT BILL.

The Convention assembled at 7.22 p.m., when the debate on the Draft Bill was resumed.

The Chairman said that pending the report of the sub-committee appointed to consider chapter 4 of the Draft Bill, the Convention would do well to deal with the preceding clauses.

In Chapter I, clause 52, relating to the legislative power of Parliament was agreed to, with the exception of sub-sections 2, 3 and 29, which were postponed.

On clause 6 Mr. West moved an amendment to eliminate the words "or any part of the Commonwealth."

At this stage the Premier, the Hon. G. H. Reid, entered the Hall, accompanied by the Hon. Sydney Smith, Minister for Mines and Agriculture, and was greeted with loud cheers.

Mr. West's amendment was lost, and the clauses read were agreed to.

In connection with sub-section 13, relating to coinage, Mr. Dowell proposed to add a new section affirming the desirability of the establishment of a Bank for the Commonwealth.

He was ruled out of order.

Clause 53.
Mr. Dowling moved an amendment:—

"That the words after ‘Commonwealth’ in the third line sub-section 1, be omitted.

Amendment lost.
Clause as read agreed to.
Clauses 54 to 58 agreed to.
Clause 59.
Mr. Morton moved as an amendment:—

"That the words ‘two years’ be omitted, and the words ‘one year’ be inserted in lieu thereof."

Amendment negatived.
Clause as read agreed to.
Clause 10 in Chapter II. was postponed, the remaining clauses being agreed to.

Clauses 1, 2, 3, and 4 in Chapter III. were agreed to.
Mr. Millen moved the elimination of the words:—

"The Parliament of the Commonwealth may provide by law that."
The amendment was carried.

Clause 6.
Mr. Macnamara moved as an amendment:—

"That the words ‘to the people or State affected by such decision by mean of the Referendum’ be inserted after the words ‘leave to appeal,’ and that the words ‘to Herself,’ and the last line, be struck out."

Amendment lost.
On the motion of Mr. A. Consett Stephen, clause 6 was amended, as follows:—

"Notwithstanding the provisions of the two last preceding sections, or of any law made by the Parliament of the Commonwealth in pursuance thereof, the Queen may in any case in which the interest of the Commonwealth as such and any State, or any other part of the Queen's Dominions, are concerned, grant leave to appeal to herself in Council against any judgment of the Supreme Court of Australia." Carried.

Clauses 7 to 11 were agreed to.
Chapter V. was postponed.
Chapter VI. as read agreed to.
Chapter VII. Clauses 1 and 2 as read were agreed to.
Clause 3 was amended on the motion of Mr. Millen to the effect:—

"That the words ‘or unnaturalized persons of coloured races’ be inserted after the word ‘Australia’ in second line of the clause.

Chapter VIII. as read was agreed to.
The Chairman reported progress, asked leave to sit again, and the Convention adjourned at 11 p.m. to the following day.

Fifth Day.

FIFTH DAY.
The Convention assembled at 10a.m., the President, Dr. Thos, A. Machattie, in the chair.
The President announced that at 10.30 his Eminence the Cardinal would address the Convention on the question of State Right, and other distinguished gentlemen would follow him. Perhaps it was not quite in accordance with a strict interpretation of the Standing Orders that they should suspend the ordinary debate for these speakers, but considering the value of the contribution they were likely to make to their discussions he proposed to do so.
Delegates assented to this course.
The minutes were taken as read and adopted.
Correspondence was then read.

A letter was received from Dr. Knaggs, forwarding from the N.S.W. Branch of the British Medical Association a paper on ‘Federal Quarantine,’ and suggesting that if possible it should he incorporated in the proceedings.

Dr. Quick moved:—

"That papers on Federation submitted to the Convention, which in the of the Executive Officers are of sufficient importance and interest and to advance the Federal cause, be printed and recorded in the ‘Notes and Proceedings’ of the Convention."

Motion carried.

ADDRESS TO GOVERNORS.

The Dean of Bathurst (the Very Rev. Dean Marriott) then read the report of the Committee appointed to draw up an address to the Australian Governors.

The report was approved of by a unanimous vote. (The Address appears in the appendix.)

THE ATTITUDE OF QUEENSLAND.

Mr. J. West suggested that Professor Morris' motion should now be taken.

Dean Marriott, for Professor Morris, then moved:—

"That this People's Convention, composed as it is of delegates from various colonies and places distant from each other, recognising the present importance in the future potentialities of the great colony of Queensland, as well as the patriotism of its citizens, is of opinion that no Federation of Australia can be regarded as complete without the co-operation of that colony, and desires earnestly to appeal to the Premier and Cabinet of Queensland to take such steps as may be necessary to enable Parliament without delay to pass a bill providing for the election of delegates to the Statutory Convention, and would urge that patriotism called upon them to adopt the method of election which may seem to them second best rather than not appoint delegates at all."

Motion carried unanimously.

At this stage his Eminence Cardinal Moran entered the hall, and was greeted with cheers by the delegates.

The President reminded the Convention that that day had been set apart for the discussion of State rights. They were in the position of being able to secure from gentlemen who would be present such expressions of opinion as would assist the House in coming to a right decision on this matter, probably the most important, in the Draft Bill. His Eminence Cardinal Moran was now about to speak.

CARDINAL MORAN, who was greeted with hearty cheers from the
delegates and from the crowded public gallery, then addressed the Convention at length.

Dean Marriott moved a vote of thanks to his Eminence for his eloquent, catholic, patriotic and helpful speech.

The Hon. Sydney Smith seconded this, and it was carried with three cheers.

The vote was conveyed to the Cardinal by the President, and briefly acknowledged.

MR. EDMUND BARTON, Q.C., then addressed the Convention.

During his speech the Premier of N.S.W. entered, and was greeted with cheers.

THE HON. R. E. O'CONNOR, Q.C., M.L.C., also spoke.

THE PREMIER of N.S.W. (the Hon. G. H. Reid) then addressed the Convention amidst loud and continued cheering.

(The above speeches all appear in the Appendix.)

The Convention then adjourned till 2.30.

Afternoon Session.

The Convention resumed at 2.30.

Mr. LYNE, the Leader of the Opposition, N.S.W., then addressed the Convention.

(See Appendix.)

Speeches were also made by SIR PATRICK JENNINGS, MR. JOHN SEE, M.L.A., the HON. D. O'CONNOR, M.L.C.

On the motion of Mr. Millen, a hearty vote of thanks was given to the speakers.

The Convention at this stage (4.15 p.m.) adjourned in order to attend a garden party, given by the Ladies' Committee, at Loganbrae.

Evening Session.

The Convention resumed at 7.30.

Lieut.-Col. Davies, as a Vice-President, occupied the chair, in the absence of the President.

The report of the Special Committee on the Finances of the Draft Bill (Chapter IV.. Finance and Trade), was presented by Mr. J. T. Walker.

The report recommended the adoption of clauses 1 to 8 and 10 to 11 in the Bill; that the customs and excise duties and post and telegraph receipts shall form part of the federal revenue; and that the cost of federal government, defence, ocean beacons, and buoys and ocean lighthouses and
lightships, and quarantine, be charged to each state on a population basis. The committee recommended that clause 9 of the Bill be struck out, and that in its place the following be inserted:— "The revenue of the Commonwealth shall be applied in the first instance in the payment of the expenditure of the Commonwealth, which shall until uniform duties of customs have been imposed by the Parliament of the Commonwealth, be charged to the several States in the following manner. (1) "The expenditure of which each State has been relieved, and which has been paid by the Commonwealth shall be charged against the State. (2) The additional expenditure incurred by the Commonwealth shall be charged against the several States in proportion to their population. The surplus revenue until such uniform duties have been established, be returned to the several States in the following manner. The revenue actually collected in each State shall be returned to that State after deducting the amounts by the previous clauses of this section charged against that State, and after deducting the amount of bounties paid the people of that State. After uniform duties of customs have been established, the revenue of the Commonwealth shall be applied in the first instance in the payment or expenditure of the Commonwealth. The mode in which this expenditure shall be charged to the several States and the surplus revenue divided shall be determined in the following manner:— (1) As to duties of customs and of excise, provision shall be made for ascertaining, as nearly as may be, the amount of duties collected in each State or part of the Commonwealth (in respect of dutiable goods which are afterwards exported to another State or part of the Commonwealth), and the amount of the duties so ascertained shall be taken to have been collected in the State or part to which the goods have been so exported, and shall be added, to the duties actually collected in the State or part, and deducted from the duties collected in the State or part of the Commonwealth from which the goods were exported. (2) As to the proceeds of direct taxes, the amount contributed or raised in respect of income earned in any State or part of the Commonwealth, or arising from property situated in any State or part of the Commonwealth, and the amount contributed or raised in respect of property situated in any State or part of the Commonwealth, shall be taken to have been raised in that State or part. (3) The revenue derived from all other sources and services of each State taken over by the Federal Government shall be ascertained, and each State shall be credited with the amounts so ascertained. The expenditure of which each State has been relieved with the exception of that relating to military and defence, ocean beacons and buoys, ocean lighthouses and
lightships, quarantine, and which has been paid by the Commonwealth, shall be charged against that State, together with the interest on the public debt of the State taken over by the Commonwealth. The additional expenditure incurred by the Commonwealth, together with the expenditure on military and defence, ocean beacons and buoys, ocean lighthouses and lightships, and quarantine shall be charged against each State in proportion to the population of each State. The amount of bounties paid to the people of any State shall be charged against that State. When these amounts have been ascertained, the amounts charged against each State shall be deducted from the amounts so credited to each State, and the surplus paid over to that State, or the deficiency charged against that State. Such returns shall be made monthly, or at shorter intervals, as may be convenient.” The committee also recommended that if the whole of the provincial debts were taken over by the Federal Government unconditionally, then the control of the railways should be vested in the Federal Parliament. The principle of a consolidation of loans was agreed to by the committee, but there was a difference of opinion as to whether the whole or only a portion should be taken over by the Federal Government, and, if only a portion be taken over, as to the basis upon which such portion should be estimated. The committee recommend as an amendment on clause 13 the following words:— "The Federal Government shall take over the whole of the liabilities of the several States joining the Commonwealth, and each State shall be charged with the interest on such amount at the rate paid by the Federal Government." The last recommendation of the committee was that the Federal Government should take over the whole of the railways of the several States, and that each State should be charged with any deficiency or credited with any net profits on the working of such railways.

The report was referred to a Committee of the Whole.

The House then went into Committee, and resumed the discussion of the Draft Commonwealth Bill.

Chapter IV. Clauses 1 to 8 as read were agreed to.

Clause 9.

Mr. Millen moved as an amendment:—

"That the suggestion of the Committee be adopted, that clauses 9 and 9A be adopted in lieu of clause 9 of the Bill." Carried.

The Chairman reported progress, and asked leave to sit again.

Mr. Norton presented the Finance Committee's report, which recommended that any surplus from the levy of 10s. 6d. per delegate remaining in the hands of the Treasurer be handed over to the Bathurst
Federation League for the furtherance of the cause of Federation in their district.

The report was adopted.
The House went again into Committee.

**DRAFT BILL.**

Resumption of discussion on the Draft Bill.

Chapter IV. Clauses 10, 11, and 12 as read agreed to.

Clause 13.

On the amendment of Mr. J. T. Walker, the clause as read was struck out, and the following inserted in its place:

"The Federal Government shall take over the whole of the liabilities of the several States joining the Commonwealth, and each State shall be charged with the interest on such amount at the rate paid by the Federal Government."

Mr. J. T. Walker then moved that there be added a clause 14, as follows:

"The Federal Government shall take over the whole of the railways of the several States, and each State shall be charged with any deficiency or accredited with any net profits on the working of such railways." Carried.

Chapter I. Clause 24, part 3.

Chapter I. Clause 26, as read, agreed to.

Chapter 1. Clause 52, sub-section 2, as read, agreed to.

Sub-section 3.

Mr. J. M. Purves moved that the following words be added to sub-section 3 of clause 52:

"And that no direct taxation shall be imposed, except in the event of war or in cases of great national emergency."

This proposition was lost.

Mr. J. T. Walker moved:

"That sub-section 29 be amended by the omission of all words between ‘railways’ and ‘of the Commonwealth.’"

Chapter II. Clause 10.

Mr. J. T. Walker moved:

"That the clause be amended by the addition of the words ‘railways, not tramways.’" Carried.

Chapter V. as read agreed to.
The Preamble as read was agreed to.
The Chairman reported progress, and asked leave to sit again. Mr. Skelton moved:—

"That Clause 25 be re-committed, and that there be added that ‘no person shall have more than one vote.’"

Seconded by Mr. Rosa. Negatived. Mr. Melville moved:—

"That the Report be now adopted." Carried.

The Convention adjourned at 11.40 to the following day.

**Sixth Day.**

**Closing Session.**

The Convention assembled for its closing session on Saturday morning, the President taking the chair at 10.25 a.m. A letter from His Excellency Lord Brassey, Governor of Victoria, was read. (See Appendix.) Also one from the Private Secretary of the Governor of Tasmania (Appendix), and from others. Several sets of verses on Federation were reported to the Convention. They were taken as read.

PROCEDURE COMMITTEE’S REPORT.

The report of the Procedure Committee was presented:—

"That the records of this Convention printed in a book, and that the proceedings be printed under the auspices of Sydney Central League, and that the following gentlemen be a committee to prepare the same:—

The President (Dr. Machattie)
The Secretary (the Rev. A. J. Webb)
The Right Rev. Dr. Camidge
The Right Rev. Dr. Byrne
The Very Rev. Dean Marriett
The Rev. Father Dowling
Dr. Hurst
Dr. Quick
Mr. G. E. Machattie
Mr. M. Meagher
Mr. A. G. Thompson
Mr. Wright
The Hon. Sydney Smith.

It having been moved and carried:—

"That the name of Mr. E. Dowling be added,"

The Report was adopted.
Dr. Hurst moved:—

"That the preparation of a Manifesto to the Australasian people embodying the results of this Convention be entrusted to the Committee already appointed to prepare the reports." Carried.

THE LATE SIR HENRY PARKES.
Mr. J. W. Taylor, Forbes, moved:—

"As this is the first great meeting on Federation since the death of Sir Henry Parkes, this Convention places upon record its deep sense of great loss the colony and the cause of Federation have sustained by the death of so distinguished a statesman and such an earnest Federationist."

Mr. Cormack seconded.
The motion was carried.
THE LATE MR. GARVAN.
Mr. Dowling moved:—

"That a letter of condolence be sent to the widow of the late Mr. J. P. Garvan."

The motion was carried.

ELECTIONS TO SENATE.
Mr. Epps, in the absence of Professor Morris, moved:—

"That, if election to the Senate of the Commonwealth be by popular vote and not by the Provincial Parliaments, this Convention hopes that the constituencies will be so large as to make canvassing impossible, and would prefer the whole colony for a constituency; it hopes further that the election will be conducted upon the preferential method of voting, and that adequate provision will be made for the representation of minorities."

The President ruled the motion out of order.

THE QUEENSLAND GOVERNMENT AND THE ENABLING BILL.
Motion in the name of the Right Rev. Dr. Byrne (Bathurst F.L.) was put:—

"That this Convention of the people respectfully urges upon the Government of Queensland the reintroduction at the earliest possible moment of the Enabling Bill in
the Queensland Parliament."

The motion was formally passed.

METHODS OF ORGANISATION AND EDUCATION.

Moved by the Very Rev. Dean Marriott (Bathurst F.L.):

"That in the opinion of this Convention, the surest and most effective method of diffusing a stimulative education in Federal principles and thereby advancing the Federal cause, is the immediate organisation of Federal Leagues in every district throughout the provinces, and that the delegates here present hereby pledge themselves individually to the formation of such a League or Leagues in their respective districts at the earliest date practicable."

The motion was formally passed.

The Rev. A. J. Webb moved:

"That in the opinion of this Convention, district Councils should be promptly formed at various centres throughout the colonies, each Council to be composed of delegates from the Leagues comprised within its district, proportionately to the number of members enrolled in such League, and such Councils shall be charged with the duties of seeing that their district is efficiently organised into Leagues; and of arranging all matters which are of general importance to the Leagues of their district.

Seconded by Mr. Edmund Barton.

Dr. Hurst moved as an addition the words:

"That a copy of the resolution be sent to the various Central Leagues to make the necessary arrangements for carrying it out."

This was accepted by Mr. Webb, and the motion as amended was carried.

THE ADVISORY COUNCIL.

Dr. Hurst (Bathurst F.L.) moved:

"That in the opinion of this Convention an Advisory Council composed of a delegation of the committees of the Central Federation Leagues of the several colonies, together with delegates from the various district Councils, to be established under the authority of the immediately preceding resolution, should be established; and meet periodically at different inter-provincial centres to be agreed upon, for the purpose of assisting the various Federal organisations throughout the several provinces in all matters which require for their proper and efficient management a central controlling and directing body, and also for the purpose of taking any action which it shall deem to be necessary for the advancement of the Federal cause."

On the suggestion of Mr. Dowling, a similar amendment to that embodied in the previous resolution was added, and the motion as amended was adopted.
THE PRINCIPLES OF FEDERAL GOVERNMENT.
Rev. A. J. Webb (Bathurst F.L.) moved:—

"That in the opinion of this Convention a clear definition and concise explanation of the principles of Federal Government in the form of a Federal catechism easy of acquisition by the Australian people is a necessity for which prompt provision must be made, in order to promote the effective advancement of the Federal movement."

Seconded by Mr. R Barton.
The word "manual" was inserted in the place of "catechism," and the motion as amended was carried.

AN EARLY UNION.
Motion by the Mayor of Bathurst (Bathurst M.C.):—

"That the interests — financial, defensive, sanitary, and progressive — of the peoples of the several colonies of Australasia demand an early union under a Federal authority; and that this Convention pledges itself to use every means of awakening the public attention to the great question, so that the people, being informed on the issues involved, and recognising the National importance of the question, may bring it about by a consentient voice."

The motion was formally passed.

THE FINANCIAL CONDITIONS.
Mr. Donald Cormack, delegate, Rookwood, moved:—

"That the Australasian financial condition is the absolute command to federate, and that this Convention respectfully urges the various Premiers to act at once."

Mr. Cormack afterwards withdrew his motion.

THE TERM "COLONIES."
Mr. Peacock (Perth F.L.) moved:—

"That in the opinion of this Convention it should be a recommendation to the people of Australia that, pending the formal adoption of a Federal Constitution, which would definitely attach a permanent, genuine designation to the several constituent States, the term province or provinces shall be, wherever practicable, used in place of the term colony or colonies."

The motion was formally passed.

SUBMISSION OF SCHEME TO ELECTORS.
Dr. Hurst (Bathurst F.L.) moved:—

"That in the opinion of this Convention no scheme of Australian Federation will be acceptable to the people unless it have been previously submitted to the electors of the several colonies, and it affirms most strenuously its opinion that Federation on any such basis as that of the Federal Council which meets in Hobart every two years, not being founded on the expressed will of the people, and
therefore opposed to all democratic principles, is a totally inadequate method of dealing with the question."

Seconded by Mr. Edmund Barton. Carried.

RESTRICTION ON GOVERNMENT SERVANTS.

Mr. Norton moved:—

"That this Convention recognizing that the Federation of these colonies is the most exalted ideal which patriotism can dictate for the elevation and advancement of the Australian people, that it is above the mere contests of partisan politics in its independence of every political party, and forms a separate platform on which the ablest intellects of every party and sect can unite to work in harmony, hereby expresses its strongest disapproval of any restriction which through a misconception of the nature and objects of this movement are being imposed upon those citizens engaged in the Government Service throughout the colonies to debar them from contributing any species of support of which they are capable towards the consummation of this national cause."

The motion was formally passed.

MORAL GROUND OF FEDERATION.

The Rev. J. Fielding moved:—

"That this Convention, acknowledging the government of the world by Divine Providence, commends the cause of Federation to all who desire not only the material but also the moral and social advancement of the people of Australia."

Mr. J. T. Walker seconded the motion, and it was carried unanimously.

INDUSTRIAL CO-OPERATIVE COMMONWEALTH.

Mr Macnamara (Social Democratic League) moved that:—

"Taking into consideration the present unhappy condition of the masses, owing to their economic enslavement, no system of Federation will be satisfactory to this Convention which has not for its objects the early realization of the Industrial Co-operative Commonwealth." NEGATIVED.

RECOMMITTAL OF CLAUSE 9, CHAPTER I., DRAFT BILL.

Mr. S. A. Byrne moved:—

"That the words ‘the Senators shall be chosen for a term of six years,’ be omitted, in order to insert ‘the Senatorial Chamber shall be co-existent with the lower Chamber.’" NEGATIVED.

PRINCIPLE OF RECIPROCITY.

Mr. J. T. Hood moved that:—

"In anticipation of Federation not becoming an established fact in the immediate future, this Convention recommends for the consideration of the various Colonial Governments the advisableness of applying the principle of Reciprocity to as many as practicable of the laws of the Colonies, more particularly the laws appertaining to
patents, trade marks, and copyrights." NEGATIVED.

APPOINTMENT OF INTERCOLONIAL COMMITTEE.

Mr. John West moved:—

"That this Convention appoint a Committee of thirty members, five from each of the several Colonies. That the five members in each Colony be a Sub-Committee of the whole, with a Vice-Chairman, and Secretary. That such Committee be empowered to take any action that it may deem necessary to further the Federal cause. That it be a strong recommendation to it from this Convention to arrange for periodic gathering of Federationists in each of the several Colonies in rotation, until Federation be accomplished." NEGATIVED.

CONFERENCE OF REPRESENTATIVES.

Motion by Mr. J. Ryan:—

"That the Governments of the various provinces be requested to hold a conference of representatives with a view to an arrangement being arrived at, if possible, for the free interchange of all provincial products, pending the accomplishment of Federation." NEGATIVED.

CIVIL SERVANTS AS MEMBERS OF THE HOUSE OF REPRESENTATIVES.

Mr. J. W. Taylor, M.A. (Forbes), moved:—

"That in the election of members to the House of Representatives of the Commonwealth one such member be elected by the officers of the Public Service of the country for the better protection of their rights and interests." NEGATIVED.

COMMONWEALTH BANK.

Mr. Dowel moved:—

"That an additional sub-section be made to Clause 52 of the Commonwealth Bill to establish a bank for the Commonwealth."

Ruled out of order.

VOTES OF THANKS.

THE PRESIDENT.

The President was then moved out of the chair, which was taken by the Chairman of Committees.

Mr. Edmund Barton, Q.C., moved:—

"That the thanks of the Convention be tendered to the President of the Bathurst Branch of the Australasian Federation League for the marked ability with which he had conducted the proceedings of the Convention, and for the strenuous endeavours he had made, both previous to the Convention and during its labours, to render those labours successful."
The Hon, R. E. O'Connor seconded this, which was supported by Mr. West (Trades Hall Council), and was carried with acclamation, the delegates rising and cheering.

The President acknowledged the vote, saying in reply:—

"Mr. Chairman and gentlemen, I thank you heartily for the kind manner in which you have received the motion, and in which you have spoken of my services as chairman. You will readily understand that many difficulties presented themselves to a humble medico like myself taking charge of such an important assemblage as this. My feelings at seeing such a gathering at the earlier part of this week were those of alarm. I and my coworkers were desirous that this Convention should emanate from the people irrespective of political views. We distinctly let the delegates understand that they came here as people and people only. I am glad I have pleased you, and I cannot let the opportunity pass of thanking the Chairman at present in the chair, Lieutenant Colonel Davies, Chairman of Committees in the Tasmanian Assembly, for the kind manner in which he has coached and assisted me during these proceedings. (Cheers.) The remarks of Messrs. Barton, O'Connor, and West are extremely gratifying to me, as I may say it would have been impossible for me to carry out my duties had it not been for the assistance and kindness of the members of the Convention." (Applause.)

CHAIRMAN OF COMMITTEES.

The Chairman then left the chair, which was again taken by the President.

Dr. Hurst moved a vote of thanks to Lieutenant-Colonel Davies for the marked ability he had displayed as Chairman of Committees.

Mr. Melville seconded.

Mr. Wilkinson, on behalf of the people of Queensland, supported, and was followed by

Mr. Garran,
Mr. J. Ryan.

Carried with acclamation and cheers.

Mr. Davies thanked the Convention.

MAYOR AND CITIZENS OF BATHURST.

Mr. J. W. Taylor, M.A. (Forbes) moved:—

"The thanks of the delegates to the Mayor and people of Bathurst, and especially the ladies, for their hospitality."


The Dean of Bathurst acknowledged the vote.

THE SECRETARIES.

Mr. S. W. Moore, M.L.A., moved:—

A vote of thanks to the Rev. A. J. Webb (Secretary), Mr. G. E. Flannery, B.A., LL.B. (Assistant Secretary), and other officers of the Convention for the able
manner in which they had fulfilled their duties.

Mr. Cormack seconded the motion, which was supported by Mt. Dowel, and carried with acclamation.

The Rev. A. J. Webb responded.

THE PRESS.

Mr. G. E. Machattie moved:—

A vote of thanks to the metropolitan Press and to the official organ (the National Advocate), and the other local papers, for the excellent manner in which they had reported the proceedings of the Convention.

Mr. Flanagan (Orange) seconded the motion, which was supported by Messrs. Epps, Norton, Walker, and Melville.

Carried with acclamation.

The President then made his closing address. (See Appendix.)

Three hearty cheers were given for Her Majesty the Queen, Three cheers for the President.

The Convention was dissolved.

T. A. MACHATTIE, PRESIDENT.

ARTHUR J. WEBB, SECRETARY.
Draft of a Bill as Adopted by the People's Federal Convention, Bathurst.

November 21st, 1896.
T.A. Machattie, President
A.J. Webb, Secretary.

NOTE — The People's Federal Convention having considered in Committee "the Draft of a Bill to Constitute the Commonwealth of Australia" as adopted by the National Australasian Convention of 1891, approved of the measure in the following amended form. Where the original clauses of the Draft of 1891 have been in any way altered, the matter in parentheses will show the text as it originally stood.

DRAFT OF
A BILL
To Constitute the Commonwealth of Australia.

Preamble.

WHEREAS the Australian Colonies of [here name the Colonies which have adopted the Constitution] have by [here describe the mode by which the assent of the Colonies has been expressed] agreed to unite in one Federal Commonwealth under the Crown of the United Kingdom of Great Britain and Ireland, and under the Constitution hereby established. And whereas it is expedient to make provision for the admission into the Commonwealth of other Australasian Colonies and Possessions of Her Majesty: Be it therefore enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in the present Parliament assembled, and by the authority of the same, as follows:—

Short Title.
1. This Act may be cited as "The Constitution of the Commonwealth of Australia."

Application of provisions referring to the Queen.
2. The provisions of this Act referring to Her Majesty the Queen extend also to the Heirs and Successors of Her Majesty in the Sovereignty of the United Kingdom of Great Britain and Ireland.

Constitution of the Commonwealth of Australia.
Power to proclaim Commonwealth of Australia.
3. It shall be lawful for the Queen, by and with the advice of Her
on and after a day therein appointed, not being later than six months after
the passing of this Act, the Colonies of [here name the Colonies which
have adopted the Constitution] (which said Colonies and Province are
hereinafter severally included in the expression "the said Colonies"
shall be
united in one Federal Commonwealth under the Constitution hereby
established, and under the name of "The Commonwealth of Australia";
and
on and after that day the said Colonies shall be united in one Federal
Commonwealth under that name.
Commencement of Act.

4. Unless where it is otherwise expressed or implied this Act shall
commence and have effect on and from the day so appointed in the Queen's
Proclamation; and the name "The Commonwealth of Australia" or "The
Commonwealth" shall be taken to mean the Commonwealth of Australia as
constituted under this Act.

5. The term "The States" shall be taken to mean such of the existing
Colonies of New South Wales, New Zealand, Queensland, Tasmania,
Victoria, and Western Australia, and the Province of South Australia, as
for the time being form part of the Commonwealth, and such other States
as may hereafter be admitted into the Commonwealth under the
Constitution thereof, and each of such Colonies so forming part of the
Commonwealth shall be hereafter designated a "State."

Repeal of 48 and 49 Vict., Chap. 60.

6. "The Federal Council of Australasia Act, 1885," is hereby repealed,
but such repeal shall not affect any laws passed by the Federal Council of
Australasia and in force at the date of the establishment of the Constitution
of the Commonwealth.

But any such law may be repealed as to any State by the Parliament of
the Commonwealth, and may be repealed as to any Colony, not being a
State, by the Parliament thereof.


7. The Constitution established by this Act, and all laws made by the
Parliament of the Commonwealth in pursuance of the powers conferred by
the Constitution, and all Treaties made by the Commonwealth, shall,
according to their tenor, be binding on the Courts, Judges, and people, of
every State, and of every part of the Commonwealth, anything in the laws
of any State to the contrary notwithstanding: and the Laws and Treaties of
the Commonwealth shall be in force on board of all British ships whose
last port of clearance or whose port of destination is in the Commonwealth.
Constitution.

8. The Constitution of the Commonwealth shall be as follows:—

THE CONSTITUTION.

Division of Constitution.

This Constitution is divided into Chapters and parts as follows:—

CHAPTER I. — THE PARLIAMENT.

PART I. — GENERAL;
PART II. — THE SENATE;
PART III. — THE HOUSE OF REPRESENTATIVES;
PART IV. — PROVISIONS RELATING TO BOTH HOUSES;
PART V. — POWERS OF THE PARLIAMENT.
CHAPTER II. — THE EXECUTIVE GOVERNMENT:
CHAPTER III.-THE FEDERAL JUDICATURE:
CHAPTER IV. — FINANCE AND TRADE:
CHAPTER V. — THE STATES:
CHAPTER VI. — NEW STATES:
CHAPTER VII. — MISCELLANEOUS:
CHAPTER VIII. — AMENDMENT OF THE CONSTITUTION.

CHAPTER I.

THE PARLIAMENT.

PART I. GENERAL.

Legislative Powers.

1. The Legislative powers of the Commonwealth shall be vested in a Federal Parliament, which shall consist of Her Majesty, a Senate, and a House of Representatives, and which is hereinafter called "The Parliament."

Governor-General.

2. The Queen may, from time to time, appoint a Governor-General who shall be Her Majesty's Representative in the Commonwealth, and who shall have and may exercise in the Commonwealth during the Queen's pleasure, and subject to the provisions of this Constitution such powers and functions as the Queen may think fit to assign him.

Salary of Governor-General.

3. The Annual Salary of the Governor-General shall be fixed by the Parliament from time to time, but shall not be less than Ten thousand pounds, and shall be payable to the Queen out of the Consolidated Revenue Fund of the Commonwealth. The Salary of a Governor-General shall not
be diminished during his continuance in office.

Application of provisions relating to Governor-General.

4. The provisions of this Constitution relating to the Governor-General extend and apply to the Governor-General for the time being or other the Chief Executive Officer or Administrator of the Government of the Commonwealth, by whatever title he is designated.

Oath of Allegiance — Schedule

5. Every Member of the Senate, and every Member of the House of Representatives, shall before taking his seat therein make and subscribe before the Governor-General, or some person authorised by him, an Oath or Affirmation of Allegiance in the form set forth in the Schedule to this Constitution.

Governor-General to fix times and places for holding Session of Parliament Power of dissolution of House of Representatives. — First Session of Parliament.

6. The Governor-General may appoint such times for holding the first and every other session of the Parliament, as he may think fit, giving sufficient notice thereof, and may also from time to time, by proclamation or otherwise, prorogue the said Parliament, and may in like manner dissolve the House of Representatives.

The Parliament shall be called together not later than six months after the date of the establishment of the Commonwealth.

Yearly Session of Parliament.

7. There shall be a session of the Parliament once at least in every year, so that twelve months shall not intervene between the last sitting of the Parliament in one Session, and its, first sitting in the next Session.

Privileges, etc., of Houses.

8. The privileges, immunities, and powers, to be held, enjoyed, and exercised by the Senate and by the House of Representatives respectively, and by the members thereof, shall be such as from time to time declared by the Parliament, and until declared shall be those held, enjoyed, and exercised by the Commons House of Parliament of the United Kingdom, and by the members thereof, at the date of the establishment of the Commonwealth.

PART II. THE SENATE.

9. The Senate shall be composed of eight members for each State to be elected by the Federal electors of the several States voting, in such constituencies as may be determined by the legislature of such States, and each senator shall have one vote.
The senators shall be chosen for a term of six years. The names of the senators chosen in each State shall be certified by the Governor to the Governor-General.

[The Senate shall be composed of eight members for each State, directly chosen by the Houses of the Parliament of the several States during a Session thereof, and each Senator shall have one vote. The Senators shall be chosen for a term of six years. The names of the Senators chosen in each State shall be certified by the Governor to the Governor-General.]

Mode of Election of Senators.

10. The Parliament of the Commonwealth may make laws prescribing a uniform manner of choosing the Senators. Subject to such laws, if any, the Parliament of each State may determine the time, place, and manner of choosing the Senators for that State by the Federal Electors thereof. The Parliament of the Commonwealth may make laws prescribing a uniform manner of choosing the Senators. Subject to such laws, if any, the Parliament of each State may determine the time, place, and manner of choosing the Senators for that State by the Houses of Parliament thereof.]

Failure of a State to choose Senators not to prevent business.

11. The failure of any State to provide for its representation in the Senate shall not affect the power of the Senate to proceed to the despatch of business.

Retirement of Senators.

12. As soon as practicable after the Senate is first assembled, the Senators chosen for each State shall be divided by lot into two classes. The places of the Senators of the first class shall be vacated at the expiration of the third year, and the place of those of the second class at the expiration of the sixth year, from the commencement of their term of service as herein declared, so that one-half may be chosen every third year.

For the purposes of this section the term of service of a Senator shall begin on and be reckoned from the first day of January next succeeding the day of his election, except in the case of the first election, when it shall be reckoned from the first day of January preceding the day of his election. The election of Senators to fill the places of Senators retiring by rotation shall be made in the year preceding the day on which the retiring Senators are to retire.

The following clause, standing as Clause 13 in the Draft Bill of 1891,
was struck out:— "If the place of a Senator becomes vacant during the recess of the Parliament of the State which he represented the Governor of the State, by and with the advice of the Executive Council thereof, may appoint a Senator to fill such vacancy until the next Session of the Parliament of the State, when the Houses of Parliament shall choose a Senator to fill the vacancy."

Tenure of Seats of Senators elected to Senate owing to vacancies.

14. If the place of a Senator becomes vacant before the expiration of the term of service for which he was chosen the Senator chosen to fill his place shall hold the same only during the unexpired portion of the term for which the previous Senator was chosen.

Qualifications of Senator.

15. The qualifications of a Senator shall be as follow:—

(1) He must be of the full age of thirty years, and must, when chosen, be an elector entitled to vote in some State at the election of Members of the House of Representatives of the Commonwealth, and must have been for ten years at the least a resident within the limits of the Commonwealth as existing at the time when he is chosen;

(2) He must either be a natural born subject of the Queen, or a subject of the Queen naturalised by or under a law of the Parliament of the United Kingdom of Great Britain and Ireland, or of the Parliament of one of the said Colonies, or of the Parliament of the Commonwealth, or of a State, at least ten years before he is chosen.

Election of President of the Senate.

16. The Senate shall, at its first meeting and before proceeding to the despatch of any other business, choose a Senator to be the President of the
Senate; and as often as the office of President becomes vacant the Senate shall again choose a Senator to be the President; and the President shall preside at all meetings of the Senate; and the choice of the President shall be made known to the Governor-General by a deputation of the Senate.

The President may be removed from office by a vote of the Senate. He may resign his office; and upon his ceasing to be a Senator his office shall become vacant.

Absence of President provided for.

17. In case of the absence of the President, the Senate may choose some other Senator to perform the duties of the President during his absence.

Resignation of place in Senate.

18. A Senator may, by writing under his hand addressed to the President, or if there is no President, or the President is absent from the Commonwealth, to the Governor-General, resign his place in the Senate, and thereupon the same shall be vacant.

Disqualification of Senator by Absence.

19. The place of a Senator shall become vacant if for one whole Session of the Parliament he, without the permission of the Senate entered on its Journals, fails to give his attendance in the Senate.

Vacancy in Senate to be notified to Governor of State.

20. Upon the happening of a vacancy in the Senate the President, or if there is no President, or the President is absent from the Commonwealth, the Governor-General shall forthwith notify the same to the Governor of the State which the Senator whose place is vacated represented.

Questions as to qualifications and vacancies in Senate.

21. If any question arises respecting the qualification of a Senator or a vacancy in the Senate, the same shall be determined by the Senate.

Quorum of Senate.

22. Until the Parliament otherwise provides, the presence of at least one-third of the whole number of Senators, as provided by this Constitution, shall be necessary to constitute a meeting of the Senate for the exercise of its powers.

Voting in Senate.

23. Questions arising in the Senate shall be determined by a majority of votes, and the President shall in all cases be entitled to a vote; and when the votes are equal the question shall pass in the negative.

PART III. THE HOUSE OF REPRESENTATIVES.

Constitution of House of Representatives.

24. The House of Representatives shall be composed of Members chosen
every three years by the people of the Several States, according to their respective numbers; and until the Parliament of the Commonwealth otherwise provides, each State shall have one Representative for every thirty thousand of its people.

Provided that in the case of any of the existing Colonies of New South Wales, New Zealand, Queensland, Tasmania, Victoria, and Western Australia, and the Province of South Australia, until thenumber of the people is such as to entitle the State to four Representatives it shall have four Representatives.

Qualification of Electors.

25. For the first election, and until the Parliament of the Commonwealth otherwise provides, the qualification of electors of Members of the House of Representatives shall be in each State that which is prescribed by the law of the State as the qualification for electors of the more numerous House of the Parliament of the State.

The qualification of electors of Members of the House of Representatives shall be in each State that which is prescribed by the law of the State as the qualification for electors of the more numerous House of the Parliament of the State.

Provision for case of persons not allowed to vote.

26. When in any State the people of any race are not entitled by law to vote at elections for the more numerous House of the Parliament of the State, the Representation of that State in the House of Representatives shall be reduced in the proportion which the number of people of that race in the State bears to the whole number of the people of the State.

Mode of calculating number of Members.

27. When upon the apportionment of Representatives it is found that after dividing the number of the people of a State by the number in respect of which a State is entitled to one Representative there remains a surplus greater than one- half of such number, the State shall have one additional Representative.

Representatives in first Parliament.

28. The number of members to be chosen by each State at the first election shall be as follows: [To be determined according to latest statistical returns at the date of the passing of the Act.]

Periodical reapportionment.

29. A fresh apportionment of Representatives to the States shall be made after each Census of the people of the Commonwealth, which shall be taken at intervals not longer than ten years. But a fresh apportionment shall not take effect until the then next General Election.

[P.53] starts here
Increase of number of House of Representatives.

30. The number of Members of the House of Representatives may he from time to time increased or diminished by the Parliament of the Commonwealth, but so that the proportionate representation of the several States, according to the numbers of their people, and the minimum number of Members, prescribed by this Constitution, fo any State shall be preserved.

Electoral Divisions.

31. The electoral divisions of the several States for the purpose of returning members of the House of Representatives shall be determined from time to time by the Parliaments of the several States.

Qualifications of Member of the House of Representatives.

32. The qualifications of a member of the House of Representatives shall be as follow:—

(1) He must be of the full age of twenty-one years, and must when elected he an elector entitled to vote in some State at the election of members of the House of Representatives, and must have been for five years at the least a resident within the limits of the Commonwealth as existing at the time when he is elected;

(2) He must either be a natural born subject of the Queen, or a subject of the Queen naturalised by or under a law of the Parliament of Great Britain and Ireland, or of the Parliament of one of the said Colonies, or of the Parliament of the Commonwealth, or of a State, at least five years before he is elected.

The qualifications of a Member of the House of Representatives shall be as follow:—

(1) He must be of the full age of twenty-one years, and must when elected be an elector entitled to vote in some State at the election of members of the House of Representatives, and must have been for three years at the least a resident within the limits of the Commonwealth as existing at the time when he is elected; (2) He must either be a natural born subject of the Queen, or a subject of the Queen naturalised by or under a law of the Parliament of Great Britain and Ireland, or of the Parliament of one of the said Colonies, or of the Parliament of the Commonwealth, or of a State, at least three years before he is elected.

Disqualification of Senators.

33. A Senator shall not be capable of being elected or of sitting as a
member of the House of Representatives.

Election of Speaker of House of Representatives.

34. The House of Representatives shall, at its first meeting after every General Election, and before proceeding to the despatch of any other business, choose a Member to be Speaker of the House, and as often as the office of Speaker becomes vacant the House shall again choose a Member to be Speaker; and the Speaker shall preside at all meetings of the House of Representatives; and the choice of of a Speaker shall be made known to the Governor-General by a deputation of the House.

The Speaker may be removed from office by a vote of the House, or may resign his office.

Absence of the Speaker provided for.

35. In case of the absence of the Speaker, the House of Representatives may choose some other Member to perform the duties of the Speaker during his absence.

Resignation of place in House of Representatives.

36. A member of the House of Representatives may, by writing under his hand addressed to the Speaker, or if there is no Speaker, or he is absent from the Commonwealth, to the Governor-General, resign his place in the House of Representatives, and thereupon the same shall be vacant.

Disqualification of Member by absence.

37. The place of a Member of the House of Representatives shall become vacant if for one whole Session of the Parliament he, without permission of the House of Representatives entered on its Journals, fails to give his attendance in the House.

Issue of New Writs.

38. Upon the happening of a vacancy in the House of Representatives, the Speaker shall, upon a resolution of the House, issue his writ for the election of a new member.

In the case of a vacancy by death or resignation happening when the Parliament is not in Session, or during an adjournment of the House for a period of which a part longer than seven days is unexpired, the Speaker, of if there is no Speaker, or he is absent from the Commonwealth, the Governor-General shall issue, or cause to be issued, a writ without such resolution.

Quorum of House of Representatives.

39. Until the Parliament otherwise provides the presence of at least one-third of the whole number of the Members of the House of Representatives shall be necessary to constitute a meeting of the House for the exercise of
its powers.

Voting in House of Representatives.

40. Questions arising in the House of Representatives shall be determined by a majority of votes other than that of the Speaker; and when the votes are equal, but not otherwise, the Speaker shall have a casting vote.

Duration of House of Representatives.

41. Every House of Representatives shall continue for three years from the day appointed for the first meeting of the House, and no longer, subject, nevertheless, to be sooner dissolved by the Governor-General.

The Parliament shall be called together not later than thirty days after the day appointed for the return of the Writs for a General Election.

Writs for General Election.

42. For the purpose of holding General Elections of Members to serve in the House of Representatives the Governor-General may cause Writs to be issued by such persons, in such form, and addressed to such Returning Officers, as he thinks fit.

Continuance of existing Election Laws until the Parliament otherwise provides.

43. Until the Parliament of the Commonwealth otherwise provides, the laws in force in the several States for the time being, relating to the following matters, namely: The manner of conducting Elections for the more numerous House of the Parliament, the proceedings at such elections, the oaths to be taken by voters, the Returning Officers, their powers and duties, the periods during which Elections may be continued, the execution of new Writs in case of places vacated otherwise than by dissolution, and offences against the laws regulating such Elections, shall respectively apply to Elections in the several States of Members to serve in the House of Representatives.

Questions as to Qualifications and Vacancies.

44. If any question arises respecting the qualification of a Member or a vacancy in the House of Representatives, the same shall be heard and determined by the House of Representatives.

PART IV — PROVISIONS RELATING TO BOTH HOUSES.

Allowance to Members.

45. Each member of the Senate and House of Representatives shall receive an annual allowance for his services, the amount of which shall be fixed by the Parliament from time to time. Until other provision is made in that behalf by the Parliament the amount of such annual allowance shall be
five hundred pounds.
Disqualifications of Members.

46. Any person

(1) Who has taken an oath or made a declaration or acknowledgment of allegiance, obedience, or adherence to a Foreign Power, or has done any act whereby he has become a subject or citizen or entitled to the rights or privileges of a subject or a citizen of a Foreign Power; or

(2) Who is an undischarged bankrupt or insolvent, or a public defaulter; or

(3) Who is attainted of treason, or convicted of felony or of any infamous crime;

shall be incapable of being chosen or of sitting as a Senator or Member of the House of Representatives until the disability is removed by a grant of a discharge, or the expiration or remission of the sentence, or a pardon, or release, or otherwise.

Place to become vacant on happening of certain disqualifications.

47. If a Senator or Member of the House of Representatives —

(1) Takes an oath or makes a declaration or acknowledgment of allegiance, obedience, or adherence to a Foreign Power, or does any act whereby he becomes a subject or citizen, or entitled to the rights or privileges of a subject or citizen, of a Foreign Power; or

(2) Is adjudged bankrupt or insolvent, or takes the benefit of any law relating to bankrupt or insolvent debtors, or becomes a public defaulter; or

(3) Is attainted of treason, or convicted of felony or of any infamous crime;

his place shall thereupon become vacant.

Disqualifying contractors and persons interested in contracts. — Proviso exempting members of trading companies.

48. Any person who directly or indirectly himself, or by any person in trust for him, or for his use or benefit, or on his account, undertakes, executes, holds, or enjoys, in the whole or in part any agreement for or on account of the Public Service of the Commonwealth, shall be incapable of being chosen or of sitting as a Senator or Member of the House of Representatives while he executes, holds, or enjoys the agreement, or any part or share of it, or any benefit or emolument arising from it.

If any person, being a Senator or Member of the House of Representatives, enters into any such agreement, or having entered into it continues to hold it, his place shall thereupon become vacant.

But this section does not extend to any agreement made, entered into, or accepted, by an incorporated company consisting of more than 20 persons
if the agreement is made, entered into, or accepted for the general benefit of the company.

Place to become vacant on accepting office of profit. — Exceptions.

49. If a Senator or Member of the House of Representatives accepts any office of profit under the Crown, not being one of the offices of State held during the pleasure of the Governor General, and the holders of which are by this Constitution declared to be capable

of being chosen and of sitting as Members of either House of Parliament, or accepts any pension payable out of any of the revenues of the Commonwealth during the pleasure of the Crown, his place shall thereupon become vacant, and no person holding any such office except as aforesaid, or holding or enjoying any such pension, shall be capable of being chosen or of sitting as a Member of either House of the Parliament.

But this provision does not apply to a person who is in receipt only of pay, half-pay, or a pension, as an Officer of the Queen's Navy or Army, or who receives a new Commission in the Queen's Navy or Army, or an increase of pay on a new Commission, or who is in receipt only of pay as an officer or member of the Military or Naval Forces of the Commonwealth and whose services are not wholly employed by the Commonwealth.

Penalty for sitting when disqualified.

50. If any person by this Constitution declared to be incapable of sitting in the Senate or House of Representatives sits as a Senator or Member of the House of Representatives, he shall, for every day on which he sits, be liable to pay the sum of one hundred pounds to any person who may sue for it in any Court of competent jurisdiction.

Standing Rules and Orders to be made.

51. The Senate and House of Representatives may from time to time prepare and adopt such Standing Rules and Orders as may appear to them respectively best adapted —

(1) For the orderly conduct of the business of the Senate and House of Representatives respectively:

(2) For the mode in which the Senate and House of Representatives shall confer, correspond and communicate with each other relative to Votes or proposed Laws adopted by or pending in the Senate or House of Representatives respectively:

(3) For the manner in which Notices of proposed Laws, Resolutions and other business intended to be submitted to the Senate and House of Representatives respectively may be published for general information:

(4) For the manner in which proposed Laws are to be introgressed,
numbered, and, intituled in the Senate and House of Representatives respectively:
(5) For the proper presentation of any Laws passed by the Senate and House of Representatives to the Governor-General for his assent: and
(6) Generally for the conduct of all business and proceedings of the Senate and House of Representatives severally and collectively.

PART V — POWERS OF THE PARLIAMENT.

Legislative powers of the Parliament.

52. The Parliament shall, subject to the provisions of this Constitution, have full power and authority to make all such Laws as it think necessary for the peace, order and good government of the Commonwealth, with respect to all or any of the matters following that is to say;—
1. The regulation of Trade and Commerce with other Countries, and among the several States;
2. Customs and Excise and bounties, but so that duties of Customs and Excise and bounties shall be uniform throughout the Commonwealth, and that no tax or duty shall be imposed upon any goods exported from one State to another;
3. Raising money by any other mode or system of taxation; but so that all such taxation shall be uniform throughout the Commonwealth;
4. Borrowing money on the public credit of the Commonwealth;
5. Postal and Telegraphic Services;
6. The Military and Naval Defence of the Commonwealth and the several States and the calling out of the Forces to execute and maintain the laws of the Commonwealth, or of any State or part of the Commonwealth;
7. Munitions of War;
8. Navigation and Shipping;
9. Ocean Beacons and Buoys and Ocean Light-houses and Light-ships;
10. Quarantine;
11. Fisheries in Australian waters beyond territorial limits;
12. Census and Statistics;
13. Currency, Coinage, and Legal Tender;
14. Banking, the Incorporation of Banks, and the Issue of Paper Money;
15. Weights and Measures;
16. Bills of Exchange and Promissory Notes;
17. Bankruptcy and Insolvency;
18. Copyrights and Patents of Inventions, Designs, and Trade, Marks;
19. Naturalisation and Aliens;
20. The Status in the Commonwealth of Foreign Corporations, and of
Corporations formed in any State or part of the Commonwealth;

21. Marriage and Divorce;
22. The Service and Execution throughout the Commonwealth of the Civil and Criminal Process; and Judgments of the Courts of the States;
23. The recognition throughout the Commonwealth of the Laws, the Public Acts and Records, and the Judicial Proceedings, of the States;
24. Immigration and Emigration;
25. The influx of Criminals;
26. External affairs and Treaties;
27. The relations of the Commonwealth to the Islands of the Pacific;
28. River navigation with respect to the common purposes of two or more States, or parts of the Commonwealth;
29. The control of Railways.

[The control of Railways with respect to transport for the purposes of the Commonwealth.]

30. Matters referred to the Parliament of the Commonwealth by the Parliament or Parliaments of any State or States, but so that the Law shall extend only to the State or States by whose Parliament or Parliaments the matter was referred, and to such other States as may afterwards adopt the Law;
31. The exercise within the Commonwealth, at the request or with the concurrence of the Parliaments of all the States concerned, of any Legislative powers with respect to the affairs of the territory of the Commonwealth, or any part of it, which can at the date of the establishment of this Constitution be exercised only by the Parliament of the United Kingdom or by the Federal Council of Australasia.
32. Any matters necessary or incidental for carrying into execution the foregoing powers, and any other powers vested by this Constitution in the Parliament or Executive Government of the Commonwealth, or any department or officer thereof.

Exclusive powers of the Parliament.

53. The Parliament shall, also, subject to the provisions of this Constitution, have exclusive power to make laws for the peace, order, and good government of the Commonwealth with respect to the following matters:—
1. The affairs of people of any race with respect to whom it is deemed necessary to make special laws not applicable to the general community; but so that this power shall not extend

[The control of Railways with respect to transport for the purposes of the Commonwealth.]

30. Matters referred to the Parliament of the Commonwealth by the Parliament or Parliaments of any State or States, but so that the Law shall extend only to the State or States by whose Parliament or Parliaments the matter was referred, and to such other States as may afterwards adopt the Law;
31. The exercise within the Commonwealth, at the request or with the concurrence of the Parliaments of all the States concerned, of any Legislative powers with respect to the affairs of the territory of the Commonwealth, or any part of it, which can at the date of the establishment of this Constitution be exercised only by the Parliament of the United Kingdom or by the Federal Council of Australasia.
32. Any matters necessary or incidental for carrying into execution the foregoing powers, and any other powers vested by this Constitution in the Parliament or Executive Government of the Commonwealth, or any department or officer thereof.

Exclusive powers of the Parliament.

53. The Parliament shall, also, subject to the provisions of this Constitution, have exclusive power to make laws for the peace, order, and good government of the Commonwealth with respect to the following matters:—
1. The affairs of people of any race with respect to whom it is deemed necessary to make special laws not applicable to the general community; but so that this power shall not extend
race in Australia and the Maori race in New Zealand;

2. The government of any territory which may by surrender of any State or States and the acceptance of the Parliament become the seat of Government of the Commonwealth, and the exercise of like authority over all places acquired by the Commonwealth, with the consent of the Parliament of the State in which such places are situated for the construction of forts, magazines, arsenals, dockyards, quarantine stations, or for any other purposes of general concern.

3. Matters relating to any Department or Departments of the Public Service the control of which is by this Constitution transferred to the Executive Government of the Commonwealth;

4. Such other matters as are by this Constitution declared to within the exclusive powers of the Parliament.

Money Bills.

54. Laws appropriating any part of the public revenue, or imposing any tax or impost shall originate in the House of Representatives.

55. (1) The Senate shall have equal power with the House of Representatives in respect of all proposed Laws, except Laws imposing taxation and Laws appropriating the necessary supplies for the ordinary annual services of the Government which the Senate may affirm or reject, but may not amend. But the Senate may not amend any proposed Law in such a manner as to increase any proposed charge or burden on the people.

(2) Laws imposing taxation shall deal with the imposition of taxation only.

(3) Laws imposing taxation except Laws imposing duties or Customs of imports shall deal with one subject of taxation only.

(4) The expenditure for services other than the ordinary annual services of the Government shall not be authorised by the same Law as that which appropriates the supplies for such ordinary annual services, but shall be authorised by a Separate Law or Laws.

(5) In the case of a proposed Law which the Senate may not amend, the Senate may at any stage return it to the House of Representatives with a message requesting the omission or amendment of an items or provisions therein. And the House of Representatives may, if it thinks fit, make such omissions or amendments, or any of them with or without modifications.

Recommendation of money votes.

56. It shall not be lawful for the House of Representatives to pass any
vote, resolution, or Law for the appropriation of any part of the public revenue, or of the produce of any tax or impost, to any purpose that has not been first recommended to that House by message of the Governor-General in the Session in which the vote, resolution or Law is proposed.

Royal Assent.

Royal Assent to Bills.

57. When a law passed by the Parliament is presented to the Governor-General for the Queen's assent, he shall declare, according to his discretion, but subject to the provisions of this Constitution, either that he assents to it in the Queen's name, or that he withholds assent, or that he reserves the Law for the Queen's pleasure to be made known.

Disallowance by Order in Council of Law assented to by Governor-General.

58. When the Governor-General assents to a Law in the Queen's name he shall by the first convenient opportunity send an authentic copy to the Queen, and if the Queen in Council within two years after receipt thereof thinks fit to disallow the Law, such disallowance being, made known by the Governor-General, by speech or message, to each of the Houses of Parliament, or by proclamation, shall annul the Law from and after the day when the disallowance is so made known.

Signification of Queen's Pleasure on Bill reserved.

59. A Law reserved for the Queen's pleasure to be made known, with respect to it shall not have any force unless and until within two years from the day on which it was presented to the Governor-General for the Queen's assent, the Governor-General makes known by speech or message to each of the Houses of Parliament, or by proclamation, that it has received the assent of the Queen in Council.

An entry of every such speech, message, or proclamation shall be made in the journal of each House, and a duplicate thereof duly attested shall be delivered to the proper officer to be kept among the records of the Parliament.

Chapter II. The Executive Government.

Executive power to be vested in the Queen.

1. The Executive power and authority of the Commonwealth is vested in the Queen, and shall be exercised by the Governor-General as the Queen's Representative.

Constitution of Executive Council for Commonwealth.

2. There shall be a Council to aid and advise the Governor-General in the
government of the Commonwealth, and such Council shall be styled the Federal Executive Council; and the persons who are to be Members of the Council shall be from time to time chosen and summoned by the Governor-General and sworn as Executive Councillors, and shall hold office during his pleasure.

Application of provisions referring to Governor-General.

3. The provisions of this Constitution referring to the Governor-General in Council shall be constructed as referring to the Governor-General acting with the advice of the Federal Executive Council.

Ministers of State May sit in Parliament.

4. For the administration of the Executive government of the Commonwealth, the Governor-General may, from time to time, appoint Officers to administer such Departments of State of the Commonwealth as the Governor-General in Council may from time to time establish, and such officers shall hold office during the pleasure of the Governor-General, and shall be capable of being chosen and of sitting as Members of either House of Parliament.

Such Officers shall be Members of the Federal Executive Council, and shall be the Queen's Ministers of State for the Commonwealth.

Number of Ministers.

5. Until other provision is made by the Parliament, the number of such Officers who may sit in the Parliament shall not exceed seven, who shall hold such offices, and by such designation, as the Parliament from time to time prescribes by Law, or, in the absence of any such Law, as the Governor-General from time to time directs.

Salaries of Ministers.

6. Until other provision is made by the Parliament there shall be payable to the Queen, out of the Consolidated Revenue Fund of the Commonwealth, for the salaries of such Officers, the sum of fifteen thousand pounds per annum.

Appointment of Civil Servants.

7. Until other provision is made by the Parliament, the appointment and removal of all other officers of the Government of the Commonwealth shall be vested in the Governor-General in Council, except officers whose appointment may be delegated by the Governor-General in Council to some other officer or person.

Authority of Executive.

8. The Executive power and authority of the Commonwealth shall extend to the execution of the provisions of this Constitution, and the Laws of the Commonwealth.
Command of Military and Naval Forces.

9. The Command in Chief of all Military and Naval Forces of the Commonwealth is hereby vested in the Governor-General as the Queen's Representative.

Immediate assumption of control of certain Departments.

10. The control of the following Departments of the Public Service shall be at once assigned to and assumed and taken over by the Executive Government of the Commonwealth, and the Commonwealth shall assume the obligations of any State or States with respect to such matters, that is to say —

- Customs and Excise,
- Posts and telegraphs,
- Military and Navy Defence,
- Ocean Beacons and Buoys, and Ocean Lighthouses and Lightships,
- Quarantine,
- Railways, not including tramways.

The control of the following Departments of the Public Service shall be at once assigned to and assumed and taken over by the Executive Government of the Commonwealth, and the Commonwealth shall assume the obligations of any State or States with respect to such matters, that is to say —

- Customs and Excise,
- Posts and Telegraphs,
- Military and Navy defence,
- Ocean Beacons and Buoys, and Ocean Lighthouses and Lightships.
- Quarantine.

Powers under existing Law to be exercised by Governor-General with advice of Executive Council.

11. All powers and functions which are at the date of the establishment of the Commonwealth vested in the Governor of a Colony, with or without the advice of his Executive Council, or in any officer or authority in a Colony, shall, so far as the same continue in existence and need to be exercised in relation to the government of the Commonwealth, with respect to any matters which under this Constitution pass to the Executive Government of the Commonwealth, vest in the Governor-General, with the advice of the Federal Executive Council, or in the officer or authority exercising similar powers or functions in or under the Executive Government of the Commonwealth.
Chapter III. The Federal Judicature.

Supreme Court of Australia and Inferior Courts.

1. The Parliament of the Commonwealth shall have power to, establish a court, which shall be called the Supreme Court of Australia, and shall consist of a Chief Justice, and so many other Justices, not less than four, as the Parliament from time to time prescribes, The Parliament may also from time to time, subject to the provisions of this Constitution, establish other Courts.

Tenure of Office.

2. The Judges of the Supreme Court of Australia and of the other Courts of the Commonwealth shall hold their offices during good behaviour, and shall receive such salaries as may from time to time be fixed by the Parliament; but the salary paid to any judge shall not be diminished during his continuance in office.

Appointment and Removal of Judges.

3. The Judges of the Supreme Court and of the other Courts of the Commonwealth shall be appointed, and maybe removed from office, by the Governor-General by and with the advice of the Federal Executive Council; but it shall not be lawful for the Governor-General to remove any Judge except upon an Address from both Houses of the Parliament praying for such removal.

Appellate Jurisdiction.

4. The Supreme Court of Australia shall have jurisdiction, with such exceptions and subject to such regulations as the Parliament from, time to time prescribes, to hear and determine appeals from all judgments, decrees, orders, and sentences, of any other Federal Court, or of the highest Court of final resort now established, or which may hereafter be established, in any State, whether such Court is a Court of Appeal or of original jurisdiction, and the judgment of the Supreme Court of Australia in all such cases shall be final and conclusive.

Until the Parliament makes other provisions, the conditions of and restrictions on appeals to the Queen in Council from the highest Courts of final resort of the several States shall be applicable to appeals from such Courts to the Supreme Court of Australia.

Appeals made final in all cases.

5. Any appeals which by any law have heretofore been allowed from any judgment, decree, order, or sentence, of the highest Court of final resort of any State to the Queen in Council, shall be brought to, and heard and determined by, the Supreme Court of Australia, and the judgment of that Court in all such cases shall be final and conclusive.
[The Parliament of the Commonwealth may provide, by law that any appeals which by any law have heretofore been allowed from any judgment, decree, order or sentence, of the highest Court of final resort of any State to the Queen in Council, shall be brought to, and heard and determined by, the Supreme Court of Australia, and the judgment of that Court in all such cases shall be final and conclusive.]

Power of the Queen to allow appeal to Herself in certain cases.
6. Notwithstanding the provisions of the two last preceding sections, or of any law made by the Parliament of the Commonwealth in pursuance thereof, the Queen may in any case in which the interests of the Commonwealth as such and any State, or any other part of the Queen's Dominions, are concerned, grant leave to appeal to Herself in Council against any judgment of the Supreme Court of Australia.

[Notwithstanding the provisions of the two last preceding sections, or of any law made by the Parliament of the Commonwealth in pursuance thereof, the Queen may in any case in which the public interests of the Commonwealth, or of any State, or of any other part of the Queen's Dominions, are concerned, grant leave to appeal to Herself in Council against any judgment of the Supreme Court of Australia.]

Extent of power of Federal Courts.
7. The Parliament of the Commonwealth may from time to time define the jurisdiction of the Courts of the Commonwealth, other than the Supreme Court of Australia, which jurisdiction may be exclusive, or may be concurrent with that of the Courts of the States. But jurisdiction shall not be conferred on a Court except in respect of the following matters, or some of them, that is to say:—

(1) Cases arising under this Constitution;
(2) Cases arising under any Laws made by the Parliament of the Commonwealth, or under any treaty made by the Commonwealth with another country;
(3) Cases of Admiralty and Maritime jurisdiction;
(4) Cases affecting the Public Ministers, Consuls, or other Representatives of other countries;
(5) Cases in which the Commonwealth, or a person suing or being sued on behalf of the Commonwealth, is a party;
(6) Cases in which a Writ of Mandamus or Prohibition is sought against an officer of the Commonwealth;
(7) Controversies between States;
(8) Controversies relating to the same subject matter claimed under the laws of different States.

Original jurisdiction — Additional original jurisdiction may be conferred.
8. In all cases affecting Public Ministers, Consuls, or other
Representatives of other Countries, and in all cases in which the Commonwealth, or any person suing or being sued on behalf of the Commonwealth, is a party, or in which a Writ or Mandamus or Prohibition is sought against an Officer of the Commonwealth, and in all cases of controversies between States, the Supreme Court of Australia shall have original as well as appellate jurisdiction.

The Parliament may confer original jurisdiction on the Supreme Court of Australia in such other of the cases enumerated in the last preceding section as it thinks fit.

Actions against the Commonwealth or against a State.

9. Nothing in this Constitution shall be construed to authorise any suit in law or equity against the Commonwealth, or any person sued on behalf of the Commonwealth, or against a State, or any person sued on behalf of a State, by any individual person or corporation, except by the consent of the Commonwealth, or of the State, as the case may be.

Number of Judges.

10. The jurisdiction of the Supreme Court, or of any other Court of the Commonwealth, may be exercised by such number of Judges as the Parliament prescribes.

Trial by Jury.

11. The trial of all indictable offences cognisable by any Court established under the authority of this Act shall be by jury, and every such trial shall be held in the State where the offence has been committed, and when not committed within any State the trial shall be held at such place or places as the Parliament of the Commonwealth prescribes.

Chapter IV. Finance and Trade.

Consolidated Revenue Fund.

1. All duties, revenues, and moneys, raised or received by the Executive Government of the Commonwealth, under the authority of this Constitution, shall form one Consolidated Revenue Fund, to be appropriated for the Public Service of the Commonwealth in the manner and subject to the charges provided by this Constitution.

Expenses of collection.

2. The Consolidated Revenue Fund shall be permanently charged with the costs, charges, and expenses incident to the collection, management, and receipt thereof, which costs, charges, and expenses, shall form the first charge thereon.

Money to be appropriated by law.
5. No money shall be drawn from the Treasury of the Commonwealth except under appropriations made by law. The Commonwealth to have exclusive power to levy duties of Customs and Excise and offer bounties after a certain time.

4. The Parliament of the Commonwealth shall have the sole power and authority, subject to the provisions of this Constitution, to impose Customs duties, and duties of Excise upon goods for the time being the subject of Customs duties, and to grant bounties upon the production or export of goods.

But this exclusive power shall not come into force until uniform duties of Customs have been imposed by the Parliament of the Commonwealth.

Upon the imposition of uniform duties of Customs by the Parliament of the Commonwealth all laws of the several States imposing duties of Customs or duties of Excise upon goods the subject of Customs duties, and all such laws offering bounties upon the production or export of goods shall cease to have effect.

The control and collection of duties of Customs and Excise and the payment of bounties shall nevertheless pass to the Executive Government of the Commonwealth upon the establishment of the Commonwealth.

Transfer of officers.

5. Upon the establishment of the Commonwealth, all officers employed by the Government of any State in any Department of the Public Service, the control of which is by this Constitution assigned to the Commonwealth, shall become subject to the control of the Executive Government of the Commonwealth. But all existing rights of any such officers shall be preserved.

Transfer of land and buildings.

6. All lands, buildings, works, and materials necessarily appertaining to, or used in connection with, any Department of the Public Service, the control of which is by this Constitution assigned to the Commonwealth, shall, from and after the date of the establishment of the Commonwealth, be taken over by and belong to the Commonwealth, either absolutely, or, in the case of the Departments' controlling Customs and Excise and Bounties, for such time as may be necessary. And the fair value thereof shall be paid by the Commonwealth to the State from which they are so taken over. Such value shall be ascertained by mutual agreement, or, if no agreement can be made, in the manner in which land taken by the Government of the State for public purposes is ascertained under the laws of the State.

Collection of existing duties of Customs and Excise.

7. Until uniform duties of Customs have been imposed by the Parliament...
of the Commonwealth, the powers of the Parliaments of the several States
existing at the date of the establishment of the Commonwealth, respecting
the imposition of duties of Customs, and duties of excise upon goods the
subject of Customs duties, and the offering of bounties upon the production
or export of goods, and the collection and payment thereof respectively,
shall continue as theretofore. And until such uniform duties have been
imposed, the Laws of the several States in force at the date of the
establishment of the Commonwealth respecting duties of Customs, and
duties of excise on goods the

subject of Customs duties, and bounties, and the collection and payment
thereof, shall remain in force, subject nevertheless to such alterations of the
amount of duties or bounties as the Parliaments of the several States may
make from time to time; and such duties and bounties shall continue to be
collected and paid as theretofore, but by and to the Officers of the
Commonwealth.

On establishment of uniform duties of Customs and Excise, trade within
the Commonwealth to be free.

8. So soon as the Parliament of the Commonwealth has imposed uniform
duties of Customs, trade and intercourse throughout the Commonwealth,
whether by means of internal carriage or ocean navigation, shall be
absolutely free.

Apportionment of Revenue.

9. The Revenue of the Commonwealth shall he applied in the first
instance in the payment of the expenditure of the Commonwealth, which
shall, until uniform duties of customs have been imposed by the Parliament
of the Commonwealth, be charged to the several states in the following
manner:

(1) The expenditure of which each State has been relieved, and which has
been paid by the Commonwealth, shall be charged against the State.

(2) The additional expenditure incurred by the Commonwealth shall be
charged against the several States in proportion to their population. The
surplus revenue shall, until such uniform duties have been established, be
returned to the several States in the following manner. The revenue
actually collected in each State shall be returned to that State after
deducting the amounts by the previous clauses of this section charged
against that State, and after deducting the amount of bounties paid the
people of that State.

(3) After uniform duties of Customs have been established, the revenue
of the Commonwealth shall be applied in the first instance in the payment
or expenditure of the Commonwealth. The mode in which this expenditure
shall be charged to the several States and the surplus revenue divided shall be determined in the following manner:

(a) As to duties of customs and of excise, provision shall be made for ascertaining, as nearly as may be, the amount of duties collected in each State or part of the Commonwealth (in respect of dutiable goods which are afterwards exported to another State or part of the Commonwealth), and the amount of the duties so ascertained shall be taken to have been collected in the State or part to which the goods have been so exported, and shall be added to the duties actually collected in the State or part, and deducted from the duties collected in the State or part of the Commonwealth from which the goods were exported.

(b) As to the proceeds of direct taxes, the amount contributed or raised in respect of income earned in any State or part of the Commonwealth, or arising from property situated in any State or part of the Commonwealth, and the amount contributed or raised in respect of property situated in any State or part of the Commonwealth, shall be taken to have been raised in that State or part.

(c) The revenue derived from all other sources and services of each State taken over by the Federal Government shall be ascertained, and each State shall be credited with the amounts so ascertained. The expenditure of which each State has been relieved with the exception of that relating to military and defence, ocean beacons and buoys, ocean lighthouses and lightships, quarantine, and which has been paid by the Commonwealth, shall be charged against that State, together with the interest on the public debt of the State taken over by the Commonwealth. The additional expenditure incurred by the Commonwealth, together with the expenditure on military and defence, ocean beacons and buoys, ocean lighthouses and lightships, and quarantine shall be charged against each State in proportion to the population of each State. The amount of bounties paid to the people of any State shall be charged against that State.

When these amounts have been ascertained the amounts charged against each State shall be deducted from the amounts so credited to each State, and the surplus paid over to that State or the deficiency charged against that State.

Such returns shall be made monthly or at shorter intervals as may be convenient.

[9. The Revenue of the Commonwealth shall be applied to the first instance in the payment of the expenditure of the]
Commonwealth, which shall be charged to the several States in proportion to the numbers of their people, and the surplus shall, until uniform duties of Customs have been imposed, be returned to the several States or parts of the Commonwealth in proportion to the amount of Revenue raised therein respectively, subject to the following provisions:—

(1) As to duties of Customs or Excise, provision shall be made for ascertaining, as nearly as may be, the amount of duties collected in each State or part of the Commonwealth in respect of dutiable goods which are afterwards exported to another State or part of the Commonwealth, and the amount of the duties so ascertained shall be taken to have been collected in the State or part to which the goods have been so exported, and shall be added to the duties actually collected in that State or part, and deducted from the duties collected in the State or part of the Commonwealth from which the goods were exported:

(2) As to the proceeds of direct taxes, the amount contributed or raised in respect of income earned in any State or part of the Commonwealth, or arising from property situated in any State or part of the Commonwealth, and the amount contributed or raised in respect of property situated in any State or part of the Commonwealth, shall be taken to have been raised in that State or part:

(3) The amount of any bounties paid to any of the people of a State or part of the Commonwealth shall be deducted from the amount of the surplus to be returned to that State or part.

After uniform duties of Customs have been imposed, the surplus shall be returned to the several States or parts of the Commonwealth in the same manner and proportions until the Parliament otherwise prescribes.

Such returns shall be made monthly, or at such shorter intervals as may be convenient.]

Audit of Accounts.

10. Until the Parliament of the Commonwealth otherwise provides, the Laws in force in the several colonies at the date of the establishment of the Commonwealth with respect to the receipt of revenue and the expenditure of money on account of the Government of the Colony, and the review and audit of such receipt and expenditure shall apply to the receipt of revenue
and the expenditure of money on account of the Commonwealth in the respective States in the same manner as if the Commonwealth, or the Government or an Officer of the Commonwealth, were mentioned therein whenever a Colony or the Government or an Officer of a Colony, is mentioned or referred to.

Equality of Trade.

No preference to one State over another.

11. Preference shall not be given by any law or regulation of commerce or revenue to the ports of one part of the Commonwealth, over those of another part of the Commonwealth.

The Parliament may give effect to this prohibition.

12. The Parliament of the Commonwealth may make laws prohibiting or annulling any law or regulation made by any State, or by any authority constituted by any State, having the effect of derogating from freedom of trade or commerce between the different parts of the Commonwealth.

Public Debts to be consolidated.

13. The Federal Government shall take over the whole of the liabilities of the several States joining the Commonwealth, and each State shall be charged with the interest on such amount at the rate paid by the Federal Government.

[The Parliament of the Commonwealth may, with the consent of the Parliaments of all the States, make laws for taking over and consolidating the whole or any part of the public debt of any State or States, but so that a State shall be liable to indemnify the Commonwealth in respect of the amount of a debt taken over, and that the amount of interest payable in respect of a debt shall be deducted, and retained from time to time from the share of the Surplus Revenue of the Commonwealth which would otherwise be payable to the State.]

Railways to be taken over.

14. The Federal Government shall take over the whole of the railways of the several States, and each State shall be charged with any deficiency or credited with any net profits on the working of such railways.

[This was a new clause added by the People's Convention, Bathurst.]

Chapter V. The States.

Continuance of Powers of Parliaments of the States.

1. All powers which at the date of the establishment of the Commonwealth are vested in the Parliaments of the several Colonies, and which are not by this Constitution exclusively vested in the Parliament of the Commonwealth, or withdrawn from the Parliaments of the several
States, are reserved to, and shall remain vested in, the Parliaments of the States respectively.

Validity of existing laws.

2. All Laws in force in any of the Colonies relating to any of the matters declared by this Constitution to be within the Legislative powers of the Parliament of the Commonwealth shall, except as otherwise provided by this Constitution, continue in force in the States respectively, and may be repealed or altered by the Parliaments of the States, until other provision is made in that behalf by the Parliament of the Commonwealth.

Inconsistency of Laws.

3. When the Law of a State is inconsistent with a Law of the Commonwealth, the latter shall prevail, and the former shall, to the extent of the inconsistency, be invalid.

Powers to be exercised by Governors of State.

4. All powers and functions which are at the date of the establishment of the Commonwealth vested in the Governors of the Colonies respectively, shall, so far as the same are capable of being exercised after the establishment of the Commonwealth in relation to the government of the States, continue to be vested in the Governors of the States respectively.

All references to the Queen to be through the Governor-General.

5. All references or communications required by the Constitution of any State or otherwise to be made by the Governor of the State to the Queen shall be made through the Governor-General, as Her Majesty's Representative in the Commonwealth and the Queen's pleasure shall be made through him.

Saving of Constitutions.

6. Subject to the provisions of this Constitution the Constitutions of the several States of the Commonwealth shall continue as at the date of the establishment of the Commonwealth, until altered by or under the authority of the Parliaments thereof in accordance with the provisions of their respective Constitutions.

Governors of States.

7. In each State of the Commonwealth there shall be a Governor.

Appointment of Governors.

8. The Parliament of a State may make such provisions as it thinks fit as to the manner of appointment of the Governor of the State, and for the tenure of his office, and for his removal from office.

Application of provisions referring to Governor.

9. The provisions of this Constitution relating to the Governor of a State extend and apply to the Governor for the time being of the State, or other
the Chief Executive Officer or Administrator of the Government of the
State, by whatever title he is designated.
Members of Senate or House of Representatives not to sit in State
Parliament.

10. A member of the Senate or House of Representatives shall not be
capable of being chosen or of sitting as member of any House of the
Parliament of a State.
Member of State Parliament not to be Member of the Parliament of the
Commonwealth.

11. If a member of a House of the Parliament of a State is, with his own
consent, chosen as a member of either House of the Parliament of the
Commonwealth, his place in the first-mentioned House of Parliament shall
become vacant.
A State may cede any of its Territory.

12. The Parliament of a State may at any time surrender any part of the
State to the Commonwealth, and upon such surrender and the acceptance
thereof by the Commonwealth such part of the State shall become and be
subject to the exclusive jurisdiction of the Parliament of the
Commonwealth.

States not to levy import or export duties, except for certain purposes.

13. A State shall not impose any taxes or duties on imports, or exports,
except such as are necessary for executing the inspection laws of the State;
and the net produce of all taxes and duties imposed by a State on imports
or exports shall be for the use of the Commonwealth; and any such
inspection laws may be annulled by the Parliament of the Commonwealth.

Nor levy duty of tonnage, nor tax the land of the Commonwealth, nor
maintain forces — State land exempted from taxation.

14. A State shall not, without the consent of the Parliament of the
Commonwealth, impose any duty of tonnage, or raise or maintain any
military or naval force, or impose any tax on any land or other property
belonging to the Commonwealth; nor shall the Commonwealth impose any
tax on any land or property belonging to a State.

State not to coin money.

15. A State shall not coin money, or make anything but gold and silver
coin a legal tender in payment of debts.

Nor prohibit any religion.

16. A State shall not make any law prohibiting the free exercise of any
religion.

Protection of citizens of the Commonwealth.

17. A State shall not make or enforce any law abridging any privilege or
immunity of citizens of other States of the Commonwealth, nor shall a State deny to any person, within its jurisdiction, the equal protection of the laws.


18. Full faith and credit shall be given, throughout the Commonwealth, to the Laws, the Public Acts and Records, and the Judicial Proceedings of the States.

Protection of States from invasion.

19. The Commonwealth shall protect every State against invasion and, on the application of the Executive Government of a State, against domestic violence.

Custody of offenders against the laws of the Commonwealth.

20. Every State shall make provision for the detention and punishment in its prisons of persons accused or convicted of offences against the laws of the Commonwealth, and the Parliament of the Commonwealth may make laws to give effect to this provision.

Chapter VI. New States.

Admission of existing Colonies to the Commonwealth.

1. Any of the existing Colonies of [name the existing Colonies which have not adopted the constitution] may upon adopting this Constitution be admitted to the Commonwealth, and shall thereupon become and be a State of the Commonwealth.

New States may be admitted to the Commonwealth.

2. The Parliament of the Commonwealth may from time to time establish and admit to the Commonwealth new States, and may upon such establishment and admission made and impose such conditions, as to the extent of Representation in either House of the Parliament or otherwise, as it thinks fit.

Provisional Government of Territories.

3. The Parliament may make such laws as it thinks fit for the provisional administration and government of any territory surrendered by any State to and accepted by the Commonwealth, or any territory in the Pacific placed by the Queen under the authority of and accepted by the Commonwealth, or otherwise acquired by the Commonwealth, and may in any such case allow the representation of such territory in either House of the Parliament to such extent and on such terms as it thinks fit.

Alteration of limits of States.

4. The Parliament of the Commonwealth may, from time to time, with
the consent of the Parliament of a State, increase, diminish, or otherwise alter the limits of the State, upon such terms and conditions as may be agreed to, and may, with the like consent, make provision respecting the effect and operation of any such increase or diminution or alteration of territory in relation to any State affected by it.

Saving of rights of States.

5. A new State shall not be formed by separation of territory from a State without the consent of the Parliament thereof, nor shall a State be formed by the union of two or more States or parts of States, or the limits of a State be altered, without the consent of the Parliament or Parliaments of the State or States concerned.

Chapter VII. Miscellaneous.

Seat of Government.

1. The seat of Government of the Commonwealth shall be determined by the Parliament.

Until such determination is made the Parliament shall he summoned to meet at such place within the Commonwealth as a majority of the Governors of the States, or, in the event of an equal division of opinion amongst the Governors, as the Governor-General shall direct.

Power to Her Majesty to authorise Governor-General to appoint Deputies.

2. The Queen may authorise the Governor-General from time to time to appoint any person or any persons jointly or severally to be his Deputy or Deputies within any part or parts of the Commonwealth, and in that capacity to exercise during the pleasure of the Governor-General such of the powers and functions of the Governor-

General as he deems it necessary or expedient to assign to such Deputy or Deputies, subject to any limitations or directions expressed or given by the Queen, but the appointment of such Deputy or Deputies shall not affect the exercise by the Governor-General himself of any power or function.

Aboriginals and coloured aliens not to be counted in reckoning population.

3. In reckoning the numbers of the people of a State or other part of the Commonwealth, aboriginal natives of Australia or unnaturalised persons of coloured races shall not be counted.

[In reckoning the numbers of the people of a State or other part of the Commonwealth aboriginal natives of Australia shall not be counted.]

Chapter VIII. Amendment of the Constitution.
Mode of amending the Constitution.

1. The provisions of this Constitution shall not be altered except in the following manner:—

Any law for the alteration thereof must be passed by an absolute majority of the Senate and House of Representatives, and shall thereupon be submitted to Conventions, to be elected by the electors of the several States qualified to vote for the election of Members of the House of Representatives.

The Conventions shall be summoned, elected, and held in such manner as the Parliament of the Commonwealth prescribes by law, and shall, when elected, proceed to vote upon the proposed amendment.

And if the proposed amendments is approved by the Conventions, of a majority of the States, and if the people of the States whose Conventions approve of the amendment are also a majority of the people of the Commonwealth, the proposed amendment shall be presented to the Governor-General for the Queen's assent.

But an amendment by which the proportionate representation of any State in either House of the Parliament of the Commonwealth, or the minimum number of representatives of a State in the House of Representatives, is diminished, shall not become law without the consent of the Convention of that State.

The Schedule.

I, A.B., do swear [or do solemnly and sincerely affirm and declare] that I will be faithful and bear true allegiance to Her Majesty Queen Victoria, her heirs, and successors, according to law.

NOTE — The name of the King or Queen of the United Kingdom of Great Britain and Ireland for the time being is to be substituted from time to time..)
Appendix.

Speeches — Letters — Papers — Poems — Manifesto
Speeches
The President's Inaugural Address.

T. A. Machattie

Gentlemen, — I feel that I cannot engage your time and attention in the delivery of a Presidential address without first thanking you for the very high measure of honour (of which I am, believe me, duly sensible) that you have conferred upon me in electing me to this chair. First, then, allow me to say that I accept this high office with dual feelings of pleasure and regret — pleasure, gentlemen, in the fact that you have elected me to a position which any man who has the good of his fellow-men and the best interests of his country at heart should indeed be proud to occupy — a position amongst men who have at great personal inconvenience and loss of valuable professional and other services travelled in many cases great distances over this continent to discuss and perchance to awaken to new and vigorous life the momentous question of the Federation of these colonies into one great nation.

That feelings of regret should mingle with the pride and pleasure of such a position must be quite natural in one whose experience is so limited and who can claim little more than an ardent love for his country and a warm desire for the welfare of his fellow-men as qualifications.

The question of the Federation of our colonies has long been a burning one with me, and in this I am pleased to be able to say I have many friends in our city whose interest in this great question is quite as warm as my own. It was not, however, until about six weeks ago that tangible form was given to our feelings in the formation of a league numerically strong and powerful to a degree in its determination to further by every legitimate means the happy union of the Australian colonies.

It appeared to us at that time that much good might be done in the cause of popular Federal education in the assembling of a People's Convention composed of delegates from all parts of Australasia for the purpose of discussing the principles and details of Federation — a People's Convention divested of all political or party significance; in fact, the spontaneous effort of a people crying aloud for more light, and refusing to rest until it was granted — a People's Convention knowing no party, favouring no sect, having for its goal the attainment of an organisation of unity and coherence, the lack of which is a source of weakness — a People's Convention with one desire, and that the closer relationship of its integral parts, and the greater stability of its Government. An enormous amount of detail work and careful organisation has resulted, I am pleased
to say, in a People's Federal Convention, national in character, whose deliberations will be carefully watched, not only by the hundreds of thousands in these colonies, but by millions of our own blood and sinew whose hearts beat synchronously with our own in the dear old motherland.

That the people of this city in their laudable efforts to advance the great cause of Federation were actuated by a noble desire that the Convention should be educative in character can be vouched for; and should this meeting, composed as it is of representatives of the Australian colonies, result in the ascension of one step only of the great Federal ladder, they will be amply repaid for a labour which has been whole-souled in its efforts to obtain that great consolidation of the great Australian continent, which the first and most prominent of its deepest thinkers and warmest well-wishers most devoutly hope to see consummated at no very distant date.

If this happy union is to come, and come it must, what better time to sweep aside the imaginary barriers drawn by geographers across the map than the present, a time of peace when men can calmly view the question from every standpoint, taking advantage of the experience of other nations, separating the federal wheat from the chaff, and garnering only those principles of federalism which are guaranteed by cool and deliberate discussion.

What more painful sight can be imagined than the representatives of a number of petty states, hurrying hither and thither, jostled from pillar to post, hurled first to the right, then to the left, by the boom of the enemy's guns and the sharp crack of the foemen's rifle in the precipitate endeavour to collect, their forces scattered in all quarters, and to unite their efforts for the common defence. Weak in their individual existence, how strong might they not be by a union, the result of a happy effort obtained by no such hostile intent!

Let us trust, then, that this, our People's Convention, sitting with no present fear of the warlike intention of any great Power, may by its calm and collected consideration and discussion of the principles and details of Federalism be productive in its efforts to bring this question before those, who only need to understand it, to cause them to throw in their lot with us, in a message to our respective Parliaments, speaking with no uncertain voice. That there are difficulties in the way of a Federal Union no one can be found to deny, but I ask, are those difficulties as great in our case as those of the United States of America, whose sons poured out their life-blood to retain a Federation which has been characterised as one of the
greatest constitutional monuments the world has ever seen. Are our difficulties any greater than were those of Switzerland or Germany or of Canada? I say no, gentlemen, but I must confess that petty excuses of barrier tariffs and the difference of latitude, seem to rise up as spectres which scare the weak-kneed, whereas they vanish into space at the approach of men who know not the feelings of intercolonial jealousy, and whose erudite and magnanimous opinions allow them to ignore the puny suggestions of those who saturate themselves with the idea that this or that colony wants to get the "best of it."

What more degrading and harassing state can be imagined than the brother on the right bank of the stream which separates the states, drawing steel against his own blood whose only offence is that he resides on its left, or that the son whose hot blood enamours him of the state he has adopted as his home, using his strategy and military ardour to take the life of his father who resides in the states which gave him birth. Our common humanity cries out shame on us, and perish the thought, but nevertheless, history is not wanting in numberless illustrations of a kindred and equally heart-rending character.

"If we are to be united we must be prepared to give and take; feeling that in our union no one state will be bolstered up at the expense of the others, but that all will throw into the common lot, that the greatest good may follow, and that the tie of blood which courses through our veins, may be the real and true bond of national feeling, and of national character, which has made our mother country great amongst the nations of the earth.

That a union of the colonies of Australasia would prove of great commercial importance, is conceded by all careful thinkers, and as an illustration of the tangible results of such a union, let us look at Canada, and in doing so refer to the statement made by Sir Mackenzie Bowell, Premier of Canada, when in Sydney in 1892. He says, "after Federation the Dominion advanced so rapidly that money was lent in the London market most readily at about half the interest paid previously by the Provinces." And if this is the case with Canada, why not with the Australian Federal Union? I can conceive no direction in which the union of the Australian colonies would not be advanced. Let us look at the military aspect of the question and ask ourselves should we derive any benefit by a proper and judicious system of defence. Who would be foolhardy enough to deny it?

Socially our position as an Australian nation would be greater than it is at present, as a powerful state embracing the whole of the Australian continent would possess material attractions which cannot be found in small and isolated communities.
It will be the duty of this Convention to discuss the many aspects of the principles of Federation, and I trust that its deliberations will be of such a character as will tend to increase the knowledge of the people by a careful analysis of the problems which will be brought forward, and that the result will be a means of disseminating a further knowledge of a question which is but indifferently understood by many of the electors of, these colonies. If the Convention is successful in this, then it will have done a good work, and if by aiding the current of thought in the proper direction, the Federation of these colonies is hastened by one hour, our labours will not have been in vain, and ours will be the proud position of having assisted in a movement by which a nation was formed whose mighty heart by such a union made its pulses felt in every corner of this vast continent, beating for the common weal, making no distinctions and knowing only one watch word and that the progress of the greatest nation of the earth "The British Empire."

In concluding I would move the following resolution — that the motto of the Convention be — "Foedere fato aequamur." "By our union we are made equal to our destiny."
The President's Closing Address

T. A. Machattie

It is usual in closing such a meeting as this to refer briefly to some of the more important matters which have engaged the attention of the members. That this Convention has been vested with considerable importance no one can deny; and that the Bathurst People's Convention which commenced its sittings on Monday last and terminates to-day has brought forward many resolutions of vast importance and passed many amendments of equal importance is now a matter of past history. (Applause.)

In mentioning one or two of these matters, allow me to refer in the first place to the amendment which was moved by a gentleman to whom all honor should be accorded for the great interest which he has taken in Australian Federation during the past 10 or 12 years. I refer to Dr. Quick. (Applause.) Dr. Quick moved an amendment of very great importance in clause 9 of part 11. Draft Bill to the effect that the Senate be elected by the people. That matter was very carefully considered by this Convention. There was a consensus of opinion with reference to the amendment, showing that this Convention wished to be liberal in its character to the people. It recognised the great fact that the Federal Government should be a Government in which the people should have a more than passing interest, a matter which the Press would do well to bring prominently before the Australian public.

Amongst many other amendments which were made by this Convention, I will mention that moved on clause 3, chapter 7, referring to aboriginal natives of Australia and non-naturalised races of other countries, and also a most important one with reference to the railways, which proposes to hand over their entire management, etc., to the Federal Government.

I do not intend to enter any further into the work of the Convention, which will be printed and published in due time, but I cannot conclude without referring to some matters of a more or less formal character. In the first place I have to mention that the thanks of this Convention are due to the Governors and Judges of the various colonies who have written us letters of sympathy and support and have taken the matter so much into consideration as is expressed in their communications. Our special thanks is due to a gentleman who in the initial proceedings of this Convention was a most earnest worker. I refer to the Rev. Father Dowling, to whom we are indebted for the motto of the Convention. (Applause.) The Governments of the several colonies have given us most able assistance in granting us free
railway passes to properly credentialled delegates. Their action is an acknowledgment that Federation has their sympathy. I must thank many gentlemen for contributions in the shape of papers, and express my regret that we have not been able to give due consideration to all of them. We have appointed a special committee to go through them and to embody those of sufficient importance in the reports of the proceedings. To leagues, public bodies and other associations who have sent delegates, I convey the hearty thanks of the Convention.

I am proud to state, and I am confirmed in my statement by no less an authority than Mr. Edmund Barton, and I believe by the Premier, that on no occasion in the history of New South Wales has such an important gathering as this taken place in any other than a metropolitan city. (Applause.) It is a matter of gratification to us as Bathurst citizens who have the cause at heart that such representative people have thought fit to come here and assist us by their deliberations. If the Convention has done nothing else it has brought the cause of Federation prominently before the whole of the Australian colonies, and the movement must be a landmark for any future proceedings which have for their end the Federation of the great Australian nation. (Applause.) So far as the Bathurst Committee are concerned they may be said to have torn aside the veil that clouded Federation and have allowed the true light of day to shine upon her, and now that she is exposed in all her grandeur we hope all the other colonies will strive to help in the consummation of a great Australian Commonwealth. (Applause.) In thanking all connected with the Convention I am not going to forget the Press for the arduous task they have performed in reporting the proceedings of this Convention. (Applause.) Our work would have produced emphatically insignificant results had it not been that the reports of our discussions have gone forth to the public through the medium of the Press. I think I re-echo the feelings of every gentleman present when I say that this Convention is much indebted to the Press for its ample and carefully compiled reports, without which we could hardly have obtained such publicity as the subject deserves and demands.

In conclusion, gentlemen, I thank you for your attendance, and also for the ardent and interested character of your deliberations, which point so plainly to the great interest taken in the Federal cause, and which I feel sure will do much to bring about the consummation of what we most earnestly desire — the union of the Australasian colonies into a great nation.

In declaring this Convention closed, I must ask you to give three hearty cheers for Her Most Gracious Majesty the Queen.

The cheers were heartily given, cheers were also given for the President,
and the Convention was dissolved.

Speeches on State Rights

His Eminence Cardinal Moran.

Cardinal Moran

CARDINAL MORAN, who was greeted with hearty cheers from the delegates and from the crowded public gallery, said:—

Permit me first of all to congratulate you, Mr. President, on the success which has attended the discussions and the deliberations of your Convention. It must be a source of sincerest pleasure to you and to the truly energetic committee that have so faithfully co-operated with you to know that in every detail, in the meetings which have been held, in the enthusiasm which has been evoked, in the eloquent discourses which have been delivered, your Convention has proved to be a complete success. (Cheers.)

I would wish furthermore to be a witness in some humble way to the fact that the popular sentiment throughout the Australian colonies and the genuine patriotism of Australia's sons are with you in this great Federation movement. (Renewed cheers.) There have been some, indeed, who have thought well to cast their sneers at your Convention, and who have endeavoured to throw ridicule on your invitation to so many representatives of Australian interests to assemble in your beautiful City of the Plains. But, may I not ask, what great national movement has ever been inaugurated without being subjected to similar attacks? I can assure you, however, that you have throughout the country an invincible moral power to sustain you, a moral power not confined to one or other of our colonies, but which, springing from the enlightened patriotism and generous hearts of thousands of devoted citizens of all our colonies, must prove irresistible in its strength, and which, guided by our political leaders, cannot fail to overcome every obstacle that would bar the path of Australian Federation. I trust that you shall not relax your efforts until the banner of United Australia which you have so auspiciously unfurled at this People's Convention shall be crowned with glorious victory. (Great cheering.)

It may be said that hitherto the separate colonies have given proof of singular vitality and energy, and their efforts have been crowned with at least partial success. Why not leave well enough alone? The answer is obvious. The separate condition of our colonies may have been best
adapted to the beginning of colonial life,
giving ample field to individual enterprise and energy. But at the present stage of colonial development our Australian patriots feel assured that by the united resources and the united strength of all these colonies, and by the stimulus thus given to the energies of our citizens and the wider experience that is thus available, a Commonwealth of bright name and peerless fame may be built up in this southern world, in grander proportions and with vaster influence and greater power than any separate colony could ever aspire to. (Enthusiastic applause.)

I may be permitted to dwell for a moment on some of the advantages that must accrue from such a confederation of Australian strength. In the influence which Australia may justly claim to exercise on neighbouring and other states, assuredly one strong central Parliament cannot fail to achieve results which the separate colonies would hopelessly seek to attain. (Cheers.) In our present scattered condition it must be patent to everyone that other states trouble themselves very little about us, and even the Home Government, no matter how politely it may deal with us, yet makes no secret that our divided and occasionally discordant voices do not command all the attention and respect which would necessarily be extended to the voice of United Australia. We may take an example from the grand Republic of the United States which with queenly dignity rules the opposite coasts of the Pacific. What influence would the separate states of the great Republic exercise were they not organised and united in one strong Commonwealth? So, too, it is with Canada. Her separate provinces were little more than unknown cyphers, without weight and without influence, throughout the nations of Europe, and even in Great Britain. How different is the position of the Canadian Dominion of to-day. It has become a powerful factor in the cause of social progress throughout the world. In like manner the flag of United Australia, the symbol of freedom and of peace, shall one day be saluted with respect by other nations, and an enlightened people marshalled under that banner cannot fail to exercise an abiding influence, imparting to surrounding and even to distant lands some part of the abundance of blessings of Christian civilisation which they themselves enjoy. (Renewed applause.)

No less weighty are the manifold advantages which must accrue to United Australia in repelling from her tranquil shores any assault or invasion which ambitious neighbours or greedy adventurers may attempt. The curse of a vast standing army shall never, I trust, befall this fair land. It is difficult to conceive a more sad condition of things than that which some of the great nations of Europe present at the present hour. Millions of their
sons under arms spend their lives in idle preparation for war, and fruitlessly waste away the energies and resources which otherwise spread the blessings of abundance through their native land. For my part, I would wish every one of our Australian citizens to be trained to the use of arms. Such a nation's discipline would be the surest guarantee of our liberties and of peace.

Should any emergency arise, or should the dangers of invasion threaten Australia's shores, her well-trained sons would be an invincible barrier against all such assailants, and would prove a resistless phalanx, assured of victory against every foe.

It has been very freely whispered, and at times even broadly asserted, that this People's Convention is an attempt to cast a slight on our political leaders and to withdraw from their guidance the important movement which is the subject of your discussions. Gentlemen, I do not consider that it is so. Did I think that your Convention had any such political aim, I for one would have no part in it. As I understand it, the special purpose of the Convention is to strengthen the hands of our political leaders, to cheer them on in their efforts to overcome the many difficulties that must necessarily be encountered in so momentous a measure, and to stimulate their energy that they may faithfully persevere until the great work be accomplished.

A few days ago a telegram from London appeared in the daily Press to the effect that within a few years Australia would assert her independence and demand separation from the mother country. (Laughter.) I am confident that such a statement is altogether misleading, and that in so far as it relates to the aims and efforts of our patriotic citizens, it is absolutely untrue. (Much applause.) I have met from time to time in New South Wales and the other colonies, not a few representatives of popular opinion, and I unhesitatingly declare that no such aims underlie the present patriotic movement. On the contrary, I am convinced that nowhere will you find a more earnest and loyal body of citizens than our own Australian people. There can be no doubt that there is a Republican spirit abroad amongst us, but this is far from implying a tendency to separation from the Imperial Crown. Nothing is more ambiguous than the word Republic as used in modern times. It is generally supposed to be a synonym of Liberty, and yet nowhere will you find Liberty so crushed and such vexatious tyranny exercised as in some of the so-called Republics. The Constitutional government which we enjoy in these colonies is in the truest sense a Republic. There is no country in the world where greater liberty is enjoyed by citizens. All are on the same footing of perfect civil equality, and every
advantage which the State presents is alike accessible to all. When the Canadian Dominion was proposed a quarter of a century ago, the same parrot-cry was raised, that it was only a covert attempt to separate from the home country. What has the result proved? So far from the Canadian colonies being detached by Federation from the British Crown, at no period were the bonds of friendly union so firmly cemented with the home countries as at the present hour. (Cheers.)

It is true that now-a-days the claims of loyalty are made to depend in a great measure on the material interest of the parties concerned. What the interests of the Empire may be in the present case I will not stop to inquire. But I have no hesitation in expressing my opinion that for many a long year the interests of our Australian continent will make it imperative on our statesmen to maintain unimpaired the connection of these colonies with the home country. No doubt the day will come when the vast growth of population, and the varied development of our resources may demand an independent government, but, assuredly, it will not be in the lifetime of any one of us that such a contingency can arise. It has been often said that if Canada were to demand to-morrow a separation from the home country, Great Britain would not fire a shot to maintain the present order of things. Should the day arise when the interests of United Australia may require an independent government, I am confident that it is with the approval of the home countries such a result would be achieved, and that the mutual friendship of our colonies with the Empire would remain undisturbed. (Renewed cheering.)

But, it will be asked, is the Australian people equal to the destiny of building up a great Commonwealth, which shall be a beacon of enlightenment, a home of prosperity, a citadel of peace, a centre and source of blessings to other lands? I say most emphatically that the results already achieved prove our citizens to be fully equal to such a task. See the cities with their noble structures which have arisen in our various colonies. Sydney, Melbourne, Adelaide, Brisbane, Hobart, are so stately in their proportions, so rich in their surroundings, that any one of them might well be the capital of a great empire. I need not dwell on the persevering and successful efforts of our citizens to explore the hidden resources and develop the mineral wealth of all our colonies; how universities have been founded and education placed within the reach of all; how communication with the home countries has been improved, and our railways pushed forward on every side. Everything tells of great things already accomplished, and speaks of an energy and spirit of enterprise on the part of our gifted people equal to any destiny, no matter how grand or glorious,
that may await the Southern Continent. (Enthusiastic cheers.)

It may be well, however, to bear in mind the important truth that vast wealth, and commercial activity, and material progress are not to be reckoned as the sole tests of an enlightened State, or the sole factors in building up a great centre of Christian civilisation. The Lord Chief Justice of England a few weeks ago, addressing the assembled Bar of the United States, took occasion to declare that the true signs of civilisation are: "Thought for the poor and suffering, chivalrous regard and respect for women, the frank recognition of human brotherhood, irrespective of race, or colour, or nation, or religion; the narrowing of the domain of more force as a governing factor in the world, the love of ordered freedom, abhorrence of what is mean, and cruel, and vile, ceaseless devotion to the claims of justice." One with whose writings many of you are familiar, Sir William Jones, has in part embodied the same ideas in verse:—

Not high-raised battlement or laboured mound,
Thick wall or moated gate;
Not cities proud with Spires and turrets crowned;
Not bays and broad-armed ports:
Where, laughing at the storm, rich navies ride;
Not starred and spangled courts.
No! Men — high-minded men;
Men who their duties know,
And know their rights, and, knowing, dare maintain,
Prevent the long-aimed blow,
And crush the tyrant, while they rend the chain
These constitute a State;
And Sovereign Law, that State's collected will,
O'er thrones and globes elate,
Sits empress crowning good, repressing ill."

Give me a people enjoying the blessings of liberty, and rich in material resources, who are quickened by patriotism, and guided in their daily dealings with their fellow-men by the genuine Christian altruism that is comprehended in the golden maxim, "Do unto others as you would wish others to do unto you," and at once unhesitatingly I say, such a people must become a great centre of civilisation and an important factor in the world's progress. Such I am convinced are our Australian citizens. (Great cheering.)

I trust that an unquenchable love of liberty as it is the birthright so shall it ever be the prized heritage of Australia's sons. And when I speak of Liberty, I mean that genuine Liberty which wages relentless war against
discord and selfishness and cant, and which, whilst guarding and asserting our own inalienable rights, is careful to show due respect and reverence for the rights of others. Our citizens, animated by such a love of Liberty, shall build up a glorious and enduring Commonwealth, and Australia cannot fail to attain the bright destiny that awaits her. (Renewed cheers.)

I have not spoken of religion. If I now refer to it, it is to deprecate attempts that are made from time to time to stir up foolish dissensions among our citizens on the plea of difference in matters of religion. Religion has its own safeguards and moves in its own higher sphere. The better instructed a Catholic in the teachings of the Church, and the more firmly he adheres to the principles of his Divine Faith, the more sincerely will he respect the conscientious convictions of others. I have no fears for the future of religion in Australia. If there be anyone who in the ardour of political strife would be disposed to set at nought the influences of religion in building up an enlightened Commonwealth, I would wish to remind him of the words of Washington: "Let it simply be asked where is the security for property, for reputation, for life, if the sense of religious obligation desert the oaths which are the instruments of investigation in courts of justice? And let us with caution indulge the supposition that morality can be obtained without religion. Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason and experience both forbid us to expect that national morality can prevail in exclusion of religious principle."

To our Catholic people I would say: Go hand-in-hand with your Protestant fellow-citizens in every measure that may have for its purpose to advance the interests, to develop the resources, or promote the welfare of Australia. (Cheers.) This fair land justly claims the united energies of all her sons, she stands in need of the conservative strength of all her citizens to achieve her glorious destiny. He who sets himself to sow dissensions should be regarded as an enemy no less of religion than of his country. Discord being banished from amongst us how happy will be the result. Our citizens all united in harmony and concord emulating each other with friendly rivalry in eagerness to promote the common good, who can doubt that a grand future must await such a land? (Renewed cheers.)

Our gifted Premier has promised us a grand exhibition to mark the close of the present century, which has been truly marvellous in our colonial growth no less than in the manifold triumphs which commerce, science, and industry has achieved. Far be it from me to attempt to depreciate in any way the advantages that must accrue from such an exhibition, or from the attractions which it cannot fail to present to our own Australians, and to
visitors from many lands. But I venture to predict that yet another far more brilliant exhibition shall mark the close of the nineteenth century. I mean the Parliament of United Australia, a Parliament clothed in splendour, and power, and majesty, arrayed in stateliness and beauty like one of our cathedrals of old, the guarantee of freedom to Australia's sons, "strong as a fortress and sacred as a shrine." (Great cheering.)

One word more and I have done. I love the little shamrock of my native land. It typifies the undying fidelity of the Irish heart and the indomitable patriotism of Ireland's sons. It is the symbol of the Faith and Hope and Charity which through weal or woe have never ceased to shed their blessings on the green hills and smiling valleys of Erin. That shamrock transplanted to Australia retains all its vigour and freshness, but, emulating the land to which it has been transferred, expands its triple leaf in giant growth. May we not trust that in like manner the virtues and blessings which it symbolises may be enhanced and multiplied throughout this fair land? As a motto for our United Australia I would inscribe upon its triple leaf patriotism, prosperity, and peace. With such a motto the flag of Australia, unfurled over a free people, cannot but be the herald of blessings to the whole Southern and Eastern world, and generations yet unborn in many lands will joyfully salute it as marking the centre and source whence came to them Christian enlightenment and the manifold blessings that follow in its train. Gentlemen, from my heart I pray that such patriotism, prosperity and peace may be the inalienable inheritance of our United Australia. (Loud and continued cheering.)

The Hon. G. H. Reid (Premier of N.S.W.)

G.H. Reid

The Premier, on rising to speak, was received with loud and continuous cheering. He said:—

Mr. Chairman, your Eminence, and gentlemen, — I confess I come before this Convention under serious disadvantages. No man has a stronger or a warmer sympathy with those who are responsible for your meeting here in Bathurst. But the pressure of Parliamentary business has prevented me from that careful thought of the question which the historic importance of the occasion deserves. I have another reason for not embarking upon what may be termed the controversial aspects of the great question of Federation: I am still in the meshes of diplomacy. (Laughter.)

Mr. Norton: You have been there a long time. (Laughter.)

The Premier: We have met here on an important occasion, and I think
there should be no attempt at interchange of wit between gentlemen invited to speak. (Applause.) I cannot regard the situation of the Federal movement as satisfactory with any prospect of the representatives of Queensland being absent from the National Convention. (Hear, hear.) I am so deeply impressed by that feeling that I propose next week to visit Queensland — (great cheering) — to use my utmost endeavours with the Government of that colony to find some way out of the difficulty. (Applause.) The fact that both Houses of Parliament have passed practically a bill to enable that colony to be represented in the Convention is an admission by both that the difficulty should be overcome. (Applause.) In going to Queensland I think I may safely claim to represent not only the Government and people of New South Wales but the whole of the population in other parts of Australia. (Applause.) The circumstances surrounding this gathering are peculiarly gratifying to me and here I must refer to the presence here of some learned gentlemen, notably Dr. Quick, of Bendigo — (applause) — to whom I am indebted for valuable suggestions — I say the circumstances are peculiarly gratifying to me as a proof that I was not far wrong in the belief that the only way of restoring the Federal movement to its proper position in Australia was to base it upon the personal advocacy and origination of the people themselves. The Convention of 1891 consisted of men of ability and experience who would not be easily matched at any time either in the past or the future of these colonies. (Applause.) I admit with infinite regret that I have sometimes too warmly criticised their efforts, but I have not the slightest hesitation in saying that this Convention showed its practical wisdom in adopting the Draft Bill of the Convention of 1891 as the basis of its deliberations. (Applause.) The objections which I had and still have to their Bill were certainly not as to its draftsmanship and details. In the main it is a Bill that can safely be accepted, but there are certain radical defects which make it dangerous for the people of the colonies to accept, and already one of the ablest, and perhaps the man who had most to do with drafting the Federal Bill, has publicly declared that its provisions are, after all, unworkable! I feel no regret at the attitude I took up in 1891, although I infinitely regret that some of my criticisms of that distinguished day went beyond the bounds of that federal feeling and tolerance which should certainly prevail on such subjects. I have another regret which I am sure you will all share with me. The hand of death has removed from us that most great man, Sir Henry Parkes, the most illustrious advocate of this movement of Federation. (Applause.) We will all forget this or that fault in his efforts to bring about Federation, and remember only the splendid ability and success with which
he raised it to the dignity of a national question. (Great cheering.) Many people thought it was impossible to set the people to rise to the dignity of the part which the policy of the Hobart Conference designated for them. I look upon this remarkable gathering as an answer to that view. With every feeling of respect towards that great Convention, I have no hesitation in saying that this Convention, without the prestige of high Government rank, has created and will create infinitely more practical feeling in favour of union of the Australasian colonies than its brilliant predecessor. (Cheers.) The people have naturally a wise degree of suspicion of any movement to frame their national destinies in which they do not take the master part. I felt that Federation should not come until the people themselves were prepared to bring it into existence, when they could make the national Convention representative of themselves and their principles — (applause) — under the Acts passed by the various colonies. Important as the union of these colonies may be to distinguished members of the Administrations, who may in the future perhaps be even more distinguished under Federation, the heat and burden of the new departure must fall upon the great mass of the taxpayers of Australia. We have felt that Federation should not come till the people themselves were prepared to bring it into existence. Not to bring it into existence after their destiny had been framed; not to put simply a formal seal upon the Constitution; but to send into a national Convention, as representative of themselves and their principles men who were to frame a Constitution. (Hear, hear). Under the Acts which have been passed by the various colonies that will be done, and, I hope, soon. (Hear, hear.) I am here to acknowledge the great services rendered to the Federal cause by the people of Bathurst — (applause) — and by the Committee of the Bathurst Federation League, over which our honoured Chairman has proved a very worthy chief. (Applause.) I confess, however, much as I admire the people and city of Bathurst, that I did not anticipate that here we should feel the initial throbbings of national life. But here we do feel them. (Applause.) From all parts of Australia we have an imperfect and inadequate, perhaps, but still a very evident and instructive illustration of what the great national Convention, elected by all the people of this country, will be. (Applause.) There is no doubt that the accomplishment of Federation is an intensely difficult task. It is difficult at all times to frame a Constitution. How much more difficult, then, will the task be of framing a Constitution which shall give free play to national forces, yet limit them by State rights and bring the Constitution into existence which impinges upon a series of independent State Constitutions. The Constitution-framing under such conditions is a task of
exceeding difficulty and delicacy, and we must not be disappointed if the second attempt does not achieve Federation. But the lesson we must derive from the difficulties of the task is, that just as the difficulties increase, so should our courage and determination to surmount them increase. And I entirely agree with the observations that have been made that it is impossible to set about this task of Federation if we remain under the domination of provincial ideas. There must be a sacrifice of some of those ideas, and the proper care of the delegation from each colony will be to see that any sacrifice that is made on the part of one colony is balanced by similar concessions on the part of the others. (Applause.) But there must be throughout the whole of the deliberations of the Convention a national spirit which must be the superior force in all questions affecting local interests of the national and stronger spirit. If that is not done Federation will be a national calamity. Then I speak of one great reason which should make Federation a matter of commanding urgency. Before referring to that, may I say that your Convention has already afforded many valuable lessons to the people who will have, I hope, shortly to exercise the federal franchise in electing representatives to the Federal Convention. (Applause.) I did think a day or two ago that there was one kind of candidate whom the people might do well to omit, and that is the particular kind of gentleman who is most ingenious in raising points of order. (Laughter.) I must candidly confess that the experience of this Convention has shown me that a man of such calibre may render infinite service to the general body — (laughter) — and may do a great deal more good than many speakers with an extensive command of the English language could accomplish: there must be order and a sense of proportion. With reference to the candidature of men who come forward to, say, represent this colony in a national Convention, you must see that great as our reverence for intellectual power and wide culture ought to be, that the main point upon which the people must exercise their franchise is that they elect men who will advocate the principles in which the people themselves believe. (Cheers.) Any sort of ability, however grand and cultured, which goes into that Convention unrepresentative of the people might produce an admirable Constitution, the policy of which you would admire, but the principles of which you would condemn. Now that is not business. (Hear, hear.) We must set before ourselves as the supreme object of our franchise the election of men whose principles are such that we may hope from the exercise of their ability the production of a Constitution of which, when produced, we cordially approve. It is right that there should be conservative elements in that
Convention. It is right that there should be breaks upon the impetuosity of the democracy. But I do not think that this great democracy is called upon to provide them. (Great cheers.) I think they will be provided in due course elsewhere, so that we can leave that aspect of the question aside. This Constitution must be representative of the people; our representatives must be in sympathy with the principles of the people. I am happy to think, and I do not point to the exclusion of anyone in this community, that you have in the forefront of the movement in this country men who, though we may differ from them in one point, taking their principles in the main you can safely send to that Convention. (Applause.) One great reason for Federation has been wisely placed in the background. I mean the absolute necessity for these scattered communities to organise some federal system of defence. We sometimes forget the enormous burden which we impose upon the military and naval forces of the Empire. I have no hesitation in believing that the Imperial Government on many questions of principles involving the dread arbitrament of war has been compelled seriously to consider Imperial questions with reference to the necessity for fulfilling the Imperial obligations for the defence of these Australian colonies. Whilst that enormous strain is put upon the mother country we ought, as brothers across the seas, to make every effort to consolidate our defensive forces. (Applause.) Some may say there is an easy solution of that difficulty in independence. I have no hesitation in saying, so far as my observation is concerned, that independence would convert a casual danger of attack into a chronic liability of outrage. We see all the great powers of the world intent on grabbing the most insignificant and unhealthy piece of territory in any part of the world, and only the flag of another great power can prevent this process from breaking out all over the world. It is only the flag of England that preserves these young communities attenuated along this enormous coast line of ours. They are mere sentries in point of strength guarding this fine continent for us and our descendants. Without the flag of the mother country and her fleets behind us, these colonies might speedily be occupied at various points by more than one of the great powers of Europe. (Hear, hear.) Our fleets are scarcely strong enough to dislodge them at the present time (laughter) — and I shudder at the prospect of a forced march of 2,000 miles to expel them from the interior. (Renewed laughter.) Believe it, the rising Australian nation for many years to come will play a manly and safer part beneath the flag of the mother land. (Loud cheers.) Do not think that I consider this a final word upon this question. Do not think that at any time a different view might not have to be taken, but so long as the relations of the mother country
and ourselves are based as they are upon a footing of honorable equality, it will require no slight development to alter our views. The affairs in this respect of 50 years hence are out of place in a practical body, or any other body at the present time. (Cheers.) When you consider the development of facilities for destruction in battle, you can see that if we have hearts of oak and nerves of steel, they will be merely food for carnage unless our defensive forces are thoroughly organised upon a federal basis against any possible movement which at any time may come upon us from dangers from abroad, and until they are under central control, and have every facility for swift concentration and harmonious movement, you will see that the man who will leave things as they are has a disregard to the duties of our position and the dangers of the situation. (Applause) No doubt this continent will be exposed to the shock of battle and attack. Let us strive to place our Australian resources for defence in such a position that when that epoch moment comes the Australians will find themselves well disciplined, well armed, and well led, so that if they are called upon to shed their blood, they may at least have the chance of imitating those thin red lines of British valour which have so often changed the stubborn resistance of heroic despair into the triumphs of immortal victory. (Loud cheers.) I look forward to this movement towards the realisation of our highest destinies, not because it will put rifles into our hands to defend our hearths and homes, but because it will bring all the best and noblest in Australian bone and sinew and brain together in order to realise the ideals of political and national life, which enables us not only to create a pure and generous civilisation over this vast continent, but a civilisation which will diffuse its blessings all over the islands and peoples of these southern seas. (Loud and prolonged cheering.)

Mr. W.J. Lyne (Leader of the Opposition).

W.J. Lyne

Mr. W. J. Lyne, M.L.A., who was received with applause, said that when following the Premier he generally had to criticise Mr. Reid's actions, but to-day the subject was one which had been raised above the arena of party politics. (Hear, hear.) This Convention was composed of representatives of all shades of political belief. They were willing to sink party considerations for the common good, and this augured well for the cause for which they were fighting. Before proceeding further he would like to make reference to the death of an old friend of Federation. They would be sorry to learn that a telegram had been received announcing the death of Mr. J. P. Garvan. He was always a friend to the cause, and had he lived and been in
good health he would probably have been one of the members of the Convention. (Applause.) The Premier had said that the Convention of 1891 was not one that emanated directly from the community. That might be, or might not be, but the thanks of the community were due to that Convention for bringing about the Commonwealth Bill, so many clauses of which the Bathurst Convention had agreed to. That bill had done much to assist in the discussion of Federation, and had even been the basis on which the discussions of that Convention had taken place. That bill must also be the basis of any future Convention on the question of Federation. The Convention of 1891 was said to be of a too conservative character, but the next Convention would be more diversified in its views. On the present occasion there were Conservatives, Liberals, ultra-Radicals, and even Republicans present — (hear, hear) and yet the speeches he had heard would do credit to any debate which could be raised on the question under consideration. Credit was due to those who had inaugurated the gathering, and he thought that the educative character of the meetings would be of great value. The question was now being debated by the energy of private citizens, and he thought that other centres of population would do well to follow the example of Bathurst, and create a federal feeling throughout Australia. No doubt in Bathurst the cause of Federation would be advanced to a great extent, for there had been large assemblages of the public at the meetings of the Convention. This would lead to criticism and discussion, and if they went no further the object of the Convention would be achieved. But the work of the Convention would, he believed, have more far-reaching effects. Good would be done to Australia generally, as the ideas expressed would be made known through the Press from one end of the colonies to the other. Three years ago a convention was held at Corowa, and the feeling from that district permeated for hundreds of miles around, and Bathurst was now doing a similar work, only in a larger degree. He desired to draw attention to the action which had been taken in the past in the cause of Federation. No one should detract from the importance of that pioneer work; but no sooner had one corner stone been laid, with the idea that it was going to be the foundation stone of Australian unity, than another had been hewn, and the old one cast aside. He was now sorry that an attempt was not made to build up a federation from the Federal Council; but it was not to be. That foundation stone was now cast aside, and other stones were laid. The lesson which had been taught was that the will of the community must be ascertained, and upon that will stone after stone and brick after brick must be laid, until the result was the
unity of Australia. (Cheers.) He hoped to see this brought about within his own lifetime, and neither he nor his party had ever attempted to obstruct Federation. (Applause.) He hoped, now, that the last foundation stone had been laid, and that those who came afterwards would build upon it. They should build higher and higher, and the partial stoppage of the work which had taken place should be of use to them. They should climb the ladder of Federation step by step,

until their end was reached. Let the leaders of the movement sink self, and let them not want to take all the credit themselves, but allow others to have a share of the praise. The question had in the past been held back by the foremost politicians pushing themselves forward, thinking only of themselves and caring nothing for others. Cardinal Moran had that morning made one of the finest speeches on the subject he had ever heard, and the addresses by Mr. Barton and Mr. Reid were also valuable contributions to the cause. The Premier's speech was most diplomatic. There was an interjection during his delivery that diplomacy took time, and so it did. Federation must be brought about either by diplomacy or some sudden calamity drawing the colonies together. He therefore said, God speed to the Premier in reference to his diplomatic mission. He hoped that he would be able to bring Queensland into the union. (Loud applause.) If all the colonies would not join, he would then go in with those who would. (Applause.) Those who stood out could not complain. They would have to join the federation some day, and then they would have to come in without having previously taken part in the bill under which they would be federated. They would have to leave the fiscal question to the federation. There could be no previous stipulation on the part of New South Wales as to what the fiscal policy of that federation was to be.

Mr. Barton: That would be federation in fetters. (Laughter and applause.)

Mr. Lyne (continuing) said that he must take it for granted that the Premier was prepared to withdraw from the speeches he had previously made on the question, and agree that he would join the federation. His action now seemed to be that he would do so, allowing all questions of fiscal matters to be dealt with by the Federal Parliament. He was sorry that Queensland had not taken similar action to the other colonies, as it would be regrettable if that colony did not come in with us. Having travelled over that colony, he had a knowledge of the alien labour question. Probably there was distrust of joining the convention until it was known what was to be done in relation to that question. Speaking from a North Queensland point of view, he thought there was a fear there in connection with alien labour. He thought that there was a fear in North Queensland that if they
consented to federate without some condition as to alien labour their interests might be affected. He mentioned this to show that it was not all plain sailing in that direction, and he hoped the Premier would take this matter into consideration. Were Queensland separated, he thought there would be no hesitancy on the part of the southerners to join in the federation, but even Northern Queensland ought to make up its mind on the question and resolve at once to join the union. (Hear, hear.) On the question of State rights he did not intend to speak at length. He thought they ought to define what the Senate should deal with, and leave the States to deal with what was not so defined. (Applause.) On the matter of railways he thought it would be sufficient to hand over only the trunk lines to the Federation. The whole of the Australian debts, and probably also the whole of the Australian assets, would in time be taken over by the Federation. On the question of a republic he agreed with the Premier that we must for a long time yet remain under the English flag. (Applause.) He also believed with the Cardinal that we were already really the freest republic in the world. (Cheers.) In building up our Constitution we ought to follow a scheme we were well acquainted with. He referred to the necessity of not being led away to have only one House of Parliament. We required a second Chamber. Such a Chamber only stayed hasty legislation for a while, and did not permanently prevent legislation. He did not desire to see a scheme adopted which would lead us into trouble in the future. He had pinned his faith to the federation of the colonies. (Cheers.) Let them at any rate do away with the barriers between the Australian colonies. (Applause.) Let them carry their banners high and fight hard, and there need be no fear for a successful result. Let their leaders in political and social life advocate the cause, and then the people would obtain what they sought at an early date. (Loud applause.)

Mr. Edmund Barton, Q.C.

E. G. Barton

Mr. President and Gentlemen, — You must allow me, before beginning, to congratulate those who have promoted this successful gathering. In all the quarters in which there are those peculiar friends of Federation who believe that Federation is all very well in its own good time, but there is no necessity for any special effort to hasten it, this Convention has been greeted with some little quiet derision. Much scope for criticism had been found in its deliberations, proposals, and decisions.
A Voice. "Old Granny."

Well it would be a very queer Convention indeed if it did not give some ground of criticism, and, indeed, did not provide some food for amusement among its own members. In all gatherings of this description there are certain to be some ill-advised persons whose proposals are open to criticism. But such things in this case serve only as the foils by which the gem of the common sense of the generality of the delegates was shown to be of brighter lustre. I cannot understand why the proceedings of the Convention should become an object of ridicule in some quarters. Taking all things together the work of the Convention has been a success. Its discussions have shown reason, knowledge, and candour, three characteristics than which none better can be found. The Convention has done good work, and is doing good work, and whatever difference of opinion may exist as to details, the work as a whole will help to spread a knowledge of the principles of Federation. It has been a noticeable feature of the Convention's debates that no spirit of political partisanship was shown. All who have taken part seem to have looked at the main question of union, not at political details. (Cheers.)

I am asked to address myself to-day more particularly to the question of States Right. But I will not altogether confine myself to that point, and I hope any divergence on my part will meet with your indulgence, since I am wholehearted with you in the cause. (Cheers.)

In the discussion of the question of State Right it is necessary to consider the representation of the national entity and that of the States. The question is whether there shall be an equality in the representation of the States so that the consent of the majority of the States is made a requisite of federal legislation. That principle is uniformly laid down by writers on Federation, that federal legislation must secure the assent, not only of the people, but of the States. To secure this representation it was not possible to imagine a Parliament of one Chamber only. A second Chamber in a Federal Parliament was different from the existing second Chambers in the colonies. It was admitted by all federalist writers that the Federal Parliament must be one of two Chambers. Imagine an aggregation of States in which the sole Chamber was controlled by the States. Legislation was then likely to result solely in the interests of the majority of the States, and not in the interests of the people. That would be a confederation, but not a true federation. The weak Government which succeeded the American civil war followed such a plan until the Convention of Philadelphia laid down the present Constitution. It is necessary to provide for the representation of the people and of the States. By that means numerical preponderance will
have its full due weight, but no oppression of the smaller States by the larger will be possible. If the true principle to be followed is justice to all, that is the only means to secure it. You must give due power to the people through the House of Representatives, and due power to the States through the Senate. I am glad that the Convention has asserted that representation in the Senate should be equal.

Under Federation there have been instances in which States have followed the unicameral system — Pennsylvania and Georgia, for example — but they had always returned to a bi-cameral method of government. It does not affect the issue at present before us whether the individual States have one or two Chambers. The trusting of power to the Senate in the Federal Constitution does not spring from a desire for a conservative check, but for the purpose of effectively representing the States in their separate capacities. Two matters are to be considered; the national entity, and the preservation of the sovereignty of the States. In proportion as these two matters are combined in true proportion you approach the true ideal of a Federation.

In Canada there is not a true second Chamber, only a nominee one, which is not constituted to preserve the rights of the State. For this reason the system of Government in Canada will more and more, day by day, decade by decade, approximate to a unification wiping out States altogether. The Canadian House of Commons is absolutely supreme, and so far as it may attempt legislative encroachments on State right there is nothing to check it. Gradually, then, the powers of the States will be wasted away until all the power is in the capacious maw of one central Government. That is the weak spot in the Canadian Constitution. Some enquirers think that the second Chamber in the United States is too strong, and I am inclined to agree with them. The Senate there may altogether prevent legislation, and that is not desirable. In the United States they have taken too much pains for the guarding of State rights. I cannot express my meaning better than quote Mr. Story, who says:

"The powers of a general Government should have a real, and not merely a suspended vitality; it should act, and move and guide, and not merely totter under its own weight, or smile into a drowsy decrepitude, powerless and palsied."

And again: "If there were but one consolidated national Government, to which the people might look up for protection and support, they might in time relax in that vigilance and jealousy which seem so necessary to the wholesome growth of republican institutions. If, on the other hand, the State Governments could engross all the affections of the people, to the
exclusion of the National Government, by their familiar and domestic regulations, there would be a danger that the Union, constantly weakened by the distance and discouragement of its functionaries, might at last become, as it was under the Confederation, a mere show, if not a mockery of sovereignty. So that this very division of empire may, in the end, by the blessing of Providence, be the means of perpetuating our rights and liberties, by keeping alive in every State at once a sincere love of its own Government, and a love of the Union, and by cherishing in different minds a jealousy of each, which shall check, as well as enlighten, public opinion."

"The State governments must naturally open an easier field for operation of domestic ambition, of local interests, of personal popularity, and of flattering influence to those who have no eager desire for a wide-spread fame, or no acquirements to justify it."

One of the dangers of going into any form of Federation which gives entire supremacy to the majority, and which in its composition disregards the powers and rights of the state is this: That the local administration of State affairs will be diminished, and finally such affairs come to be dealt with by the central government. The result must be an aggregation of subjects of a merely local character by the central body not possessing special local knowledge for their administration. It is necessary and essential to federation that there should be a combination so as to provide for a National Government sovereign in its sphere and States sovereign in theirs. This can only be maintained by an adhesion to the true principles of state right and when the People's Convention meets, which will be a more thoroughly representative body than this, I have every hope that it will adhere to the principles I have described.

One of the most important questions is that which was asserted by the Southern States of America. It was asserted by advocates of extreme State right (I do not hold with them) that the arrangement of a Federal Constitution is a compact analogous to a treaty between nations, and can be withdrawn from by any State which is a party to it. This is the proposition called the right of Secession. I affirm that any well constituted Federation will be one and indissoluble, the States having no right to secede; that a State which chooses to throw in its lot with the Federation, and having under it the means for the settlement of all claims, must not seek to withdraw from the indissoluble union. (Cheers). One might as well be told that you could put an end to the compact of marriage. When the States have taken security in the Federal compact against wrong and oppression that contract must be sacred.
Whenever there have been alliances between peoples and discussions have arisen with regard to treaties, failing a friendly outcome, there has only been one resort, that is to arms. In a just Federation however, with a wise Constitution, a resort to arms will never be necessary. In a wise Constitution a precise judgment will be devoted towards determining the functions and powers of the various parties.

The Civil War in America arose through this; practically the go-by was given to the slave question in framing the Federal Constitution. It was thought that to touch upon it might lead to a break up of the Union. Had it been possible to deal with that question properly at the outset there might never have been that Civil War. In this direction it is worthy of remark that the seceders from the Federal Parliament could find no better form of government themselves, and formed a fresh federation. Now if a just care is taken to apportion the functions of the Federal Government and the State, there will be securities against such outbursts. The balance should be adjusted not in the spirit of grab, but to provide as just a settlement as possible of difficulties. The danger of secession diminished in proportion as these precautions were observed.

As the supreme arbiter in disputes you have a substitute for war, under the Federation, in the shape of a properly constituted court of appeal. There, learning and wisdom, instead of steel and powder, would act as judges. (Cheers.) The provisions of the Draft Bill in this respect are already fairly full, but you might well make them fuller. It was needful to provide that any disputes between State and State, or between a State and the Federal Government as to the validity

of any law should be referred to this court of appeal. Thus will be provided a method of determining disputes from which it will be almost impossible to appeal to arms without alienating the whole sympathy of the Commonwealth.

I would like here to call attention to the difference between the Constitutional systems of America and England. In England Parliament is supreme, but in a Federation like America, where you have separate spheres of sovereignty, there you must have some arbiter in the Constitution, or run the risk of war. I take it for granted that all will agree with this, and the more the securities of forethought and commonsense are regarded, the more you diminish the chance of disaster. This must apply also to other matters, to the general nature of the Constitution in safeguarding the rights of individual State. It is necessary to take care that a weak State is not exposed to the dominance and tyranny of a stronger one. Then you make your provisions complete. You minimise the danger
of internal disruption, and you bind together the Constitution with the cement of peace and justice. (Cheers.) If we do take these precautions to get strict justice for ever, the State will be more in a position to insist on indissolubility. The federal compact must not be made an empty mockery. Why should the action of one powerful State be able to destroy the Constitution which it had taken them all to create? (Cheers.) With regard to the position of Queensland, it is in the highest degree desirable that we should have her assistance. None has more sympathy than I with Queensland in this matter. But with all this friendly feeling it will not do to maintain this doctrine, that if one won't join you you should hold your hand. The doctrine is not a sound one. It places the decision in the hands of not all the States, but simply one of them. I desire to impress upon our own Government, and upon all the Governments, the supreme necessity of making an urgent appeal to Queensland to take some steps to secure representation at the Convention. The presence of Queensland would much strengthen the Convention, and we ought not to relax any effort to secure it. I, for one, do not believe that Queensland will stand out, but it is essential to make every effort to secure her adhesion. If they cannot pass our Bill let them pass some Bill. If not any Bill, let the Government send representatives, as New Zealand did in 1891, and the Convention of that year cheerfully allowed them the right to speak and vote. But if all efforts fail we must not wait.

The President here showed Mr. Barton a copy of the resolution which had been carried just before his entrance to the hall.

Mr. Barton: I have just had put into my hands Professor Morris' resolution, and I am glad to express my individual agreement with it and to congratulate you on having passed it. Though we ought as last resort to form the Federation without Queensland, nobody is more alive than I to the extreme desirability of having her to join in. If Queensland sends representatives to this Convention the Constitution will probably make provision for any matter of principle which Queensland holds within her right as a State. Should Queensland be not represented it is possible that imperfections which she could remedy will creep into the Constitution, and thus Queensland be given the alternative of accepting the faulty scheme or standing out altogether. A few words now on another and a delicate matter, and I hope I won't tread on anyone's corns in touching upon it. (Laughter). The question is that of the Federal capital; we must be careful in framing the Constitution not to hamper the Federal State. If we have to make a free people we must not start them with manacles on their wrists. We have no right to fetter the choice of the Federation in the matter
of the choice of the capital.

We have no right in framing the Constitution to limit the freedom of the federated people. Whilst it may be of advantage that a place should be appointed for the first sitting of the Federal Parliament the sole choice of the capital should be in the hands of the free people we propose to institute.

The Philadelphia Convention, to which I have before referred, emphasises the necessity for such surrenders and sacrifices as are demanded by a just constitution. I will read an extract from the address of that Convention to Congress in 1787: "It is obviously impracticable, in the Federal Government of these States, to secure all rights of independent sovereignty to each, and yet provide for the interest and safety of all. Individuals entering into society must give up a share of liberty to preserve the rest. The magnitude of the sacrifice must depend as well on situation and circumstance as on the object to be attained. It is at all times difficult to draw with precision the line between those rights which must be surrendered, and those which must be reserved; and on the present occasion this difficulty was increased by a difference among the several States as to their situation, extent, habits, and particular interests. In all our deliberations on this subject we kept steadily in our view that which appears to us the greatest interest of every true American, the consolidation of our union, in which is involved our prosperity, felicity, safety, perhaps our national existence. This important consideration, seriously and deeply impressed upon our minds, led each State in the Convention to be less rigid on points of inferior magnitude than might have otherwise expected. And thus the constitution, which we now present, is the result of a spirit of amity, and of that mutual deference and conception, which the peculiarity of our political situation rendered indispensable."

I doubt though whether either the word surrender or sacrifice is applicable to what is given up for justice. It is not a surrender or a concession that which you give up to the Federation. You give to the Australian people; and who are the people? You. You get the benefit. When viewed from a fair standpoint it is not a real concession,

surrender or sacrifice merely to transfer certain things from the people acting in one capacity to the people, acting in another. It is Washington, I think, who, referring to the Federal constitution, said:

"By it we fondly trust that our republican institutions will grow up, and be nurtured into more matured strength and vigour; an independence be secured against foreign usurpation, domestic blessings be widely diffused, and generally felt; and our union, as a people, be perpetuated, as our truest glory and support, as a proud example of a wise and beneficent
Government, entitled to respect, if not to the admiration of mankind." What
the colonies at the Convention, which I hope will meet next year, must
strive for and what I have no doubt will be its outcome is a constitution of
solid strength, of perfect justice and a tender humanity. (Cheers).

Mr. R. E. O'Connor, Q.C.

R. E. O'Connor

Mr. R. E. O'Connor expressed his hearty thanks for having been elected a
vice-president. He could not conceive a greater honor than to hold such a
position in a Convention that must become historical. The important
question of State Rights, on which they had Mr. Barton's clear exposition,
appeared to be the work in which any Convention must find its greatest
difficulty. He took it for granted that the Convention assumed the union of
the provinces of Australia was impossible excepting under a system which
preserved the autonomy of the existing States as far as possible in respect
of that local administration by which alone could develop the distant parts
of this great country, still so sparsely populated. All rights, the surrender of
which was not absolutely necessary for union, must be preserved for the
States. Where difficulties arose between States in the interpretation of the
Constitution, they would have to go to the Court of Appeal, of which Mr.
Barton had spoken, but he thought the law as to the rights of States was so
well settled in America, and would be so well settled here, under a similar
Constitution, that very little difficulty would occur as to its application. For
these reasons he thought that difficulties arising out of the conflict of State
interests were much more difficult of settlement than questions of State
Rights. There were many things coming under the Federal authority, but
about which the States might have very different interests, and in which
conflict of interests might lead to trouble if not properly guarded against.
The States ought not to be asked to surrender any more of their rights and
autonomy than was absolutely necessary for the proper carrying on of the
Federal Government. For his own part he saw many defects in our form of
responsible Government. It depended entirely for its successful working on
the system of party. Where parties were too unequally divided the result
was often likely to be a weak Executive and disordered legislative
action, and where a third party came in between two other parties the
defects became more and more apparent. Under the Commonwealth they
must have some system by which the Executive must always be carried on.
All the vast field of social questions, law reforms, land, mining, and in fact
all except finance and taxation could be carried on by the States. Finance
and taxation must be in the hands of the Executive. That Executive is kept in power by a majority of one House — that was necessary. If they had to have a majority in both Houses they could never get on, and the House which had to support the majority must deal with finance. The questions of finance and taxation were of vital importance to the carrying on of Executive Government. It was clear that the States must not have the power of taking the control away because the Executive must represent the will of all the people. In the United States the Senate had equal powers with the House of Representatives, except in the initiation of Money Bills. Frequently conflicts in America arose between the two Houses over Money Bills, but still the Executive was able to go on because in that country they were not subservient to either House. In conflicts between the two Houses in a State Legislature public opinion could always be brought to bear upon the Houses, and could assert itself to settle deadlocks, and if public opinion supported the action of the popular House, then the Upper House would give way. But with the Senate consisting of State representatives there were often complications which did not clear up so readily, and it seemed to him it was absolutely necessary to frame a Constitution which would prevent legislative deadlocks. It was obvious to him that the great danger to be guarded against was the blocking of daily Executive machinery; so long as the supplies went on it mattered but little if other differences of opinion were left to settle themselves. He thought provision should be made that if a Bill granting supplies were thrown out in one Session and could not be agreed upon in the next Session, then both Houses should sit together and try and come to some settlement of the appropriations which were necessary. That could be done without in any way trenching upon the rights of the States. He firmly believed in the necessity for a second Chamber, and he was regarding the Senate as a House which must preserve the rights of the State, but they must be careful not to leave any of the elements of discord which might lead to the stoppage of Government. No Constitution had ever been successful in which there was not a controlling power which could steady the action of the popular Chamber until the will of the people was ascertained, and one of the advantages of a House, such as that provided for in the Federal Bill, would be that it would supply that controlling and steadying power. It was impossible to say in what spirit any Constitution they might frame would be worked, but he had so much confidence in the future of our people, of their capacity for self Government, of their power to adjust differences that he felt that if the precautions were now taken which history taught us we should take, then he had every confidence that the result
would be a Constitution worthy of the great future of the country. (Cheers.)

Dr. Quick, Q.C.

John Quick

Dr. Quick said that so far the Convention had approved of the proposed Federation under the British Crown; that the Executive Government should consist of a Governor-General representing the Queen, the powers being exercised by and through responsible Ministers having the confidence of the Federal Parliament. They had also approved of the principle that the Federal Parliament should consist of two Chambers — the one, the House of Representatives, being the national House, in which the people of the federated nation will be directly represented, and the other the States House or Senate, in which the States as States in their corporate capacities and separate entities would be represented. They had also approved of the important rule of the equal representation of the States in the Senate. So far they had followed the provisions of the Commonwealth Bill in their entirety. He for one recognised the Commonwealth Bill as a masterpiece of draftsmanship and statesmanship; at the same time it could not be denied that there were many points in the Bill that admitted of debate. In his opinion the first serious blot on the Bill was to be found in the clause under notice relating to the Constitution of the Federal Senate. This clause provided that the Senate should be composed of eight members for each State directly chosen by the Houses of the Parliament of the several States during a session thereof. This provision as to the mode of choosing senators was copied from the American Constitution, which was framed over one hundred years ago under circumstances quite different from those of the present time; but even in the Philadelphian Convention, which drafted that Constitution, there were wise and far-seeing men who advocated the election of senators directly by the people. The proposal to vest in the State Legislatures the power to elect senators for the Federal Parliament of Australia had been of late strongly supported on the ground that the Senate was required to defend State rights. He must say that he was somewhat at a loss to understand the sense in which the expression "State rights" was sometimes used. It seems sometimes to be contended that one of the principal functions of the Senate would be to protect and defend the autonomous rights of the States. That largely depended on the meaning attached to the word "rights." He could not see that it would be the function of the Senate to protect the legal and constitutional rights of the States, because those rights would be clearly defined and secured by the Federal
Constitution, and any attempt at encroachment thereon by the Federal legislature would be checked by an independent power outside the Legislature, viz., the Federal Supreme Court, which would declare null and void any Federal legislation repugnant to the provisions of the Constitution. No doubt the Federal Senate could reject before it became law any proposal involving an invasion of rights secured by the Constitution, but the House of Representatives could also exercise the same power to reject any such legislation. In the power of rejection both Houses would be equal. Therefore he considered that the contention that the Federal Senate would defend "State rights" had been carried too far if the expression meant legal and constitutional rights. If the expression meant moral or equitable rights, then he believed that the moral and equitable rights of States both large and small would be fairly considered and dealt with in both Houses of the Federal Parliament. In America it had not been found that the popular Chamber had been the champion of large States, and that the Senate had been the guardian of small States. In his opinion, the true function of the Federal Senate would be of a double kind. In the first place, it should undoubtedly be a Chamber not necessarily for the purpose of obstructing and resisting democratic legislation, but a Chamber of revision and review, representing the sober second thought of the nation, and seeing that the will of the nation was properly ascertained, and, when ascertained, enforced. The second function of the Senate would be to give an opportunity for the expression of the particular views and opinions, and for the representation of the particular interests of the States in matters admittedly within the sphere of the Federal authority, but respecting which differences might arise. For the purpose of exercising powers such as this, he was of opinion that the members of the Federal Senate could and should be elected by the people directly, and there was no occasion to test the choice in State legislatures. In Australia there was a particular reason why the proposal of the Commonwealth Bill should not be followed. In two of the six Australian colonies, viz., Queensland and New South Wales, the Upper Houses were nominated by the Crown, and not elected by the people. It would be highly undesirable for Federal Senators to be elected by Legislatures, one branch of some of which would not be elected by the people, and, therefore, would not be responsible to the people. It would also be highly desirable that the senators representing the various states should be elected on a uniform basis, but there would be no such uniformity if some senators were elected by nominated Chambers and others by Chambers deriving their existence directly from the people. The struggle in Queensland over the Federal
Enabling Bill was an object lesson of the difficulties to be encountered where there were two Chambers of a different basic Constitution. In Queensland the Legislative Assembly had, distinctly denied the right of the nominated Upper House to take part in the election of members to be sent to the Federal Convention. That was the whole contest. In the same way they might expect even more formidable objections to be taken to the Constitution of Federal Senate partly elected by nominee Chambers. He hoped that when the Federal Constitution of Australasia was launched it would be found to be broadly and largely based upon the people's will. If it were not so there would not be much chance of it receiving the support and sympathy of the people of Australia. With due deference to the framers of the Commonwealth Bill, he therefore strongly supported the adoption of the amendment providing for the election of Federal Senators directly by the Federal electors in such constituencies as might be determined by State Laws.

Addresses to Governors

Thomas A. Machattie
Arthur J. Webb

The following is a copy of the Address sent by the Convention to their Excellencies the Governors of New South Wales, Victoria, South Australia, New Zealand, Queensland, Tasmania, and Western Australia.

People's Federal Convention,
Bathurst, 21st November, 1896.

May it please your Excellency.

We, the members of the People's Federal Convention, assembled in the City of Bathurst, in the colony of New South Wales, desire respectfully to bring under your special consideration the all important question of Federation which, during our five days'
session, we have been striving to further.

The Federation of the Australian colonies was contemplated with the earliest conception of colonial self-government, for the idea was embodied in the draft of "A Bill for the better Government of Her Majesty's Australian Colonies," which was submitted to the Imperial Parliament in 1849. On October the 20th, 1856, the Hon. E. Deas Thompson said in the Legislative Council of New South Wales, "The time, I look upon it, is not far distant when the colonies will adopt some Federal arrangement," and, in the same speech, he enumerated seven great questions which ought to be submitted to some Federal Assembly representing all the Australian colonies. Seeing that 40 years have elapsed since such needs were expressed, it is not surprising that a strong feeling of discontent is growing up among the inhabitants that Federation is so long deferred.

The Convention has, to the best of its ability, given the great question of the Federal Union of the Australian colonies the consideration which its importance demands, and it is unanimous in believing that the time for such union is come. It maintains that the interests of these growing States must continue to suffer while artificial barriers exist between them, and so long as they are compelled to have recourse to a distant and expensive system of judicial appeal. By becoming confederated these colonies will, we believe, greatly economise their strength and resources, they will substitute common and national for local and conflicting interests, and do away for ever with barren, not to say dangerous, rivalry. Such a union will enhance the national credit, and will also tend to increase accuracy and vigour by providing for the dealings with larger questions of public policy in an Assembly which it may reasonably be presumed will consist of the wisest and most experienced statesmen to be found amongst us. Lastly, the dignity and importance which constitute so essential an element of national prosperity, and absence of which might invite aggression, would speedily be attained.

We have, during our deliberations, carefully considered the Draft Bill of 1891, and while fully agreeing with its general purpose and framework, have ventured to suggest certain alterations in its details, and we now most earnestly pray that you will use your great influence in your exalted position to bring about the speedy Federation of the Australian colonies.
With feelings of loyalty to the person and throne of Her Most
Gracious Majesty, and to Your Excellency as her representative,
We are,
Your obedient Servants
(Signed on behalf of the Convention),
THOS. A. MACHATTIE, President. ARTHUR J. WEBB, Secretary.
Letters

From His Excellency the Governor of New South Wales.

Government House, Sydney, Nov. 4th, 1896. Sir, — I have the honour to acknowledge the receipt of your letter of October 31st, informing me that it is intended to hold a convention of the people at Bathurst this month for the purpose of discussing "the principles and details of Federation."

You ask me for an expression of opinion, and in reply I have no hesitation in saying that the promoters of the Bathurst Convention are doing a loyal work in their endeavour to impress the public mind with true conceptions of the magnitude of the problems involved in the creation of a federal authority, and of the great importance of defining clearly at the outset the division to be made between the sovereign powers to be surrendered to the federal authority and those to be retained by the federating States.

I assume that there is a general agreement that for purposes of foreign policy, internal commerce, and defence the federal is the only form of government which will provide Australia with efficient legislative and executive authorities, so that the question for solution is whether and by what methods Australia can be converted into one powerful State without any undue sacrifice of the autonomy of the colonies as they at present exist. My belief is that this problem is one which is capable of satisfactory settlement, and that to this end the Convention to be held at Bathurst will be doing work of inestimable value in promoting discussion on the question of Federation.

The present is a time of peace, and so it is the accepted time. The work can be done now with careful thought and by prudent action. If, however, the present opportunity is neglected, it may be that the call for united action will come upon the country in a time of stress and danger, when the want of a Federal Executive will paralyse the best efforts of the people in their self-defence.

I am, Sir,

Your obedient Servant,

HAMPDEN.

[Thos. A. Machattie, Esq.]

Government House, Sydney, Nov. 27th, 1896.

Sir, — I have the honour to acknowledge your letter of the 23rd inst.,
enclosing an address to myself from the People's Federal Convention at Bathurst. I have further to request you to convey my thanks to Dr. Machattie, the President, as the official representative of the Convention, for the above mentioned Address, and for the expressions of loyalty to the person and throne of Her Majesty contained in it. I hope and believe that the work that has been done by the Convention will help to throw light on some of the difficult problems that must be solved before the Federation of the Australian colonies can be brought to a successful issue.

I have the honour to be, Sir,
Your most obedient Servant,
HAMPDEN.

[The Rev. Arthur J. Webb, Secretary to the People's Federal Convention, Bathurst.]

From His Excellency the Governor of Victoria.

Melbourne, 17th November, 1896. Dear Dr. Machattie,—A press of engagements has prevented me from sending an early reply to the letter which you addressed to me as President of the Bathurst Federation League.

I have much pleasure in assuring you that I take the deepest interest in the cause of Australian Federation. The recent course of foreign affairs should impress all thinking men with the necessity of Federation for the purposes of defence. By concerted action, defensive preparation will be at once more efficient and less costly. There are no difficulties in the way of common action. Already Ministers are meeting for consultation. I regard these meetings as the prelude to more formal deliberations, and more precise and positive engagements for mutual help when danger threatens.

There are many other purposes for which Federation is desirable, and in relation to which there are no difficulties. Such are the postal service, the opening up of markets, the coinage of money, the admission of aliens, and other similar questions.

A customs union is most desirable, but these colonies must first come to some common accord on the question of tariffs. Let us confidently hope that sooner or later a compromise will be found. The way to a wise conclusion lies not in heated argument, but in close

observation of practical results elsewhere. In the present stage it is perhaps fortunate that neighbouring colonies, under conditions very similar to those which obtain in Victoria as to climate, products, and cost of labour, are making trial of opposing fiscal systems. They will give, in the course of time, an object lesson which will greatly help to a sound conclusion as to
what is best for the local and the general interest.

The Federation which was proposed at the last Convention at Sydney embraced other matters of difficulty. It was proposed to provide the Federal Government with a revenue by the surrender of the customs duties. The Federal expenditure at the outset is estimated by Sir Samuel Griffiths at £250,000. The assigned revenues would aggregate £9,000,000. It was proposed to repay the surplus revenue to the States in which it was raised. All experience shows how hard it is to resist the temptation to bring expenditure to the level of income.

Sir Samuel Griffiths suggests a further investigation of this part of the subject. That will probably be the view of the Convention when it meets. Investigation involves delay. In the interval immediate action should be taken on such matters as are ripe. Federation for defence is first in order of importance. It is admitted on all hands to be within the range of practical politics.

On one other subject of difficulty I venture to throw out a suggestion. I refer to the selection of a Federal capital. It is not possible that a solution may be found by the assembling of the Federal Parliament from year to year in the capitals of each of the Federal States. The first meeting would be held in the capital of the parent colony; the succeeding meetings would be held in other colonies in the order in which they were severally erected into independent colonies.

It is evident that the task of federating Australia is not unattended with difficulties. It must be admitted that we have no precedent in history for a federation, under no pressure from without, between State; so widely separated as are the Australian colonies by distance, and so far advanced in independent local self-government. On the other hand there are great advantages to be gained. Local jealousies will be removed. The dignity of Australian citizenship will be raised. The strength which consists in union will be immeasurably greater. The influence of Australia at the heart of the Empire and throughout the world will be more felt when its people speak, not as members of small, rival States, but with one clear voice.

With the most sincere wishes for a most successful meeting at Bathurst,
I have the honour to be,
Yours most obediently,
Brassey

Government House,
Melbourne, Dec. 8th, 1896.

Dear Sir,—I am desired by His Excellency, Lord Brassey, to
acknowledge the receipt of your letter of the 28rd, and to ask you to convey his thanks to the members of the People's Federal Convention, for the Address which they have so kindly forwarded to him. His Excellency is much gratified to hear that the letter which he addressed to the Convention was so much appreciated.

I have the honour to be,
Your obedient Servant,
RICHARD NEVILL

From His Excellency The Governor of Western Australia.

Government House,
Sydney, Nov. 14th, 1896.

Dear Sir, — Your letter and enclosures of the 31st ultimo, relating to the Bathurst Convention, have been forwarded to me during my absence from Perth, and I think your attention may have been drawn to some remarks on the subject of Federation made by me at the Mayoral banquet at Melbourne on the 9th inst.

If this is so, I need only now add that the published report of my speech is substantially correct, and that you are at liberty to accept it as the expression of my views on this important question.

There is but one way of bringing home to the people the advantages of Federation, viz., by the holding of meetings or Conventions such as you have in prospect, by the formation of branch associations in every important district, and by the dissemination of sound and wholesome literature on this subject.

It is only thus that a fatal and demoralising apathy can be made to give way to the enthusiasm which will confer that mandate upon the respective Colonial Governments which alone they wait for, and, which when presented by the popular voice and vote, it will be neither their interest nor desire to disregard. I am, yours faithfully,

GERARD SMITH.

[T. A. Machattie, Esq., M.B., etc.]
December 23rd, 1896.

Dear Sir, — My absence from the colony has alone been the cause of my failing sooner to acknowledge the receipt of the Address, transmitted by you, presented to me by the People's Federal Convention at Bathurst.

You will be aware from my letter that my sympathies have been in accord with the object the Convention had in view.
I have, therefore, only to add the expression of my hope that the proceedings of the Convention, from an educational standpoint, may have a marked effect in the direction of Federation, and that such a result would be more effectually secured by publishing for information the proceedings of the Convention, and the more important speeches delivered thereat.

I am, yours very faithfully,
GERARD SMITH.
[The Secretary Bathurst Convention.]

From His Excellency the Governor of Queensland.

Government House, Brisbane, Nov. 10th, 1896.
Sir, — I am much obliged for your letter, and I shall be happy if by sending you these few lines I am able to give encouragement to the discussion as to the best means of bringing about a Federal Union of the Australian Colonies, and one that is likely to be acceptable to the great majority of the people.

I regret I am unable to find the papers you state you were good enough to send me, by which I should have learnt in greater detail as to your immediate objects and proposed procedure.

I need not dwell on the benefits likely to arise from Federation, but I strongly feel that even if there is not at the present moment a sufficiently strong feeling for the construction of the complete machinery of a Federal Government, yet there is already in existence a framework, which clothed with the necessary authority, might be enabled to deal with matters of common interest to the different colonies. I refer to such subjects as defence, coast-lights and others, which duly enumerated might be more advantageously worked by a central system.

There being no outside pressure to render Federation immediately essential it would seem to be safer to evolve a Federal Constitution, by a gradual process, than to attempt to create one by a single act.

Whatever course may find favour at your gathering every welcome ought to be extended to those who seek to remove what may be termed unnatural and artificial barriers to the trade, intercourse and general development of Australia.

The history of Great Britain and the marvellous expansion of the greatness and wealth of our kinsmen in the United States are examples of what a liberal and freedom loving policy can effect.

Hoping that the meeting of the Bathurst Federation Convention may bear good fruit in the future,
I am, Sir, your obedient Servant,
Government House,  
Brisbane, Nov. 30th, 1896.  
Sir, — I beg to acknowledge your letter of the 23rd inst., enclosing me an Address, for which I beg to thank the President and members of the Convention.  
I am glad to know the deliberations of the meeting were carried on with such thorough purpose.  
I shall be glad to see the breaking down of those artificial barriers which are so prejudicial to the growth and development of the Australian colonies.  
I remain, dear Sir, yours truly,  
LAMINGTON.  

From His Excellency the Governor of South Australia.  

Government House,  
Adelaide, 5th Nov., 1896.  
Dear Sir, — I am directed by His Excellency Sir T. Fowell Buxton to acknowledge the receipt of your letter of 31st October, and to express a hope that the efforts of the Bathurst Federation League, at the Convention to be held at Bathurst this month, for the purpose of discussing the principles and details of Federalism, may tend to further and promote the cause of the Federal Union of these colonies.  
I am, your's faithfully,  
E. W. WALLINGTON,  
Private Secretary.  
[Thos. A. Machattie, Esq.]  

From His Excellency the Governor of Tasmania.  

Government House,  
Hobart, Tasmania,  
16th Nov., 1896.  
Sir, — I am desired by His Excellency Viscount Gormanston to acknowledge the receipt of your letter of the 31st ultimo, inviting the expression of his sentiments in regard to the People's Federal Convention to be held this month at Bathurst. Whilst viewing with satisfaction and
sympathy any scheme having for its object the promotion of the Federation of the Australian colonies, His Excellency desires me to say that he must leave any further expression of the views entertained by this colony to the delegates who, he understands, have been invited to represent Tasmania at the forthcoming Convention.

I have the honor to be, Sir,

Your most obedient Servant,

J. F. ALEXANDER RAWLINSON,

[Thos. A. Machattie, President Bathurst Federation League.

Government House,

Hobart, Tasmania, 4th December, 1896.

Sir, — I am desired by His Excellency Viscount Gormanston to acknowledge the receipt of your letter, dated 23rd November, enclosing an Address presented by the People's Federal Convention, for which His Excellency has directed me to convey through you the expression of his sincere thanks.

I am, Sir,

Your obedient Servant,

J. F. ALEX. RAWLINSON.

[The Rev. Arthur J. Webb, Secretary People's Federal Convention, Bathurst.]

From Sir John Madden, Chief Justice, Victoria.

Supreme Court, Victoria,

5th November, 1896.

Thos. A. Machattie, Esq.

Dear Sir, — I received your kind letter of date October intimating to me the intention to hold at Bathurst a Convention of the people with a view to advance the achievement of the Federation of the Australian colonies, and expressing the belief that if I should deem it proper to express my concurrence in and sympathy with the, movement, my doing so would be of some assistance to it. I cannot but feel much honoured that you, and those associated with you, should think that my opinion could thus weigh with your people, and I thank you for the expression of that belief.

I have no difficulty in complying with your request, both because, I have the, to me, very gratifying honour to hold the office of President of the Federation League of Victoria, and because, in my opinion, the Federation of these colonies is the greatest consummation which patriotic feeling can
dictate, or statesmanship contrive, for the material interests of our Australian people and for the elevation and advancement of them. It is, moreover, a matter so broad and obvious in its utility as to be practically above the mere contests of partisan politics, and therefore one can be sure that the judicial office will not be hurt by even much earnestness in supporting this great movement.

For these reasons I do most heartily commend the well conceived effort which your people are making to aid it, because, when the body of the people see its undoubted value, it will be as good as accomplished.

Meanwhile, and until they do so, the efforts of the rest cannot effect much.

I wish your Convention every success, and if anything which I could say will aid it, count me whole-souled and unreservedly with you. I have the honour to be, dear Sir, JOHN MADDEN, C.J., Victoria.

Sir Samuel Griffiths, C.J., Queensland.

Judge's Chambers,
Brisbane, Oct. 21st, 1896.

Sir, — I have the honour to acknowledge your letter of Oct. 3rd inviting me to attend the proposed People's Federal Convention, to be held at Bathurst, on Nov. 16th, as the guest of the Committee, and to take part in the proceedings of the Convention.

It affords me much regret to be unable to accept the invitation, which I regard as a very great honour, but although I cannot be personally present I shall hope to be favoured with detailed reports of the proceedings, which I shall watch with the greatest interest.

I am very glad to observe that there is every prospect of the Convention being largely attended, and by persons who take an enthusiastic and intelligent interest in the matters of Federation.

I am satisfied that as soon as the people of Australia have a clear and intelligent grasp of the subject the establishment of a Federal Government will not long be delayed, and I look to the coming Convention to do good work in the direction of educating them to this end.

I have the honour to be, Sir, Your most obedient Servant,
S. W. GRIFFITHS.
[T. A. Machattie, Esq., M.B.,
President People's Federal Convention.]
Judge's Chambers,
Brisbane, Nov. 30th, 1896.

Sir — I have the honour to acknowledge your letter of 22nd October,
forwarding a confidential memorandum with respect to the Bathurst Federation movement, which, in consequence of my absence in New Guinea, I have only just received. I have noticed with great pleasure the success of the late Convention, which, so far as I have been able to form an opinion, is likely to prove a valuable aid to the cause of Australian Federation.

May I be allowed to offer my congratulations to the Bathurst League upon the success that has attended their efforts.

I am, Sir, your obedient Servant,

S. W. GRIFFITHS.

[W. Astley, Esq., Corresponding Secretary.]

Mr. Chief Justice Way,

of South Australia, also wrote regretting exceedingly his inability to be present at the Convention, which he looked upon as a gathering of national importance. It could not fail to attract public attention throughout Australia to the Federal question, and to throw light upon the aspects of it which require to be dealt with.

Mr. Justice Splethen.

Judge's Chambers,
Supreme Court, Sydney,
6th Nov., 1896.

Sir, — I have the honour to acknowledge your letter of the 26th ultimo, inviting the expression of my interest in the undertaking of the Bathurst Federation League in advancement of the cause of Federation. This, at your request, I most readily give.

I should be sorry by losing the opportunity thus given me to appear indifferent to a movement which should be regarded with the highest interest by every member of the community. I cannot assume, as you would appear to do, that any such expression can have influence upon the actions and opinions of others. But if each unit in the community holds and expresses the view that I myself hold, then the desired end is accomplished, so that I thus do my part.

May I mention that years ago I presided at a banquet given on its return to one of the first united cricketing teams that visited England. It fell to my lot to propose the toast of the evening. My speech was reported almost verbatim except the concluding sentence expressing the hope that this union of the colonies was but a foretaste and emblem of a higher union in
the future. Federation was not then "in the air." But I have never since ceased to watch with interest and hope every step that has been taken to promote the union of the colonies into a nation. I long for a national sentiment to supersede a provincial one, that the inhabitants of each colony may see "Advance Australia" in its widest sense.

Apart from the material advantages of union, it must tend to the elevation of the people into a higher place of patriotism and conception of their importance and responsibilities. The term "colony" may be abolished, but still as a nation we may remain, as I trust we shall at least for many years, a part and parcel of and one in interest with the British Empire. I have the honour to be, Your obedient Servant, M. H. STEPHEN. [Dr. Machattie, President.]

Mr. Justice Owen, N.S.W.

6th November, 1896.

Dear Sir, — I regret that my judicial duties will not enable me to accept your very courteous invitation to take part in the People's Federal Convention at Bathurst. The cause is one which has my warmest sympathy, and as it is apart from and above all party politics, I see no reason why a Judge should not assist in the movement.

I trust your efforts may be crowned with success, for it appears to me that Federation must come, and the longer it is delayed the greater the difficulties will be in carrying it out.

The troubled state of affairs in Europe and the Far East, and England's apparent isolation, seem to point to the necessity for Australia to present a united front to any dangers that may arise.

Yours faithfully, Wm. OWEN.

[T. A. Machattie, Esq., President Bathurst Federation League.]

Judge's Chambers,
Supreme Court, Sydney,
November 16th, 1896.

Sir, — I have the honour to acknowledge the receipt of your letter, in which you state that the Bathurst Federation League contemplate holding a Convention for the purpose of discussing the principle of Federation, and regret that, owing to stress of work, my reply has been somewhat delayed. I wish to express my entire sympathy with the objects which your League has in view, and shall be glad to do anything in my power to promote so worthy a cause. I shall watch with much interest the progress of the Convention at Bathurst, and hope that some means may ultimately be
devised for securing the desired end, as to the expediency of which, I think, all parties are agreed, however much they may differ as to the details of the scheme to be adopted. The colonies have now reached a stage of development which renders the adoption of some form of Federal Government essential to their true progress, and I trust that mere provincialism will not prevent a union, from which, I think, all classes in the community would derive benefit.

I have the honour to be, Sir,

Your obedient Servant,

G. B. Simpson, J.

[T. A. Machattie, Esq., President Bathurst Federation League.]

East St. Kilda,

Nov. 10th, 1896.

Sir, — I have to thank you for your letter of 26th of October, which, however, reached me only a few days ago, notifying that a Convention will be held during this month at Bathurst, under the auspices of the Federation League of that city, for the purpose of discussing the principles and details of Federalism as an aid to the education of the people. Although unable to take part in your proceedings I can assure you that your undertaking has my hearty sympathy.

Towards establishing a permanent basis of union between the several Australasian colonies nothing, it seems to me, could more effectively conduce than knowledge, generally diffused, concerning the experiences of other, and especially kindred nations, which have already adopted a Federal system. Yet how few persons comparatively have made themselves intimately acquainted with the constitution of the United States and its practical working, or with the history even of the Dominion of Canada. The bulk of the population, whose intelligent adherence should be the mainstay of Australian Union are, I fear, very ill-informed on such subjects. I shall rejoice, if, as an outcome of your discussions, a series of pamphlets, written by impartial and competent students, were extensively circulated throughout the colonies, explaining and comparing the two most modern systems of Federation, and pointing out the lessons which their history affords for us. Facts are what the people want; facts over which they can think, without any political prejudice, before they are called upon to act. I have the honor to remain, Sir, Your very obedient Servant, E. D. HOLROYD. [Thos. A. Machattie, Esq., President Bathurst Federation
League.]

The Speaker, N.S.W. Parliament.

[TELEGRAM.]
Dr. Machattie. Nov. 19, 1896.

I am very sorry circumstances which were unforeseen up to yesterday prevent me from being present. I am watching with great interest the work of the Convention.

J. P. ABBOTT.

From Governments.

Resolution re Civil Servants, and restrictions on their taking part in the Federal Movement.

Copies of the Resolution having been sent to the Premier of each colony, replies were received:—

1. From F. Kirkpatrick, Esq., Under Secretary, acknowledging receipt of Resolution.

2. From Henry G. Dalton, Esq., Secretary to the Prime Minister, Brisbane, acknowledging receipt.

3. From Alex. Willis, Esq., Secretary Premier's Office, Wellington, N.Z., acknowledging receipt of Resolution, and adding: "In reply I am to inform you that this Government takes no part in the movement for the Federation of the Australian colonies."

4. From Oct. Burt, Esq., Under Secretary, Perth, W.A., acknowledging Resolution, and saying that "the Premier is not aware of any action having been taken to prevent Civil Servants taking part in the Federation question."

5. From Geo. Steward, Esq., Acting Secretary, Premier's Office, Hobart, acknowledging the Resolution, and adding "that there can be no objection to Civil Servants taking part in this work, provided that the regulations, which are laid down for their guidance, are strictly observed."

Mr. J. H. Symon, Q.C.

Selbourne Chambers,
Pirie Street, Adelaide,
October 23rd, 1896.

Sir, — I have the honor to acknowledge the courteous invitation of the Bathurst Federation League to be present at the People's Federal
Convention to be held in your city on the 16th November next, and to be the guest of the Committee of your League whilst there, and I beg that you will convey to your League my grateful appreciation of the honor done me, and my deep regret that I am unable to accept the invitation.

May I, however, be allowed to add my warmest wishes for the success of the gathering, and my earnest hope that not only as an educational, but also as a stimulating force, it may more than satisfy the anticipation of the League under whose auspices it has been organised. The Federal question must be kept in the public eye as well as the public mind. Demonstrations such as yours will do both. Agitation is as needed for Federation as for any other people's question. It is in that respect and within that limit that your gathering will attract universal attention and be watched with keen and widespread interest. And I trust when it disperses it will leave such a record of judicious and salutary work as may induce wise and earnest Federalists elsewhere to consider whether the footsteps of Bathurst may not be followed with advantage. Permit me to remain, Very faithfully yours,

J. H. SYMON,
President of the Federation League of South Australia.

P.S. — May I say that if later on I find my engagements for November will enable me to be present at your Conference, I shall not hesitate to take the liberty, still regarding your invitation as open to me.

[The Organising Secretary, People's Federal Convention, Bathurst, N.S.W.]

The Primate.

Bishopscourt, Sydney, 7th November, 1896.

Dear Sir, — I regret to say that official engagements, extending over the whole of the week after next, prevent me from having the pleasure of accepting your invitation to be present at the People's Federal Convention at Bathurst.

I trust that the Convention may prove to be (as you hope) of practical and historic importance, and a step zealously and intelligently taken on the path towards those social and political advantages which Federal Government is likely to secure.

Yours faithfully,

WM. S. SYDNEY.
The President,
[Bathurst Federation League.]
Bishop of Tasmania.

Bishopscourt, Hobart, October 19th, 1896.
My Dear Sir, — I wish your Convention every success, but I fear I have no time or opportunity to give you any aid except good wishes.
Yours faithfully,
H. H. TASMANIA.
[Dr. Machattie, M.B.]

The Congregational Union.

Congregational Union Office,
264 Pitt Street, Sydney, 13th November, 1896.
The President People's Federal Convention.
Dear Sir, — Your letter was placed before the meeting of our Union, and we are instructed to thank you for the courtesy which dictated it.
The members of our churches will hail with satisfaction your effort to bring together the people of these colonies, and to strengthen the bonds which already unite us in heart.
We pray that the King of Kings will guide your deliberations for the good of the Australasian peoples.
We are, dear Sir,
Yours faithfully,
E. T. DUNSTAW, Chairman.
JAMES BUCHAN, Secretary.

Mr. B. R. Wise.

Wigram Chambers, Sydney,
November 19th, 1896.
Dear Dr. Machattie, — I very much regret that a professional engagement at Newcastle will prevent me attending the Federal Convention; but I shall none the less watch its proceedings with deep interest. You are to be congratulated upon having given fresh vitality to a great movement, and no carping demand for "practical results" can weaken the good effect which your Convention has already produced, by the proof which it affords that it is not the people of Australia who are indifferent about Federation, but the politicians. Any appearance there may be of popular indifference has always seemed to me to be due to a recognition of the fact that the next step forward must be taken by those who are in authority, rather than to any failure to appreciate the magnitude and
urgency of the question of national unity. The Bathurst Convention must remove the doubts of the timid, and compel the secret enemies of union to declare themselves. Nothing, I believe, would do more to hasten Union than an open declaration of hostility by those who are opposed to it. Your Convention and its proceedings should force men to take their stand upon one side or the other.

To my mind, there is no other cause worth fighting for in public life, when put beside the cause of Australian unity; not only on account of the obvious material advantages which union must bring with it (these to my mind are among the least important benefits), but because union will enlarge our horizon in all directions, by giving

us new standards of criticism in every walk of life. All that is done in Australia will be upon a different scale and inspired by a higher ideal. Men will write, speak, and work as members of a nation, and not as provincials; and the importance of this fact as a means of elevating civic life no student of history can ignore. Some may consider that these are sentimental considerations, which need not be regarded by "practical men"; but the impetus to all great movements is given by sentiment rather than reason, and no statesman who ignores the sentiment of nationality can be regarded as "practical." The most vivid imagination could not describe the improvement which union will give to Australian modes of life and thought. To effect union should, I venture to think, be the first object of every Australian, and his efforts to effect it ought to be unceasing.

I remain, with hearty good wishes,

Yours very faithfully,

B. R. Wise

[The President, Bathurst Federal Convention.]

Commandant, South Australia.

Military Staff Office,
Adelaide, 2nd Nov., 1896.
From Col. J. M. Gordon,
Late Royal Artillery, Commandant S.A. Military Forces.
To the Organising Secretary,
People's Federal Convention, Bathurst.

Sir, — I have just received the kind invitation of the President of the Bathurst Federation League to be present at the Federal Convention on my return from Sydney. Much as I would like to be present thereat, I regret that my official duties in connection with the re-organisation of the South
Australian Military Forces under my command, prevents my being able to
spare the time to avail myself of the very kind invitation extended to me.
Putting aside the political aspects of Federation, upon which it is not in
my province to touch, I need hardly say that no one is more alive than
myself to the necessity for Federal action in defence matters, and I trust
that this important point may be given a most conspicuous place in your
deliberations.
Wishing the Bathurst Federation League all success in their undertaking,
I have the honor to be,
Yours faithfully,
JOSEPH M. GORDON,
Col. Commandant S.A. Military Forces.

Letters Received.

In addition to those already published in full, letters and telegrams were
received from:—
Mr. G. Stanley.
The Rev. E. Tremayne Dunstan, Chairman of the Congregational Union.
Town Clerk, Bathurst.
Secretary, Queensland Provincial Council of the Australian Labor
Federation.
Hon. Secretary, Bathurst Art Society.
Mr. John Plummer.
Secretary, Australian Labor Federation, Sydney District Council.
Victorian Board of Directors, A.N.A.
W. H. Groom, Esq., Queensland.
Secretaries Bathurst Federation League, Procedure and Finance
Committees.
Town Clerk, Port Melbourne.
Hon. J. Garrard, Minister for Education, N.S.W.
Mr. T. Waddell.
Ross Council.
Mr. W. Gay, Bendigo, Victoria.
W. A. J. Gordon.
Mr. J. F. Flockhart
Mr. B. B. Nicoll, President A.N.A., New South Wales.
Commercial Travellers' Association, New South Wales.
Trades and Labor Council, South Australia.
The Hon. Dr. Allan Campbell, M.L.C., South Australia.
Mayor of Cooma.
W. E. Clarke, Mudgee.
Council Clerk, Carcoar.
Secretary School of Arts, Wickham.
Oakland Shire Council.
Mr. Mackenzie.
Mr. Golding.
Mr. Oliver.
Mr. Burns.
Mr. J. Willard.
Wilcannia Municipal Council.
Mr. B. D. Smith, Victoria Chamber of Manufacturers.
Dr. Quick, LL.D., Bendigo.
Council Clerk, Coraki.

Mr. R. G. Turner.
Mr. W. L. Kell.
"Vancouver."

TELEGRAMS RECEIVED from —
Victoria Federation League.
Commercial Travellers' Association, Victoria.
Sir George Dibbs.
Government of Queensland.
Mr. J. G. Drake, Queensland.
Sir P. Jennings.
Town Clerk, North Sydney.
Mr. C. C. Rowley.
Sir J. P. Abbott.
Mr. R. A. Price.
Mr. Hibble.
Papers
A Glance at the Prospective Finances of the Australian Federation or Commonwealth.

by MR. J. T. WALKER

Fellow of the Institute of Bankers, London, and Vice-President of the Australian Economic Association.

INTRODUCTORY.

When attending the People's Federal Convention at Bathurst lately as a delegate, I had the honour to address the Convention on the subject of Federal Finance.

It is now my privilege, and one which I highly appreciate, to ask you to accompany me in taking a glance at the prospective finances of the Australian Federation or Commonwealth. I propose to divide my paper into two parts: first, that delivered before the Bathurst Convention; and, second, that which embraces an endeavour to combat opposing views, and to enlarge on some points not previously taken up by me.

In addition to taking it for granted that Queensland will come into the Federation, I may say that the principles underlying my proposals may be summarised as follows:

1. That each colony shall contribute ratably on a population basis to the Federal Government Expenses proper, in addition to the cost of Defence, Quarantine, Ocean Beacons and Buoys, and Ocean Lighthouses and Lightships.

2. That thereafter the balance of contributions received on behalf of a colony shall be returned to that colony, after deducting its share of interest on the Consolidated Debt of the Federation or Commonwealth.

From my point of view it is only reasonable that the Federal Government should take over the whole indebtedness of each colony at the time of Federation, as the income from Customs and Excise and Railways will, it is believed, be much more than sufficient to pay the annual interest thereon, in addition to the cost of Federal Government proper, Defence, etc.

It may be well, at this point, to mention that the following is Sir Samuel
Griffith's definition of what a Federation is, and with which I entirely agree:—

"A Federation may be said to be the union, more or less complete, of States possessing common interests in one larger State, which will act as one body in relation to external affairs, and will secure for its people the advantages of a common citizenship, but without interfering with the domestic affairs of the people of the States, so far as they do not affect the common interests of the whole Federation."

PART I.

It is proposed that the Federal Government shall be the quasi-Bankers of the Provincial or State Governments:—

(a) Crediting each Government with the net receipts of the — Customs and Excise Department, in the colony Post and Telegraph Department, represented. Railway and Tramway Department,

(b) Debiting each Government with — The interest on its own proportion of the Consolidated Debt. Its share of the Federal Government Expenses, including proportionate cost of Defence Force, calculated on a population basis.

(c) Handing over to the Treasurer of each colony or province the resulting surplus owing to said colony, or, if a deficiency, calling upon the respective Treasurers to provide for same.

It is also suggested that Commissioners should be appointed by the Federal Parliament to superintend the management of the Consolidated Debt:—

(a) In the Commissioners' books it could be ascertained at any time what amount of the debt belonged to each province as distinguished from the Federation; and, at stated periods, the Commissioners could advise the Australian Chancellor of the Exchequer the proportions in which interest should be charged to the separate accounts, i.e., to each colony or province, and to the Federal Government respectively.

(b) The Commissioners to arrange the half-yearly payment of interest due to the public creditors.

In like manner, on each Provincial Parliament passing a Loan Bill, it will be for the Federal Parliament, if asked to do so, to arrange for the Loan being included in the next issue of "Australian Consols," provided the surplus from sources above-mentioned due to the colony requiring the Loan will stand the extra charge for interest, or if not, that satisfactory guarantees be provided therefor. Pending the floating of a Loan, the Federal Government to have power to issue Australian Exchequer Bills to
be ultimately retired out of the proceeds of the Loan.

Of course, a practical difficulty will arise when the Federal Parliament rearranges the Tariff, as some of the colonies depend much more than others for their revenue on Customs Duties. In the case of Western Australia, as it is so isolated, some tentative provision might be made to allow it to charge for some time higher Customs Duties than the other colonies; or, if that were deemed undesirable, perhaps as a compromise, and for strategic purposes, the Federal Government might undertake the construction, at its own expense, of a line of Railway to connect the colony of Western Australia with the National Railway System of the Federation.

For the sake of the common good, each colony must be prepared to give and take. If, for argument's sake, a much higher tariff came into force than New South Wales now possesses, the extra surplus coming to New South Wales could be applied to the reduction of its direct taxation, or to the reduction of the colony's share of the Federal Debt; i.e., if not required for outlay on local reproductive works.

Federation will probably entail:

(a) An increased aggregate outlay of, say, £250,000 to £300,000 per annum.

(b) A reduction in revenue of £500,000 per annum by loss of Border Customs Duties.

But on the other hand there should, in time, be a large saving in the Annual Charge for Interest on the Debts merged into "Australian Consols."

It is not easy to say what this will amount to. At the present time it may be said, on the authority of Coghlan's Statistics for 1895–1896, that the Public Indebtedness of the Federating Colonies (excluding Municipalities and Local Authorities) is as follows:

<table>
<thead>
<tr>
<th>.</th>
<th>.</th>
<th>With Annual Charge for Interest.</th>
</tr>
</thead>
<tbody>
<tr>
<td>New South Wales</td>
<td>£62,263,473</td>
<td>£2,313,892</td>
</tr>
<tr>
<td>Victoria</td>
<td>47,636,211</td>
<td>1,873,267</td>
</tr>
<tr>
<td>South Australia</td>
<td>24,216,425</td>
<td>972,120</td>
</tr>
<tr>
<td>Queensland</td>
<td>32,444,934</td>
<td>1,260,849</td>
</tr>
<tr>
<td>West Australia</td>
<td>4,736,572</td>
<td>180,183</td>
</tr>
<tr>
<td>Tasmania</td>
<td>8,447,470</td>
<td>327,635</td>
</tr>
</tbody>
</table>
Interest equal to £3 17s. 1d. per cent. per annum.

In the present state of the money market it is not improbable, even without Federation, each colony could consolidate its own debts at £3 7s. 6d. per cent., making the interest charge equal to, say, £6,066,395 per annum.

But if, as is not improbable, the Imperial Government, by special enactment, authorises Trustees to invest in "Australian Consols," it is believed the total amount required could be raised at 3 per cent., which means a saving of 7s. 6d. per cent. per annum over what it is believed the separate colonies could themselves procure the money at, which on £179,745,085 is equal to £674,044 a year.

In time, it is pretty certain the rate would fall to 21 per cent., which would mean a further saving of £449,362 per annum on present indebtedness.

As all these things will take time to arrange, and as some of the colonies, for longer or shorter periods, may find it very inconvenient to increase direct taxation, the Federal Government should have power to raise money temporarily on Australian Exchequer Bills, to assist the respective colonies to pay the extra charge devolving upon them — in other words, make them a temporary advance at the rate ruling for said Exchequer Bills, so that the colonies referred to may at any rate be, in the books, nominally clear on each year's accounts.

On appended Schedules will be seen the sources of revenue which it is proposed should still belong to the Provincial Parliaments. It must not be overlooked that, under the proposed new regime, there should also be a very considerable saving in working the departments under Federal control. Also, the remaining expenses of the Provincial Governments should be considerably less than at present: e.g., I presume each colony will have a Lieutenant-Governor in place of a Governor; one Agent-General in London could represent all the Federated Colonies; and the local Members of Parliament, acting on patriotic impulses, would doubtless see it is only reasonable their number should be reduced by the number of members representing the colony in the House of Representatives in the first Federal Parliament. On this point I am glad to see the Victorian Government is already having the matter under consideration. It is further believed that if each colony had a complete system of Local Self-Government, there would be much less difficulty than is at present experienced in some of the colonies in controlling expenditure on roads.
and bridges. Each elector would thus, in a sense, be educated to realise his responsibilities; firstly, to the local Government (whether called a Municipality, a Shire Council, or a Divisional Board); secondly, to the Provincial Government; thirdly, to the Federal Government.

We all know people who would submit with a comparatively good grace to local rates, not excepting, if need be, a Land Tax, who yet look upon the latter as a class tax when demanded by the General Government. The reason is obvious: in one case the persons who pay the tax would have the satisfaction of seeing something like its equivalent spent on improving the neighbourhood in which it was raised, whilst in the other case they have no such guarantee.

If these suggestions were adopted, the annual revenue of the Federal Government would, approximately, be as follows, taking the latest figures I have obtained, viz.:—

From the total would, of course, have to be deducted:—

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest on Consolidated Debt</td>
<td>£6,927,946</td>
</tr>
<tr>
<td>Expenses of Federal Government (including cost</td>
<td>884,916</td>
</tr>
<tr>
<td>of Defence Force as per Table II.)</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£7,812,862</strong></td>
</tr>
</tbody>
</table>

The balance, £2,372,487, would then, it is suggested, be distributed on strictly equitable lines amongst the respective contributing Provinces, States, or Colonies, as per Tables III. and IV.

Hoping I may not weary you, permit me to ask your particular attention to Table VI., showing the distribution amongst the Colonies of the estimated net surplus of £2,372,487. It will be seen that South Australia and Tasmania are apparently brought in debt to the Federal Government; but this, it is believed, will be rectified eventually, either in the event of the Colonies named consolidating their own debts prior to Federation, or in the event of the Federal Government issuing "Australian Consols" — see Table VII. and VIII. In the meantime, if the Colonies referred to so desired it, the Federal Government could arrange for the wiping out of the estimated temporary overdraft.

I think it will be admitted that the financial outlook need no longer deter
any of the Colonies from entering the Federation — in fact, if any reliance can be placed on the figures now submitted, the annual saving in interest on the Consolidation of the Public Debts will itself leave a substantial surplus after defraying the Federal Government expenses. In other words, the total cost of the Federal Government and the six Provincial Governments promises to be well within that of the six existing Governments, in addition to which Federation will, of course, add enormously to the prestige of the Commonwealth, and will, it is believed, deal a death-blow to Provincialism, and be instrumental in allaying local jealousies.

The statistics forming the groundwork of my calculations will be found in Mr. Coghlan's "Seven Colonies of Australasia, 1895–96." I thought it would only confuse things by mixing up two or more sets of figures. The great increase in population and revenue in Western Australia will naturally make a considerable difference, but by following the lines I have attempted to lay down it will not be difficult, I think, for anyone possessing later statistics to work out the position more exactly. Table IX. gives the latest official return of railway and tramway revenue and expenditure in the seven Australasian Colonies, and if these, as regards the six Colonies contemplating Federation, could have been adopted, the aggregate surplus shown would be greater than in my figures. In the event of railways or tramways being erected or established in addition to those under Federal control, whether by individuals, by companies, or by local authorities, the Federal Government should always reserve to itself the right to resume, should to do so be, in its opinion, in the interest of the Commonwealth.

A friend having very kindly prepared for me a table showing more in detail, but in round figures, the revenue and expenditure of the Colonies for the year 1895–96, I am availing myself of it, see Table X., as it gives information in a form many will doubtless appreciate. It will be noticed by its perusal that the estimated surplus divisible is only £166,576 less than according to my estimates.

An examination of the Tables will show you that there is no so-called "Pooling" of all receipts and then a pro rata division, but that each Colony practically gets back its own, less a per capita contribution for Federal Government expenses and cost of National Defence. As against this deduction, estimated at five shilling a head on the total population, must of course be credited:—

(a) Saving in annual charge for interest on each Colony's share of the Consolidated Debt.
(b) Saving in cost of administration of three great departments.
(c) Reduction in cost of the Provincial Government, including the separate Agency-General in the United Kingdom.

Each Colony will lose a portion of its Customs Revenue by abolition of the Border Customs, and, in consequence, a proportionately larger amount may have to be raised by direct taxation, failing a corresponding saving in the cost of the Provincial Government. It may still be necessary, after Federation, to collect statistics of Duty-paid Goods crossing the border for purposes of adjustment of Customs receipts amongst the several Colonies or States.

For the sake of distinction, I am designating the Federal Stocks, "Australian Consols" and "Australian Exchequer Bills," respectively, but hope that New Zealand may join the Federation in time to necessitate substituting the adjective "Australasian" for "Australian" whenever it occurs. It also appears to me that it might be well to call the Federal Treasurer by a name that will distinguish him from the Colonial Treasurer of each Colony. If not considered too pretentious the name "Colonial Chancellor of the Exchequer" would not be unsuitable.

Schedules are laid on the table summarising —
(a) Proposed Duties and Functions of the Federal Government.
(b) Suggested Sources of Revenue of the Federal Government.
(c) Expenditure items of the Federal Government.
(d) Proposed Duties and Functions of the Provincial Governments.
(e) Suggested Sources of Revenue of the Provincial Governments.
(f) Expenditure items of the Provincial Governments.
(g) Summary of savings expected to be effected in each Colony by Federation.

I have purposely refrained from enlarging on the items of Federal Revenue outside the Departments mentioned above, but, in time, there should be a substantial revenue from the Federal Note Issue Department, of which perhaps, more anon. To minimise the danger of possible friction between the Federal and the Provincial Governments, it seems to me that, in the Bill constituting the Commonwealth of Australia, special provision should be made that all matters not specifically apportioned must be considered as allotted to the Federal Government until such time as the Federal Parliament elects by Statute to divest itself of the control thereof.

In Bryce's American Commonwealth it is said that today there exists a general agreement:— "That every State on entering the Union, finally renounced
its Sovereignty, and is now for ever subject to the Federal Authority as defined by the Constitution."

It seems to me that if Federal Finance is to be on an impregnable basis our Constitution should make a provision of a like nature, and thus hasten the fulfilment of the motto adopted by this Convention — "ONE PEOPLE, ONE DESTINY."

PART II.

The Bathurst Convention appointed a Special Committee of seven of its members to bring up a report on Finance and Trade, copy of which will be found in Schedule H herewith, and to which I must ask your careful attention. The report was a majority report, the minority being opposed for the present to the Federal Government taking over the Railways, and one member also objected to the Post and Telegraph Department being treated as in my proposals, maintaining, indeed, that it should be bought right out by the Federal Government — whether at cost price or not he did not say, so far as I can recollect — and thereafter be held as a Federal asset pure and simple. To show how unfairly this would work at the present time, I have prepared Table XL, by reference to which it will be seen that the estimated deficiency of £68,463 owing by South Australia, as per Table VI., would be increased into a deficiency of £124,570; and the losses in that department of £69,540 in New South Wales, and £58,376 in Queensland, would be distributed ratably amongst all the colonies. This, to my mind, is so manifestly unfair that I do not think the South Australian people could be expected by anyone to consent to the suggestion, however much it might be to the advantage of those colonies who carry on their Post and Telegraph Departments at a loss. The recommendations of the Report, after a prolonged debate, were accepted by the Convention, and the Draft Commonwealth Bill was amended in accordance therewith, which means that the Convention agreed to recommend taking over the whole indebtedness of the colonies, as well as to assume the control of the Railways, leaving the Tramways, however, to be managed by the Provincial Governments.

In combating the views of those who do not desire the control of the Railways to be vested — at all events for the present — in the Federal Government, I would mention:—

(1) That, unless the Railways are under one control, there is no knowing how long it will be before a uniform gauge is adopted, if ever.
(2) That, so long as the Railways remain under State control, there will be a danger of undue competition to secure the border trade.

(3) That, unless the Railways are taken over by the Federal Government, there is no probability of a satisfactory general consolidation of the debts of the colonies.

(4) That, if the Railways are excluded from Federal control, there will for the present only remain the balance of the indebtedness to be consolidated under the name of "Australian Consols," namely

\[
\begin{array}{ll}
\text{.} & £179,745,085 \\
\text{Less cost of Railways,} & 112,465,454 \\
\text{Say,} & £67,279,631 \\
\end{array}
\]

In order to minimise opposition to this proposal, and, if possible, to allay suspicion, it might perhaps be well, for three or five years after Federation is accomplished, to appoint Receivers of Income from the departments of Post and Telegraphs and Railways, with irrevocable instructions to pay over to the Federal Government the balance required in excess of receipts from Customs and Excise Duties, to enable it to pay each colony's proportionate share of interest on the Consolidated Debt. Thereafter the Receivers would have to distribute the remaining balance amongst the respective Provincial Governments proportionately, presuming that in each case there is an available surplus.

Surely those of us who believe in Free Trade principles should also believe that the experience of Free Trade across the border through the abolition of Customs Duties ought to stimulate a desire for a larger share of it. Under such circumstances, is it unreasonable to suppose that in time the Customs Tariff will be one for revenue purposes rather than for Protectionist purposes? What will specially interest the Treasurer of the Federal Government will doubtless be to get revenue to enable him to meet the Federal Government expenses and interest on the Consolidated Debt, at the same time trenching as lightly as possible on the Railway Revenue. The late Sir Henry Parkes professed to be willing to leave the question of Free Trade and Protection to the Federal Parliament, arguing, from an Australian National point of view, that Federation with Protective Duties was to be preferred to Free Trade without Federation.

Personally, I have not the slightest sympathy with those who distrust the financial integrity of the Federal Government. If we go into a political marriage, because that is practically what it means, there should be a thorough *entente cordiale* beforehand, otherwise the whole thing, in my
opinion, is a farce. In all probability, the New South Wales contingent in
the House of Representatives will represent one-third of the total
membership — surely a sufficient guarantee, if any were needed, that our
State interests will be efficiently safeguarded, in addition to which we
shall, of course, have our eight representatives in the Senate.

We have heard of various "lions" in the path of Federation; it seems to
me that the Financial Lion has been slain. The two still in existence are
Indifference and Distrust. A few more Conventions like that of Bathurst,
but to be held in the other colonies, would slay Lion Indifference, after
which Lion Distrust might well retreat into his his jungle, failing being
killed outright.

Another matter requiring very careful and judicious treatment will be that
arising under Clause 6 of Chapter IV. of the Draft Commonwealth Bill,
which reads:—

"All lands, buildings, works, and materials necessarily appertaining to, or
used in connection with, any Department of the Public Service, the control
of which is by this Constitution assigned to the Commonwealth, shall, from
and after the date of the establishment of the Commonwealth, be taken
over by and belong to the Commonwealth, either absolutely, or, in the case
of the Departments controlling Customs and Excise and Bounties, for such
time as may be necessary.

"And the fair value thereof shall be paid by the Commonwealth to the
State from which they are so taken over. Such value shall be ascertained by
mutual agreement, or, if no agreement can be made, in the manner in
which land taken by the Government of the State for public purposes is
ascertained under the laws of the State."

It seems to me that, if the Federal Government takes over the whole
indebtedness of the State, that it should be entitled to all the assets such as
Railways, Buildings, Lighthouses, &c., &c., which have been erected out
of Loan moneys, only paying for the land on which same have been
erected, plus value of Buildings, &c., paid for out of Annual Income. The
adjustment would, I presume, take the form of a transfer of so much of
each colony's debt from the colony to the Federal Government. The
amounts so ascertained would really be the beginning of the Federal Debt
which it is proposed to call "Australian Consols." Although outside the
Railways (cost £112,465,454) the other assets will not, in themselves,
represent anything like good value for the balance of the debt (£67,279,631)
proposed to be taken over by the Federal Government, it is
evident the net Revenue from Customs and Excise will considerably
exceed the annual charge on the said balance (£2,611,948 p. a.) See Table
XII.
Another important consideration in taking over the departments already mentioned, will be the organization of a Federal Civil Service, properly graded, and with an Officer's Superannuation Fund under the control of non-Political Trustees, who should invest their Funds in "Australian Consols," "Australian Exchequer Bills," British Government Securities, and a moderate amount in approved Bank Fixed Deposit Receipts. With the assistance of qualified actuarial advice, there should be little or no difficulty in placing the Fund, from its inception, on an impregnable footing, giving all old officers whose services are required by the Federal Government the option of remaining on Funds at present in existence, or of severing their ties on an equitable basis, to be thereafter arranged between the parties concerned, namely, the Officers, the Provincial Governments, and the Federal Government. It will be seen that I believe in making the Federal Government supreme, as, amongst other reasons, the stronger it is, the higher price will its securities command in the London and other markets, and consequently the greater advantage will it be for the Provincial Governments whose public indebtedness will, for many years to come, be undergoing the gradual process of conversion and consolidation.

One lesson we should surely learn from the existing Constitution of the United States of America, is that the Federal Government should be placed beyond the possibility of war ever breaking out between it and any State in the Union. The Civil War in America might have been averted but for the unfortunate defectiveness of the Original Constitution. On this subject I would direct your particular attention to Schedules A and D, where the functions of the Federal and the Provincial Governments are attempted to be summarised.

Relative to the suggested Federal Note Issue Department, it may be well to remember that the Commonwealth is bound to legislate for the currency. In Queensland, at the present time, the Government issues convertible Treasury Notes, whilst in the other colonies the banks issue notes convertible into gold on demand, in some colonies the notes being a first charge on the assets of the respective banks, whilst in other colonies note-holders do not enjoy any preference over other creditors. The banks find that, where they have to pay duty to the State on their average note circulation, the latter is not a source of profit to them as in the early days it undoubtedly used to be. On the principle that the safety of the public is the supreme law (*Salus populi lex suprema*) bankers will not object to the Federal Government having the sole right to issue legal tender notes, convertible into gold on demand at places to be appointed in the Federal
Capital and in the Capitals of all the Provinces or States. The Note Issue Department should also be under the control of non-Political Trustees or Commissioners who should always keep at least 30 per cent. of coin in the Treasury against average note circulation, and who should be at liberty to invest 70 per cent. in British and Australian or Australasian Consols and Exchequer Bills. As the notes would be a legal tender throughout the length and breadth of the Continent of Australia and in Tasmania, they would become in time a very popular form of currency, and the circulation would, in my opinion, undoubtedly go on increasing in even a greater ratio than the population. By latest returns, the total Bank Note Circulation in the Federating Colonies would appear to be under £3,000,000, to which would have to be added the Queensland Treasury Note Issue: as 70 per cent. of the total amount should bring in a revenue averaging 2 3/4 per cent. per annum, it is probably not over sanguine on present figures to estimate the net annual profit to the Federal Government at about £50,000.

Now with regard to the Agency-General in London, I think the establishment ought to be on a more extensive scale than hitherto; if need be, having special departments for the respective States. In addition to the functions at present discharged by the Agents-General, I think the Agent-General should have a Council of Advice composed of financial experts, representative of the States, to assist him in all matters affecting the finances of the Commonwealth, including the floating of new loans. Encouraged by the example of Queensland, in securing the services of a distinguished ex-Governor (General Sir Henry Norman) as Agent-General, is it too much to hope that, after Federation becomes an accomplished fact, the proposed Council of Advice to the Agent-General in London, may from time to time include more than one retired Governor or Lieutenant-Governor in its membership? It would also be for the Agent-General's Department to look after the inscription of the London portion of the Australian Consols, thereby saving a considerable sum annually to the Federal Government. If the Agent-General conducts the floating New Loans, the conversion of Old Loans and the Inscription of Stocks, we shall have under our own control, work for which in the past the charges have been approximately, (a) 1/2 per cent. to 3/4 per cent. for floating new loans; (b) half of these charges for Loan conversions; (c) 300 per annum for each million pounds of Inscribed Stock. In addition to these charges the British Government are entitled to a stamp duty of 12/6 per cent. on Inscribed Stock floated in London, a considerable item, which points to one advantage an Interminable Stock has over a Terminable, and, consequently, a renewable one. I think it only necessary at this time to
point out, on general lines, what I think could be undertaken; but it seems to me that, if we have a Federal Note Issue Department under Commissioners in the colony, and the Agent-General is put into a position to control the conversion of loans and the inscription of Federal Stock in London, there will be no further occasion to combat the bug-bear or "bogey" of a State Bank, so-called. The less Governments, as such, have to do with lending money, the safer for all concerned, and the freer the connection between the Government and its Bankers, which means that either party can sever the connection at any time on short notice, the better, in my opinion, for the safety of the Commonwealth. We have two instances at the present time in Australasia, in which the Government connection with Banks has proved disastrous.

Relative to the consolidation of loans, it seems to me very improbable that our creditors would consent to a consolidation or conversion unless the railways were included as a Federal asset. It is true that many of us consider the income from Custom Duties will much more than pay the interest on the remainder of the debt, but it is one thing for us to think that, and quite another thing for our creditors to admit it. Another great advantage of taking over the Railways is, that there will be less danger of political railways being constructed in future, in other words, non-paying lines.

It must be distinctly remembered, that I do not advocate immediate or any heroic action respecting conversion of existing Stocks. We must watch the money market, and possibly, only convert Stocks as Loans mature.

I have not dwelt on the advantages to the State, of the possible saving of expenses in the administration of the Defence Forces, as I do not expect there will be practically any saving in that Department, but, on the other hand, there ought to be greater efficiency and efficiency rather than economy, is what we must aim at when it comes to a matter of National Defence. On the other hand, if it is decided that the Railways should be purchased outright by the Federal Government, as has been suggested, then it is evident that a valuation would require to be made, based on the net annual returns of a series of years. There can be no doubt that, if the Railways were so purchased, there would be a certain amount of simplicity attained in considering the matter of extensions. At the late People's Convention it was determined that the Tramways, as distinct from the Railways, should remain under the control of the State Governments. It may be well here to mention the fact that the New South Wales Tramways, up to 30th June, 1896, have cost £1,434,896, giving a net annual return of
£52,898, equal to 3 13s. 8d. per cent. Allowing for the Tramways, therefore the total cost of Railways in New South Wales is £36,852,194, as against £38,108,151 in Victoria.

I am not sanguine enough to think that there will be any actual money gain at first by Federation, as that must come later on, when a larger proportion of our loans can be converted; but, in time, it will be found, I believe, that the total expenses of the Federal Government, plus that of the six Provincial Governments, will be considerably less than if there were only six Governments running on separate lines, as at present, the difference in expense being largely represented by the saving in interest, on the ultimate consolidation of the debts.

Although, perhaps, a little out of the immediate scope of this address, it may be mentioned that if a portion of the proposed Australian Consols are on the Australian Register, but with the right after notice to be transferred to the London Register, they will become

...a favourite Australian Stock Exchange security; and will, also, I doubt not, be largely availed of by Bankers and others for temporary investment purposes; and, possibly, a considerable portion of the Bank Settlement "Pools," in each Provincial Capital, could with advantage be invested in them. Everything that can be legitimately done to keep interest low, tends to promote manufacturing and other enterprise, and that would, to some extent, be the result if the Banking "Pools" were no longer unproductive of income, as at present. In my opinion, Australian Consols should be Interminable Stock, except at the option of the Federal Government after a certain time, say fifteen years, subject also of course, to, say, a year's notice of redemption. The idea is that, in time, it might be feasible to reduce the rate of interest from 3 per cent. to 2 3/4 per cent., and possibly, a little later on, to 2 1/2 per cent. Conversions of Stock are not so easy to effect as many unthinking people seem to suppose. At present all the Australasian Governments have ahead of them the necessity of providing for maturing loans, possibly at an inconvenient time, when the money market may be in a disturbed state. The risk will, at all events, be obviated after conversion into Interminable Stock, and the consequent recurring commissions to Bankers and Brokers, will then be a thing of the past.

After all, Federation itself may prove only a stepping stone to an even larger Federation or Confederation, whether Imperial or of all Anglo-Saxon communities nobody can say, but, whatever it may be, let us hope it will be one that will promote the peace, happiness, and prosperity of the whole civilised world. How delightful to think that, in time, nations may learn to settle all international complications by the peaceful means of
arbitration in place of by the antiquated, and, may I add, horribly unchristian, method of war — devastating and bloody war — that only too frequently sows the seeds of further war! Unfortunately, we have only to study the history and map of Europe to see the truth of this.

As in this address I speak of the "prospective finances" of the Federation, it will be recognised that I do not expect all the good things foreshadowed to be immediately attained, any more than when a young man enters on his articles of apprenticeship, does he, expect forthwith to enter on the practice of his profession or trade. Some time must elapse before he can do that, but the sooner the apprenticeship commences, the sooner will it be ended — in like manner, the sooner Federation commences, the sooner will the expected benefits accrue. Assuredly we have something ahead well worth working towards; let us forthwith enter on the path without further misgivings.

I cannot close these remarks without commending the metropolitan and provincial press for the loyal support they have given to the Federal movement. One is inclined to think it is the politicians, rather than the other sections of the community, who are the drag on the wheels of the Commonwealth coach. To many local politicians it looks as if, in their opinion, Federation meant "Othello's occupation's gone," and doubtless there would in not a few cases be some truth in the adage. In contrast to what I have said about some of our politicians, I have pleasure in repeating what appeared in a letter I wrote to the Sydney Morning Herald in November, 1889:—

"Not the least creditable display of patriotism in this Federation movement is that afforded by our respected Governors, who, in advocating the formation of an Australian Dominion, are virtually working towards the abolition of their own offices, as, if we are to follow in the footsteps of the Dominion of Canada, we shall only require a Governor-General for the Dominion, and a Lieutenant-Governor for each province or colony."

I trust that all present will avail themselves of the Tables and Schedules before them, and will find time to analyse them carefully. Of course the figures (now that we are not taking over Tramways) will be slightly altered in the case of New South Wales, as, in Table IX., Tramways are included, but with the explanation given above, any person anxious to do so can work out the result for himself. It will afford me pleasure to the best of any ability to attempt to answer any points that may arise in the course of discussion.

The following quotation from a recent number of an undenominational religious paper, published in Sydney, seems to me appropriate:— "What
we need is enthusiasm for the new Commonwealth, and enthusiasm not only among the leaders but among the rank and file. And if the Bathurst Convention does nothing but help to kindle this enthusiasm, it will do good service to the cause. We are glad to see that all classes and denominations took part in the Convention. When Cardinal and Bishop, Premier and Preacher, Minister of State and College Professor, Politician and Private Citizen, all seek to bring about unity, surely the goal cannot be far off. What we need is the larger outlook which unity would give, the consciousness that we are one people, and that we should at once cease to seek merely private State interests, and concentrate all efforts on a United Australia. And doubtless the Bathurst Convention will be an important factor in bringing all this about. God send us speedily wisdom and energy to create the new Commonwealth."

After so much prose, perhaps a few beautiful lines expressing Brunton Stephens' views on Australian Federation may give a welcome relief, as a finale:—

She is not yet; but he whose ear Thrills to that finer atmosphere, Where footfalls of appointed things Reverberant of days to be, Are heard in forecast echoings, Like wave-beats from a viewless sea, Hears in the voiceful tremors of the sky Auroral herald whispering, 'She is nigh.'"

Addendum

Since reading Part I. of my paper at the Bathurst Convention, I have had the advantage of listening to able addresses, both at the Convention and at the Bankers' Institute in Sydney. The modifications in my views thence resulting may be briefly summarised as follows:—

(a) It seems desirable to separate the management of the Tramways from the Railways, leaving the former under Provincial control.

(b) In estimating cost of Federal Defence, the annual charge should be increased by interest on the outlays incurred by the several colonies in erection of fortifications, &c. This annual charge is estimated by me at £55,483 (being 3 per cent. per annum on £1,849,442), which, added to £592,235 actual cost for twelve months, as per Coghlan's statistics for 1895–1896, makes the estimated annual charge for Defence, say, £647,718.
(c) In the Federal expenses proper should also be included the cost of Quarantine, Ocean Beacons and Buoys, and Ocean Light-houses and Light-ships. Personally, I shall be very pleased, if, after a few years' time, the Federal Government can see its way to take over the whole cost of the Post and Telegraph Services, but at first, at all events, that would in my opinion be inequitable, as, I think, is pretty conclusively shewn in Tables 4 and 11 of the Appendices.

(d) In what I call Federal expenses proper, I think the estimate might be judiciously increased from £292,681 to £353,966, being an increase of £61,285, to allow for expenses of Agency-General in London, &c., including interest on sums that will probably require to be borrowed for erection of Parliament Houses, Governor-General's residence, and other public buildings in the proposed Federal Capital.

The total extra charge for Federal expenses proper, with the above additions, will then be estimated at 2s. per head per annum on the present population. The other expenses will really only be a transfer of charges at present defrayed by the separate colonies.

J. T. WALKER.
ROSEMON, WOOLLAHRA,
SYDNEY, 18th December, 1896.

PEOPLE'S FEDERAL CONVENTION.

BATHURST, N.S.W., 16th to 21st November, 1896.

APPENDIX TO PART I: FEDERAL FINANCE OF SIX FEDERATING COLONIES.

Table I.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customs and Excise-Net Revenue</td>
<td>£7,036,667</td>
</tr>
<tr>
<td>Railways and Tramways — Net Revenue</td>
<td>3,226,734</td>
</tr>
<tr>
<td>.</td>
<td>£10,263,401</td>
</tr>
<tr>
<td>Less, Net Loss on Post and Telegraphs</td>
<td>78,052</td>
</tr>
<tr>
<td>.</td>
<td>10,185,349</td>
</tr>
</tbody>
</table>

Table II.

To be disposed of thus:—

(1) Interest on Consolidated Debt (£179,745,085) ... £6,927,946
(2) Cost of Defence ... ... £592,235
Federal Government Expenditure, say ... ... £292,681 £884,916
N.B. — Population, 3,539,663, at 5s. a head=884,916. (See Table V.) £7,812,862
(3) Balance to be distributed amongst Provincial Governments (see Table VI.) ... ... £2,372,487
£10,185,349

Table III.

Net Revenue as per Table I. ... ... £10,185,349
Deduct Interest on Consolidated Debt ... £6,927,946
Surplus £3,257,403
MADE UP AS SHEWN IN TABLE IV.

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>New South Wales</td>
<td>£1,129,472</td>
</tr>
<tr>
<td>Victoria</td>
<td>1,119,977</td>
</tr>
<tr>
<td>Queensland</td>
<td>390,443</td>
</tr>
<tr>
<td>South Australia</td>
<td>20,888</td>
</tr>
<tr>
<td>Western Australia</td>
<td>575,223</td>
</tr>
<tr>
<td>Tasmania</td>
<td>21,400</td>
</tr>
<tr>
<td></td>
<td>£3,257,403</td>
</tr>
</tbody>
</table>

Table IV.

NEW SOUTH WALES —
Customs and Excise — Net Revenue ... £2,241,051
Railways and Tramways —
Net Revenue ... 1,271,853
Sub-total ... £3,512,904.
Less, Loss on Posts and Telegraphs ... 69,540
Sub-total ... £3,443,364
Less, Interest on Debt (£62,263,473) ... 2,313,892
Surplus £1,129,472

VICTORIA —
Customs and Excise —
Net Revenue ... £2,024,491
Railways and Tramways ... ... ... 964,475
Posts and Telegraphs ... ... ... 4,278
Sub-total ... £2,993,244
Less, Interest on Debt (£47,636,211) ... 1,873,267
Surplus £1,119,977

QUEENSLAND —
Customs and Excise —
Net Revenue ... £1,301,338
Railways and Tramways ... 408,330
Sub-total ... £1,709,668
Less, Loss on Posts and Telegraphs ... 58,376
Sub-total ... 1,651,292
Less, Interest on Debt (£32,444,934) ... 1,260,849
Surplus ... £390,443

SOUTH AUSTRALIA —
Customs and Excise —
Net Revenue ... £532,511
Railways and Tramways —
Net Revenue ... 413,320
Posts and Telegraphs —
Net Revenue ... 47,172
Sub-total ... £993,008
Less interest on Debt (£24,216,425) ... 972,120
Surplus £20,888

WESTERN AUSTRALIA —
Customs and Excise —
Net Revenue ... £614,477
Railways and Tramways —
Net Revenue ... 136,421
Posts and Telegraphs —
Net Revenue ... 4,508
Sub-total ... £755,406
Less, Interest on Debt (£4,736,572) ... 180,183
Surplus ... £575,223

TASMANIA —
Customs and Excise —
Net Revenue ... £322,799
Railways and Tramways —
Net Revenue ... 32,330
Sub-total ... 355,129
Less, Loss on Posts and Telegraphs ... 6,094
Sub-total ... 349,035
Less, Interest on Debt (£8,447,470) ... 327,635
Surplus ... £21,400

Table V.

COST OF FEDERAL GOVERNMENT EXPENDITURE AND COST
OF DEFENCE CHARGEABLE AS FOLLOWS:—

<table>
<thead>
<tr>
<th>State</th>
<th>Population</th>
<th>Exp.</th>
<th>Surplus</th>
</tr>
</thead>
<tbody>
<tr>
<td>New South Wales</td>
<td>1,277,870</td>
<td>£319,468</td>
<td>£1,129,472</td>
</tr>
<tr>
<td>Victoria</td>
<td>1,181,769</td>
<td>£295,442</td>
<td>£1,119,977</td>
</tr>
<tr>
<td>Queensland</td>
<td>460,550</td>
<td>£115,138</td>
<td>£390,443</td>
</tr>
<tr>
<td>South Australia</td>
<td>357,405</td>
<td>£89,351</td>
<td>£20,888</td>
</tr>
<tr>
<td>Western Australia</td>
<td>101,235</td>
<td>£25,309</td>
<td>£575,223</td>
</tr>
<tr>
<td>Tasmania</td>
<td>160,834</td>
<td>£40,208</td>
<td>£21,400</td>
</tr>
<tr>
<td>Totals</td>
<td></td>
<td>£884,916</td>
<td>£3,257,403</td>
</tr>
</tbody>
</table>

Table VI. (To be read with Tables III. to V.)

<table>
<thead>
<tr>
<th>.</th>
<th>Surplus.</th>
<th>Exp. as per Table V.</th>
<th>Surplus.</th>
<th>I</th>
</tr>
</thead>
<tbody>
<tr>
<td>New South Wales</td>
<td>£1,129,472</td>
<td>£319,468</td>
<td>=810,004</td>
<td>.</td>
</tr>
<tr>
<td>Victoria</td>
<td>1,119,977</td>
<td>295,442</td>
<td>=824,535</td>
<td>.</td>
</tr>
<tr>
<td>Queensland</td>
<td>390,443</td>
<td>115,138</td>
<td>=275,305</td>
<td>.</td>
</tr>
<tr>
<td>South Australia</td>
<td>20,888</td>
<td>89,351</td>
<td>=.</td>
<td>€</td>
</tr>
<tr>
<td>Western Australia</td>
<td>575,223</td>
<td>25,309</td>
<td>549,914</td>
<td>.</td>
</tr>
<tr>
<td>Tasmania</td>
<td>21,400</td>
<td>40,208</td>
<td>=.</td>
<td>1</td>
</tr>
<tr>
<td>Totals</td>
<td>£3,257,403</td>
<td>£884,916</td>
<td>£2,459,758</td>
<td>£</td>
</tr>
</tbody>
</table>

SUMMARY.

3,257,403 2,459,758 Due to four Colonies.
Less 884,916 Less 87,271 Due by two Colonies.
2,372,487 2,372,487 See TABLE II.
Table VII.

On the supposition that "Australian Consols" could be floated at 3 per cent. per annum, the following reductions in Annual Charge for interest could be credited to each Colony on its portion of the aggregate consolidated debt, viz.:—

| Name of Colony | Debt.    | Present Charge. | Calculated at 3 per cent. per annum | S S
|---------------|----------|-----------------|-------------------------------------|---
| New South Wales | 62,263,473 | 2,313,892 | 1,867,904 |
| Victoria       | 47,636,211  | 1,873,267 | 1,429,086 |
| Queensland     | 32,444,934  | 1,260,849 | 973,348   |
| South Australia | 24,216,425 | 972,120    | 726,492   |
| Western Australia | 4,736,572 | 180,183    | 142,097   |
| Tasmania       | 8,447,470  | 327,635    | 253,424   |
| £             | 179,745,085 | 6,927,946 | 5,392,351 |

On the supposition that each Colony could consolidate its own debts at £3 7s. 6d. per cent., the Annual Charge and Annual Saving would be as follows:—

| Name of Colony | Present Charge. | Calculated at 3 3/8 per cent. p.a. | Annual Saving.
|---------------|-----------------|-------------------------------------|----------------
| New South Wales ... | 2,313,892 | 2,101,392 | 212,500 |
| Victoria ... | 1,873,267 | 1,607,722 | 265,545 |
| Queensland ... | 1,260,849 | 1,095,016 | 165,833 |
| South Australia ... | 972,120 | 817,304 | 154,816 |
| Western Australia ... | 180,183 | 159,859 | 20,321 |
| Tasmania ... | 327,635 | 285,102 | 42,533 |
| £             | 6,927,946 | 6,066,395 | 861,551 |

Estimated Annual Saving:—
(a) Consolidation of Debts through Federation, £1,535,595
(b) Consolidation of Debts without Federation, 861,551
In favour of Consolidation through Federation, £674,044.

Table VIII.

Reading Table VI. in connection with Table VII., and presuming the "Australian Consols" were floated at 3 per cent., the net amount coming to each Colony is estimated as shown in Column 5.

<table>
<thead>
<tr>
<th>1. Name of Colony.</th>
<th>2. Cr. Balance.</th>
<th>3. Dr. Balance</th>
<th>4. Saving in Interest.</th>
<th>5. Resulting Credit to Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>New South Wales</td>
<td>810,004</td>
<td>.</td>
<td>445,988</td>
<td>1,255</td>
</tr>
<tr>
<td>Victoria</td>
<td>824,535</td>
<td>.</td>
<td>444,181</td>
<td>1,268</td>
</tr>
<tr>
<td>Queensland</td>
<td>275,305</td>
<td>.</td>
<td>287,501</td>
<td>562,8</td>
</tr>
<tr>
<td>South Australia</td>
<td>.</td>
<td>68,463</td>
<td>245,628</td>
<td>177,1</td>
</tr>
<tr>
<td>Western Australia</td>
<td>549,914</td>
<td>38,086</td>
<td>588,000</td>
<td></td>
</tr>
<tr>
<td>Tasmania</td>
<td>18,808</td>
<td>74,211</td>
<td>55,403</td>
<td></td>
</tr>
<tr>
<td>£</td>
<td>2,459,758</td>
<td>87,271</td>
<td>1,535,595</td>
<td>3,908</td>
</tr>
</tbody>
</table>

SUMMARY Surplus divisible as per Table II. £2,372,487
Saving in Annual Charge for Interest, as above, and as per Table VII.
1,535,595
Equivalent to a Surplus of ... ... £3,908,082

Table IX.

COMPARATIVE VALUE OF THE RAILWAY AND TRAMWAY PROPERTY OF THE AUSTRALASIAN COLONIES.

<table>
<thead>
<tr>
<th>Railway</th>
<th>Year Ending</th>
<th>Gross Earnings</th>
<th>Net Earnings</th>
<th>Capital</th>
</tr>
</thead>
<tbody>
<tr>
<td>New South Wales</td>
<td>June '96</td>
<td>3,109,598</td>
<td>1,321,427</td>
<td>38,287.</td>
</tr>
<tr>
<td>Victoria</td>
<td>June '96</td>
<td>2,401,392</td>
<td>854,917</td>
<td>38,108.</td>
</tr>
</tbody>
</table>
Table X.

REVENUE IN 1895–6.
N.B. — This Table has been prepared from slightly different data.

<table>
<thead>
<tr>
<th>Colonies</th>
<th>Customs</th>
<th>Excise.</th>
<th>Railways.</th>
<th>Post Office</th>
</tr>
</thead>
<tbody>
<tr>
<td>N.S. Wales</td>
<td>1,825,240</td>
<td>271,805</td>
<td>3,156,553</td>
<td>676</td>
</tr>
<tr>
<td>Victoria</td>
<td>1,733,672</td>
<td>332,632</td>
<td>2,396,993</td>
<td>503</td>
</tr>
<tr>
<td>Queensland</td>
<td>1,290,795</td>
<td>123,103</td>
<td>1,052,692</td>
<td>238</td>
</tr>
<tr>
<td>S. Australia</td>
<td>553,037</td>
<td>59,716</td>
<td>1,001,654</td>
<td>245</td>
</tr>
<tr>
<td>Tasmania</td>
<td>304,365</td>
<td>41,618</td>
<td>152,718</td>
<td>55,8</td>
</tr>
<tr>
<td>W. Australia</td>
<td>614,457</td>
<td>30,347</td>
<td>351,772</td>
<td>113</td>
</tr>
<tr>
<td>£</td>
<td>6,321,566</td>
<td>859,221</td>
<td>8,112,382</td>
<td>1,83</td>
</tr>
</tbody>
</table>

EXPENDITURE IN 1895–6.

<table>
<thead>
<tr>
<th>Colonies</th>
<th>Railways.</th>
<th>Debt.</th>
<th>Post Office</th>
</tr>
</thead>
<tbody>
<tr>
<td>N.S. Wales</td>
<td>1,884,700</td>
<td>2,360,799</td>
<td>746,208</td>
</tr>
<tr>
<td>Victoria</td>
<td>1,432,518</td>
<td>1,981,625</td>
<td>499,279</td>
</tr>
<tr>
<td>Queensland</td>
<td>644,362</td>
<td>1,286,531</td>
<td>296,491</td>
</tr>
<tr>
<td>S. Australia</td>
<td>588,329</td>
<td>948,762</td>
<td>198,541</td>
</tr>
<tr>
<td>Tasmania</td>
<td>120,388</td>
<td>328,881</td>
<td>61,972</td>
</tr>
<tr>
<td>W. Aust</td>
<td>215,351</td>
<td>174,279</td>
<td>108,578</td>
</tr>
<tr>
<td>£</td>
<td>4,885,648</td>
<td>7,080,877</td>
<td>1,911,069</td>
</tr>
</tbody>
</table>
There would, therefore, be £2,248,592 Surplus.

SCHEDULE A.

PROPOSED DUTIES AND FUNCTIONS OF THE FEDERAL GOVERNMENT.

In addition to matters and things Nos. 1 to 32, as per Clause 52 "Draft Constitution of the Commonwealth" (amending No. 29 to read "The control of the Railways"):—

33 Maintenance of Mints, either alone or in conjunction with Imperial authorities

34 Federal Courts of Law

35 The protection of citizens against unjust or discriminating legislation by any State.

36 Agency-General of the Colonies

37 Erection and Maintenance of Federal Government Buildings, etc.

38 Consolidation of Debts of Federating Colonies as "Australian Consols"

39. Protection of Riparian Rights

40. All matters or things not specifically allotted to the Provincial Parliaments.

SCHEDULE B.

SUGGESTED SOURCES OF REVENUE OF THE FEDERAL GOVERNMENT.

1 Customs and Excise Duties

2 Post and Telegraph Receipts

3 Railway Receipts (including Trams) — excepting where property of private individuals or companies

4 Mint Revenue

5 Federal Supreme Court Fees and Licenses

6 Agent-General's Fees of Office

7 Federal Parliamentary Dues

8 Revenue from Federal Note Issue Department

9 Assessments from States for deficiencies (if any) in other sources of income, to meet the States' proportionate share of interest on Federal Consols, etc., etc.

10 Receipts from Quarantine Department

11 Fees for Copyrights, Patents, etc., etc.

12 Fees for Naturalization

13 Fines and Forfeitures

14 Revenue from sources not specifically under the control of the
Provincial Parliaments.

LOAN REVENUE.
1 Inscribed Stock, i.e. "Australian Consols"
2 "Australian Exchequer Bills."

SCHEDULE C.
EXPENDITURE ITEMS OF THE FEDERAL GOVERNMENT.
1 Federal Government proper
2 Interest on Consolidated Debt of six Colonies (say £179,745,085 by Coghlan's Statistics)

[P.148] starts here
3 Customs and Excise Department
4 Post and Telegraph Department
5 Military and Naval Expenditure
6 Munitions of War
7 Expenditure on Ocean Beacons and Buoys, and Ocean Light-houses and Buoys
8 Expenses of Quarantine Department
9 Census and Statistics
10 Cost of Federal State Note Issue Department
11 Federal State Loans Department
12 Agent-General's Department
13 Government Printer's Department
14 Federal Courts of Law
15 Railway and Tramway Expenditure
16 Mints
17 Subsidies
18 Outlays in connection with matters and things not specifically under the control of the Provincial Parliaments.

SCHEDULE D.
PROPOSED DUTIES AND FUNCTIONS OF THE PROVINCIAL GOVERNMENTS.
1 Control of Local Government Bodies, eg., Municipalities, Divisional Boards, Shire Councils, Harbour Trusts, etc.
2 Construction of Public Buildings, Prisons, Harbours, Docks, Roads, Bridges, and Mainland Lighthouses
3 Provincial Judiciary (including Magistracy)
4 Public Education (including Universities)
5 Land Legislation
6 Local Savings Bank
7 Trade Licensing
8 Construction and Maintenance of Canals, Ferries, &c.
9 Control of Private Railways and Tunnels, subject to power of redemption or acquirement of same by Federal Government
10 Reformatories
11 Lunatic Asylums
12 Poor Laws, Benevolent Asylums
13 Control of Hospitals
14 Provincial and Internal Loans
15 Maintenance of Law and Order (including Constabulary)
16 Local Government Printer
17 Local Statistician
18 Control of Local Water Supplies (including Artesian Bores)
19 Sanitation.

[P.149] starts here

SCHEDULE E.

SUGGESTED SOURCES OF REVENUE OF THE PROVINCIAL GOVERNMENTS.
1 Surplus (if any) from Federal Government, after payment of proportionate share of interest on Federal Consols, and of Defence and Federal Government Expenditure
2 Income Tax
3 Property and Land Tax
4 Probate and Stamp Duties
5 Sales of Lands
6 Fees of all kinds, e.g., License Fees, Educational, Harbour Dues, Tolls, Registration Fees, Local Court Fees, Local Parliamentary Dues, etc.
7 Rent of Offices, etc., to Federal Government and others
8 Poll Tax (if necessity compels)
9 Fines and Forfeitures
10 Survey Fees
11 Poor Law and other Rates.

SCHEDULE F.

EXPENDITURE ITEMS OF THE PROVINCIAL GOVERNMENTS.
1 Provincial Government proper, including Legislature and Judiciary
2 Provincial Civil Service, including Constabulary
3 Interest on Proportion of the Federal Consolidated Debt, and Interest on Provincial Loans (if any)
4 Educational Department
5 Expenditure on Local Public Buildings, and on keeping same in repair
6 Endowments (a) Municipalities or other Local bodies (b) Hospitals (c)
Universities (d) Inebriate and other Asylums
7 Annual Cost of Maintaining (a) Lunatic Asylums (b) Prisons (c) Reformatories
8 Proportional Share of Federal Government Expenditure, including Defence
9 Trigonometrical and other Surveys
10 Observatories
11 Roads, Bridges, and Harbour Works
12 Water and Sewerage Works.

[P.150] starts here
SCHEDULE G.
SUMMARY OF SAVINGS EXPECTED TO BE EFFECTED IN EACH COLONY BY FEDERATION.
1 Reduction in cost of the Vice-Regal Establishment
2 Reduction in Parliamentary Allowances, etc
3 Reduction in Rate of Interest on Consolidated Debt
4 Agent-General's Department to be superseded by the Federal Government
5 Reduction in cost of Government Printer's Department
6 A proportional saving through amalgamation under Federal control of Customs, Excise, Railways, Post and Telegraph Departments, Defence Force, Quarantine, etc., etc.

Institute of Bankers of New South Wales

Sydney, 3rd December, 1896.

APPENDIX TO PART II.

SCHEDULE H.
REPORT OF THE SPECIAL COMMITTEE ON TRADE AND FINANCE ADOPTED BY THE PEOPLES' FEDERAL CONVENTION AT BATHURST, 20TH NOVEMBER, 1896.

The special committee appointed to consider Chapter IV. of the Draft Commonwealth Bill, dealing with finance and trade, brought up their report late on Friday evening, 20th November. The matter of the control of the railways was debated at great length and with much spirit, but eventually the report of the committee was adopted. It reads as follows:—

Your committee have had a number of conferences to consider Chapter IV., and other matters referred to them. After deliberating, it was found that the committee could not come to a unanimous decision upon all points,
but they have the honor to report as follows:— They unanimously recommend for adoption clauses 1 to 8 and 10 and 11 as in Draft Commonwealth Bill.

They unanimously recommend that the Customs and excise duties, and post and telegraph receipts, shall form part of the Federal revenue.

The committee also unanimously recommend that the cost of the following be charged to each State on a population basis:— (a) Federal Government; (b) Defence; (c) Ocean Beacons and Buoys, and Ocean Lighthouses and Lightships; (d) Quarantine.

A considerable difference of opinion existed regarding Clause 9 of the Bill, but the committee agreed to recommend for adoption in its place the following two clauses, upon the first of which they were unanimous:—

9. The revenue of the Commonwealth shall be applied in the first instance in the payment of the expenditure of the Commonwealth, which shall, until uniform duties of Customs have been imposed by the Parliament of the Commonwealth, be charged to the several States in the following manner:—

1. The expenditure of which each State has been relieved, and which has been paid by the Commonwealth, shall be charged against the State.

2. The additional expenditure incurred by the Commonwealth shall be charged against the several States in proportion to their population.

3. The surplus revenue shall, until such uniform duties have been established, be returned to the several States in the following manner:—The revenue actually collected in each State shall be returned to that State after deducting the amounts by the previous clauses of this section charged against the State, and after deducting the amount of bounties paid to the people of that State.

9A. After uniform duties of Customs have been established, the revenue of the Commonwealth shall be applied in the first instance in the payment of the expenditure of the Commonwealth. The mode in which this expenditure shall be charged to the several States, and the surplus divided, shall be determined in the following manner:—

1. As to duties of Customs or Excise, provision shall be made for ascertaining as nearly as may be, the amount of duties collected in each State or part of the Commonwealth in respect of dutiable goods, which are afterwards exported to another State or part of the Commonwealth, and the amount of the duties so ascertained shall be taken to have been collected in the State or part to which the goods have been so exported, and shall be added to the duties actually collected in that State or part, and deducted
from the duties collected in the State or part of the Commonwealth from which the goods were exported.

2. As to the proceeds of direct taxes, the amount contributed or raised in respect of income earned in any State or part of the Commonwealth, or arising from property situated in any State or part of the Commonwealth, shall he taken to have been raised in that State or part.

3. The revenue derived from all other sources and services of each State taken over by the Federal Government shall be ascertained. Each State shall be credited with the amounts so ascertained.

The expenditure of which each State has been relieved, with the exception of that relating to (a) Military and Defence; (b) Ocean Beacons and Buoys, and Ocean Lighthouses and Lightships; (c) Quarantine; and which has been paid by the Commonwealth, shall be charged against that State, together with the interest on the public debt of the State taken over by the Commonwealth. The additional expenditure incurred by the Commonwealth, together with the expenditure on (a) Military and Defence; (b) Ocean Beacons and Buoys, and Ocean Lighthouses and Lightships; (c) Quarantine; shall be charged against each State in proportion to the population of each State. The amount of bounties paid to the people of any State shall be charged against that State. When these amounts have been ascertained, the amounts charged against each State shall be deducted from the amounts so credited to each State, and the surplus paid over to that State, or the deficiency charged against that State.

Such returns shall be made monthly or at shorter intervals as may be convenient.

The committee unanimously recommend that if the whole of the provincial debts be taken over by the Federal Government unconditionally, then the control of the railways should be vested in the Federal Parliament.

The Committee unanimously agreed as to the principle of a consolidation of the loans, but a difference of opinion exists as to whether the whole or only a portion should be taken over by the Federal Government; if only a portion be taken over, as to the basis upon which such portion shall be estimated.

The majority recommends as an amendment on Clause 13 the following:— "The Federal Government shall take over the whole of the liabilities of the several States joining the Commonwealth, and each State shall be charged with the interest on such amount at the rate paid by the Federal Government."

The distribution of the surplus of the Federal Revenue as provided for by
Clause 9A is also a matter upon which a difference of opinion existed. The majority approved of what may be termed a commercial basis, as set out in Clause 9A.

The majority of the Committee recommend that the railways should be taken over by the Federal Parliament, and recommend for adoption the following new clause as Clause 14:— "The Federal Government shall take over the whole of the railways of the several States, and each State shall be charged with any deficiency or credited with any net profits on the working of such railways."

Table XI.

On the supposition that the Post and Telegraph Department was made a Federal Department in the same way as Military and Naval Defence, Quarantine, Ocean Beacons and Buoys, and Ocean Light houses and Lightships, and presuming that the net loss on that department (see Table I) was taken at 6d. per head on the total population, amended Tables V. and VI. would, combined, read as follows.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>N.S. Wales ...</td>
<td>£1,199,012</td>
<td>351,415</td>
<td>847,597</td>
<td>.</td>
</tr>
<tr>
<td>Victoria ...</td>
<td>1,115,699</td>
<td>324,986</td>
<td>790,713</td>
<td>.</td>
</tr>
<tr>
<td>Queensland ...</td>
<td>448,819</td>
<td>126,652</td>
<td>322,167</td>
<td>.</td>
</tr>
<tr>
<td>South Australia</td>
<td>.</td>
<td>26,284</td>
<td>98,286</td>
<td>.</td>
</tr>
<tr>
<td>West Australia</td>
<td>570,715</td>
<td>.</td>
<td>27,840</td>
<td>52</td>
</tr>
<tr>
<td>Tasmania</td>
<td>27,494</td>
<td>.</td>
<td>44,229</td>
<td>.</td>
</tr>
<tr>
<td>£</td>
<td>3,361,739</td>
<td>26,284</td>
<td>973,408</td>
<td>2,</td>
</tr>
</tbody>
</table>

SUMMARY —
£3,335,455 (Total Surplus 1 less total Deficiency 2) £2,503,352 (Final Surplus 4) ... Due to four Colonies.
Less, 973,408 Less, 141,305 ... Due by two Colonies.
Net Surplus, £2,362,047 ... £2,362,047
It is believed this Table shows conclusively the inequitable nature of
treated the Post and Telegraph Department in the manner suggested.

N.B. — To avoid fractions, 6d. per head=88,492, which is £10,440 over
the previous estimate of £78,052 for net loss on Post and Telegraphs,
brings up the estimate of Federal Government expenses to £973,408 in
place of £884,916, as; per Table II.

Table XII.

On the supposition that each Colony retained its own Railway and
Tramway Debt, as per Table IX., the balance of Debt and annual charge for
interest thereon, at existing Interest rates, would be as follows:—

<table>
<thead>
<tr>
<th>Name of Colony</th>
<th>Debt exclusive of Cost of Railways</th>
<th>Annual charge for interest at existing rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>New South Wales</td>
<td>£23,976,383</td>
<td>£890,933</td>
</tr>
<tr>
<td>Victoria</td>
<td>9,528,060</td>
<td>395,677</td>
</tr>
<tr>
<td>Queensland</td>
<td>15,097,154</td>
<td>586,693</td>
</tr>
<tr>
<td>South Australia</td>
<td>11,632,982</td>
<td>466,982</td>
</tr>
<tr>
<td>Western Australia</td>
<td>2,119,538</td>
<td>80,628</td>
</tr>
<tr>
<td>Tasmania</td>
<td>4,925,514</td>
<td>191,035</td>
</tr>
<tr>
<td>.</td>
<td>67,279,631</td>
<td>2,611,948</td>
</tr>
</tbody>
</table>

Debts as above ... £67,279,631
Railway Debt, as per Table IX. (excluding New Zealand) ... £112,465,454
Total Debts as per Table VII. ... £179,745,085

Table XIII.

NEW SOUTH WALES.

On the supposition that New South Wales kept its own Railway Lines
and Railway Debt as per Table IX., and only consolidated 23,976,383 of its
Debt through the Federal Government, its financial position might be
summarised as follows in the books of the Federal Government:—

Customs and Excise, net Revenue as per Table IV. ... £2,241,051
Less Loss on Posts and Telegraphs £69,540
Proportion of Federal Government Expenditure as per Table V. ...
£319,468
Interest on Debt (£23,976,383) as per Table XII. ... £890,933 ...
£1,279,941
Surplus ... £961,110
N.B. — With data furnished in these Tables, anyone desiring to do so can easily work out the exact position of each colony in the proposed Federation as has been done in this Table for New South Wales. See Table IV.
Federation in Relation to Quarantine

by Professor Anderson Stuart

Sydney University

Federation in Relation to Quarantine

Anderson Stuart

The importance of this subject for Australia has not yet been realized by the Australian peoples. It may be put very shortly. There are some infectious diseases such as measles, scarlet fever and whooping cough, which are already in our midst. These are to be prevented from spreading by isolating the sick. There are other infectious diseases that are not amongst us abiding maladies, such as rabies amongst dogs and small-pox amongst men. These are to be avoided by preventing their entrance into the continent. Rabies, which produces hydrophobia in man, never has, it is believed, reached these shores. Small-pox has invaded us some seventy times, I believe; but, owing to the prompt and severe isolation of the sick and quarantining of all other persons who had been exposed to a source of infection, it has never obtained a permanent footing in Australia. It is just as if an enemy had invaded Australia with the same frequency, but always in such small force that we had been able to overcome and vanquish him. What would happen if he landed in sufficient strength to overcome us? In the same way what would happen if small-pox were allowed to come in and spread in any part of the continent, so that large numbers of the population were affected by the disease? Each person sick of the malady would be but another source of infection and therefore just as much an enemy to the healthy as if he had been himself an invader. The people would be more than decimated — an unsuccessful war, a foreign invasion would be no less disastrous.

Further, an invador has always a better chance of success if he has the help of traitors within the gates. Have we in Australia any traitors as regards small-pox — for small-pox is for practical purposes the enemy we dread. I reply that all who have not been efficiently vaccinated are in that position in relation to those who have been so vaccinated. And the greater part of the inhabitants of this continent are unvaccinated. That is, they are unprotected against small-pox. Manifestly, therefore, so long as this state of matters remains, we should be most particular in the matter of quarantine, lest a spark be permitted to enter which would set on fire this
vast store of inflammable material as it were.

Now, as the bush fire would spread without stopping at the border of the colony within which it began, so small-pox if it once got hold of one colony would surely spread to the adjacent colonies, for however difficult sea quarantine may be, land quarantine is so much more difficult that but little reliance can be placed upon its effectiveness. It is sea quarantine, therefore, upon which we must rely, and it is obvious that unless in all the colonies strict watch be kept at the seaboard, the disease may pass in unnoticed, particularly in these days of quick passages, which give so little time for the disease to fully declare itself on board ship. In passing I may note that every argument good for a military defence force is good for a medical defence force, for that is what a quarantine establishment really amounts to.

As a matter of fact it is the extreme western, eastern, and southern colonies, the ports of which overseas vessels arriving in Australia first touch as a rule; these colonies, however, are not yet so opulent as the more centrally situated colonies, and moreover they not unnaturally ask why they should do all this maritime medical detective work for all Australia. For these two reasons, amongst others, it seems proper that all the colonies should agree to pay, rateably to their population, for the establishment and maintenance of thoroughly efficient medical outpost stations, so that the disease may be detected, the infectious sick removed to a land hospital, and perhaps the vessel efficiently disinfected before proceeding on her voyage.

In order to carry this properly out in practice some central and directing organisation is required. What shall this be? There is but one answer — Federation of the Colonies of Australia into an Australian Dominion under the British Crown.
Federal Quarantine

By Samuel T. Knaggs, M.D., F.R.C.S., I., &C.,

Editor of the "Australasian Medical Gazette," Member of the New South Wales Board of Health, &c., &c.

Federal Quarantine
Samuel T. Knaggs

At the present time a craving for Federation permeates the atmosphere of the Australasian colonies. It may prove a very interesting study to investigate the manner in which this great scheme of Federation, so earnestly wished for by all well-wishers to Australian progress, may possibly be brought about — whether it will be attained by a rapid resolution, terminating in a crisis, or become slowly developed by some natural progress; unhappily for its rapid progress towards completion, it has been played as a political shuttlecock, and pitched hither and thither by political experts, and from time to time, in being tossed up to public notice, has served some subtle purpose in Ministerial expediency, or political requirement, either to detract attention from some other issue, or act as a foil against party intrigue. Being thus rudely thrust into political turmoil amongst the contending interests of different colonies, makes its position unstable, retards its progress, and renders its future problematical. But that which Ministerial expediency or political necessity threatens to crush out of existence may yet attain development by a process of natural selection, guided by the laws of evolution. The rudimentary factors of that process exist in the bond of union, so rapidly uniting the medical and scientific bodies in all the Australian colonies. As the first link in the chain which forms that bond, we may point to the inaugural meeting of the Intercolonial Medical Congress, held in Adelaide in 1887. Next the second session, held in Melbourne in 1889, and a further advance — a giant stride was made at the third meeting held in Sydney in 1892, reaching a climax at Dunedin in February, 1895. The Association for the Advancement of Science holds an annual session each year in a different colony. At the commencement of the present year, the Federation of Medical Australasia culminated in the acquisition of the Australasian Medical Gazette, as the sole mouth-piece and representative of the medical profession in all these colonies. There is yet another link to be added, and one that will more firmly consolidate this
foundation of Federation. That is the establishment of an effectual form of Federal Quarantine. Federal Quarantine was first advocated and prominently placed before the medical profession and colonists by the Honourable Dr. Charles K. Mackellar — at the time Health Officer and Medical Adviser to the Government of New South Wales — in an admirable and exhaustive paper read by him before the medical section of the Royal Society of New South Wales on 20th July, 1883. In this paper he discussed the question of quarantine under three heads:— 1st: The rationality of quarantine, in accordance with the modern teaching of medical science. 2nd: Its applicability to Australia. 3rd: The necessity for the Australian Governments to combine and institute a Federal Quarantine. He most ably discussed and proved the rationality of quarantine and its applicability to the Australian colonies and brought most cogent arguments to demonstrate the urgent necessity that existed to cause all the Australian colonies to combine towards the establishment of Federal Quarantine. Quarantine, as conducted in New South Wales, implies a strict adherence to known sanitary laws, such as the segregation of the sick, the disinfection of persons and things, and the thorough cleansing of vessels. The objections to quarantine may be summed up in the inconvenience and thraldom to persons, and the temporary damage to commercial interests; for the imposition of quarantine to a ship not only implies a very serious monetary loss to her owners, but also entails the arbitrary detention of a number of apparently healthy people, simply because they have unfortunately come within the range of virulently infectious disease. As favouring the policy of quarantine, it is contended that the health and well-being of a community should override the temporary damage to commercial interests and personal inconvenience to which certain individuals may have been subjected to. For Federal Quarantine it is claimed that, by establishing stations on the northern and western extremities of our coasts, vessels approaching the colonies with infectious disease on board might promptly land the sick, and then, after purification, proceed to their ultimate destination in quarantine. Thus would personal inconvenience and commercial loss be minimised as the period of quarantine (generally twenty-one days) would commence from that date. In Dr. Mackellar's paper, and during the discussion which followed, some remarkable instances were given where calamity swiftly overtook communities in consequence of neglect of quarantine safeguards against infectious diseases. It is an historical fact that an American frigate conveyed cholera to Japan, and caused 200,000 deaths from the disease in the city of Yeddo
(Tokyo). Some years ago one of our British ships of war introduced measles into Fiji, with the result that 50,000 or more persons died. In 1873 a well-appointed ship, with 500 immigrants, arrived at Adelaide with measles on board. At that time there was no quarantine station at Kangaroo Island, or other means of isolation, so, as a matter of expediency, pratique was granted, and the result was that the disease gained a footing at Adelaide, extended overland to important cities in Victoria and New South Wales, reaching Sydney, from whence it was conveyed to New Zealand and Fiji, and finally infected every island in Oceania, and culminated in the death of 100,000 persons. During September, 1884, the Australasian Sanitary Conference met in Sydney at which were present delegates from Victoria, Queensland, South Australia, Western Australia, Tasmania, and New South Wales. Here the question of Federal Quarantine was discussed, and generally approved; but some difference of opinion as to its feasibility occurred, so only a half-hearted resolution was passed, leaving it optional with the Health Officer at each port of the different colonies to use his discretion in detaining infected vessels, landing the sick and attendants, and in purifying and disinfecting each vessel. Thus was the subject temporised with, and in 1886 a terribly realistic object lesson was practically administered to all the colonies on the subject of Federal Quarantine. On 15th December, 1886, the North-German Lloyd's S.S. Preussen, 4,000 tons, with a crew of 120 and 544 steerage passengers, arrived at Albany with a case of small-pox on board. The Hon. H. N. MacLaurin, then President of the Board of Health and Medical Adviser to the Government of New South Wales, made strenuous efforts to induce the Health Officer at Albany to remove the patient from the ship, so as to treat the emergency in accordance with the principle of Federal Quarantine, but without success. The vessel was permitted to proceed upon her voyage, retaining the source of infection on board until he died, shortly after his arrival at Adelaide, where he was buried at sea. Passengers were in due course landed in quarantine in Adelaide, Melbourne, and Sydney, and, on further cases being developed in different colonies, each case became a fresh nidus of infection to each community where such passengers were landed, though on the arrival of the vessel in Sydney on 26th December, having apparently no infectious disease on board, yet the next day small-pox began to show itself, and, though isolation, daily inspection, and every possible precaution was taken, cases continued to appear almost daily, either amongst the passengers or crew, until 7th January, 1887. There occurred in the Sydney Quarantine Station alone 79 cases, of which 13 died. In a lengthy report upon the
subject, the Hon. Dr. MacLaurin states that, had the requirements of Federal Quarantine been adopted, and the first case of disease been promptly removed to shore, and the vessel properly disinfected, the spread of the disease would have been restricted within very narrow limits. I trust that the agitation that is now in progress for the establishment of Federal Quarantine will ultimately culminate in the adoption of this very effectual method of preventing the introduction of contagious or infectious disease into these colonies, providing, as it does, that in doing so there is the least possible interference with the liberty of the subject or the hampering of commerce.
The Coloured Labour Problem in Relation to Federation

James G. Drake, Esq., Barrister at Law, Brisbane

The Coloured Labour Problem in Relation to Federation
James G. Drake

"There is regularity in human affairs; the same cause will in the main produce always the same effects; evidently, therefore, he who wishes to be wise, since wisdom consists in understanding the relation of cause and effects, cannot do better than enquire into the past experience of mankind, or, in other words, cannot do better than study history." — Sir J. R. Seeley.

In laying the foundation of a national government, too much care cannot be taken in searching out and rejecting everything that in the past has proved unsound and tended towards disintegration. The stones must not only lie evenly and close; they must themselves be solid and enduring. There is, I believe, no exact precedent to guide us in the creation of a Federal Government for the management of the external affairs of States occupying a position similar to that of our present Australian colonies; but the broad lines of historical teaching are clear and contain lessons of great value. They teach that the true and safe course is to find out and eliminate all that tends to division between man and man, between State and State, and to sedulously preserve and cultivate everything that binds men together and constrains them to united efforts to promote the greatness, dignity and prosperity of a Common Country.

The gravity of the coloured labour problem arises from the strong tendency that the systematic employment of coloured labour has to change the political character of the country in which it is tolerated. The accidental presence of even a considerable number of coloured persons may not work any lasting injury to a country. It is the establishment of a class of servile labourers as an institution that is to be dreaded; and the question is most urgent in Queensland, because that is the only colony of the group that has deliberately lent itself to the building up by State aid of an industry that gives occupation to a special class of servile labour, the use of which is, in the opinion of many persons, necessary to its successful prosecution. It has been stated again and again by the apologists of this form of labour that the employment of kanakas in the Queensland sugar industry is only a temporary expedient, and that the erection of Central Mills under the provisions of the Sugar Works Guarantee Act of 1893 will enable the
industry to be profitably carried on without the use of coloured labour. There are many no doubt who believe this but it is equally certain that very many, perhaps all of those who are now embarked in the industry under present conditions, will be unwilling to give up the help of cheap coloured labour, and there is consequently a great danger that Polynesian or some even more objectionable form of alien labour, will become rivetted upon the colony. To establish an industry that needs a certain form of labour, means the planting upon the soil of the labourers without whose aid it cannot be carried on; and coloured labour will have a tendency to perpetuate itself as the class of employers of coloured labour becomes numerous and powerful. This political result has been clearly foreseen, and it is hard to believe in the sincerity of those who profess to deprecate such a result, and yet deny danger. The Special Commissioner of the Times speaking on the subject after paying a visit to Queensland, and with a full knowledge of the provisions of the Sugar Works Guarantee Act of 1893, said:—

"It seems, on general grounds, natural to suppose that labour which is produced in the tropics should be suitable to tropical requirements, and, without wishing to prejudge the immediate development of future events, it is to be noted as one of the effects of the late reorganisation of the sugar industry, that the small growers who are encouraged under the new system to take up land have begun to realise that it pays them better to employ Kanakas and cultivate land for themselves than to work for wages, however good, under someone else."

"On the Herbert, and the neighbourhood of Mackay, there are already settlements of men who, from the position of ploughmen, carpenters, and labourers, have become owners of farms of 100 or 160 acres in extent, and employ from eight to ten Kanakas apiece, earning for themselves a gross income of 800 to 1,000 a year." I may say by the way, that the white cane farmer with a gross income of 800 to 1,000, does not loom up very largely in Queensland just now. On the contrary, some would-be cane farmers are complaining that the big landowner is beginning to lease his land to Kanakas, and assume the role of absentee landlord. But to continue the quotation:—

"When this custom becomes universal, and the present race of white labourers becomes converted, as it may, into a future race of white masters, employing coloured labour freely over an immense area, the real difficulties in connection with the regulation of the conditions under which such labour may be employed will be likely to arise. It is perfectly easy to understand in the face of these the reluctance with which the leaders of
opinion in temperate Australia are disposed to regard any relaxation of the laws by which the immigration of alien labour is admitted. Men who are accustomed to govern themselves and to respect the self-governing power in others, have no wish to complicate their constitutional machinery by the introduction of an inferior mass of people, who must be both governed and protected. But the developments of history do not wait permanently upon the will of statesmen, however able, nor, we may believe, upon the will of labour parties,

however powerful. There are forces of nature so irresistible that the strongest opposition must go down before them; and if such forces are declaring, as some people think they are, for the employment of an inferior by a superior race in Northern Australia, the ability of North Australian statesmen will inevitably before long be engaged in finding the means by which the relations of the two races can be most desirably governed.

"It is scarcely possible to escape the conclusion that if North Queensland obtains the political separation for which it is agitating, the nucleus of the development of tropical Australia will have been formed; and the creation of other tropical colonies, in which the habits of thought, the aims, and the traditions will differ widely from those of the existing Australian communities will be only a question of time."

"Such a settlement as that of the mallee country, in Victoria, is essentially characteristic of temperate Australia. The rich lands of Northern Queensland allow of even closer settlement, for 100 acres under sugar will probably give as valuable a return as 1,000 acres under wheat. This close settlement will not fail to produce a high level of civilisation of its own, but the employment of an inferior class of labour not only introduces an entirely new element of population, it will evidently modify, to a very considerable extent, the character of the governing race. If any conclusions as to the future may be drawn from existing indications, I should say that temperate Australia is destined to represent the democratic, and tropical Australia the aristocratic forces of the continent. It will, of course, be objected, that the Labour Party is as strong in Northern Queensland as in any other portion of Australia; and that, far from being aristocratic in her tendencies, the danger is that Northern Queensland should be entirely controlled by the Labour vote. It may be so, but it seems difficult to believe that the intelligent Australian labourer, converted into an employer, will resist any more than his predecessors, under more or less similar circumstances, have resisted natural influences which tend to develop the aristocratic sentiment. He will find himself a landowner, a master, a voter, a producer of wealth, in other words a member of a privileged class
enjoying certain dignities and acknowledging certain responsibilities. The instincts of a leader are not so difficult to cultivate in men of English race that they are likely under such conditions to remain dormant. Australia has already given us a democracy that is good. It is within the possibilities of her future that she may yet give us an aristocracy which is better."

The writer of the foregoing passage was clearly looking forward to the time when the white working man-converted into an employer by the development of the Central Sugar Mill system — will side with the privileged few against his former co-worker, vote down the opponents of coloured labour, and secure its continuance as a permanent institution. Others thought so, too. Sir Thomas McIlwraith, who was a member of the Ministry that re-opened the Polynesian labour traffic, and was Premier of Queensland when the Sugar Works Guarantee Act was passed in 1893, contemplated that similar results would attend the operation of the Act. In the course of an interview, early in 1894, he explained with characteristic candour the object he had in view when getting the Act passed. The interview was reported in the *Pall Mall Gazette*, as follows:—

"What about the sugar industry, to which a more sensational interest attaches in this country, owing to the row over the black labour question?"

"I look to sugar cultivation as one of the main sources of our future prosperity."

"And you have passed legislation to promote it?"

"Yes; you see formerly there was a strong popular prejudice against the industry. It was essentially a matter for the big capitalists. The plantations were of vast extent, and were worked for the most part in the interest of companies and absentees. This roused the bile of the democracy, and had a good deal to do with their hostility to the employment of Kanaka labour, quite apart from the unfortunate abuses of the system when first introduced."

"How did you get over this?"

"We had to popularize the industry by bringing it within the reach of the small resident farmer. Instead of the monopoly of the ‘bloated capitalist’ we made up our minds to render it a profitable occupation for the smallest landowners."

"How did you manage this?"

"By legislating for the establishment of central mills where the small man could have his cane crushed on moderate terms, and thus stand on a level with the moneyed organizations, which were able to erect mills of their own." "What was your *modus operandi*?"
"Why, we passed an Act empowering groups of growers to raise money for erecting mills and providing other essential facilities, such as railways to the mills, etc., by the issue of debentures, of which the Government guarantee principal and interest. As a quid pro quo the Government take a security on the works to the full extent of their value. They also get a mortgage over an adequate acreage for an equal amount, and are thus fully provided against against any possibility of loss."

"But what chance have your sugar growers of producing profitably in face of the present low prices of the manufactured article?"

"Just this. Prices are, no doubt, vastly lower than formerly. But my contention is that the marvellous improvement in the appliances for making the sugar, and thus cheapening the production, will fully balance the reduction in returns, and thus maintain the growers' profit at its old level. Of course, I mean in conjunction with the cheap labour, which we have provided by permitting the importation of Kanakas."

"Are you of opinion that black labour is essential to prosperity of the sugar culture in Queensland?"

"Yes, so far as the field labour goes. I don't think Europeans in the long run can stand the heat of working among the canes. Then, certainty of labour is an important factor. The Kanaka enters into a contract for several years, and fulfils it. The white man, on the other hand, can chuck up the job at any time, and frequently does so, to the total dislocation of the planters' plans. This, of course, means ruin to the latter."

It is evident that the view taken by Sir Thomas McIlwraith was that the employment of Kanaka labour was to be permanent, and that the Sugar Works Guarantee Act was to be the lever by means of which the opposition to its establishment as a permanency was to be broken down. Sufficient time has not yet elapsed to prove or disprove the correctness of his estimate of white workers when subjected to the contaminating influence of coloured labour. Meantime the creation of a small proprietary employing coloured labour is going on. Since the Act came into operation (it was assented to the 18th October, 1893), there has been an actual, though not regular, increase in the number of Kanakas in the Colony. Either through accident or design, vessels engaged in the labour trade did not leave the Colony in any numbers to recruit about the time of the General Election, in April and May, 1896. For electioneering purposes the Kanaka population was also misrepresented as being a diminishing quantity; and one politician, bolder than his fellows, openly proclaimed "the vanishing Kanakas." Hypocrisy, it has been said, is the tribute that vice pays to virtue; perhaps, in the same way, we may say that the mendacious plea of
evanescence is an extorted, but very high tribute to those who urge the unchangeable and iniquitous character of the traffic. I am sorry that in consequence of the repeal of our Quinquennial Census Act last session, the Census which was due in April in this year has not been taken. It would have been more satisfactory to have figures based upon a Census enumeration. The principal assigned reason for repealing the Act was an asserted desire to come into line with the other Colonies, in 1901 — a touching exhibition of federal regard which will be appreciated by the members of the approaching Federal Convention. In the absence of the Census return, it is necessary to take the figures supplied by the Statistical Department compiled under the supervision of the Registrar-General of Queensland. Subjoined, therefore, in tabulated form, are the numbers of Polynesians in the Colony on the 31st December, 1893; 31st December, 1894; 31st December, 1895; 30th June, 1896; and the number

from returns received for the third quarter of this year. The Compiler of Statistics adds a note that the returns for 1896 have been compiled from interim monthly statements only, and are subject to revision at the end of the year:— NUMBER OF POLYNESIANS IN QUEENSLAND AT VARIOUS DATES, ETC. Compiled from the Returns of the Registrar-General.

<table>
<thead>
<tr>
<th>Date.</th>
<th>Males.</th>
<th>Females.</th>
<th>Total Persons.</th>
<th>Increase.</th>
</tr>
</thead>
<tbody>
<tr>
<td>31 December, 1893</td>
<td>7,088</td>
<td>683</td>
<td>7,771</td>
<td>.</td>
</tr>
<tr>
<td>31 December, 1894</td>
<td>7,830</td>
<td>651</td>
<td>8,481</td>
<td>710</td>
</tr>
<tr>
<td>31 December, 1895</td>
<td>8,094</td>
<td>651</td>
<td>8,745</td>
<td>264</td>
</tr>
<tr>
<td>30 June, 1896</td>
<td>7,594</td>
<td>582</td>
<td>8,176</td>
<td>.</td>
</tr>
<tr>
<td>30 September, 1896</td>
<td>7,905</td>
<td>587</td>
<td>8,492</td>
<td>316</td>
</tr>
</tbody>
</table>
Increase since 31 December, 1893 — 721.

At the approaching Federal Convention, when this subject is under discussion, the question which will be most prominent in the minds of members of the Convention will be — Is this thing only a transient phase in the development of an industry, or is it the beginning of a great evil which, if not checked in time, will grow and grow until it creates a barrier between colony and colony, which no diplomacy will be able to overcome. The few figures and quotations that I have furnished, may perhaps assist members in coming to a right conclusion. In view of the probability of the question arising it may be well to remember the determination to which the Federal Convention of 1891 came, as embodied in the 53rd Clause of the Commonwealth Bill. It reads:—

53. The Parliament shall, also, subject to the provisions of this Constitution, have exclusive powers to make laws for the peace, order, and good government of the Commonwealth with respect to the following matters:—

"1. The affairs of people of any race with respect to whom it is deemed necessary to make special laws not applicable to the general community; but so that this power shall not extend to authorise legislation with respect to the affairs of the aboriginal native race in Australia and the Maori race in New Zealand; &c."

Members of the next Convention will probably ask themselves — Has anything occurred since 1891 to render it less necessary in the interest of the whole of Australia that the introduction of alien races should be under the control of the Central Government! I hope the delegates will exhibit courage in resisting any attempt to concede to the Government of any colony the right to keep an open door to the offscourings of Asia and Polynesia. The welfare of Australia requires that this question shall be settled. At no future time will the task be lighter or the ability to perform the task greater. It is undoubtedly one of the lions in the path of Federation; but no man ever overcame a difficulty by running away from it, and the courage of this particular lion rises and falls just in proportion to the degree of firmness with which it is confronted. To the Convention I would say — "Be strong and of a good courage." To you it is given, if you will, to set the feet of Australia surely upon the path that will lead her to a place of honour and dignity amongst the nations of our race, establish peace within her borders and lay deep and well the foundations of our industrial prosperity that knows no tint of shame.
Footnote 1, Page 162: The Outlook in Australia: Miss Flora L. Shaw.  
**British Australasian**, January 11th, 1894.

[P.167] starts here
The Balance of Power Between National and State Governments

by The Hon. W. P. Cullen, LL.D., M.L.C., Sydney.

Federation is sometimes spoken of as a step in the direction of centralisation. It is more correct to describe it as a means of separating, as effectually as possible, those functions of Government which can best be exercised by a new authority having power to act for the whole country, from those which can best be exercised by authorities located in and identified with particular territorial divisions. The question to what extent the inevitable surrender of existing power may prove agreeable to the communities about to federate, and how far such a surrender is required for securing a satisfactory basis of union, depends a great deal on their previous history and present needs.

In the United States, the thirteen colonies, having thrown off the English yoke, were little inclined to a new superior in the shape of a Federal Government. Upon the Declaration of Independence they had become sovereign States, each of them as uncontrolled as England herself, or as France or Russia. The Confederation, which depended for its existence on their free consent, had no great hold on their minds, and was regarded with much jealousy. It was only the sheer necessities of the case, their failure to pull together as a body of neighbourly allies and the dangers to which this exposed them, that at length reconciled the States to the creation of a strong central Government. Even then, it was only after an express provision had been engrafted upon the original draft of the Constitution, securing to the individual States every function of Government not specifically conferred upon the new power, that the ultimate union was accomplished.

And when, half a century had passed, the authority of the federal power was for the first time flatly defied by certain of the States, the grounds and reasons urged in justification of their action were the same as those which had been discussed between the original contracting parties. Whatever interests and motives contributed to the war between North and South, the advocates of the seceding States insisted, that the real controversy was merely a legal one as to the rights of individual States under the Constitution.
In the discussions respecting Federation in these colonies the expression "State-rights" has at times acquired some prominence. It will avoid much misconception to remember that till Federation is an accomplished fact, the term can have no application here in the sense in which it was then applied in the United States. Here every right and power which the Legislature or Executive of a colony now possesses by law is inviolably its own until the Imperial Legislature thinks fit to alter the law. It is generally admitted that such alteration would in no case be carried out without the consent of the colony concerned. The sole object and purpose of the present Federation movement is to persuade the people of the various colonies simultaneously to give such consent. When they do so they will have joined in establishing new rights and powers by giving up some of those which they now enjoy. It will then, for the first time, be correct to speak of State Rights as applied to these colonies, in the sense above alluded to, and the expression will mean the rights they then retain as distinguished from the rights conferred by their gift upon the newly-established Federal Government. At the present moment these colonies have the power of choosing for themselves what those State Rights shall be. After the Federal Constitution is established they will no longer have this power; it will have passed from them by that alteration in the law.

In discussing the extent to which the new Constitution should take away the present powers of the various Legislatures, it is not enough to speculate as to what functions of government might usefully be discharged by the federal authority.

The more difficult problem is to ascertain how much power the people of the various colonies can now he persuaded to entrust to it. When once the federal spirit has taken a powerful hold upon men's minds it will go far to cure those inter-colonial jealousies with which we are so often reproached by old-world critics. Meanwhile, it is profitable to remember that those jealousies have already borne bad fruit, and are capable of producing more. A federal union can only be successful in proportion to the mutual confidence and loyalty existing among all its members.

Among the obstacles to such confidence there is a certain false analogy derived from reminiscences of the early days of colonial settlement. It is thought by some that the former happy triumph experienced by Victoria and Queensland when they obtained separation from New South Wales, may be reversed to some extent by Federation. These forget how essentially different are the two conditions of things; the former state of helpless dependency under a unified government, specially identified with one portion of the territory, and the proposed state of absolute equality,
under a new Parliament equally representative of all.

Again, whatever may eventually be the location of the federal capital, many even now will anticipate that territory separated from it by, a thousand miles and upwards, will be more or less handicapped. We have also to reckon with those who point to the superior resources of a particular colony, and dread some imagined partition of this bounty of providence among neighbours less highly favoured. There are also those who prize so highly the results of some particular policy hitherto pursued by their own colony, that they fear any risk of the reversal of that policy. Instances will be found of free-traders who are afraid of the advent of protection, and of protectionists who are afraid of the unfettered competition of neighbouring colonies. There are railway theorists who remind us with what persistent efforts the trade of the capitals had been stimulated by differential rates. These predict a real blow to the wealth of their particular colony if the federal power is to have any control over those rates. And still another instance of the predetermining causes which may affect the terms of union, is found in the suspicion engendered in certain minds, that particular colonies may be found too "advanced" or radical in their politics for safety, unless the powers of the federal government are narrowly limited.

Those and similar considerations must be regarded, not necessarily as real obstacles to Federation of some kind, but as indications of the sort of difficulty to be overcome in arriving at a really useful and effectual federal compact. It is undesirable that the new Government about to be created should be felt to have dangerous powers left in its hands. We want a Federal Legislature in which the people of every Colony from Queensland to Western Australia shall have the same confidence as they have now in their own local legislatures, or, perhaps we ought rather to say, in which they feel no greater distrust than they now feel in their own local legislatures.

It must be admitted that the Convention Bill, of 1891, was, in its proposed distribution of powers, an honest, and, so far as can be pronounced without actual experience, a very successful attempt to solve these various difficulties. The defects revealed in it by subsequent criticism indicate at what points the conflict of interest is likely to become most pronounced. In its enumeration of the subjects of legislation to be dealt with by the Federal and Provincial Parliaments, it follows in a general way the provisions of the Federal Constitution already in existence elsewhere, all of which necessarily empower the National Legislature to deal with certain essentially national concerns. Then it adopts the model of the
United States in preference to that of Canada, in that it expressly preserves to the respective Colonies their present powers of their own legislatures in regard to all matters not specifically laid down as falling within the jurisdiction of the Federal Parliament.

So much discussion has already taken place upon this feature in the Convention Bill that it is unnecessary, at this point, to do more than note that its effect, if adopted, would, under the circumstances, be to make the Australian Constitution entirely different from that of Canada, just as for another reason it must be materially different from that of the United States. The new Federal Government of Australia under this proposal, while limited, like that of Canada, on the side where its policy might conflict with that of the empire to which both are united, would have less power than that of Canada on the other side where the interests of Australia, as a whole, might conflict with those of individual Colonies.

This then, is one point at which the Convention of 1891, sought to secure the individual Colonies against any undue domination on the part of the new federal power. When the Canadian Constitution was adopted, about thirty years ago, it was thought that the balance of power should incline the other way. The spectacle of the Civil War in the United States, together with dangers then more immediately threatening the British possessions in North America, seemed to warn the statesmen of the day against leaving it open to any one Colony to pursue a course in opposition to the policy favored by the country generally, except in regard to certain matters definitely laid down in the Constitution Act. The danger most feared among ourselves at the present time, is the opposite one of having a central authority interfering in the affairs of particular Colonies, in matters where interference might do more harm than good.

Whilst making their choice in favour of the greater independence of the Provincial Parliaments, the Convention of 1891 added a few provisions, which would seem, to some extent, to moderate its effects. These provide for the Federal Parliament dealing with matters not committed to it by the Constitution, but specially referred to it from time to time by one or more of the Provincial Parliaments. A law so passed was to be limited to the colony or colonies making such reference, and to any others which might afterwards adopt it. They provide further under the head of "Equality of Trade" that the Parliament of the Commonwealth may make laws prohibiting or annulling any law or regulation made by any State, or by any authority constituted by any State, having the effect of derogating from freedom of trade or commerce between the different parts of the
Commonwealth.

But, in addition to the limitation imposed upon the legislative authority of the Federal Parliament, a further safeguard to the independence of colonies was contained in the manner provided for the enactment of Federal laws. The Bill proposed to create an elective Second Chamber, in which all colonies should have an exactly equal voice, and which would, like the existing Legislative Councils, have power to reject every measure of which it did not approve. While restricting this Second Chamber from the origination of Money Bills, and from the amendment of any Bill in such a manner as to increase any proposed charge or burden on the people, it made provision against the tacking of other measures to taxation Bills, against the inclusion of different subjects of taxation in such Bills, and against the inclusion in the annual Appropriation Bill of expenditure for services other than the ordinary annual services of the Government. And the Bill further provided for the optional consideration by the popular Chamber of the Federal Legislature of amendments desired by the Second Chamber, but not within its competence under the restriction above mentioned.

These provisions are clearly designed to, as far as possible, strengthen the Second Chamber in the interests of the individual colonies, while at the same time securing the power of the purse to the popular branch of the Federal Legislature. No part of the Convention Bill has been more severely handled by critics than that relating to the composition and powers of the Second Chamber. As to its composition it is objected that the equal representation of colonies in that body may enable a combination of the smaller colonies to injure a larger rival. In respect of its powers the objection is urged that Second Chambers are always too prone to override the popular will to the full extent of their opportunities. In both respects the experience of the United States affords most useful evidence. Their Senate has even larger powers than the Convention proposed to confer upon ours. Absolutely equal representation is given upon it to States showing an enormously greater disparity in population, and in some instances even in area, than exists between any of the various colonies here. Yet this body has stood the severest tests, and the evils anticipated here have not been found to arise from its actions.

The truth is that the position of such a body differs very materially from that of the Legislative Council of a colony. A Federal Senate, modelled upon that of the United States, would have a representative character challenging the respect even of those who are most impatient of any delay.
in the work of popular assemblies. Under the existing circumstances of this country, a huge territory under the control of a comparatively few separate Governments, threatened by no pressing danger from without, and already enjoying a species of union through their common connection with the mother country, the powers which all the colonies may be expected to entrust to a Federal legislature when established will be exactly commensurate with the guarantees we are prepared to give them against any undue interference with their separate interests. In judging, moreover, of those interests at the present time, we must not shut our eyes to the changes certain to result from future developments. With territories largely in excess of the average size of European kingdoms, or of the units composing the United States or Canadian Federations, the populations of our colonies are for the most part concentrated in a few localities. We, who, at the close of the nineteenth century are making provision for years to come, cannot even conceive to what extent the spread of population and the development of industrial enterprise may alter the conditions and needs of the country as a whole. Heretofore, generally speaking, the capital towns of the respective colonies have been permanent in influence, but just as Melbourne and Brisbane formerly broke away from Sydney, so in most of the colonies some change in the policy of the Government may come to be demanded, which will have to be met either by a more liberal treatment of the outlying parts or by the separation of those parts from their parent colony. The industrial progress of what are now the secondary towns, and even of
districts where now no vestige of a town exists, will inevitably call for a fairer apportionment of the cares of Government hereafter. To such an extent have we laboured to attract all trade to the principal cities that many of the opponents of Federation think this a sufficient ground for appealing to the timidity of those whose interests lie in those cities. Such critics need to be reminded that the alternative in all such questions does not necessarily lie between Federating and remaining as we are, but possibly between Federation and ultimate separation of portions of our territory, and their erection into new colonies with ever new jealousies and further conflicts of policy.

From this point of view, the above-mentioned peculiarities in our present position are seen to have a material bearing upon the question of the distribution of powers. Where the territories of the respective parties to a Federation are comparatively small, there is a greater localisation of interests; it is much less likely that one portion of a State will have interests conflicting with those of another portion, and there is less reason for the
central Government being charged with matters, which in such a case, are
more purely matters of local concern. But where the territories are large,
the people of the outlying parts may in some instances more naturally
expect justice from a general council of the whole country, than from the
Legislature of the particular colony to which they find themselves attached.
If, then, they cannot have their welfare sufficiently studied by a Federal
Parliament which has no interest in favouring a particular corner of the
continent, they may, hereafter, insist on protecting themselves by means of
Legislatures of their own.

It will be seen from such considerations as these, that in fixing the
balance of power between the National and State Legislatures, it is not
enough to guard with jealousy the powers which the latter now possess,
unless we also look forward to those which it is desirable in the interests of
all that they shall continue to possess. Our aim should be not merely to
conserve the interests of the particular territory now embraced in a colony,
but to endeavour to secure what will be absolutely just, in view of the
future needs of every part of each of the colonies. On every view, it will be
seen that the Scheme of the United States Constitution offers useful
guidance. Let our Federal Legislature like them possess large powers, but
powers clearly defined and ascertained. Let all the colonies have an equal
voice in a Senate chosen in such a way, and invested with such authority
no colony may have any ground for complaining that its own Legislature is
unduly overborne by the Federal Parliament. In both these particulars the
plan of the Convention Bill is entitled to commendation.
State Railways Under Federation

By Archibald Forsyth

State Railways Under Federation
Archibald Forsyth

In considering the various functions and powers on which a Federal Constitution for Australia should be based, the draft Constitution of the Federal Convention of 1891 must not be overlooked. Several important matters have doubtless been omitted, and others have been settled contrary to the general desire, still this draft Constitution forms a valuable starting point, and intelligently used should materially assist in the solution of this great problem. In the draft Constitution the State Railways were to remain under the control and ownership of the several State or Colonies. This proposal was not, due to any want of knowledge on the part of the members of the Convention of the great loss which the various Colonies were sustaining through differential freight rates on the Railways of New South Wales, Victoria and Queensland, but to the general belief that the spirit of provincialism was too strong and the spirit of federalism too weak to sanction a transfer of the Railways and their debts to the Federal Government.

Whether the Convention correctly gauged public opinion is hard to say. But now after five years discussion and consideration we may fairly assume that local and provincial opinions and prejudices are sufficiently toned down so as to enable the question of Federating the Railways to be considered and dealt with on its merits, without endangering the acceptance of the Federal Constitution in any of the Colonies. In other words that they would agree to accept a Federal Constitution, which empowered the Federal Government to substitute mileage rates for the present differential rates, so as to permit the transport of goods to their nearest or natural market.

Now it is evident that if mileage rates are adopted while the Railways remain the property of the several States or Colonies that such Colonies would sustain great loss on the portion of lines dependent for traffic on differential freight rates, as producers would no doubt send their goods to the nearest market or port of shipment.

Under such circumstances it is doubtful whether New South Wales would consent to accept a Federal Constitution by which they would lose a portion of their trade and Railway traffic at the same time. That a policy...
which would enable goods to reach their market at the least possible cost must benefit the country as a whole is beyond doubt, at the same time any loss incurred to secure this benefit should be equally borne by the whole country that reaps such benefit and not by any one Colony. No doubt Victoria and Queensland have portions of Railway lines dependent for traffic on differential rates, since differential rates have been brought into force, but to a much smaller extent than New South Wales, and it would therefore be called upon to bear a greater portion of the loss arising from the adoption of mileage rates, than either Queensland or Victoria.

Now this loss can be equally divided amongst the Federated Colonies, as well as the greater gain to be derived from the transport of goods along the nearest and cheapest routes to their natural market, by empowering the Federal Government to take over the Railways with their debts, and work them in the interests of the whole Federation with a well considered scale of mileage rates, sufficiently elastic to meet destructive private competition on river and coastal waters. This is only one of several reasons why the State Railways with their debts should be taken over and controlled by the Federal Government.

We are all agreed on the wisdom of passing a general tariff for foreign imports and having Free-trade between the various Colonies, thereby doing away with the tariff barriers which prevent free interchange between Colonies all on the same plane of civilization, standard of living and rates of wages, and therefore having nothing to protect against each other. Now so long as differential rates are permitted on the Railways this destructive competition can be as easily carried on under cover of a Railway tariff as a Customs tariff. Some of the differential rates at present in force amount to over 100 per cent. Take as an illustration the freight of greasy wool on the Western and Southern lines: Bourke to Sydney (on wool from district to the South and West of Bourke) 1d.37 per ton per mile; Dubbo to Sydney, 2d.96 per ton per mile; Bathurst to Sydney, 3d.64 per ton per mile; Hay to Sydney, 1d.69 per ton per mile; Junee to Sydney, 2d.91 per ton per mile; and Goulburn to Sydney, 3d.7 per ton per mile. This shows that the differential rates required to compete with the Darling River traffic and the Victorian Railways are more than 100 per cent below the general wool rates. A similar difference exists in the wool freights in the Albury, Quirindi, Jennings, and Narrabri districts. The differential rates on outwards freights for ordinary merchandise from Sydney to competing districts, are not so great as the inwards freights; but they are more than 50 per cent below the mileage rates, and together with the inwards rates cause
a great reduction in the Railway revenue, or what is equally bad cause the
general rates to be increased to make up the loss on the differential ones.
Perhaps nothing shows the unfairness of differential rates more — whether
intended to have this effect or not — than that they protect the trade of
Sydney at the expense of the inland towns as under the maximum rate, a
truck load of goods to Bourke is charged the same amount of freight from
Bathurst, Orange or Dubbo as from Sydney. Victoria is now using
differential rates in Riverina for both trade and protective purposes as well
as for Railway traffic, and New South Wales is using differential rates
along the Darling, the Murray, and the Queensland border no doubt to
increase her traffic; but at the same time it has the effect of booming
Sydney trade at the expense of the inland towns and the Railway revenues.
It is therefore
evident that Freetrades between the Colonies cannot be secured while
Railway differential rates are maintained. During the discussion of the
Federal Convention Bill in committee, several members contended that
Clause 12 of Chapter IV. would enable the Federal Parliament to annul or
prevent the imposition of differential Railway rates, but it was shown by
other members that this view was untenable as the clause could only apply
to laws and regulations which directly interfered with freedom of trade
between the Colonies. Even had the clause been applicable to prevent
differential rates it would have been a bad remedy, as nothing short of
placing the Railways under the control of the Federal Government can
prevent the Railway tariff from being used for protective purposes by any
Colony desiring to do so.

Another strong reason why the Railways should he owned and controlled
by the Federal Government is the existence of three different gauges in the
four adjoining colonies. New South Wales has a 4 feet 8 1/2 inch gauge;
Victoria has a 5 feet 3 inch gauge; South Australia has a 5 feet 3 inch
gauge and a 3 feet 6 inch gauge; and Queensland has a 3 feet 6 inch gauge.
There is, perhaps, no immediate necessity to alter the gauges at present; at
the same time, the break of gauge at Albury is already causing needless
expense and interruption to traffic, which would be largely increased by
the adoption of a mileage tariff. The alteration of gauge may be postponed,
but cannot be avoided in the near future, and when the time comes nothing
but Federal action and authority can carry it out.

A fourth reason why the Railways and Telegraph Lines, with their debts,
should be taken over by the Federal Government is the desirability of
placing the Federal Government in a position to consolidate the various
State loans into a Federal one, by which a large reduction in the rate of
interest could doubtless be secured. No doubt the debts of the several colonies could he taken over and dealt with without taking over the assets which they represent by making the several States the debtors of the Federal Government, who would be dependent on the States for the annual interest, thereby undertaking a great and dangerous responsibility, whereas, in taking over the assets with the liabilities, the Federal responsibility would be reduced to the minimum, as the greater portion of the interest would flow in from the Railway revenues.

Objection might be taken to handing over the Railways to the Federal Government on the assumption that new lines were to be carried out by the Federal Government, and that the several States might not be able to get such new lines as they considered necessary for their development, but this need not necessarily be the case, as all the power which the Federal Government would require with regard to new lines of Railways is the power to construct and the power to refuse to sanction the construction of such proposed State lines as would come into direct competition with Federal lines.

It may be said that New South Wales is not likely to agree to a mileage rate, as she would thereby lose the traffic of certain districts, which the adjoining colonies would gain; but this is an erroneous opinion, as the traffic of a particular district belongs to the country having the shortest and cheapest route transit to market. Let us suppose that Victoria carries wool from the border, 200 miles at 60s. per ton, including cartage, and that New South Wales carries wool at the same mileage rate 300 miles at 85s. per ton, including cartage. Under such conditions Victoria has a natural advantage of 25s. per ton. Now, supposing New South Wales brings in a differential rate which reduces the freight to 60s. per ton, the carriage would then be the same on the long and short route; but, supposing Victoria likewise adopted a similar differential rate and reduced the carriage to 35s. per ton, she would still be as well paid at 35s. per ton as New South Wales would be at 60s. per ton, besides commanding the traffic, so that any natural advantage from distance can only be destroyed by the competing opponent paying a penalty equal to the value of the advantage possessed by the other. Differential rates effect their object when used by one party; when used by both competitions the one having the shortest transit secures the trade. New South Wales, therefore, in consenting to mileage rates, gives up nothing that she can retain.

Water cannot be made to run up a hill, but it can be carried up by those willing to bear the expense. This is like what New South Wales, Victoria,
and Queensland are doing, in varying degrees, at the present time. It is therefore the duty of every one who is aware of the fact to use all means to put an end to such a stupid and wasteful system. This can be effected by including in the Federal Constitution provisions enabling the Federal Government to take over the railway and telegraph lines and their debts, and work them in the interests of the Commonwealth of Australia.

[P.177] starts here
The Present Federal Crisis


The Present Federal Crisis
Alfred Deakin

Is the Federal cause about to record another failure? It is more than possible; it is almost probable, judging from the present aspect of affairs. In such an emergency, it is best to speak plainly. There can be no partisanship in this cause, and certainly neither provincial nor personal feeling should deter us from looking the facts in the face. The first incontestable fact is, that the Federal movement is receiving another check. It may be a serious check.

In one sense, the Federal cause cannot, and does not, recoil before impediments. But its consummation is postponed, and its form liable to be changed in consequence. The Federation might, even for a time, be limited in its extent by the chief obstacle recently discovered to us. Meanwhile, disasters may assail us from within or without, because of the unprepared, unorganised, unfederated condition of Australia. The changing circumstances of the continent go to show that in course of time new local difficulties repeatedly arise, and in unexpected quarters. Colonies which were ardent become lukewarm; fresh party ties beget fresh obstacles in the Legislatures. The course of events abroad is equally uncertain, and portends graver urgencies for immediate union. Repeated disappointments dispirit some friends, and disperse others. On every ground, therefore, the tardiness displayed is to be deplored. The Bathurst Convention comes as the one ray of light upon a cloudy horizon.

Great power implies great responsibility. By common consent, for the last seven years the leadership in the Federal cause has been allotted to New South Wales, and its Premier, for the time being, Sir Henry Parkes, proposed, provided for, and presided over the Parliamentary Convention of 1891. Mr. Reid has proposed, is providing for, and would probably preside over an elective Convention projected to undertake the same task, and revise the work of its predecessor in 1897. The general apathy existing among the active political public — the executive public, so to speak — in the several colonies existed in 1891, and unhappily still exists. But the Constitution drafted in 1891 drifted out of sight, and almost out of mind, chiefly because of the inaction of its promoter and president, the Premier of
New South Wales. Unless immediate action be taken by his successor, there is a present and pressing danger lest the Convention empowered to re-draft a Constitution should also drift into the doldrums. There is the certainty of delay, the inevitable cooling of ardors, and the loss of momentum that must and will follow a Fabian policy if pushed too far by the present Premier and future president of the new Convention. Unless some special effort be put forth, and speedily, that important gathering may not take place, as it should, in the early part of 1897, while the local Parliaments are all in recess. There is already a slight slackening of interest in the movement, which when it lately led to the passing of Enabling Bills in five colonies was welcomed with enthusiasm in four of them. If this tide in the affairs of Australia be not taken at its flood, and speedily, it may even lead to more irreparable misfortune.

Mr. Reid’s friends may reply that to have hastened his steps might have either obliged him to leave Queensland behind or at least have had the appearance of treating that great colony discourteously. Let it be agreed at once that either contingency is to be avoided, and any impression of such intentions to be scouted. Nevertheless, a firmer attitude and a more decisive appeal to the laggards would probably have expedited their determination. The assumption appears to have been that the Federal feeling may be left to itself to impel each colony to take action in its own good time, and in its own way, to meet its fellows. One consequence of this has been that in any event it is already apparent the Convention will assemble, composed of members returned by different methods and with different sanctions. This is a sufficiently serious development.

Another sanguine assumption is that, despite this circumstance, such a Convention must necessarily complete the task of Federation if it frame a Constitution. Is it forgotten that this has already been once accomplished, and without avail? It is true that the Convention of 1891 was chosen by the several Parliaments of Australasia, while the greater part at least of the coming Convention of 1897 will be directly chosen by the electors of these Parliaments; but it is by no means demonstrated that the latter must succeed where the former failed, simply on that account. Had the Federal feeling been strong in 1891, the first Constitution, with some amendment of it, would have been adopted long ago. The failure in 1891–2 was due directly and immediately to the want or weakness of national sentiment in the colonies generally, and particularly in New South Wales; to the greater interest felt in local issues in the colonies generally, and particularly in New South Wales; and to the weakness of leadership displayed under these
circumstances by the Ministries of the day, and particularly by that of New South Wales.

What is there to prevent history from repeating itself in this Connection? The public spirit, stirred by popular elections to the convention in the Colonies where these are held, may be transient only. The process of building a new Constitution, or probably of amending that adopted in 1891, by the coming Convention will be watched, no doubt with intelligent curiosity by many, but even after it has been completed, the first ordeal presents itself. The finished product will come before the several Parliaments for transmission to the Queen. This, of course, will allow of a much simpler and briefer procedure than would be required for the passing of a great bill through both Houses in each Colony. It will practically mean, so far as procedure is concerned, either the acceptance or rejection of a resolution, and nothing more. But unless acceptance is imperatively demanded by the people there will still be no guarantee that some Ministries will even submit the resolution, or, if they submit it, will ensure its passage by staking their existence upon it. Localism will be in power, and under the stimulus of its last opportunity of self-preservation will assuredly die hard, and after exhausting all plausible pretences. Let us realise, therefore, that under the Reid scheme, as under every other scheme that can be propounded, the accomplishment of Federation entirely depends upon the strength of the national feeling in each Colony, and upon the subordination by local parties of all other issues to the national issue. Our previous experience has taught us the need for incessant agitation to keep the local political mind alive to the vital importance of the movement. Hence the natural, and possibly judicious, tardiness of Mr. Reid arouses a lively anxiety among all federalists. If suspicions be engendered that New South Wales be not cordial in its determination to achieve Federation on the present plan, a great, if not a fatal, blow will have been given to the whole of the current agitation. This renders it the more lamentable that any inaction should have supplied the least foothold for them. They may be entirely unwarranted, but they are awake and afoot, and it is time they were authoritatively dispatched.

The Bathurst Convention has achieved more than one notable result. It has led to a thoughtful reconsideration of the Constitution scheme of 1891, and of possible amendments which cannot but have a valuable educational influence. It has been the means of demonstrating that the federal party in New South Wales lacks neither numbers, nor ability, nor leaders, but only organisation. Finally, it afforded an opportunity which Mr. Reid was not slow to seize for him to indicate, as far as was diplomatically possible, the
course he proposes to pursue. He intends to personally woo the Government and Parliament of Queensland before consenting to accept their refusal to take part in the Convention. This is in the highest degree satisfactory, and the best results are to be hoped from his visit to Brisbane. The prayers of the federalists everywhere go with him. If he succeeds, it will be another laurel added to his crown.

But should he fail, will he continue to postpone or hesitate? This question may be unnecessary, and it is to be hoped that it will prove so. For all that, it is not, therefore, untimely. Our fate will still lie in his hands, and the responsibility for its immediate future will once more rest with New South Wales. Delay may easily be fatal to advance upon

... the present lines for an indefinite period. The Enabling Acts will remain, as their operations is not restricted to any particular period, but as there is no clause requiring action at any particular date, they can be suffered to remain in abeyance. They will part with their prestige very soon if popular feeling is chilled and popular interests weakened by continuous procrastination and unforeseen secessions. Not that Australian patriotism will die, but it will yield once more to the fatal tendency to fold its hands idly and slumber on with a simple faith in its future, and in the due fulfilment of its union in time for all emergencies, that would be touching if it were not obviously vain, the unwise, and unwarranted over-confidence bred of trivial indolence and dull supineness. Let Mr. Reid act promptly, and his colony and its colleagues will not fail to respond. The Federal cause calls to action. Our national patriotism requires, indeed, to be kindled and re-kindled, to be fed by sleepless, untiring devotion, and to be fanned patiently into a steady flame, whose heat shall serve to fuse all local links and provincial entanglements — whose light shall reveal Australia clothed with all the majestic strength and promise that have been hitherto hidden beneath the bonds, the rivalries, and the hazards of our separate estates.
Federal Legislation in its Relation to Life Assurance

A Paper Written for The People's Federal Convention, Bathurst, by J. C. Remmington

General Manager, Mutual Life Association of Australasia.
14th November, 1896.

Federal Legislation in its Relation to Life Assurance
J. C. Remmington

The request of the Organising Secretary to prepare a short paper on the subject of Federation from a Life Assurance point of view has reached me so close upon the date fixed for the opening of the Convention, that probably its brevity will be the only point on which it will comply with his expectations. I take it, however, that his object is to show that there is scarcely a feature in our social and commercial life which will not be affected to some extent by the Federation of the Australasian Colonies, and this is undoubtedly the case, in a very marked degree, with Life Assurance.

That this is no new idea, begotten of the latest enthusiasm on the subject of Federation, is shown by the fact that as long ago as November, 1884, hopes were expressed in both the Sydney and Melbourne Insurance Institutes that a Life Assurance Act for the whole colonies might be one of the earliest achievements of the then projected Federal Convention. In July, 1885, a paper was read at the Sydney Institute, the peroration of which shows what were the sentiments of Life Assurance men then; and, so far as I know, they remain unchanged to-day:—

"Before Federation can be consummated by legislation, we shall require to establish a Federation in feeling, in sentiment; to secure some uniformity in our habits and customs; to make some personal sacrifices in order that the public weal may be consulted. Can we not make a commencement with this subject of Federation in Insurance? With separate Acts for each colony, with palpable evidences of selfishness and hostility in these Acts, we are encouraging dissension; and I foresee much trouble and complication in the future in default of something like uniformity in this branch of legislation."

The subject cropped up again in the President's inaugural address at the opening of the session of the Institute in 1887, when he referred to it as "the most important point" which presented itself for consideration by the members.
In March, 1888, Federal legislation was once more a topic of the President's inaugural address, it being urged that, even if differences of fiscal policy kept the colonies apart longer (as we see they have done for nearly nine years after those Centennial Celebrations, which it was fondly hoped would merely be the prelude to complete Union), surely they could agree upon uniform legislation for many matters affecting internal and domestic interests, especially Life Assurance.

In March, 1889, a comprehensive summary of existing Acts was submitted to the Institute, their defects were pointed out, and the opinion was expressed that they could only be cured by Federal legislation.

In one shape or another this great question has continually been kept in view by the Insurance Institutes of this and the other colonies, and as lately as April, 1895, an essay, for which the Sydney Institute had given a prize, was read, entitled "Suggestions as to Federal Legislation."

It is, perhaps, unfortunate that these suggestions were limited to the extent to which protection should be afforded to Life Policies in event of Insolvency of the Assured, otherwise they might have served admirably the purpose for which the present less carefully-prepared deliverance is intended.

It will be evident, therefore, that Federal Life Assurance legislation has been an ever present hope of the Australasian offices — partly to relieve them from various grievances, but still more largely to protect the interests of their members and the public generally.

There are plenty of Acts controlling Life Assurance Companies in force now; in fact, every colony has one or more of its own, except New South Wales, although it must be said the one in Queensland, now seventeen years old, is practically useless, and might as well be repealed.

But the blemish in all these laws, as they at present stand, is that each colony has legislated for itself as though the others were alien and antagonistic nations. In fact, in nearly every Act, any Life Assurance Institution, having its head office, or principal place of business, outside that particular colony, is styled a "Foreign Company."

Moreover, the whole tendency of these Acts is provincial and petty to a degree. The main object of their framers appears to have been to impound as much as possible of the assets of each office, and make them liable solely for the claims of local policy holders.

It may be remarked in passing that, except in those colonies where a deposit of securities with the Government is insisted on, it may be doubted whether the provisions against the removal of investments are not *ultra vires*, and liable to be set aside by the Courts of Law in the event of any
office going into liquidation.

If the Federal Legislature were dealing with this question, it might be hoped it would draw only one broad line of demarcation placing on one side "Australasian Life Offices," and on the "Foreign Companies."

Sir Samuel Griffith, as might be expected from such a distinguished exponent of Federation, sounded this keynote long ago in Queensland, when, by passing "The British Companies' Act," he declared that Companies incorporated in any part of Her Majesty's dominions were to have the same rights to acquire and hold land in Queensland as if they had been of local origin; rights obviously not possessed by those hailing from any other nation.

The writer has always been opposed to differential legislation; he believes that Australian Life Offices only need a fair field and no favour; but "Foreign Companies" could not reasonably complain if they were required to deposit in Australasia a substantial amount in cash, or Australasian securities, before being allowed to commence or continue transacting business here; and to furnish returns of their Australasian business separate and distinct from that transacted in other parts of the world.

In Great Britain even more drastic legislation has recently been advocated by a distinguished Actuary, who says:—

"All Companies, whether Home, Colonial, or Foreign, should be required to retain in the names of trustees (British subjects, and domiciled in the United Kingdom) at least an amount equal to the calculated liability under their business transacted through offices or agencies within the United Kingdom; such assets not to be withdrawn from the United Kingdom as long as any such business remains in force."

The general opinion of life assurance men in Australasia appears to be that the system of "State supervision," which prevails in some parts of the world, notably in America, is practically inferior to the British plan of requiring uniform returns from all Life Assurance Companies in such detail as will enable anyone conversant with figures to arrive at a tolerably correct opinion of their financial soundness, while it can be gauged with absolute accuracy by those keenest of critics, the actuaries of rival institutions; and, in the words of one of them, "the rest may be safely left to the force of public opinion, moulded by the criticisms of a free and enlightened press."

It may not be out of place to suggest that Foreign Companies transacting business in these colonies should be bound by law to pay all claims upon
them in pounds sterling, without regard to any possible fluctuation in the standard value of the coinage in their native land. No hardship would be involved, as it is generally understood that such Companies (the American Life Offices now here, for instance), do so agree with their policy holders; but that there may be some necessity for a law upon the subject is shown by the fact that one has recently been introduced into the Parliament of Canada.

A notable grievance under which the Mutual Life Offices, and therefore their individual members, labor at present is that the laws affecting the protection of policies from creditors, and the steps necessary to legally assign policies, and the like, are so divergent in all the colonies that very great uncertainty of title arises when, as is so common here, a man changes his place of employment without acquiring legal domicile.

It certainly does seem a piece of absurdity that by removing from Albury to Wodonga, or, still more markedly, by crossing the street in Mungindie, which forms the boundary line between New South Wales and Queensland, doubts and difficulties may arise as to the conditions under which a Life Policy is held.

It may be useful to quote two comparatively recent decisions of the British Courts, the law in England being, on this point at least, on all fours with that of Scotland. The first case was decided in Edinburgh in 1888, and was reported as follows:—

"A domiciled Scotsman borrowed money from a money-lender in England. As security he delivered a promissory note and a policy of insurance effected with a Scottish Insurance Company. At his death, in June, 1887, the loan was only partially repaid, and in August the lender notified to the Insurance Company that the policy of insurance had been assigned to him. In December the estate of deceased was sequestrated, and a trustee appointed therein. In a multiple-pounding the Court ranked the lender preferably to the trustee for the debt still due, in respect that the loan was negotiated in England, by the law of which, as the parties admitted, deposit of the policy operated as an equitable mortgage in favour of the lender, and notification thereof by the lender to the Insurance Company before the bankruptcy of the borrower conferred on him a preferable right.

"In the judgment it is laid down that the claimants' right under the contract between them and the borrower fall to be determined by the law of England.

"It appears to be reasonably clear that the validity of the assignment must be determined by the law of the country within which the assignment was
made. "The right of credit (created by the policy) follows the domicile of the creditor wherever he goes, and is capable of being assigned or dealt with by him in any manner which the law recognises.

"The validity of the assignment will, in general, be determined by the *lex loci contractus* — that is, according to the law of the country in which the transference is made or security given.

"Any question of competing right between the trustee and a creditor claiming upon a preferable security must, apparently, be determined by the laws of the country in which the competition arises."

A somewhat similar question was decided in England, and reported thus:—

"The plaintiff sued the trustees of an English Life Assurance Company as assignee of a policy of Life Assurance granted by such

Company. The assignment of the policy was made in Cape Colony, and at the time of such assignment the assured (the assignor) was, and he remained till his death, domiciled in Cape Colony, and the plaintiff was his wife. By the law of that colony such an assignment was void, by reason of the alleged assignee being the wife of the assignor.

"Held that the law of Cape Colony applied to the assignment of the policy, and therefore that the defendants were entitled to judgment."

Mr. Justice Day, in giving judgment, said "The parties to the alleged assignment are domiciled and contracting in Cape Colony, and by the laws of that colony, as it seems to me, the validity or invalidity of such contract must be determined."

It is within the knowledge of all offices that cases often occur of policies issued in New South Wales, especially when held by residents on the Southern border, being endorsed with the memorandum of transfer provided by the Life Assurance Companies' Act of Victoria, in blissful ignorance that such endorsements would have no legal meaning in the New South Wales Courts.

A Federal Act would provide forms for assignments and all other transactions affecting Life Policies, which would hold good throughout the whole of Australasia at least.

Another grievance which Federal legislation would remove is the present necessity for rendering, at great expense and trouble, separate and different returns for every colony, whereas one plain set would serve equally practical purposes for all.

The immense mass of legislation which Life Assurance managers have now to carry in their heads has become a perfect weariness to them. The moment they go beyond New South Wales, across the border to Victoria or
South Australia, or, more emphatically still, to New Zealand, they have to encounter different Acts, and submit to ever varying and complex requirements.

They have to furnish returns in all the colonies in somewhat similar forms, but yet sufficiently diverse to cause annoyance and worry, accentuated by the knowledge that in few colonies has there so far been any practical outcome from the mass of statistics furnished, owing to the fact that the Acts are either administered with very little care or else wholly neglected by the Government officials charged with the duty of enforcing their provisions.

No one colony can either afford the expense of proper supervision or even legislate for obtaining the material for it as all united together could.

Little Switzerland has its Federal Bureau of Insurance, which does excellent work in guarding the public from "Wild-cat Companies" or delusive schemes; and it is one of the dreams of Life Assurance Managers in this part of the world, that some such Government Institution may find a place in the metropolis of Federated Australasia, wherever its site may eventually be fixed.

There is just one more point which occurs to me in this exceedingly imperfect survey of an important subject, and that is that a Federal Act of Parliament would probably afford facilities for an amalgamation of Companies having their head office in different colonies, such as appears at present practically impossible.

There are several comparatively small life offices, the amalgamation of which is advocated by so competent an authority as the Australasian Insurance and Banking Record, which urges that, "thereby expenses might be materially reduced; a wasteful competition checked; and in short, all the advantages accruing from a junction of forces obtained."

There can be no doubt that the number of competing Mutual Life Offices might well be reduced, with greater advantage to their respective members; and their amalgamation would probably follow, on the Federation of the colonies removing the little Peddlington spirit which demanded practical antagonism between them, and led to the multiplication of offices, each determined to uphold the supremacy of its own native city and province.

Amalgamation presents comparatively few difficulties when the offices are domiciled in the same colony; and in bygone years several such absorptions have quietly taken place, without much comment by the general public.
But when Companies have been established and registered under different laws, and are governed by different Acts, and are in fact practically of different nationalities, the difficulties and expense of proceeding to amalgamate, make it well nigh impossible.

Life Assurance men have lost all hope of having their demands for a properly framed and duly administered law, attended to by the Parliament of New South Wales. Over and over again in the last 12 years have promises on the subject been made and broken by Ministers of the Crown, although once a bill was actually printed and ready to be submitted to Parliament. Why it was not, is well known to those who spent time and money in drafting it, and is keenly resented as a direct breach of faith.

Moreover, they have no desire for any more provincial law-making on such an important subject; seeing that attempts at it recently both in Sydney and Melbourne, have, as the Australian Financial Gazette forcibly puts it, been characterised by gross ignorance pitiable in the extreme; dealing with the insurance offices as if they were extortioners and despoilers of the widow and orphan."

Surely unless Federation is to prove a myth, the baseless fabric of a vision, the men who form its Parliament will rise to higher levels of Statesmanship.
Poetry and Manifesto
Federation Poetry

Federal Hymn

By the Rev. Professor Gosman, Victoria.

(Read at the Convention

Federal Hymn
Rev. Professor Gosman

GREAT God of Nations, throned on high,
And yet to us for ever nigh,
The Federal cause be pleased to bless,
And crown the movement with success.

The pilgrim fathers, in their zeal
For freedom, and the Church's weal,
By persecution sorely pressed,
For refuge sought the distant West.

But no such persecuting fires
Drove from their home our pilgrim sires,
And we, their children, hope to rear
In time a greater Britain here.

The British flag floats o'er our land,
The British fleet our seas command,
The love of freedom in the race
Grows stronger here by ampler space.

The wealth of British thought is ours,
Its life through every channel pours
The mother-tongue in our discourse
Maintains its purity and force.

Then let the Federal spirit rise
To quicken all our energies,
The glorious mission to fulfil
By virtue of the people's will.

Great God of Nations, &c.

[Repeat the first verse.]

A Federal Sonnet
[Mr. Edmund Barton, Q.C., concluded his speech to the Convention on Friday by reading the following sonnet from the pen of Mr. P. J. Holdsworth.]

A Federal Sonnet
P. J. Holdsworth

November 1896

THUS rings our Judgment. Let the verdict stand
High as brave records fixed on topmost towers;
This realm whose growth reveals rare nascent powers,
Shall crown no liegemen, pledged, as Heaven's command
Proclaims "Unite," blood-brothers through the land,
But if strange ingrates, blind to gifts God showers,
Preach creeds of self, and scorn the hand that dowers,
We hold them traitors, recreants-born and banned,
With souls more shrivelled than a flame-struck brand.

Leagued love must dome this heritage of ours,
Lest Hate that stings, and Envy that devours,
Cloud our clear air, or taint our Austral strand.
"Anathema" be all but this decree:
In Union One — we claim One Destiny.

[P.189] starts here
Manifesto

Thomas A. Machattie

To the Editor.

Sir,—It was an instruction to me from the Bathurst Federal Convention that a manifesto should be issued to the people of Australasia embodying the results of its deliberations, and urging upon Federalists the necessity for an enthusiastic advocacy of a cause, which from its very grandeur is too often coldly and respectfully regarded rather than warmly supported. To reach the people of Australasia, it is necessary to secure the co-operation of their great press organs; I crave with confidence the favor of your space, since the intention of this manifesto is to urge forward the great movement for unity.

With the Hobart Premiers' Conference of 1896, the Federal faith ceased to be followed by politicians alone, and came down into the hearts of the people. But from lack of immediate following action, the strength of the stimulus given by that conference waned, and in November, 1896, the advocacy of Federation sorely needed, in most of the Colonies at any rate, the assistance of popular agitation. That assistance the Bathurst Federal League attempted to give, and in the judgement of the impartial attempted successfully. Its deliberations were reported, its resolutions criticised by every journal of note in Australasia, and the majority of the delegates whom it attracted from six of the seven Colonies departed from it, enthusiastic promulgators of the doctrine "Federation is necessary, and immediately necessary."

Apart however, from its effects in stimulating interest in the Federal movement it may be, I think, claimed for the Bathurst Convention that its discussions were of educational value in calling attention to, and seeking a remedy for, points of difficulty in the Federal Constitution proposed by the Draft Bill of 1891. The gentlemen attending our debates represented the greatest possible variety of interests and included many eminent politicians and financiers. The light of their opinion thrown upon the various clauses of the Draft Federation Bill of 1891 (discussion of which occupied the major portion of the Convention's time) will undoubtedly help to guide those who are entrusted with the consummation of Australian unity.

Two changes in the Draft Bill of 1891 emphasised the opinion of the People's Convention that so far as possible the Government of the new Commonwealth should be kept in the hands of those who had given
practical proof of their devotion to Australian interests. The term of citizenship making a man eligible for election to the Senate was fixed at ten instead of five years and for election to the House of Representatives at five instead of three years. While suggesting these changes as safeguards to Australian interests, the Convention showed itself full alive to the importance of the Imperial connection. By an almost unanimous vote a resolution taking the appointment of the Governor General out of the hands of the Queen and providing for his choice by popular lot was negatived. In many other ways the delegates assembled took care to show their appreciation of the benefits which Australia receives through being under the protecting aegis of the greatest Empire of the world.

Whilst making no concessions to an untimely and ill-advised Republicanism, the Convention was actuated by a thoroughly democratic spirit. After a lengthy debate the mode for the appointment of the Senate provided by the 1891 Draft Bill (viz., choice by the various State Parliaments) was disapproved of and an amendment suggested giving to the great body of the people the power to elect the Senate.

The financial clauses of the 1891 Draft Bill were altogether remodelled. Perhaps no portion of the work of the great National Convention over which the late Sir Henry Parkes presided was so much criticised as that embodying provisions for the garnering and spending of the Federal revenue. The 1891 Draft Bill provided for the collection by the Federal authority of a revenue far in excess of any possible requirements, and for the distribution of the surplus in a manner which many condemned as unfair. It is admitted by all that to entrust any Government with funds over and above the amount necessary for its expenses is unwise, the existence of a large surplus being always liable to cause extravagance and to lead to unjustifiable expenditure. The Bathurst Convention approved of a scheme (for the details of which they were much indebted to Mr. J. T. Walker) by which the Federal revenue and the Federal expenditure would almost exactly balance. Subjected to the criticism of the financial writers of the colonies, this scheme has in many quarters found high favour, and it is hoped that it will prove of value to the statesmen who will meet in the coming Statutory Convention.

That the basis of Australian Federation should be as large and complete as possible; that it should provide for the creation of a real Australian nation, not a mere makeshift Government liable to be vexed and thwarted at every turn — was the emphatic opinion of the Bathurst Convention. Better no Federation at all than a semi-impotent one, to which every jarring incident would threaten disruption — that was the spirit actuating its
resolutions. The Draft Bill of 1891 was therefore amended in many ways to make Federation more real and complete. The control of the railways, a power left in the hands of the State by the National Convention, was by the Bathurst body recommended to be vested in the Federal Government. At the same time whilst declaring for the handing over to the central authority of every function necessary for its maintenance as a dignified and complete Power, nothing that would trench on the rights of the constituting States was recommended. A worthy and powerful Federation states perfectly autonomous as regards their own affairs — those were the two ideals aimed at. It will rest with the people, and with the people's representatives at the Statutory Convention to declare how far those ideals have been realised by the amendments made in the Draft Bill of 1891 by the Convention of 1896.

Now, having briefly stated the work done by the Convention, especially with respect to the Draft Commonwealth Bill, it is my great satisfaction to add that, judging from correspondence received from various of the colonies and from other sources, the Convention has excited considerable interest and attracted very wide and general attention. It has given an impulse to the cause of Australian Federation and stirred numbers, previously indifferent, to give some thought to the subject. It has helped to enlighten many on the nature of a Federal Constitution, and the necessity for Federation, who being uninformed were previously unable to take the intelligent interest in the movement they are now inclined to. This has been notably so with young men who have looked to the reports of the Convention for facts and theories, and have been moved by it to discuss the subject for themselves.

I may further express the hope that the report of the proceedings of the Convention, which has been prepared and will shortly be published, will be of service to the members of the Statutory Convention, and that the amendments suggested in the Draft Commonwealth Bill by such a popularly representative body as the Bathurst Convention will be of special value to politicians as indicating popular views on the matter.

The interesting papers by specialists, and the admirable speeches of those who are recognised experts in the policy of Federation, which are printed in full in the volume referred to, will be a contribution to the literature of the subject that I am sure will be highly appreciated.

It now remains only to congratulate the promoters and members of the Convention on the success of the work they have done for the good of the great National policy, and to urge upon the electors of the Australian colonies that they still further carry on the movement, and, by their lively
interest in the subject, and by a judicious selection of the members of the Statutory Convention, bring the great ideal of unity to a successful consummation.

THOS. A. MACHATTIE,

PRESIDENT OF THE PEOPLE'S FEDERAL CONVENTION, 1896.

Bathurst, January, 1897.