some misunderstanding. I thought I made the position perfectly clear, but apparently the hon. gentleman did not see it as clearly as I thought I had made it, and he therefore pursued his point. I do not complain of that, but I do hope he does not think I meant any discourtesy in anything I said.

The Hon. W. J. Trickett: My remarks were mainly directed against any interference with the carriage-way in George-street!

The Hon. J. D. Fitzgerald: That being so, I cheerfully admit that the hon. gentleman was justified in his remarks. The suggestion of the hon. gentleman, Sir Thomas Hughes, that an entrance might be obtained farther back in Druitt-street, away from the crowd that comes out from the Town Hall, is well worthy of consideration.

A Hon. Member: The station as now proposed is set out in the bill!

The Hon. J. D. Fitzgerald: Quite so, but I would not shut out any better scheme if it suggests itself to the constructing authority.

Schedule agreed to.

Bill reported with amendments.

House adjourned at 8.29 p.m.

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Legislative Assembly.

Wednesday, 22 September, 1915.


Mr. Speaker took the chair.

PRINTED QUESTIONS AND ANSWERS.

LIQUOR TRAFFIC: REPORT OF MR. JUSTICE RICH.

Mr. Wade asked the Colonial Secretary,—(1) Does Mr. Justice Rich, in his report on Liverpool Camp, state:— "All public-houses at Liverpool, and within a radius of 5 miles of the camp, should be closed to soldiers at 6 p.m.?" (2) Is the sale of alcoholic drink prohibited within the camp boundaries? (3) Has the state the sole control of the sale of alcoholic liquor outside the camp boundaries? (4) Have any steps been taken by the State Government to give effect to the recommendation of Mr. Justice Rich? (5) Will the Government take steps to legislate at an early date, to relieve the anxiety of mothers and protect their sons from temptation?

Answer,—My colleague, the Attorney-General and Minister of Justice, has furnished the following information:—

(1 and 2) I am not aware. (3) Yes, but the competent naval or military authority appointed by the Commonwealth Government, may, by order, require any premises licensed for the sale of intoxicating liquor to be closed, except during such hours and for such purposes as may be specified in the order, to members of any of his Majesty's forces mentioned in the order. (4) This is a matter for the Commonwealth Government. (5) This question will receive consideration.

RENTS, SYDNEY HARBOUR TRUST.

Mr. Cochran asked the Colonial Treasurer,—(1) Is it a fact that the Sydney Harbour Trust Commissioners received for the month of August, 1915, in excess of receipts for August, 1914, an increase of £1,182 18s. 5d. for rent of houses, shops, wharves, &c.? (2) What are the increases—(a) rent of houses, number and street, showing increase in each case; (b) shops, number and street, showing increase in each case; (c) wharves, &c., where situated, showing increase in each case?

Answer,—I am informed:

(1) Yes. (2) With the exception of the case of one public-house, no individual rents have been increased during the period mentioned. The total increased collections, in comparison with August, 1914, are accounted for by rents of new properties, special adjustments, and overdue instalments.

James Oscar Heinrich and Carl Martin Schonell.

Mr. J. C. L. Fitzpatrick asked the Premier,—(1) Will he state the nationality of James Oscar Heinrich, gazetted on 15th September to the posi-
Questions and Answers. [ASSEMBLY.] Questions and Answers.

of instructor in agriculture, Hawkesbury Agricultural College? (2) Same with regard to Carl Martin Schonell, as junior clerk, Department of Audit?

**Answer.**—I am informed:

(1) J. O. Heinrich is a British subject, born in Ipswich, Queensland. (2) C. M. Schonell is Australian born. His father also was born in Australia.

MILITARY CAMP, HOLDSWORTHY.

Mr. HOSKINS asked the **Premier.**—Will he consider the advisability of constructing a light line of tramway from Liverpool to Holdsworthy Military Camp and make use of those tram-cars and old motors now lying out at Randwick depot?

**Answer.**—A special report in regard to the construction of a line of railway from Liverpool to Holdsworthy Camp was prepared by the Department of Public Works and presented to the Federal Government. The Commonwealth authorities, however, intimated that they did not propose to proceed with the construction of such a line.

SOLDIERS' RAILWAY FARES.

Mr. GARDINER asked the **Premier.**—(1) Is it a fact that reduced railway fares are allowed to soldiers traveling between Sydney and the concentration camps at Liverpool, Warwick Farm, and National Park? (2) Will he take into consideration the justice of granting similar reduced fares to soldiers, whose homes are in the country, traveling between the camps and their homes? (3) Is it a fact that at the present time many soldiers from the country are unable to avail themselves of their leave, other than final, to visit their homes and families on account of having to pay full fares? (4) Will he remove this very great hardship by granting reduced railway fares at once to all soldiers in camp?

**Answer.**—(1) Yes. (2, 3, and 4) At the instance and at the cost of the State Government, members of the Expeditionary Forces are granted free railway passes to enable them to visit their homes when on final leave. The suggestion that reduced fares be allowed to soldiers in camp to journey between the camp and their respective homes will receive consideration.

AUSTRALIA DAY FUND.

Mr. J. C. L. **FITZPATRICK** asked the **Premier.**—In re questions asked by the hon. member for Orange, on Thursday, 16th September, respecting Australia Day Fund, is it a fact that there is an idea prevalent that an effort is to be made to divert some portion of this fund from the purposes for which it was clearly raised, and to secure the distribution of such portion by other means than through the medium of the Red Cross Society?

**Answer.**—I am not aware that such an idea is prevalent, or of any effort to divert this fund from its proper purposes.

WIDOWS AND FAMILIES OF FALLEN SOLDIERS.

Mr. WADE asked the **Premier.**—(1) Does the Government possess any information as to the number of widows left with children whose husbands have been killed at the Dardanelles? (2) Are a number of these persons unable to carry on with the pension provided by the Commonwealth? (3) Will the Government take steps to supplement the federal pension so as to guarantee that these widows shall be free from want? (4) Will the Government consider some scheme for housing the widows and families of fallen soldiers who are in want of assistance?

**Answer.**—(1 and 2) I have no information. (3) This will be given consideration. (4) Yes.

POLITICAL TRUCE, WILLOUGHBY ELECTION.

Mr. BOSTON asked the **Premier.**—Will he confer with the leader of the Opposition with a view of taking concrete action to ensure the return of the Labour candidate, Mr. Chambers, for Willoughby; failing to get practical support from Mr. Wade, will he take steps to at once end the political truce as regards all future elections?

**Answer.**—In view of the unfortunate experiences of the Government in con-
nection with political truces, it is exceedingly improbable that any more will be entered into. At the Castlereagh vacancy, and again at Willoughby—in both of which cases the seat had been regarded as secured to the Government supporter in virtue of the truce existing—the Ministerial party, after fulfilling the obligations of the truce, have found themselves forced to fight strenuously-contested elections. It is not suggested that any personal responsibility for this state of things rests upon the members of the Opposition in this House; but clearly, with a party so poorly organized as the Liberal party would appear to be, it is impossible to enter into inter-party arrangements which experience indicates will not, or cannot, be honored.

PAPERS.

Mr. Black laid upon the table the undermentioned papers, which were ordered to be printed:

Statement of bank liabilities and assets for quarter ended 30th June, 1915.
Statement of liabilities and assets of public companies for quarter ended 30th June, 1915.
Ministers laid upon the table the undermentioned papers, which were referred to the Printing Committee:

Reports by the Auditor-General, together with balance-sheets, trading accounts, and profit and loss accounts in connection with the undermentioned industrial undertakings, namely: State Timber Yards and Building Workshops, Uhr’s Point; State Metal Quarries, Kiama and Port Kembla; State Lime works, Botany and Taree; State Brickworks, Botany; State Motor Garage; Rozelle Joinery Works.

Regulations under the Wharfage and Tonnage Rates Act, 1901, and the Port Kembla Harbour Act, 1898.
By-laws under the Country Towns Water and Sewerage Acts for the municipalities of Katoomba and Balranald.
Amended regulation under the Crown Lands Consolidation Act, 1913, also additional regulation No. 49, and additional forms Nos. 38 and 39, under the Closer Settlement Acts.
Abstract of Crown lands intended to be dedicated to public purposes, under the Crown Lands Consolidation Act, 1913.

Regulations under the Sydney Harbour Trust Act, 1900.
Notifications of appropriation and resumption of land, under the Public Works Act, 1912, for railway traffic between Sydney and Albury, by duplicating between Cullerin and Harden; by provision of water supply at Harden; and by provision of water supply at Ilalang Creek.

PETITIONS.

The following petitions, representing that petitioners desire in the fullest degree to share in the privileges and responsibilities of citizenship, and praying, for the reasons set forth, that the House will extend the franchise for the election of shire, municipal, and Greater Sydney aldermen and councillors to all citizens of and over the age of 21 years, were presented by the members named:

Mr. Hunt—From certain citizens of New South Wales.
Mr. J. H. Cann—From certain citizens of New South Wales.

Petitions received.

QUESTIONS WITHOUT NOTICE.

HOLIDAY PAY TO WALSH ISLAND WORKS EMPLOYEES.

Mr. Gardiner: I desire to know whether the Minister for Public Works has given instructions that the accrued holiday pay prior to September, 1914, shall be paid to the employees at Walsh Island? If not, will the Minister state definitely what instructions were given, and whether such instructions are being carried out?

Mr. J. H. Cann: The holidays at Walsh Island were suspended when war was declared. Some time afterwards I found that a number of the employees were leaving for the front, and I thought it was a legitimate thing that the holidays due to them should be paid for, and I gave orders that, in regard to all the men who had enlisted, whatever money was due to them should be settled up by the management prior to their leaving. Those were my instructions, and I understand they are being carried out.
LOCAL GOVERNMENT AMENDMENT BILL.

Mr. CUSACK: I desire to know whether the attention of the Minister of Public Instruction has been directed to a paragraph in the *Sydney Morning Herald* of 18th ultimo, in which it is stated the Minister wrote to the Tumberumba shire council stating that the provisions of the Local Government Bill would be matters for the House to deal with. Is it true that the Minister wrote a letter of the character indicated?

Mr. ARTHUR GRIFFITH: Some weeks back my attention was called to a paragraph in the local government column of the *Sydney Morning Herald*, in which it was stated that I had written to the Tumberumba council to the effect that I was willing to back down in regard to the franchise provisions of the Local Government Bill, and leave it to the House to decide them on non-party lines. It was also stated that this was a trick to secure the support of the Opposition. No such letter was ever written to the Tumberumba council or any one else. In any communications I have written, I have stated that the party to which I belonged was pledged to the franchise provisions, and would stand by them, but that in regard to other provisions of a machinery character no party issue would be raised.

GERMAN GOODS.

Mr. KEARSLEY: I desire to know whether you, Mr. Speaker, are aware that many of the articles which are brought into this Chamber for the use of members were made in Germany, and whether such articles were purchased prior to the war?

Mr. Speaker: I am not aware whether the articles of stationery referred to by the hon. member were purchased after the outbreak of war, or whether they have come from an enemy country. From statistics prepared by the Commonwealth authorities, I gather that large quantities of German goods are now in use throughout the whole of the Commonwealth, and I am not aware whether any methods of destruction have been organised by the citizens; but I will look into the matter.

BETTING PROSECUTIONS.

Mr. DURACK: I desire to know whether the attention of the Colonial Secretary has been directed to an editorial article published in one of the sporting newspapers issued in-Sydney today, alleging that police action is being taken against small bettors in the suburbs who are breaking the Gaming Act, whereas big bettors doing business throughout the city are not being interfered with, notwithstanding that their places of business are well known? Will the Minister inquire into the truth or otherwise of the statement referred to, with a view either to punishing the police officers who have been neglecting their duty, or, if necessary, protecting the police against unfounded charges?

Mr. G. BLACK: I have heard nothing with regard to the article referred to by the hon. member, but I know that one or two men have recently been punished for betting outside race-courses. I will cause an inquiry to be made into the allegations referred to.

ARBITRATION COSTS.

Mr. COHEN: I wish to know whether it is the intention of the Attorney-General to introduce a bill to amend the provisions of the Public Works Act with respect to the costs in arbitration matters?

Mr. D. R. HALL: I hope to be able to make an announcement to-night, but in any case I will make an announcement to-morrow.

POLITICAL TRUCE: WILLOUGHBY ELECTION

Mr. WADE: I desire to ask the Premier a question with regard to the peculiar wording of his answer to printed question No. 15, wherein he says:

Clearly with a party so poorly organised as the Liberal party would appear to be, it is impossible to enter into inter-party arrangements which experience indicates will not or cannot be honored. Is it not a fact that, according to written documents, the Liberal party had the right to bring to an end the agreement with regard to contesting elections when the Labour party brought in contentious legislation? Notwithstanding this, did
Questions and Answers. [22 Sept., 1915.] Questions and Answers. 2035

I not state that we would not contest the Castlereagh by-election, and is it not a fact that the contest at that by-election was between an official Labour candidate and a representative of the Farmers and Settlers' Association, which is an organisation totally distinct and apart from the Liberal organisation? Is it not a further fact that there was no agreement asked for, directly or indirectly, as to the non-intervention of the Liberal party in the contest which took place last week in the Willoughby electorate, and did not the candidates comprise not only one officially chosen by the Labour party but several independent candidates? In view of all these facts, does the Premier consider it fitting to his position as leader of the House to make such references to a party organisation in the House—whether such references be true or untrue?

Mr. HOLLAN: My answer conveys no imputation of any kind upon the good faith of hon. members of this House. The complaint I make is that when the Labour party gives an undertaking not to contest an election, the seat is not contested either by an official or an unofficial Labour candidate; whereas when the Liberal party gives an undertaking that there will be no official candidate, put up, there may be a dozen unofficial candidates, and unless we fight every inch of the way, we cannot hope to succeed. All I can say is that apparently the Liberal party cannot control its unofficial supporters. I do not make any complaint of it. It is not the fault of hon. members of this House that that should be so, but, that being so, it will be clearly impossible for us to enter into any more inter-party understandings. We will come to any arrangement with hon. members opposite on the floor of this House which it is within their powers to give effect to. We treat hon. gentlemen opposite as honorable men who will carry out undertakings which are given, but experience has now proved to us that it is not within their power to give effect to undertakings affecting by-elections.

Mr. J. C. L. FITZPATRICK: I desire to ask the Premier if it is not a fact that there is an independent Labour candidate contesting the Willoughby electorate, and why, if he has such complete control over his party, he did not prevent the independent Labour candidate from contesting that seat?

Mr. HOLLAN: I am officially informed that there was no independent Labour candidate contesting the Willoughby seat.

STATE BAKERY.

Mr. LEVY: I desire to ask the Attorney-General a question with reference to a reply which he gave me on the 8th September to a question I put to him without notice concerning the state bakery. Will the hon. gentleman look into the answer which he gave to me on that occasion, as I have reason to believe that the statement he made is not correct? The hon. gentleman gave his answer without notice, and I have a statement from the parties concerned which shows that the statement given by the hon. member to the House is inaccurate in every particular. If that is so, will the hon. gentleman mind correcting it from his place in the House?

Mr. D. R. HALL: If the hon. member will give me a copy of his statement, I shall give him the facts.

COAL-MINING TROUBLE.

Mr. EDDEN: I desire to ask the Premier is he aware that all the coal-miners in the state, in fact in all the states, have given notice to cease work on a certain day? Has the Government taken any steps to bring about a conference between the coal-miners and the proprietors in order to save a crisis which, if it be brought about, must be disastrous at this stage?

Mr. HOLLAN: I understand—I speak subject to correction—that an application has been made to the federal court in connection with this matter. If that is so, until the federal court has refused jurisdiction it is clearly not a matter for the intervention of the states at all. But if the hon. member will allow his question to stand until to-morrow I shall make inquiries and have some exact information for him then. I am sorry to have to inform the House that the Minister for Labour and Industry has undergone a serious operation during the week, and, although he is now
out of the hospital, he is, under medical advice, taking a complete rest for a fortnight before he returns to his duties. In his absence, I am not so fully aware of what is going on as I should otherwise be. If the hon. member will repeat his question to-morrow I will, in the interval, ascertain exactly how the matter stands.

SHORTAGE OF TEACHERS.

Mr. J. C. L. FITZPATRICK: I desire to ask the Minister of Public Instruction if he has any idea as to when his department will be able to furnish teachers to schools which are without teachers at the present time, and have been without them for months past?

Mr. ARTHUR GRIFFITH: The department finds itself in a double difficulty—one arising from the fact that a number of our teachers have enlisted, and another that the increase in population compels the opening of new schools. I have endeavoured to meet that by appointing a large number of temporary teachers, and I have, to a very large extent, overcome the difficulty. We are contemplating appointing more, and I hope before very long to be able to say that the arrears have been overtaken—that all the schools are provided with teachers temporarily.

POSTPONEMENT OF BUDGET.

Having given notice of motion for suspension of the standing orders in order to pass a supply bill,

Mr. HOLMAN: I should like to add one word in explanation of my financial proposals to the House. I had hoped to be able to make the Budget speech for this year before the close of the present month. As hon. members are no doubt aware, the financial conference of the states, at which important proposals affecting the financial programme of each of the Treasurers are to be discussed, has been postponed. That conference, instead of dealing with its business in the middle of this month, as I anticipated, broke up after arranging for a further sitting on Monday next. I propose to attend the sitting on Monday, and I am satisfied from my general knowledge of the situation that it will be to the advantage of the state and the public finances if I postpone any general statement of the position to this House until after the conference has finished its labours. That being so, I am going to ask hon. members to agree to the passing of another Supply Bill for two months. I am sorry to have to ask hon. members to agree to another Supply Bill before the financial statement has been made, but I am quite sure that when it does come to be made, and hon. members see the difficulties which confronted the Treasury last year, and confront it now, they will realise that I am, on the whole, pursuing the path of wisdom in asking for additional time, instead of endeavouring to keep to the letter of my promise and presenting what would be a very unsatisfactory statement if that statement were made during the current month.

GERMANS IN THE PUBLIC SERVICE.

MINISTERIAL STATEMENT.

Mr. HOLMAN: I was anxious not to intrude on the time reserved for hon. members' questions, and I therefore waited until the time had expired. I desire to make a short statement in completion of the statement which I made yesterday with reference to Germans in the public service. Yesterday, I was able to give the House detailed information about eleven cases. I have information about twelve of the remaining fourteen cases, and as to two others, I am sorry to say, even now, the information is not complete. I shall follow the procedure that I adopted yesterday, and not refer to the names of the officers concerned. Number twelve is a ferry hand in the permanent employment of the Harbour Trust. He is receiving 13s. a day in wages. He is aged 65. He is married to a woman of Irish parentage born in South Africa. He has seven children, three boys and four girls. So far as is known, he has no means beyond his daily wage. He has been naturalised for twenty-four years, and three of his sons are now fighting with the Australian forces in the Dardanelles. I need hardly tell the House that that is one of the cases in which we shall take no action. Number thirteen is a deck hand employed by the Harbour Trust. He is
The next case is that of a man working for the Harbour Trust, in charge of the concrete-mixer. He is aged 49, married to an Australian, and has two children, a girl of 19 and a girl 7 years of age. He has no means beyond his daily wages; has been naturalised for nine years. The next case is that of a carpenter earning 13s. a day; aged 49; married to an Australian; has no children; and has been naturalised eleven years. The next case is that of a man working for the Harbour Trust, in charge of the concrete-mixer. He is aged 49, married to an Australian, and has two children, a girl of 19 and a girl 7 years of age. He has no means beyond his daily wages. He has been naturalised about eighteen years. The next case is that of a man working in the employment of the Harbour Trust, aged 57 years, a widower. His wife was an Irish woman. He has no children and no property. He has been twenty-four years continuously in the service of the Harbour Trust. About all these permanent employees of the state, men who it will be seen, are in quite humble positions, the best of them getting 13s. a day, and some of them 9s. 8d. a day, this observation is made:—

As far as can be ascertained, the loyalty of any of the foregoing employees has never been disputed, and no trouble has arisen on any of the trust's works by reason of their employment.

It is pointed out by officers of the Harbour Trust that these men are working amongst hundreds of fellow employees, and if they were of enemy sentiments, or if there were any reason to suspect their loyalty, it would give rise to friction and disputes which would come to the knowledge of the trust, and such men would be removed. As a matter of fact, in a large number of cases where such things have occurred, the employees have actually been removed and got rid of by the Harbour Trust, in pursuance of the general policy laid down by the Cabinet many months ago.

The men I have referred to are men about whose loyalty and general attachment to the British cause there is no doubt, and although the officers are not able to speak of men who occupy positions among large groups of workmen with the same amount of personal knowledge as they can of officers in more responsible positions, yet events go to show that they are men whose loyalty has never been impugned, and whose sentiments are entirely in sympathy with the cause of the Allies. Another employee in the service of the Harbour Trust is a seaman earning £3 17s. 8d. a week. He is aged 50, married a native of Newcastle, in New South Wales, and has no children. So far as can be ascertained, he has no property, and no means beyond his wages. He is naturalised, but the date is not shown on the return. He has had nearly thirty years continuous service. The nineteenth case is that of a quarryman aged 62, who married a German wife. He has one adopted child, an Australian. He has a small cottage at Hunter's Hill, and has been naturalised thirty-one years. With regard to these two cases, I wish to say that my present intention is to obtain further information about them before finally deciding what course to take. My present disposition is to take a favourable view of both cases. I do not put them to the House as being such quite clear cases of well-proved loyalty and sentiments as I think the others can fairly be described to be.

In the one case the man has been naturalised thirty years, and in the other thirty-one years. They are both elderly men, settled and established here, and no complaint of any kind has been made against them by their officers. Subject to further proof of good behaviour, I propose for the present at all events not to interfere with these men, but to place them under observation. The twentieth case is that of a lady in the Education Department, an assistant teacher in a suburban school, receiving £136 per annum. She is aged 38, and is single. I do not propose to give the locality. I have some further facts about this lady which I received to-day. As I have said, she is receiving a salary of £136 per annum. If her services were suspended during the currency of the war she, her father, and her sister would be dependent upon a pension of about £52 per annum received by her father as a late member of the service in the Tramway Depart-
ment. This is the case of an unmarried woman. It cannot be said that she has settled down and raised a family in Australia, as has been said about some of the others, but her father was in the employ of the Government for thirty years, and is now in receipt of a pension. Although she was born in Germany, she has apparently been brought up in Australia. Her small salary, with her father's small pension, is the only means of support of two apparently quite estimable women, and one estimable man who served the state faithfully for thirty years. I do not think any hon. member will suggest that that is a case which ought to be interfered with.

An Hon. Member: What is the father's pension?

Mr. Homan: £52 a year. I have some further information about that lady which escaped me. She is of German parentage, having been born in Silesia. She has two brothers, both born in Australia, and both married, one living at Newcastle, and the other at Lane Cove. They are both married to Australian wives. One brother is a teacher in one of the Government institutions in Newcastle, and the other is a clerk in the Agricultural Department. She has two sisters, both born in Australia. One is married, and lives at Blackheath, and the other is living at home. The married sister is married to a Scotchman. She has no other relatives in Australia. She keeps herself, her father, and the unmarried sister with the assistance of the father's pension. I think that may be regarded as a case sufficiently proved of absolute settling down under Australian conditions, to justify us in saying this lady should not be disturbed unless there is definite proof of some overt act of disloyalty.

An Hon. Member: Has there been any trouble at the school where she teaches?

Mr. Holman: There has been no trouble at the school. If there had been any trouble that would put the case out of this category. It may be taken for granted in all these cases that there has been no report of any kind against any of the officers included in the list. The next case is that of a teacher of modern languages. The under-secretary gives me this information:

This gentleman emigrated from Germany when 16 years of age. He underwent no military service. He resided in England, and afterwards came to Australia. He claims to be thoroughly British in sympathy; he belongs to a large staff of teachers at the high school where he serves. They mingle with each other a great deal, and if he showed any anti-British tendencies it would be recognised by the various members of the staff. They have no reason to be suspicious about him.

His wife was born in Ballarat, Victoria. She was herself of German parentage. This lady has two brothers; one is head master of one of the high schools in Victoria, and the other is master of one of the high schools in South Australia. This gentleman has six children, two boys and four girls. The eldest boy, 20 years of age, has just graduated at the Hawkesbury Agricultural College. He has got his diploma, and is now farming. A daughter, aged 18, is engaged in domestic duties at home, and three other children are at school. His youngest child is only 2 years old. I do not propose to interfere in any way with that officer. I think there is a clear indication of his having adopted Australia as his home, and that he is of Australian sympathies. The next case is that of another teacher, a gentleman in a country public school. He is aged 53, is married, and has three children. He wrote some time ago to the under-secretary a letter, supported by documentary evidence, to the effect that, though actually born in Germany, his parents were French; that he left Germany early in his boyhood, received part of his education in London, and was only a youth on his arrival in Australia. He has submitted to the department a document which, at all events, shows that he was educated for part of his time in London before coming to Australia, and apparently under French auspices. The final case I shall mention to the House to-day is that of another teacher in modern languages in one of the high schools, a gentleman aged 56, who is married to an Australian, and has four children. His family are entirely dependent on his salary. One daughter, aged 28, is a nurse at the front, and a son, aged 18,
is in the Army Medical Corps now preparing to go to the front. This gentleman has been thirty-six years here, and has been dissociated from his German friends for many years. He claims to be thoroughly loyal to Great Britain, and there is no reason to doubt his pro-British sentiments. Hon. members will see that, with the exception of the four or five cases of men in comparatively lowly positions in the employment of the Harbour Trust, the information about every one of these officers is detailed and complete. There are still two cases about which I am not in a position to give information to the House. Inquiries are being made, but the information had not been received up till 4 o'clock this afternoon. I will give it to the House to-morrow. That completes the list of twenty-three cases, and, with the two others I shall mention to-morrow, that will be the whole of the twenty-five in the governmental departments, as distinguished from the business undertakings of the state. I have to confess with regret that I misled the House yesterday when I said that the twenty-five covered the railways as well. It does not.

Mr. J. C. L. Fitzpatrick: Have you nothing with regard to a man who is employed at the establishment of Kosciusko?

Mr. Holman: What name?

Mr. J. C. L. Fitzpatrick: He is employed at 50s. a week. He is a native of Germany, a prisoner of war on parole!

Mr. Holman: I will make inquiries. If that is so, it is in disobedience to instructions. If it is so—I know nothing about it—it may be purely some temporary arrangement made because of the dearth of local labour, but it is not in accordance with instructions, even if that is so. I will have the matter looked into.

An Hon. Member: Are members of the Stock Branch included in that list?

Mr. Holman: Any member of the Stock Branch who was born in Germany would be in this list. If the hon. member knows the name of any person he has in mind I will have inquiries made. The House will understand that we have obtained this information through the under-secretaries, and it is given to us as complete.

Mr. J. C. L. Fitzpatrick: It is very incomplete.

Mr. Holman: I do not think so. I think the hon. member will find it is not incomplete. This, as far as can be ascertained throughout the whole of the service, is the full list of men and women born in Germany or Austria employed in the service.

Mr. Wade: Permanent employees?

Mr. Holman: Yes. The Railway Commissioners are preparing a list. They assure me it will not be very lengthy. They are going to give me the list, and I will ask them to make a statement about each case similar to what I have here, without giving the names and localities of individuals. I will lay it on the table of the House in the shape of a return, so that hon. members can see it for themselves.

Mr. Levy: Does the list the hon. member has quoted from include employees in the Water and Sewerage Board?

Mr. Holman: There is a further limitation. The Works Department names I have given here do not include the Water and Sewerage Board names. That list is also being prepared separately.

An Hon. Member: Do they include the dredge service?

Mr. Holman: I think so. I have only found out this afternoon that the Treasury list did not include the railways. I thought it did. I understood on Thursday that this list included everything, and I said so. I find that the Harbour Trust is here, but the railways and the Water and Sewerage Board are not included. I will have those lists prepared in the same way as I have had this list prepared, and will lay them on the table for hon. members to read themselves, and I venture to say that it will be found that, in the cases where officers are being retained in the service, in spite of the disadvantage of German birth, in every such case there are strong counter-balancing reasons which make it both humane and wise, from the point of view of the public interest, to do so.

That is all I wish to say now. I will, if the House will let me, have prepared the statements I have made, yesterday and to-day, together with additional cases, in the form of a return, omitting.
of course, names and localities, for this reason: I do not think it would be the wish of any hon. member that these people, if they are to be retained in the service, should be made the subjects of persecution or be pointed out in any way. If we are to get rid of them, it will be either by resolution of the House, or by the decision of the Government; but, while they remain in the service, I do not think it is the desire of any hon. member to expose them to any invidious distinction, or distinction of any kind. I will meet hon. members as fairly as I can, and get the information as rapidly as I can, and will have the return—which I thought I had in a completed form; but find is incomplete—completed and laid on the table of the House for hon. members to examine at their leisure.

Mr. COCHRAN: May I ask who compiled the reports you have read?

Mr. HOLMAN: The under-secretaries.

Mr. COCHRAN: Of all the departments?

Mr. HOLMAN: Yes; and officers appointed by them, of course.

Mr. WADE (Gordon) [5.19]: It is not desirable to make any lengthy reply to the Premier's announcement until we have got a full and exhaustive list, including every person of German birth in the service, whether he is permanently, casually, or temporarily employed, because the principle which I advocate is applicable to a person of German birth, although naturalised here for many years, whether his services are permanent, temporary, or casual. I say at once that in my opinion the Premier has proceeded on an entirely wrong basis in indulging the House with details with regard to the social positions of various persons of German birth who have been mentioned to-night; it ought not to affect us in a question of this kind; when the national safety is involved, what a person's social position may be—whether he be rich or poor—if he is a menace to the wellbeing of the community. This question can be determined by a very simple illustration. If it turns out that a person is, in fact, disloyal, he must be dismissed or interned. The question of cost can have no bearing on the matter, and it is a wrong thing to say that the question of cost will influence us or the Government as a body in determining as to who shall be retained and who shall not, because I recognise that the stern duty lies on the Government with regard to all people in this community, no matter who they are, to keep them alive. Even if people are removed from the service, under dismissal or suspension, there is an obligation on the Government to see that those persons do not starve. The principle to apply in this case is not the question of salary, the question of family, or the question of position; it is: will the fact of these persons being allowed to remain in the service, either temporarily or permanently, create disquiet among the community and lead to trouble affecting our welfare? It will quote what I think are two convincing arguments on this point. I will quote the opinion of the Attorney-General of the Commonwealth, Mr. Hughes, and also the statement of a German-born man, naturalised for many years here. I say, in view of those two statements, that one can draw no distinction between a man of German birth naturalised and a man of German birth unnaturalised. The danger is just the same in the eyes of the public, and it must be removed, gently; but at the same time effectively and firmly. Mr. Hughes said this a short time ago, in dealing with the question of Germans in our midst:

The distinction between naturalised and unnaturalised subjects of the enemy was, in war time, and especially in the life-and-death struggle between two rival races now raging, not material.

Mr. Hughes also said, a couple of weeks ago, in the Federal Parliament that, in view of his experience during eight or nine months, he would trust no man of German birth, that they are a race of spies. I will give one more quotation—a quotation from a man who is admitted to be a German, that he has been living in the country for many years, and has been naturalised for a long period. When he was questioned with regard to his attitude on this matter, he said this:

If my sympathies are with the country in which I was born; it is but human nature: I know that racial, like religious, opinion is a matter of faith and not reason. I also know that at present angry racial feeling is running intense; almost to breaking-point.

[Mr. Holman.]
In view of those two quotations, which are very material now, and in view of the experience we have gained, unfortunately, in the last twelve months, we must treat naturalised Germans in the same way as we treat men who are German by birth, but are not naturalised.

There is a common suspicion and fear right throughout the length and breadth, certainly, of New South Wales—I cannot speak of other states—that these men are naturally, in view of their national laws, in the hour of temptation, German subjects first, and only after that, Australian or Britishers. The view we ought to take—I say, this in all solemnity and seriousness—is that there can be no distinction, and that to secure the public from the growing fear, suspicion, and resentment, whatever the cause may be, in individual cases—we should do it gently, but these persons should be suspended from the service until the war is ended. I do not say persecute Germans; I do not say bound them down; I do not say dismiss them all. I would dismiss for all time any man against whom there is the least proof of disloyalty; but, with regard to those who have not given overt evidence of disloyalty, I say, there is the suspicion; hanging over all Germans, that they, first of all, owe allegiance to the Kaiser, and, that in case of conflict, we come in nowhere. I say, in all fairness and calmness, that the proper course to adopt is to rid the country of that potential menace. Do it gently, as far as you can; and in as reasonable a way as there is no need to dismiss every German, but there is the obligation of suspending Germans from the public service of our state, where their continuing does cause unrest among the public. If this means that these men, or, to be fairer still, women, are deftly impecunious, there rests on the Government the obligation to see that they do not starve, but till in all these cases the rights of the majority must come first; although it may involve in individual cases hardship more or less.

The statement made to the House by the Premier has got this inherent defect: it is only partial. There are, I suppose, at the very least temporary employees of the state to-day to the number of 12,000 or more, and they are all excluded from this calculation. We now find that the great body of railway servants, numbering 30,000 in themselves, are also excluded, and we cannot draw any clear conclusion as to the extent of this trouble until we have all these figures complete.

Mr. Holman: I admit that. Had I known that this list did not include the railway service, I would not have entered upon the statement, but, having entered upon it in ignorance of that fact, it was only fair to conclude it. I apologise to the House for the omission.

Mr. Wade: I am not blaming the Premier in any way for that, but we heard last night that this list included those 60,000 men in the service of the state; and now it turns out that at the utmost it does not include more than 18,000 persons. We cannot pass an opinion on the matter until we have all the investigations thoroughly complete. I again say—after all the heat displayed during the last twenty-four hours I will be believed—that the point of view for the Government, even now, I think to address themselves to—is that there can be no distinction in principle between the German who is naturalised and the German who was born in Germany and is not naturalised. I say, that, from experience, there is no room for such distinction, and that to determine on an overt act of disloyalty is a false test, because a disloyal man has usually got sufficient, tact to hold his tongue, and to deceive inquirers. I go further than that, and I say that when we have got and recognised the right of large bodies of workmen in the various unions, either in the state service or private employment, to resist working with Germans, even to the extent of striking, we have an right to recognise the claim of a great number of public servants, that they should not be compelled to work with men who are of German birth, and who, from the traditions exposed of late months, they suspect of being enemies in disguise. The rule which applies to workmen ought to be allowed to apply in the fullest extent to a person or at salary whether he is in Government employment or whether he has been in the employ of a private firm. If he is a private employee, he can claim the right with impunity to strike because he is asked to work with Germans, whether naturalised.
or not, surely there is a right on the part of the public servants to object to work with Germans whether naturalised or not.

Those are only a few points I want to emphasise just now. I think we ought to get down to bedrock, and deal with this question on the broad principle as to whether the welfare of the nation is safe when we have in the public service a number of people—whether twenty or twelve is immaterial—who, from their past traditions or from our own experience of German life and habits, cannot give us any guarantee that, in spite of naturalisation, they are not enemies in disguise and spies in our midst. That is the feeling animating the public at large throughout this state to-day. Say what you will with regard to the motives, the public mind is seething over this question, and the only way to relieve it is to protect the public from all these people by sending them away from the spot where they cause excitement, create suspicion, and engender unrest. The wise thing is to deal with this matter in the broad spirit of the rights and welfare of the majority. If, in so doing, hardship may be caused in individual cases, we regret it, but the voice of the majority ought to prevail, and we should do our duty in the most effective manner as soon as possible.

LT.-COLONEL C. E. NICHOLSON.

Mr. HOLMAN (Cootamundra), Premier and Colonial Treasurer [5.14]: With the concurrence of the House, I should like to move:

That Mr. Speaker do convey to Lt.-Colonel Charles Edward Nicholson, V.D., member for Maitland, the recognition by this House of his patriotic action in joining the Australian Imperial Force to assist the Empire in the present calamitous war.

I have to ask the permission of the House to move this motion to-night because I understand this is the last evening we shall see the hon. and gallant member amongst us. I had heard of his having offered his services to the military authorities; but I was under the impression that we should have had the pleasure of his company for a few days more. I learned to-day, however, that he will be leaving us at once, and

Mr. WADE (Gordon) [5.34]: We are under a special debt to our gallant friend,
Lt.-Colonel Nicholson, for having given us an opportunity to dispel a somewhat warm atmosphere and drop controversial matters with a view to uniting in wishing him God-speed. Words are scarcely necessary to convey to him the deep appreciation in which we hold his kindly and manly qualities, which have literally endeared him to all sections of the House and to a large body of people outside this Chamber as well. His kindly offices both to his colleagues and to his constituents will be greatly missed. We have learned to appreciate him while he has been here, and I am sure we shall follow with anxious eyes and loving interest his career at the front, and will throughout cherish the hope that he will return to us at an early date. There is no need to offer him any words of encouragement. Of all the men who have gone to the front he perhaps was most entitled to look forward to a period of rest. He has served in the fighting-line, and he has now reached middle age, and we know that active participation in warfare entails a very heavy physical and nervous strain. The hon. and gallant member has severed his family ties at the call of duty, and his action will stand to his credit as long as he lives and as long as his name is remembered afterwards. We wish him every success, and look forward to his being able at an early date to come back to us at the conclusion of a permanent victory which will establish civilisation upon a sound and unassailable basis. We all hope that he will come back to us again, and give us an opportunity of renewing those kindly relations which have existed in the past.

Question resolved in the affirmative.

Mr. Speaker: In conveying the terms of this motion to our comrade, I can only re-echo the sentiments so admirably expressed by the Premier and the leader of the Opposition. The personality of our friend is of such a magnificent character that he has endeared himself to hon. members in all parts of the Chamber. The unfailing courtesy with which he has treated the Chair places me under a debt of personal gratitude to him. Although the hon. and gallant member has passed the meridian of life, the spirit of the old war horse is so strong within him that he feels called upon to take his part in the present titanic struggle. I trust that within a short time the Prussian military monster will be crushed for ever and civilisation will breathe freely once more, and I hope to live to welcome the hon. member back again. Owing to the hon. and gallant member's long connection with the military forces here, and his martial achievements in another portion of the Empire, we send him away with the knowledge that the magnificent traditions established at Gallipoli will not be in any way endangered by any action on his part. In whatever post he may be placed, we feel sure that he will add to the honor of Australia and the glory of the Empire.

Lt.-Colonel NICHOLSON (West Maitland) [5.38]: I did not for one moment anticipate this afternoon that I should have to listen to such flattering references to myself as those which have been made by the Premier and the leader of the Opposition, and yourself, sir. Some weeks ago I tendered my services to the federal defence authorities in any capacity in which they might consider I was fit to act. As you are aware, I have seen considerable service. This is my twenty-eighth year of active service in the military defence forces of the Commonwealth. During the time I was in South Africa I was in front of General French's column for twelve months—all the way from Cape Colony through the Orange Free State and the Transvaal, very nearly to Delagoa Bay. General Allenby, who has rendered such distinguished service at the front, was then my immediate commanding officer in the Inniskilling Dragoons, and from him I received as high a testimonial as any man wearing uniform could possibly possess. I shall deeply cherish the very kind expressions which have been used regarding me here to-day. I have not been appointed to go direct to Gallipoli. I have been instructed to take charge of a large body of troops who will be going to Cairo or Malta, but my services will be at the full command of the military authorities, who may send me to any place they think proper. It is always the duty of a soldier to obey orders, and I shall willingly give any service that within me lies. I shall endeavour to do
as I have done in the past, and I thank you very sincerely for the way in which you have honored me to-day.

ADJOURNMENT.

GERMAN OFFICIALS IN LANDS DEPARTMENT.

Mr. SPEAKER: I have received an intimation from the hon. member for Gordon that he desires to move the adjournment of the House to discuss a definite matter of urgent public importance, namely, "The undue consideration extended to persons of German origin by officials of the Department of Lands."

Five hon. members having risen in their places.

Question proposed.

Mr. WADE (Gordon) [5.41]: The opportunity which has just been afforded to us to offer congratulations to Lt.-Colonel Nicholson has enabled me to approach this question in the spirit in which I desire to introduce it to the attention of hon. members, and to ask for their consideration from a common-sense point of view and with due regard to the public interest. As my time is limited, I shall endeavour to reduce my remarks to as short a compass as possible.

The first question I wish to put before the House is the attitude of the Department of Lands with regard to an officer named Von Stach. This person has been employed for a considerable period, first of all as a contract draftsman, and since June last on the permanent staff. He is a son of a German, and although he was born in Victoria, in view of the facts which I shall bring before hon. members, that circumstance becomes immaterial. The fact of German descent has been made by Mr. Hare the ground for treating men in the same way as if they were of German birth.

This man has been known for a number of years as Von Stach, but it appears that since war broke out, for reasons best known to himself, he has been in the habit of dropping the prefix of "Von." Although the war has been in existence for twelve months, and although "for the last eight or nine months there has been general alarm with regard to persons of German birth being retained in the public service, we have the notable fact that in June last Von Stach received promotion over the heads of Britishers who have no German taint in their blood, and was placed on six months' probation with a view to permanent appointment after that period.

We next come to a movement which took place amongst the officers of the Lands Department to volunteer for the front. A number of the officials gallantly responded to the call of duty, and in due course left for the trenches. Here, again, it is somewhat remarkable that when these good fellows were being sent off, it was considered that the proper means of introducing them to their new career, and giving them a good send-off was to engage a German band. This showed the way the wind was blowing.

Now we come to a more important feature. After these men who had volunteered had gone away there was a movement made to record their services and perpetuate their memory by instituting a roll of honor. There was no claim made by those men who had gone to the front for reward in the form of money or prizes or booty. They were quite content to go away with the knowledge and the consciousness that they left behind them the appreciation of their own colleagues and the respect of all whom they knew in this country. Although they would appreciate a memorial, whether in the form of a card or in brass or bronze, some record of the esteem of their colleagues for their services, there is one thing they would all scorn, and that is a roll of honor made in Germany. (Quite apart from that, there are many capable and skilled men in the Lands Department who would have been only too glad to assist in producing a memorial to their colleagues who have gone to the front.

Under those circumstances one would expect that the course pursued by the person in authority would be to give this work to men who had not in their blood any taint of German origin, but the extraordinary fact is that the work was given to Von Stach.

Mr. ASHFORD: Does the hon. member believe that?

Mr. WADE: I am speaking from documents which are on record in this House. Von Stach was commissioned to execute this roll of honor.
Mr. CARMICHAEL: By whom?

Mr. WADE: By an official of the Department of Lands. The Minister will say who it was. Subsequently when this fact became known, his fellow officers protested to the under-secretary or some high official: As a result of that protest the work was taken away from Von Stach and given to men who were above suspicion and of proved British origin and the work is now being carried out—or up to the 10th of the month—was being carried out by three Britishers, who are free from the imputation which Von Stach cannot deny. Under those circumstances it becomes pertinent to ask the question why in this large field of choice from officials of the Department of Lands a man of German origin should be chosen to do this work. The inevitable result was that a feeling of resentment was created, and the department was called upon to cancel what it had done and give the work to another quarter to which it should have gone in the first instance.

That is serious enough, but I now come to certain information which was supplied to the House on my query during the last week or ten days. The work was removed from Von Stach on the 10th of this month, and on the 13th he published a most insulting cartoon, and placed it on a wall in the Lands Department. That cartoon cast insults upon prominent members of the department, officer-bearers in the Lands Department Association, and yet, that man, as far as I know, is still in the employ of the Lands Department. I took the trouble to ascertain what were the real facts of the case. I put a number of questions in the House, and I ask hon. members to listen to the answers given. Those answers, I say with regret, are an attempt to mislead the House and the public with regard to the real facts of the case. It is the obvious duty of departmental officers when questions are asked in the public interest to give the whole of the facts pertaining to those questions. They have no right either by evasion or quibbling, or by answering by the card at all events on all serious questions, to mislead the questioners and the public.

On the 15th September, just two days after the cartoon was published and placarded, I asked this question of the Minister for Lands:

Has the department determined that a roll of honor shall be kept of officers of the Lands Department who volunteer for active service?

The answer is: "Yes." The answers to the questions following are entirely misleading:

Has the preparation of this work been entrusted to a man named Von Stack?

The answer is: "No." That answer is intended to convey the intimation that Von Stach had not done any of this work, and it is an evasion which casts a serious stain on the good faith of the departmental officers.

Is Von Stack an officer of the department?

The answer is:

Presumably the person referred to is Mr. Arthur George Stach, who is an officer of the Lands Department. Although Von Stach is an officer of the Lands Department the answer implies that they are dealing with somebody else, that the person known is Arthur George Stach—and not Von Stach; yet I shall show that the higher officials of the Lands Department knew full well that he was Von Stach—that he was known as Von Stach to the Under-Secretary. The answer is a deliberate trifling with the truth.

Is he a German by birth?

The answer is:

No, not as far as I know. I am informed he was born in Victoria.

Are there not numbers of Britishers in the department who would do this work free of cost?

The answer is:

Three draftsmen are engaged on the work, namely, Messrs. Robinson, Cotton, and Bell. None of these are Germans or of German origin. That suggests three things—that this work was not given to Von Stach; that there is no person called Von Stach in the department, and that there was no disturbance as suggested by my question. I asked a further question of the Minister, and he requested me to give notice.
of it. On the following day I put a number of other questions on the paper:

Was the work of preparing the roll of honor in the first instance given to Stach, an officer in the Lands Department?

The answer is "Yes."

Was serious objection raised by other officers to his being allowed to carry out the work?

The answer is:

I am not aware. Two draftsmen interviewed the under-secretary on the 10th instant, and asked him if he knew that the work had been given to Stach, who was of German descent. The under-secretary was not aware, and immediately directed its recall and reissue.

Was the work taken from him during the past few days and given to other officers?

The answer is:

The work was issued to Stach on the 8th instant, was recalled on the 10th, and entrusted to other draftsmen.

If this is so, why was the work which he had commenced taken from him?

The answer is:

Simply because of his name and of his being of partial German descent, and not because of any doubt as to his loyalty. Mr. Stach was born in Victoria; his mother was Irish, and his father a German, who was employed for forty years in the Education Department of Victoria. We have this position fairly well established, that this work was contrary to all reasonable precept given to a man known as Von Stach.

An Hon. Member: By whom?

Mr. Wade: By superior officers of the department—whom, I do not know and I do not care. That is immaterial. He was called upon to do the work. When I asked for an explanation I was misled. It was only when I drove the matter home further on the third occasion I discovered the real truth in regard to the matter. I complain, first, of the undue preference in giving this work to Von Stach; secondly, of the misleading answers; and, thirdly, the treatment of Von Stach by the departmental head in face of this insulting cartoon. It may be said, as Mr. Hare states in his answer on the last occasion, that the Under-Secretary was not aware that Von Stach was of German origin. If that is true, the odium is largely removed; if it is untrue, Mr. Hare is called upon to answer a very serious position. I have before me fairly strong evidence, which I shall put before the House, that Mr. Hare must have known that this man's name was Von Stach, and that therefore the man was of German origin. I have here a Christmas card of the year 1913, issued by the Department of Lands as a matter of courtesy to a number of people in this state. Von Stach was a good draftsman. He was called upon to do this work. In those days he was not ashamed of his name and he signed his name on the card as A. G. Von Stach. Could Mr. Hare possibly be ignorant of the fact that the man's name was A. G. Von Stach, and if he knew that fact, could he possibly doubt that the man was of German descent? Mr. Hare stated that when these facts were brought to his knowledge he withdrew the work from Von Stach, not because of the man's disloyalty, but because he was of partial German descent.

If this was good ground for withdrawing the work on the 10th September, it was equally good ground for refusing work in the first instance some four days earlier. Mr. Hare must have known that this man was of German origin and that giving him this work and ignoring the Britishers would lead to resentment on the part of British officers.

As regards the cartoon, it was beyond all doubt drawn by Von Stach. It was placed in a prominent position in the Lands Department, where it could be seen by the officers and the public. It held up to derision prominent officers of the department and office-bearers of the Lands Department Association. Contrast that conduct with this milk-and-water circular which was issued some time before to members and officers of the department:

It has recently transpired that on various occasions officers of this department have discussed matters relating to the present war with other employees of the department known to be of German nationality, and whose sympathies for that reason are likely to be with the German nation. Such conversations at the present time are indiscreet and are to be avoided.

[Mr. Wade.]
In this connection the Public Service Board has informed the department that such discussions are looked upon with marked disapproval by the board.

The Britisher is enjoined to hold his peace; to observe great propriety and caution when face to face with a German for fear he may offend him. Yet by way of contrast this man of German origin insults his colleagues by this abusive cartoon.' Instead of being bundled out forthwith, he is still there and had I not moved in the matter no action would probably have been taken. When I moved in the matter a week ago some inquiry was made by the Lands Department, but I say that even now Von Stach has not got his deserts. If he had, he would be put out of the department for all time.

[Mr. Speaker left the chair at 6 p.m. The House resumed at 7.15 p.m.]

Mr. WADE: I now propose to deal with the case of Ludwig Schulze, a contract draftsman in the Lands Department, a German by birth, naturalised for a number of years in Australia, but beyond all doubt a man of strong ineradicable pro-German sympathies. Although these facts are known to the Lands Department, he is still kept in his employment, and given privileges which Britishers do not enjoy. His conduct has been brought before the department on two occasions. On the first occasion, when the Emden was disposed of last year, he fell foul of an officer in the department named Ellis. Ellis complained to his superior officers with regard to the conduct of Schulze, and his complaint is summarised more or less in the following words:—That Schulze showed considerable feeling antagonistic to the British people and spoke disparagingly of them. On a subsequent occasion Schulze spoke in a very sneering and disparaging way of the British soldiers. Mr. Ellis expressed the opinion that the men would give a good account of themselves when they got to the other side. Mr. Schulze replied with much feeling: "If they ever get to the other side." Mr. Ellis states the remark was made in such a manner as to imply that steps would be taken to see that they did not get to the other side. This made him so angry that he suggested that he and Mr. Schulze should settle the matter by personal combat; but Mr. Schulze walked off. Schulze admits he did use the words complained of, but his defence was that they did not bear the interpretation placed upon them by Mr. Ellis. In view of the fact of his strong pro-German sentiments, it is fair to assume that the interpretation placed upon the words by Mr. Ellis was a correct one. I do not propose to press that, however, in view of a more serious charge which was brought against Schulze some time afterwards in the early part of this year. He admitted he was naturalised many years ago here, but his sympathies were entirely with Germany, and he hoped and felt confident that Germany would be victorious in the present war. There is a distinct admission of anti-Imperial sentiments. On that he was reported to the Defence Department, which called upon the Department of Lands to investigate the question, and ascertain from Schulze if this was true or not. Schulze, in a departmental paper now on record, admits that the words charged against him were true. In view of these facts, it is a wrong to the country that he should remain one moment longer in the employ of the state. Schulze, moreover, used these words:

If my sympathies are with the country in which I was born, it is but human nature. I know that racial, like religious, opinion is a matter of faith and not reason. I also know that, at present, angry racial feeling is running intense almost to breaking-point.

In view of these admissions, and his further admission of pro-German sentiments, what right has he to enjoy further privileges at the hands of the state in the Department of Lands? That took place last February, and, in view of the facts, an attempt was made to curtail his work. Some work he had been doing was given to a Britisher. Schulze found it out, and made a protest to the under-secretary. His influence was so strong that his wish prevailed, the work was taken away from his successor, and given once more to Schulze. That is a crying shame to the country at large. This is not a case of want of knowledge. The under-secretary has expressed the view that, if any officer of the department is prejudiced in favour of his fatherland in
preference to his adopted country, it may be found necessary to terminate his employment, seeing that it gives him opportunities, if so inclined, to supply maps and other matter to the enemy. Yet, in view of the facts I have given, which must have been known to the under-secretary, and other high officials, Schulze was retained in the department at all events till a few days ago. By that I mean, that as a contract draftsman he gets work when he wants it, and when it is available. Only, some two or three weeks ago, in spite of all these facts, and the necessity for absolute secrecy with regard to our defences and harbours, and the danger of conveying information to any pro-German, Schulze was given certain drafting work.

Mr. Ashford: "The hon. member does not suggest that Schulze was doing draftsman's work for the Lands Department in connection with the harbour defences?"

Mr. WADE: "You will hear in a moment what I have to say. In the month of August, or thereabouts, Schulze was given a commission to draw maps of the foreshores of Wollongong Harbour. In order to do that he clearly had to get access to plans that dealt with Wollongong Harbour itself. In view of these facts, I asked the Secretary for Lands a question on the 31st August, paragraph 8 of which is as follows:

"Is Schulze at the present time, or has he been lately, engaged in preparing a map of the harbour of Wollongong?"

Strictly speaking, he was not preparing a map of the harbour of Wollongong, but the candid answer to the question would have been that, although he was not preparing a map of the harbour, he was preparing a map of the foreshores, which are contiguous to the harbour itself. What is the answer given by the Minister? It was in these words:

"No instructions to do so have been given to him by this department."

No; but I can prove that he received instructions from the staff surveyor, Arnhem, to do that very work of preparing a map of the foreshores of Wollongong Harbour. And he was doing the work at the very time the question was answered. Here again someone has endeavoured to mislead the public on this question. It is a vital matter we ought to know all about that a man of this character, with pro-German sympathies, should be allowed to see any document or notes or plans dealing with a fortified harbour, as Wollongong Harbour is. As the result of questions I asked, it was laid down, apparently for the first time, that men of German origin should not be allowed to have access to plans dealing with our ports, harbours, and coast-line.

'Mr. HOLLIS: 'Does not the hon. member think that the Germans were in possession of plans of every port of New South Wales years ago?'"

Mr. WADE: "If that is a sound argument, open all our archives to them. Here is a circular I want to refer to, which was sent out by the department on the 4th September of this year:

The inquiry has revealed that Staff surveyor Arnhem recently employed Mr. Schulze to draw plans of two special leases of land fronting Wollongong Harbour. The areas were very small, and, from a practical point of view, probably no harm has been done by Mr. Schulze drawing the plans. But while the war lasts, it is advisable to refrain from any action which may give rise even to suspicion, and it is recommended that the metropolitan district surveyor, also Mr. Shaw, be informed that no work relating to water frontages on the coast or harbours, nor any other work the performance of which by men of German nationality may give rise to adverse comment, is to be entrusted to either of the contract draftsmen of German nationality who now receive work.

There is an admission that he was employed on work he had no right to do. There is only one course which should be adopted. This man should be removed at once from all association with the Department of Lands. The facts I have put before the House cannot be controverted; they are on record in the department. The under-secretary gives as a reason why he retained Schulze and others that they were qualified men, and of irreproachable character. How could he say that, in view of the documents placed before him, proving beyond all doubt that Schulze was a pro-German of advanced type? I leave these things to speak for themselves and wait for the answer."

[Mr. WADE.]
Adjournment. [22. Sept., 1915.] German Officials. 2049

...With regard to the contracts for cutting hay into chaff given to Stockmann & Kleinig, it is admitted no tender was called for. They had Germans in their employment in Sydney, and in various places in the country, particularly in Gilgandra. I asked this question:

"Is it not a fact that the employees of Stockmann & Kleinig are Germans?"

The Minister’s answer was: "I am not aware." Yet on the very same day his colleague, the Colonial Secretary, in reply to a question by the hon. member for Orange, stated: that there were Germans in the employ of Stockmann & Kleinig, who reported periodically to the department, in accordance with instructions. The Secretary for Lands is told by his officials that they have no knowledge of the fact, although one of his colleagues knows that this favoured German firm, which is cutting chaff, without competition and without tendering, are employing Germans who are so distinctly German that they have to report themselves from time to time to the police. Why is this favour shown to Germans unless there is some undercurrent of feeling towards these men which is prejudicial to the interests of our own native-born, the descendants of Britishers? What I want to establish is that the Opposition and the public at large are quite prepared to help the Government to remove the German menace from our midst if the Government will act fairly and consistently. But I do deplore the fact that, in the endeavour to bring these things to a head, and to educate the people to the seriousness of the position, we should be met with obstruction on the part of the Government. But we do not approve—no one could approve—of the idea of the Government only moving in these cases when they are more or less compelled to do it by the pressure of public opinion throughout the state.

Mr. Hollis: In what way should they act?

Mr. Wade: It is no use replying to such an interjection as that, because the chance of convincing the hon. member is almost hopeless. The facts speak for themselves, and the hon. member, I hope, will act upon them as a reasonable man.

I say, in conclusion, that there ought to be some searching inquiry into these allegations. We do not want a departmental inquiry. We do not want an inquiry held with closed doors. The mind of the public is excited, and they want to know the whole truth. They have been misled in replies to questions, and they want to know the whole truth without reserve. I undertake to say on my own responsibility, as a public man, that if we are allowed an inquiry, I will produce evidence which will substantiate every statement I have made, to-night in this House. I cannot do more than that. At the same time, I ask the House to take this thing firmly in hand to try to arrest the ferment that is growing day after day, and to do something to give us our rights and to destroy the impression that is spreading far and wide, that men of German nationality are favoured and our own men are put in subordinate positions to them.

Mr. Speaker: The hon. member, has exhausted his time.

Mr. Ashford (Liverpool Plains), Secretary for Lands [7.32]: I might say, previous to expressing my opinion in regard to the questions asked by the hon. member, the leader of the Opposition, that the speech, made by him to-night, is a fair representation of what he has undertaken to prove, namely, that Germans have preference in the Lands Department; but I think that the hon. member has quoted only the most favourable facts to show his side of the question. The statement he has made is a gentlemanly attack on the Department of Lands, and, incidentally, on the head of the Department of Agriculture. The leader of the Opposition has made three separate charges. He has stated that there has been favouritism towards Mr. Arthur George Stach. He has also stated that there has been deception in the answers given in regard to that officer, that there has been deception in the answers given in regard to Mr. Schule, and that there has been deception or misrepresentation in the answers given in regard to Stockmann & Kleinig.

Whilst recognising that the hon. member has made very serious charges, I, after listening to his speech, feel intensely relieved that no new ground has
been broken by him, and he has made no definite charge in this House against me.

Mr. WADE: I never intended to!

Mr. ASHFORD: The hon. member has made no charge against me, and he will realise that practically all the replies that have been given to questions must have been obtained from the head of the department. When those questions were asked by the hon. member I believe that on every occasion the departmental practice was followed and that the questions were fully answered without any intention to deceive—that they were indeed answered in the frankest possible manner, as I intend all questions relating to the administration of the Lands Department shall be answered as long as I have the honor to occupy office. Although the hon. member has stated that he obtained those departmental replies to base his charges upon, it must be obvious, to put it very mildly, that the hon. member obtained his information from a spy in the Lands Department.

Mr. WADE: Not a German spy!

Mr. ASHFORD: A spy, of whatever nationality, is beyond contempt. The duty of officers of the Lands Department is first of all to appeal to the Minister if they believe that the departmental head is not giving them fair play. They should go to him with representations if they think the departmental head is not giving them their fair and just dues. No such charge has ever been made to me. I have closely investigated, I have scrutinised every record in the office bearing on the matter, and I may say that the work of the department for the last week, owing to the action of the Opposition, has been considerably delayed because of the constant worry that every honest man must feel who has any loyalty in his composition and is attached to a man like Mr. Hare—a man who, in the position of Under-Secretary for Lands, has on every occasion shown the utmost loyalty to this country. It is my duty to defend him against insidious attacks based on information gained by some underhand method of obtaining information from the Lands Department which is not available to the under-secretary of the department or to the Minister. I want to deal, if I may, with the obvious representations made in regard to the different charges. I first of all want to quote from notes of speeches made by the leader of the Opposition in this House during this session—notes which I believe Hansard will prove to the hilt. The leader of the Opposition, speaking in this House on the 26th August, 1915, said:

I want to deal with those German-born individuals, naturalised in this state or elsewhere in the Commonwealth, and likewise their sons. . . . The object of my motion to-night is to endeavour to induce the Government, in view of new facts which have come to light, to change their conduct on this question and deal effectively with all individuals of German extraction, whether the sons of naturalised Germans or naturalised Germans themselves. . . . I would apply what I am saying as strongly to a person with a German name who was born and bred in Australia as to his father who was born in Germany but has been here many years of his life. . . . We should make it our guiding maxim from this time henceforth that there is no place or time in the service of this country for persons of German birth or extraction.

Later the same night the hon. member for St. Leonards said:

In regard to the contention of the leader of the Opposition, when he states that he would put certain disabilities upon the second and third generations of naturalised Germans, he is wrong.

Mr. WADE: I never said that!

Mr. COCKS: I apologise if I misinterpreted the statement of the hon. member, but he said that he would place disabilities upon naturalised Germans and the children thereof.

Mr. WADE: Upon the sons; not upon the grandsons!

That is, I believe, a fair quotation which will be substantiated by Hansard if it is investigated.

Mr. WADE: You heard my speech in reply!

Mr. ASHFORD: On the 16th September, 1915, the leader of the Opposition made the following remarks in the House:

Then, again, with regard to the children born in Australia of enemy parents, I have taken the view that they must be dealt with on entirely different lines from those adopted in the case of naturalised and enemy subjects. I made a statement some ten days ago when this matter was discussed on the motion for the adjournment of the House. Upon again reading
that statement I find it might be construed as applying to both the natural-
born and the Australian-born children. But to remove that misconception I cleared up the point in my speech in reply. With regard to children born in Australia of parents of German origin, I am content, as most people are, that their disloyalty shall be determined by their overt acts and proved instances of disloyalty.

I ask the hon. member, are his views as expressed on the 16th September, or as expressed on the 25th August? The hon. member said that he corrected himself in speaking on the motion of adjournment. I want to know does he adhere to the words he used in this Chamber on the 16th September, or in his speech in reply in his first speech in this House on this subject? I take it that as the leader of the Opposition does not reply to my question he adheres to both statements.

Mr. WADE: Anything you like!

Mr. ASHFORD: For my purpose tonight I will assume that the leader of the Opposition, on the 16th September, after considering the matter for about twenty days, had come to the conclusion to adhere to the statement he made in reply, and that the words he now relies upon are:

With regard to children born in Australia of parents of German origin, I am content, as most people are, that their disloyalty shall be determined by their overt acts and proved instances of disloyalty.

Therefore, I take it that it is time the hon. member should apologise to me for questioning the employment by me, as Minister for Agriculture, of Stockmann and Kleinig in cutting chaff for the Government. I informed hon. members that those persons were the second generation of Australian-born. I ask the leader of the Opposition, does he accuse Stockmann and Kleinig of disloyalty? The leader of the Opposition, on the 8th September, asked the following question in this House:

I wish to know whether the Minister for Lands can make a statement as to what he intends to do with regard to certain Germans on parole who are now being employed by Stockmann and Kleinig, who are cutting chaff under contract for the Government?

Hon. members will recollect that the hon. member, by his statement, has exonerated these men, who claim to be absolutely loyal to Australia. The hon. member has exonerated these men by his statement on the 16th September, but he asked that question on the 8th September in regard to these men, and I answered it. In doing so I said:

I do not know that there are any Germans on parole employed in doing work for the Government. A question previously asked related to certain Germans who were working at Gilgandra, but there are no Germans employed in cutting chaff for the Government at Gilgandra. I am not aware that there are any Germans on parole employed in doing Government work, but if there are I will see that they are not employed long.

It is obvious that I took it that the leader of the Opposition had inferred that Germans on parole were employed on Government work, cutting chaff. I have made inquiries since, and have been informed that there were no Germans employed upon that work.

Mr. WADE: Misinformed!

Mr. ASHFORD: If I was misinformed, it was not my fault.

Mr. WADE: And they were on parole!

Mr. ASHFORD: As to whether the hon. member realises the difference between Germans on parole and Germans not employed by the Government at Gilgandra, I do not know. If his insinuation still holds good, that I, as a member of the Government, was giving work to a firm employing Germans on parole, I say that the hon. member should be ashamed of himself. The whole thing is absolutely ridiculous. I deals with the matter quite frankly, and there has been no excuse for the statements which have been made or for the questions which have been asked by the leader of the Opposition, and also by the hon. member for Orange, who asked a question solely with the contemptible idea of fostering a political movement.

Mr. J. C. L. FITZPATRICK: I would ask that the Minister should be required to withdraw that statement?

Mr. ASHFORD: I withdraw. I demand the right to hold the leader of the Opposition to his statement of 16th September, and to ask for his withdrawal of his statement that I was employing Germans on Government work. I was not aware that Stockmann was a Gil-
man, and after inquiries I found that he was Australian-born of the second generation, and that there was no justification whatever for the imputation of the leader of the Opposition.

Mr. Wade: Do you distinguish in your mind between your own personal knowledge and the information conveyed to you by your officers? You cannot know everything, and if the answers you have given were based on official information that information was very misleading!

Mr. Ashford: I am quite able to discriminate between facts within my own knowledge and information conveyed to me. The leader of the Opposition and the hon. member for Orange, when they asked me about Germans employed at Gilgandra must have known that I had no means of knowing, except through inquiries. These resulted in my being informed that there were no Germans employed on Government works or associated with any Government work.

Mr. J. C. L. Fitzpatrick: You were asked if they were employed by the Government?

Mr. Ashford: I found out that these men were absolutely loyal, were not in any way associated with the German nation, and absolutely denied that they had any sympathy with Germans.

Mr. Wade: Tell me where I said they were disloyal?

Mr. Ashford: The hon. member may not have said they were disloyal, but that was the inference to be drawn from the questions asked by him, and I hold that it is contemptible to make charges by inference when the accuser is not able to make direct and definite statements. I believe that hon. members will, in their good sense, realise that in view of the statement of the leader of the Opposition, which I have more than once quoted, there is really no accusation against these men who have been doing chaff-cutting work for the Government.

Mr. Wade: There is no charge of disloyalty, but I say that you showed them special favouritism!

Mr. Ashford: The leader of the Opposition now denies that there is any charge of disloyalty, and he has thus deprived himself of a political weapon which might have been useful at election time. The Under-Secretary for Agriculture made full inquiries into the matter. The prices that were agreed upon in respect to the chaff-cutting were fair and reasonable, and I am informed that no other company was willing to undertake this work on behalf of the Government. In view of the acknowledgment made by the leader of the Opposition, I may brush on one side whatever has happened in this House. Although the leader of the Opposition will not apologise, he has exonerated me and the Under-Secretary of Agriculture of having employed Germans in chaff-cutting.

The next position is in regard to Mr. Schulze, who is a draftsman employed in the Lands Department. I have nothing to say in defence of Mr. Schulze, and I am not going to be placed in the position of defending any pro-German in this House or outside of it. My feelings of loyalty are as strong as those of the leader of the Opposition, and in the administration of my department and in all I have done inside and outside of this House, I have endeavoured to bring Australian soldiers to the front to assist in carrying this war to a successful issue, and I have endeavoured to loyally assist the Empire which has done so much to assist me in the past. Prior to my taking over the control of the Lands Department an inquiry was held into charges against Mr. Schulze of having made certain statements which have been fairly quoted by the leader of the Opposition, and which are quite open to misconstruction. It was quite open to anyone to assume that Mr. Schulze had some sinister motive in making those statements, but on being taxed with them he denied that he had any sinister motive, and after full inquiry by the officers of the department he was, rightly or wrongly, exonerated. Later on when a certain episode occurred in a tram-car, which was reported to the defence authorities by a gentleman named Kaye, the matter was not referred to the Lands Department for inquiry, but the military authorities asked for information, which was supplied to them in the form of certain papers. These were handed to Colonel Wallack, and I gave the leader of the Opposition an opportunity of perusing the papers, together with
the report of Colonel Wallack, to the
effect that there was no necessity to
take any action. I am still of opinion
that the military authorities have the
unquestionable right to decide questions
of loyalty or disloyalty, and on that oc-
casion they came to the conclusion that
no action need be taken. The hon. mem-
ber for Gordon has stated that Mr. Schulze was employed in doing work on
plans of the harbour; and that certain
misleading answers were given in regard
to him. Hon. members will realize that
where questions are asked I have to de-
pend upon official information.

Mr. WADE: I never challenged you in
the matter!

Mr. ASHFORD: The leader of the
Opposition may be right or may be wrong,
but my contention is that the federal au-
thorities are charged with the defence
of Australia. These plans of the har-
bour had been sold over the counter at
the Lands Department for five or six
years—perhaps for twenty-five years be-
fore—and the Admiralty plans had been
on sale at Turner and Henderson's and
other booksellers' shops. There was a
time when action should have been taken
—when there was absolute danger to
Sydney owing to the presence of the
German Pacific Fleet in Sydney Har-
bour. At that period a Liberal Gov-
ernment was in power, and yet it took no
action to intern Germans or to prevent
the charting of the harbour. There was
more danger at that time than there is
to-day when the German fleet has been
wiped out of existence. The Australian
Navy, which was established by the
Labour party, has done this for Aus-
tralia, and hon. members who have jeered
in this House when that little navy has
been spoken of still have the same right
to jeer when mention is made of the
fact that the Labour Government which
brought into existence the Australian
Navy has been the means of saving the
city of Sydney from bombardment by
the Germans. I have not said one word
to help Mr. Schulze. We have made every
inquiry, and it has been decided that Mr.
Schulze shall not get any more work
from the Government during this war:
This decision has been arrived at not
withstanding the fact that he has an
Australian wife and five Australian
children. Some little time ago when
inquiries were being made as to the per-
sons of German birth or parentage em-
ployed in the public service I took the
precaution to justify my action in this
House by asking Mr. Schulze to come
into my office and declare whether or
not he was loyal to the Empire. I
asked him if there was any question
about his loyalty. He replied, "There is
no question whatever of my loyalty, Mr.
Ashford: I want the Allies to win this
war. I was born in Germany; I was
educated in Germany; I certainly have
German sympathies; but I have no
desire for the Germans to win this
war, because I have been well treated
here, and I have accepted the rights of
naturalisation." I mention that fact
solely to show that we were carrying out
the necessary inquiries in the depart-
ment.

Mr. WADE: When was that?

Mr. ASHFORD: Probably about a
month ago. I could not state the exact
date. Subsequently it was decided to
dispense with the services of Mr. Schulze
altogether. Inquiry was not only made
in the department, but by the military
authorities, who recommended that no
action should be taken, and under those
circumstances a certain amount of inde-
cision must have arisen. Seeing that
none of the other states have taken such
action as we have taken here to try to
purge the service of all those who have
expressed disloyal sentiments, I trust the
House will realise that every endeavour
has been made to protect the interests of
the country. The whole life of the Under-
Secretary for Lands can be canvassed.
His actions since the war can be inves-
tigated, and it is indeed a shame that
such charges as these should be made on
information supplied in an underhand
manner by some contemptible official. It
must be remembered that the hon. mem-
ber for Gordon did not believe in civil
rights being given to public servants, and
yet he will accept underhand informa-
tion from a spy without going to the de-
partmental head and bringing the matter
under his attention.

Mr. WADE: Upon what information
did you remove Mr. Schulze?

Mr. ASHFORD: Although Mr.
Schulze affirmed to myself that he was
loyal, it was considered that he was not
altogether as loyal as he might have been, and to protect ourselves we took the action which I have stated.

Mr. MARK F. MORTON: Has he been dismissed altogether or suspended?

Mr. ASHFORD: He was not an officer of the department and consequently we could dispense with his services at a moment's notice. I propose to give a little more information about Mr. Schulze. The hon. member for Gordon did send me a letter after the House sat on Thursday, stating that he was going to make a charge against the officials of the Lands Department, but he never intimated to me what was the nature of the charge he was going to make. I had to make a thorough inquiry in the department as to what possible basis there was for making a charge. The hon. member for Gordon made a statement to the press on the matter, and this is the reply which I made to him in the Daily Telegraph of the 18th September:

I take it that there is no charge against myself, but against certain officers of the Lands Department, for extending undue favouritism to officers of that department of German birth. Everyone will realize that in the administration of a big Government department attention to details, such as what duties shall be allotted certain officers, is not in any sense the function of the Minister. Of course, I am not acquainted with Mr. Wade's methods for obtaining inside information regarding the internal official administration of the department, but the information is certainly supplied to the leader of the Opposition with political bias. No representations whatever have been made to me by any officers of the department regarding undue preference. How comes it that officers who are suffering from such preference, if there is any, take the course of going to Mr. Wade, and giving him information which they have concealed from their own under-secretary and Minister? Had such representations been made, I would have immediately instituted a vigorous inquiry, and if any such undue preference can be shown, it can only point to the question of the loyalty of the head of the department responsible for it, and I will at once take definite action to see that any such officer is relieved of his position.

If Mr. Wade has any information, and is only anxious that an abuse should be put right, he can at once supply me, as head of the Lands Department, with all information he has obtained on the subject, which is apparently one of urgency, and he will have no reason to complain of any undue delay in the action I will take. He will not have to waste the time of Parliament, or interfere with other public business. If he wants only to make a political attack, I recognize that Parliament is the place for it, but if he desires better administration in the Lands Department, the Minister is the right person to speak to.

I reiterate that statement to-night. I say that I received no intimation from the leader of the Opposition with regard to the nature of the charge he was making, and I am forced to take up the position that it is a political attack, no matter how mild it may be considered to be. I would point out that it was not a new thing for Mr. Schulze to get work from the Lands Department. He was there when the leader of the Opposition was in office, and for many years previously.

Mr. WADE: There was no war then!

Mr. ASHFORD: Every hon. member who takes an interest in European affairs knows that it has been common talk for the last ten years that there would be a war with Germany. During the time the leader of the Opposition was in office—1808-9-10—Mr. Schulze obtained £328 a year. During the last three years of the Labour Government's tenure of office Mr. Schulze obtained £772 a year. At the time the Liberal Government were in office the senior English draftsmen £333 a year each, and during the time the Labour Government were in power senior English draftsmen have averaged £357 a year each. That is my answer to the statement that preference has been given to Germans employed in the Lands Department. As regards the charge against Mr. Stach—

Mr. J. C. L. FITZPATRICK: Von Stach?

Mr. ASHFORD: On the books of the Lands Department there appears the name of an officer, Arthur George Stach, who is known officially by that name.

Mr. WADE: Since the war!

Mr. ASHFORD: Ever since he has been in the department. Mr. Stach joined the department under a Liberal Government, and he was registered as Arthur George Stach. If his name was Von Stach the then Government did not do its duty in seeing that he was properly registered. As regards the prefix "Von," I am informed that it is merely
the equivalent of the English "Mr." or "esquire," so that there is very little difference so far as the name is concerned. As regards the charge made by the leader of the Opposition that Mr. Stach was appointed as a draftsman in the office during the period of the war, I desire to point out that a request was made to the Minister for Lands in 1914 for another draftsman, and Mr. Stach's appointment as a draftsman was approved. Every hon. member knows that it is not the Minister of Lands who can make an appointment of that kind, but the Public Service Board.

Mr. WADE: On the recommendation of the under-secretary!

Mr. ASHFORD: On the recommendation of the under-secretary made in 1914.

An HON. MEMBER: In June?

Mr. ASHFORD: No; in May, 1914, before the war broke out. Mr. Stach has an Irish mother. His father left Germany on account of his objection to military training, went to England, married an Irish girl, had a son named Arthur George Stach, born in Victoria. The leader of the Opposition has stated that he does not contend that from the point of view of ability Mr. Stach should not have been appointed; but when the hon. member makes a charge of disloyalty it is altogether a different matter.

Mr. WADE: Did I say that he was disloyal at any time? I said that, being of German blood, you gave him preference over Britishers!

Mr. ASHFORD: He was recommended for appointment as a draftsman before the war took place, on account, I suppose, of his capabilities. Do the Public Service Board accept blindly the recommendations of under-secretaries? It is their duty to make inquiries as to the capabilities of people proposed to be appointed to the service. From the Lands Department about 120 officials have volunteered for the front, amongst them being the son of an hon. member of this House. The Under-Secretary for Lands, ever since the war broke out, has, as far as his duties allowed him, been constantly drilling in Government House grounds. He has been setting a worthy example to others. Every Saturday he goes to the rifle-range for the purpose of encouraging younger members of rifle clubs. I asked the I asked the under-secretary to submit a statement in connection with the questions put by the leader of the Opposition on the subject of men doing drafting work. I may mention that Captain Vautin is associated with the Secret Intelligence Forces in an honorary capacity. He did not give Arthur George Stach the work of preparing the roll of honor. By the way, I may say it is to the credit of the under-secretary that he should have thought of putting in the messengers' room, where it can be seen by all visitors, a record of the brave officials of the Lands Department who have gone to the front. The under-secretary asked Captain Vautin to arrange for designs to be prepared in connection with the roll of honor. Mr. Cotton, an Englishman, admits that he was asked to prepare a design. When the design was nearly completed and was to be submitted by Mr. Stach, two officers of the department expressed the opinion to the under-secretary that no one with a German name should be associated with the roll of honor. The under-secretary immediately gave instructions, but not as the result of any representations made by the leader of the Opposition, that Mr. Stach was not to be connected with the roll of honor.

The next point is that Mr. Stach is charged with having drawn an offensive cartoon. He does not deny having done so, but he did it, he says, by way of resentment for what he considered was unjust treatment he had received. He says that he has always been most loyal to the British Empire. He certainly was guilty of indiscretion, and that shows the necessity for the minute issued by the Public Service Board, which, by the way, the hon. member for Darlinghurst did not quote correctly.

Mr. LEVY: I quoted it as it was given to me!

Mr. ASHFORD: I admit that the hon. member quoted it as it was given to him by someone in the Lands Department. I do not doubt the good faith of the leader of the Opposition in this matter. When Mr. Stach was not allowed to be associated with the roll of honor he certainly, in his anger, did place a cartoon on the wall in a conspicuous position,
but I question whether it was conspicuous to the general public. I have the cartoon here, which was torn up and pasted together again. Any member is welcome to see it, and I say that anyone who would attribute disloyalty to Mr. Stach because of this cartoon—

' Mr. Wade: Who said he was disloyal?

'Mr. Ashford: You said nothing.

Mr. Holman: What is the overt act of disloyalty charged against Mr. Stach?

Mr. Wade: I said nothing at all about disloyalty!

'Mr. Ashford: The leader of the Opposition exonerated Mr. Stach of any disloyalty. In the cartoon Mr. Stach depicts an officer of the department whom I do not know, but I am informed it is an excellent likeness. He shows him being run over by a steam-roller. When the under-secretary was informed about the cartoon he censured Mr. Stach. He was prepared to take strong action against him, but it was represented to the under-secretary that possibly Mr. Stach did it in anger, and they did not want to take severe action against him.

Mr. Eden: He ought to have been put in gaol!

'Mr. Ashford: He was told that if he did a similar thing again he would be dismissed from the department. The under-secretary made that recommendation.

The leader of the Opposition has been led into the position of making charges which are quite unfounded. I admit that the fact that certain men have been dismissed from the service shows there was some ground for the criticism which has been levelled against the Government to night; but as regards the Under-Secretary for Lands, I say his loyalty is unquestioned. The leader of the Opposition has been misled into making charges against the Lands Department which are not justified. In conclusion, I want to place on record that the Under-Secretary for Lands has always shown a great sense of duty and intense loyalty to this country, and I am glad to be in a position to defend him against charges which he has not an opportunity to refute.

'Mr. J. C. L. Fitzpatrick (Orange) [8.23]: I do not know that the hon. member has done much towards clearing up the charges which have been levelled against the department by the leader of the Opposition.

'Mr. Grahame: You have withdrawn them all.

'Mr. J. C. L. Fitzpatrick: No, the hon. member has occupied three-quarters of an hour in making men of straw in order to knock them down. He has put into the mouth of the leader of the Opposition charges of all kinds which that hon. member did not make, and he has dodged every issue raised by the leader of the Opposition. Every statement made by the leader of the Opposition has been proved to the hilt. He certainly has not proved any charges of disloyalty against the gentleman whom the Minister has been defending for the last twenty minutes, that is the Under-Secretary for Lands; but that is because no charge of disloyalty was made against him. He has not proved that Mr. Von Stach is disloyal simply because he made no charge of disloyalty against him. But the leader of the Opposition has proved that there are men connected with the public service, notably in the Lands Department, who by reason of their Germanic antecedents, and the statements they have been guilty of, have been proved to be unworthy to remain in the service of the department with men of our own flesh and blood. That is the charge which has been levelled, and which has been proved. The Minister, so far from refuting the charge, has had to admit every word of it. The Minister charged the leader of the Opposition with having secured whatever information he has used from some spy in the department. But let me tell the hon. gentleman that the presence of a spy in the department indicates that there is something to be spied upon. If it is not possible to secure through the medium of questions by word of mouth or on the business paper information from the Minister, we must get information from the best source available. The Minister has not proved that any spy has furnished information. It has not been obtained from the answers given by the Minister, who on many occasions has intentionally dodged the questions.
Mr. Ashford: I ask that the hon. member withdraw the statement that I have intentionally dodged questions!

Mr. Speaker: The hon. member must not impute duplicity to the Minister by saying that he has intentionally dodged a question. It is a highly offensive remark.

Mr. J. C. L. Fitzpatrick: I withdraw the words and put them in another way. I say that the Minister has furnished incorrect information. In relation to a question that affected the two contractors, whose names I did not propose to mention at night unless compelled to do so, his department misspelled the name of the first member of the firm, and left out mention of the name of the second member of the firm, a name which is distinctly German. In connection with this Stash business, the Minister states that an investigation has taken place. That was after the leader of the Opposition had moved in the matter. The Ministry were as dumb as oysters in regard to the employment of Germans until this hullabaloo was kicked up throughout the country. They saw throughout New South Wales a strong forward movement which was antagonistic, not necessarily to them, but to any person or any section of people who are in control of Government departments, tolerated for a single moment without investigation the continual employment of men who were aliens and who in some instances at least had displayed anti-British sentiments by speech and action. Then they were compelled to move. But from the time the war started in August last up to about the middle of this month you could not have shifted them with the biggest team of bullocks the Minister for Lands has on his farm at Liverpool Plains. It was only when they saw the gathering storm that they began to do anything. Some hon. members on that side of the House dare not show their noses at the present moment, not in some of the public gatherings for fear of being chased away with tomahawks. There is no advantage in the hon. member saying that they have done certain things. They have been done because they have been compelled by public opinion to do them, and by representations which have come from this side of the House. I want to ask the Minister for Lands whether he is prepared to give an explanation in regard to a matter in which his own department is involved. It is only a small matter, I admit, but at the same time, it is one that can reasonably be dealt with at this juncture and in conjunction with this motion. Representations were made to the Lands Department some time since by the Farmers and Settlers' Association at a place called Cave Creek, who wanted the name of the post office altered from "German's Hill" to some other title. They objected to the name still being applied to a locality in a loyal electorate; they therefore made representations to the Postmaster-General. The representations were made by Mr. Piggott, the federal member for the electorate, to the Postmaster-General; who sent him a reply to the effect that he could not bring about the alteration by reason of the fact that the State Lands Department would not consent to any change of name. The Lands Department is apparently the adjudicating department in connection with that matter. Can the Minister give any explanation as to why that course was adopted? Will the hon. member make inquiry with the view of ascertaining what the objection to the proposed alteration is? I merely mention the matter as an incident associated with the administration of the Lands Department which conveys the idea that there is something peculiar about the action of the officers there.

Mr. Holman: Hear, hear!

Mr. J. C. L. Fitzpatrick: I do not know whether the Premier's "hear, hear" is sincere. I may ask the hon. member some questions of rather an awkward character. I do not want to do it.

Mr. Holman: You do want to do it, but you are not game.

Mr. J. C. L. Fitzpatrick: Will the hon. member tell me whether he knows a gentleman of the name of Gustav Roth? I know the hon. member does.

Mr. Speaker: Order! The hon. member must address himself to the question before the Chair, and not carry on a conversation with the Premier.
Mr. J. C. L. FITZPATRICK: I go so far as to say with regard to the attitude that has been adopted by the leader of the Opposition in connection with this matter, that there is every justification for the course that has been taken by him. When the Premier last night dealt with the German question we know what his object was. We know that he had not a keen desire to allay public suspicion as to what the attitude of the Government is in relation to the Germans. There is an election looming in the distance over yonder, and it was anticipated that the move made last night might cement some of the disorganised sections of the party there. But it has had an altogether different effect.

I am not making any charge against the Minister for Lands, but I say that there has been justification for suspicion throughout the state as to the manner in which certain branches of the Lands Department have been conducted in relation to the employment of Germans. What applies to that department applies with equal force to some of the other departments. The Premier mentioned in connection with the employment of Germans that there are only twenty-five of them continuously employed in the various departments of the state.

Mr. Speaker: Order! The hon. member must confine himself to the motion before the House, which refers to officials of the Lands Department.

Mr. J. C. L. FITZPATRICK: In connection with this motion I say that the Minister for Lands has not disproved a single charge that has been levelled against the administration of his department. The hon. member has side-tracked in several instances and endeavoured to draw a red herring across the trail, but he has been unsuccessful even from that standpoint. He has miserably failed in his efforts to rid the department of the charge which has been levelled against it with some degree of force—that special privileges have been accorded to some men with German names who have long since forfeited any right to any consideration at the hands of those who control the destinies of the state.

Mr. HOLMAN (Cootamundra), Premier and Colonial Treasurer [8.37]: I rise to say a few words at this stage of the debate, not with any idea of adding to such measure of heat as has so far been generated, but to deprecate in the strongest possible way the taking up of the time of Parliament over the stupid little squabbles, of the quality of small beer, which have been ventilated by the leader of the Opposition to-night. The hon. member says that my colleague has not refuted the charges made against the administration of his department. I listened to the hon. member for Gordon, and, like every other hon. member, I am still unaware of what those charges are. What are they? The hon. member has laid it down that where a man of German extraction was born in Australia—particularly if he is only partly German by extraction—there must be some overt act of disloyalty—

Mr. WADE: I did not charge him with disloyalty!

Mr. HOLMAN: The hon. member makes a charge against him because he spoke politely to a brother officer in the Lands Department. The adjournment of the House is moved by the hon. member because there has been some stupid little squabble in the Lands Department as to who should do a job.

Mr. WADE: An enemy or a Britisher!

Mr. HOLMAN: Just so; and an officer of the Lands Department having decided that a Britisher shall do it—

Mr. GRAHAME: The leader of the Opposition says the Australian is an enemy!

Mr. WADE: I did not say anything of the kind!

Mr. HOLMAN: The hon. member says that the Australian-born is an enemy. The hon. member says that a man born in Australia is not to be regarded as a traitor unless he commits some overt act of disloyalty.

Mr. WADE: I never said that. I said that these persons should not be regarded as disloyal without overt acts!

Mr. HOLMAN: Very well. They are Australians, and as such they cannot be enemies. They may be disloyal Australians in which case they would be traitors; but the hon. member himself has said that they are not to be considered disloyal unless there is some evidence of an overt act. We have asked the hon. member for evidence of some
Adjournment. [22 Sept., 1915.] German Officials. 2059

Mr. Wade: There is no charge of disloyalty.

Mr. Holman: There is no charge of disloyalty made against Mr. Stach, Mr. Hare, the Minister, or me.

Mr. Wade: No!

Mr. Holman: Then there is no charge against anyone.

Mr. Wade: Yes, there is, against Schulze!

Mr. Holman: We have dealt with Schulze ourselves. What does the hon. member mean by wasting the time of Parliament over a matter into which the questions of loyalty and disloyalty do not enter. He now disclaims everything. The whole trouble about Von Stach is that he put up a cartoon that was regarded as offensive by four other officers. For that, I understand, he was dealt with officially. I do not know whether he was or not. But in any case there is no national interest of any kind concerned in this quarrel between Von Stach and his brother officers. The man who gave Von Stach the work of preparing the roll of honor was one of the subordinate officers of the department—Mr. Vautin. Mr. Vautin is a captain in the defence forces, and is a man who may be regarded as specially qualified to keep an eye on suspicious cases. He made a certain recommendation that this man Von Stach should be given the work of preparing the roll of honor, and Mr. Hare approved of it, as I suppose he approves of hundreds of things in the course of the day. I am now speaking of the design for the roll of honor. When some of the officers discovered that the work was being done by a German, or a gentleman of German extraction, representations were made to Mr. Hare that the roll of honor should be regarded as sacred as Holy Writ. The moment they said that Mr. Hare said, "I think so," and with that the whole of the German element disappeared. There was no fuss in this House, there were no exciting speeches outside, and there was no necessity for any agitation. The proper authorities dealt with the matter in a proper way. Ministers do not take credit for that. They had nothing to do with it, because Mr. Hare did the whole thing himself. He was approached in the proper way, and he acted in the proper way, and there the whole thing ended. It now turns out that the man who was disappointed of the honor of doing this work afterwards had a row with the man who he thought had done him out of it, and apparently from that the matter has come to the knowledge of the leader of the Opposition. I do not ask the leader of the Opposition to tell us the channel through which he has received his information. But he takes up the time of Parliament and tries to make a fierce political fight over this miserable squabble between some draftsmen in the Lands Department. He says there was some preference shown; but there was no preference. Von Stach was preferred by Mr. Vautin, a subordinate official of the department. We are not responsible for that. If Mr. Vautin had done wrong, and the matter had been brought to the notice of the Minister, it would have been the duty of the Minister to act. But in this case the error was corrected by the under-secretary months ago.

Mr. Wade: Only five days ago—on Friday last!

Mr. Holman: The whole thing was disposed of without any fuss. When the information was brought to Mr. Hare, he acted upon it, and there the whole thing ended. The leader of the Opposition stated yesterday that he had in his possession information which would show that there was something going on in the Lands Department in the way of preference to German employees and discrimination against British employees, of which Ministers ought to know. If they did not know of it they were lacking in their duty. He said this could be shown by public documents which were accessible to hon. members, and doubly accessible to Ministers. Yet today what does he prove? He proves that there has been a bit of a row between three or four of the draftsmen in the Lands Department, because one of them put on the wall of his office a cartoon which the others regarded as offensive. That is the case of Von Stach.

Mr. Wade:
Adjournment: [ASSEMBLY.] German Officials.

Mr. HOLMAN: It is all very well to say there is nothing in the case of Von Stach.

Mr. WADE: I take both cases!

Mr. HOLMAN: When we show there is nothing in one case, the lion member will take refuge in the other. He told us yesterday, "You wait until you hear what I have to tell you about Von Stach. I will make your blood run cold." Now that we have cleared the air in regard to Von Stach's case, he says, "Ah, but: what about Schulze?"

Now I will come to the case of Schulze. It is with considerable reluctance that we have deprived a man of that kind of his living; but he has brought it on himself. We have laid down the rule and we are going to adhere to it without fear or favouritism that where men drawing the money of the state are such fools as not to be able to act in accordance with the express policy of the state, they must go. It is hard on this individual. He has done faithful service as a draftsman for many years, and there was no fault to find with his work. He has brought up a large family, but unfortunately he has played the fool. He took his official life in his hands and the official axe has fallen on him.

Mr. WADE: Can you say when it fell upon him?

Mr. HOLMAN: It fell before the hon. member brought forward his motion.

Mr. WADE: It ought to have fallen six months ago!

Mr. HOLMAN: Perhaps it ought, but I do not admit that. What ought to have been done six months ago is no justification for the hon. member prostituting his high position as leader of the Opposition, and pandering to this dirty current of intrigue—that is going on.

Mr. J. C. L. FITZPATRICK: I appeal for your ruling, Mr. Speaker: I object to this language!

Mr. HOLMAN: I will withdraw without a ruling. I do not think it worthy of the leader of the Opposition to come to the House and give the countenance of his high position in the public life of this state to this infamous current of intrigue which has been going on for some months past—this effort to create out of the anti-German cry the purely political weapon which was alluded to by my hon. colleague in his speech. I re-echo the sentiments expressed by my hon. colleague upon that point, and I say that as a Government we will not suffer the imputation that we are slack in our duties to the Empire.

Mr. WADE: How do you mean—you will not suffer it?

Mr. HOLMAN: We will answer it every time. We will show the people where this new-born zeal originates, and what section of the people the appeal is being made by.

Mr. WADE: Your own followers!

Mr. HOLMAN: The loyalty of public men is not to be measured by their attitude on a miserable question such as the relations which are to be adopted towards half-a-dozen, or a hundred, defenceless Germans in our midst.

An HON. MEMBER: British subjects!

Mr. HOLMAN: British subjects, of course, naturalised under our law, and entitled to its protection. That may be a matter upon which there is room for a fair difference of opinion; but on the matter brought up by the hon. member to-night, with so much thundering preliminary, there is no room for difference of opinion at all. I refer to the matter of this man Stach. There the question of loyalty to the Empire does not enter. In answer to an interjection of mine—which I admit I had no right to make—but which was wrung from me by the speechless illogicality of the hon. member's attitude—the hon. member admitted expressly to me that he had no overt act of disloyalty at all to allege against this man. He admitted that he had never thought of charging the man with disloyalty—

Mr. WADE: What is my motion to-night?

Mr. HOLMAN: If the man is an Australian, on the hon. member's own admission, and if he has never been guilty of any overt act of disloyalty, why should he not have his chance?

Mr. WADE: Then why was he removed?

Mr. HOLMAN: Because of the sentimental objections of officers of the Lands Department.

Mr. WADE: And by whom was he put there?

Mr. HOLMAN: By Captain Vautin—not by this Government.

Mr. WADE: And why?
Mr. HOLMAN:—Do I know Captain Vautin's reasons? This Government had nothing to do with putting him there, and had nothing to do with removing him from the job. He was put there by one officer of the Lands Department, in the exercise of his official functions, and was removed by another. The Ministry had nothing whatever to do with that action. If anything was going wrong in the Lands Department, and the hon. member merely wanted to protect the interests of downtrodden Britshers there, he had the means to do so. There was no necessity for him to come here and thunder at a corner of the table for half an hour, in order to get British justice for officers of the Lands Department. This new weapon against the Government is not to be forged that way, and if it is to be forged by the continuous repetition of these pro-German insinuations that the Government is favourable to the German cause, and that it is a disloyal Government, then let hon. members opposite, or the more responsible among them, repudiate that suggestion every time they are confronted with it. The leader of the Opposition repudiates the suggestion that I or my colleagues are disloyal, or that the under-secretaries are disloyal; he repudiates that every time he is asked to say yes or no. Yet again and again the matter comes up; this House has to be disturbed, and the progress of public business arrested, in order that these great questions, going to the very root of the safety of the state in this hour of crisis, may be discussed. I say the thing would arouse infinite indignation, if it did not also arouse such a large measure of contempt. The purpose of the thing is so obvious. The intentions of notions of this kind is so palpable. This is done merely in the hope of to some extent discrediting the Government. The public may be moved for the moment; I have been prepared to see a certain period of hysteria, which we shall have to live through, being carefully fanned by certain people outside this Parliament, and to which the hon. member now seems to be lending himself by the various means which have been adopted by him over and over again; but I say that the public will not judge between the Government and the Opposition upon a miserable cry of this kind. We have been engaged in our duties as a Government ever since the war broke out, over twelve months ago, but during the last four months in particular, since we were appealed to by the Federal Government to lend a hand in recruiting—to assist in the preparation of munitions—to cooperate in the raising of funds in aid of the wounded soldiers—to undertake the manufacture of shell ammunition and machine guns; and to use all the resources of the state to help in the equipment of the Imperial forces. Four months ago this Government was invited by the Federal Government to assist it. Up to that moment we had had no such invitation from the Federal Government; we got that invitation, and have since done everything that such a body of men could do. We have worked night and day, and if I myself have failed to realise the temporary strength of this hysterical anti-German cry, I have failed simply because I have been too much absorbed in my official and administrative duties, arising out of the new tasks devolving upon us, to follow every fluctuation of public opinion outside. I confess I have treated the whole movement, so far, with contempt. The idea that a schoolmaster, aged 58, married to an Australian wife, and with a family of grown-up Australian children, is a menace to the state, and that the real question of loyalty to the Empire is to be decided by whether you are prepared now, in the autumn of his days, to kick him out on the roadside or not, is an idea which could enter into no bosom of this House except half-a-dozen selected bosoms on the front Opposition bench. I repudiate that idea with the scorn which it deserves. The hon. member for Orange and I have stood together in unpopular movements before to-day. I know his staunchness, and I flatter myself he knows mine. He knows that a momentary wave of passing popular hysteria will not affect me any more than it will affect him. I will stand by what we have done in this matter, and what we believe to have been the right thing to do.

I am as bitterly hostile to the German nationalism and the German Government as any hon. member in this House; but I
show my hostility not by going and smashing windows of defenceless men in our midst. I show my hostility to the German Government by starting a recruiting campaign; by risking a certain amount of odium and unpopularity in certain regions, and incurring the antagonism of a party of cowardly loafers who do not want to go to the front. It is they who are making this anti-German cry raised by Sir Joseph Carruthers an excuse for not answering the appeal to enlist. That is the only excuse that has been invented for the loafer and the skulker, by those who really wished to invent something upon which to attack the Government. I show my hostility to Germany by means like that; and I invite hon. members generally to show by their contempt the unworthiness and unprofitableness of intrigues and manœuvres of this kind, which are merely intended to ultimately bring some small measure of discredit on the Government of the day. I ask hon. members throughout this House to say that New South Wales shall not suffer the disgrace of being the only state in Australia which in a moment of hysterical panic so far forgot the dignity becoming a great state, and the respect due to its law and its enlightened word, as to tear up like a scrap of paper, the obligations it was under to its faithful servants. These people have been our faithful servants for many years; they have given loyal and conscientious service; they have done their duty. With regard to the men and women whose names I read out to the House to-day, the answer to inquiries is in every case the same: they have done their duty absolutely without blemish or failure, and they are entitled under our laws to be treated on exactly the same level as our own citizens. We have laid down that principle, and the hon. member himself has in another case laid down the same principle—that unless some overt act of disloyalty can be proved against these people we should treat them as our own citizens.

Mr. WADE: I never said that!

Mr. HOLMAN: Then the hon. member never says anything. The hon. member says and unsays with so much rapidity that I have given up the attempt to follow him. He said at one time that anyone bearing a German name should be regarded as an enemy.

Mr. WADE: I say so still—in military circles!

Mr. HOLMAN: Then the hon. member said that the Germans and their sons are to be hounded out of the public service.

Mr. WADE: I did not say that!

Mr. HOLMAN: The hon. member did.

Mr. WADE: I did not!

Mr. HOLMAN: Then the hon. member took that back, and now it turns out that he said something quite different from all three. So far as I can understand, he says that whatever the Government have done, it is wrong, and that the Government is disloyal.

Mr. WADE: I did not say that!

Mr. FINGLETON (Waverley) [8.59]: As a matter of personal explanation, I think it is the custom of this House that when a statement is made to which an hon. member rises in his place and gives a denial, the hon. member is entitled to have his word taken. Last night the leader of the Opposition made the statement that I attended an anti-German meeting in Waverley. I gave that an emphatic denial. To-night he makes the same statement. I again give it an emphatic denial. I understand the hon. member sent for the newspapers of the day, to try and discover a report bearing out his statement. I will now go further, and defy him to find any account in any newspaper in New South Wales of my speaking. I think I am entitled to ask the leader of the Opposition to withdraw.

Mr. SPEAKER: Last night it escaped my memory that the hon. member, as he has explained, gave a denial. In accordance with parliamentary procedure the leader of the Opposition is, of course, bound to accept the hon. member's denial.

Mr. WADE: I accept it, Mr. Speaker!

Mr. D. STOREY (Randwick) [9.1]: The leader of the Government complains that the time of Parliament is being taken up with some trumpery matter introduced by the leader of the Opposition. It appears to me that it would be impossible for this or any other Parliament in the British dominions to debate too fully anything pertaining to the un-
happy trouble going on in Europe in order to bring about a condition of affairs which would be helpful to the Empire. The Premier, instead of complaining of the time of Parliament being taken up, should congratulate the leader of the Opposition upon having the courage to do to-day what Parliament should have done months ago. The speech just delivered by the Premier, with its references to loyalty and other details foreign to the question before the House, was a very belated utterance. The hon. member should have made it ten or twelve months ago.

Mr. ASHFORD: On a point of order, Mr. Speaker, I submit that the hon. member is not confining himself to the question before the House.

Mr. Speaker: I allowed the Premier, as the leader of the House, to deal with matters outside the strict question before the House—the matter of loyalty and the motives which actuated certain movements; and in fairness I will allow the hon. member for Randwick to incidentally touch upon the same subject.

Mr. D. STOREY: I repeat that the Premier’s utterance was very belated, considering that ten months ago I appealed to the hon. member to give me an opportunity to discuss the whole question. But the hon. member did not think that it was in the interests of Parliament or the Empire to give me the opportunity. To-day, when there is a public appeal, the hon. member must obey. I do not wish to say one hard word against the Minister for Lands. I recognise that the hon. member is in every way most loyal to the Empire. But that is no reason why I should not complain of the circular issued in his department with the authority of the Minister, the under-secretary, and the Public Service Board; and which was pasted up for the officials and the general public to read. That circular cautioned the officials of one of the great departments of the state not to converse about the war, or to say anything against the Germans. What a monstrous thing in a British community! Immediately the Minister became aware of it he should have seen that it was torn down, and that whoever was responsible was severely censured. There is another question which deserves consideration.

It has been referred to as political, but there is nothing political about it. I hope the political fights will not be introduced into this trouble. We want to avoid them just as we want to avoid party interests of every kind. That is why I have always contended that we should not, at a period like this, be considering anything except what will be helpful to the Empire. How did it come to pass that when certain work was required to be done for the country a firm of the name of Stockmann & Kleinig was selected?

Mr. ASHFORD: The hon. member will admit that I explained that matter!

Mr. D. STOREY: I heard the Minister’s explanation, but it did not satisfy me. If I proposed to give employment to somebody, and I found that they possessed such names as I have heard mentioned to-night I should make full inquiries before I, as a private employer, gave them anything to do. Much more should I do it if, like the Minister, I was administering the taxpayers’ money. How did it come to pass, I repeat, that this firm was selected when they were employing other German countrymen who were on parole and who had to report themselves to the police? That question requires to be answered, and the contract, if it is a contract, should be suspended or cancelled. We have no right to give employment to a German firm employing other Germans, and at the same time go through the country advising our young men to join the colours and risk their lives for the Empire. If the leader of the Opposition did no more than refer to this matter he rendered great service to the country. Now, as to the Premier’s absurd attempt to ridicule the anti-German meetings. I have attended hundreds of such meetings in this country, and I am proud to be able to stand on the public platform and speak to the people against anything German. We know that the Germans in this country have been spying and scheming against us for the last thirty years. Things are coming to a pretty pass if hon. members or people outside are to be catechised by the Premier because they believe in and support an anti-German movement. Another German—this time, cro in the public service—has been re-
ferred to—a Mr. Von Stach: It is stated that this gentleman created trouble in the Lands Department; and if he did, he has a right to suffer for it. What right has he to complain that his cartoon was not accepted? It: all work's back to the one position: to allay the public mind in this state which should be done now is what I advocated ten months ago. Every man born in Germany resides in this state, whether naturalised or not, should be suspended during the currency of the war, and that would relieve the public mind.

Mr. G. R. W. McDONALD:—
Mr. D. Storey: I personally would not hurt anybody. I would not hurt a German. If a German were hungry, it would feed him, or contribute towards his support, because after all, we do not treat people in British communities in the same way as Germans treat the British. But we have to consider this question: What would the Germans do with Britishers in their public service to-day? Would they give them any consideration in the Lands Department, or the railways or anywhere else? No, the Britishers would all be placed in gaol. They would be interned, and made to work for the necessities of the German nation. I know some decent men who are of German descent, and whose word I would accept; but at the present time we have no right to take any risks.

Another complaint which has been made is in reference to the spy system. We all despise spies. We know that at any time a spy is not looked upon as an excellent fellow; but while we are at war, it is only right that we should employ spies to find out what our enemies are doing. Have the Germans not had not only this country but countries throughout the world flooded with spies for the last dozen years with the object of finding out what would be of advantage to them in their effort to beat the Allies? As regards the alleged spy in the Lands Department, I say, all honor to him! If he knew there was something wrong, going on in a public department, it was his duty to report it to somebody, so that the military or the police might take action: If he failed in that duty, he was a traitor to his nation: At the present time, if any person finds out anything that may tend to assist the enemy, it is his duty to give information to the military authorities, the Inspector-General of Police, or some other high authority. Instead of condemning a spy system of that kind, I do not exonerate those people for what they have done in that respect, but I compliment them for their patriotic action.

Mr. Speaker: The hon. member has now exhausted his time.

Mr. Edden: The hon. member has brought before the House. As a member of the Government party, I have no reason to exonerate the Government in respect of everything that has been said. After listening to the speech of the leader of the Opposition, and the reply of the Minister for Lands, I ask, did this man do that with which he was charged, or did he not? If he did, I would bump him out without any consideration whatever. I say in all earnestness that this is a very serious subject which we are discussing. There are Germans in our midst: There are Britishers in Berlin, and what are the Germans doing with them?

An hon. member: Making them work.

Mr. Edden: Yes, and they have put them in cellars. A resident of the Newcastle district named Mr. Vial, who is one of the best violinists ever known, was at the outbreak of the war residing in Germany. We have been pampering the German nation so much that if we desire our children to complete their musical education, we send them to Germany: What did the Germans do with this poor young fellow? They absolutely ruined his health. As regards this officer in the Lands Department, we are told that he is a good officer. Of course, he is, because it pays him to be a good servant. During the twenty-four years I have been in this House, I have been in the habit of illustrating my arguments by little anecdotes; and I intend to relate another. In India there are hot as well as cold climates. A poor Indian was in a cold climate and saw a snake which he thought was dead. He humorously picked it up and put it inside his shirt against his bosom. As soon as the heat brought animation to the snake,
it turned round and bit him for his kindness. If I were Minister of a department, and a German in that department came and told me that he wanted to see his nation defeated, I would tell him he was a liar. That would be the first thing to cause me to strike him. I know the largeness of heart of the Minister; but he should be careful and not be too large-hearted. I have been large-hearted; and to be so at all times is to be a fool! I will admit it is hard on these men. When I once visited Lockhart as a member of the Public Works Committee, I met an old German who was the grandfather of children born in Australia. It is hard to say that such a man should be interned, but it is a different matter when we come into the public departments and find men there who are able to give away secrets. Let the result be—what it may, action is necessary. I am glad that the leader of the Opposition in this national crisis was manly enough to say: he was not attempting to force a local crisis, but by heavens we want to watch what we are doing; I said the other night in this Chamber that if I were in Berlin and had the opportunity I would blow up the Kaiser and the whole lot of them.

Mr. HOSKINS (Dulwich Hill).[9.22]: The leader of the Opposition has rendered a great service to the country by bringing this question before the House. It is all very well for hon. gentlemen opposite to say: that this is an electioneering cry, but it appears to me that the one thing they do not realise is that we are at war with Germany. That makes all the difference in the position from what it was a few years ago. It makes all the difference in regard to the Germans employed in the Government service, and the Government has been lacking in its duty or lacking in backbone in not having taken the matter in hand earlier. The Government must be cognisant of what is going on outside and being fully aware of the facts they should have taken all due precautions to safeguard the public service. They know well about the discoveries of wireless telegraphy-plants outside. One was found in my district. I am informed by the police authorities that the Germans in that district knew before the Federal Government knew that war had been declared between England and Germany. When the police went to that man's house they found a wireless set attached to the chimney and seized it.

Mr. T. BROWN: Bunkum! How could a wireless message reach him!

Mr. HOSKINS: It is all very well for the hon. gentleman to cry bunkum, and for the Minister to try to wipe the speech of the leader of the Opposition aside by saying it was a mere platform speech, but that cock will not fight in the country even if it fights here. The people in the country are beginning to realise what is going on, and that is what annoys hon. gentlemen opposite. The German to whom I have referred was afterwards granted an hotel licence at Coogee.

Mr. SPEAKER: The hon. gentleman will see that the machinations of Germans outside the Lands Department have nothing to do with the question before the House.

Mr. HOSKINS: Quite so, Mr. Speaker; I was merely using that illustration to emphasise the necessity for the Government to strictly guard the interests of the public departments. I am not satisfied with the explanation given to the questions asked not only by the leader of the Opposition but also by the hon. member for Orange. I do not say there is anything wrong with the Minister, or that he is disloyal. He has to take the statements of his officers, but those who furnished him with the replies to those questions should have been dismissed! We have to realise what the position may be should the worst happen. What would the Germans do if we were to lose? We must remember that a German, whether in the Government employed or not, naturalised or not, is a German for ever, just as I am a Britisher for ever. If I were in Germany, whether naturalised or not, no matter what they did to me I would do my best for my country. The Germans here are going to win for their own country if they can, just as we would win for ours. Therefore we should try to keep the civil service free from these enemies who are in our midst to-day. I do not say this disrespectfully of German citizens, because I know many of them, but the whole point is that we are at war with Germany, and must take every possible precaution to protect ourselves. The
leader of the Opposition deserves credit for what he has done to-night, and I am sure his action will be indorsed by people outside, despite the statement of hon. members opposite that this is an election cry. The people outside will stand with us in connection with this matter.

Mr. HOLLIS (Newtown) [9.29]: The hon. member who has just resumed his seat has succeeded very well in saying nothing. The hon. member for Randwick said that this debate had convinced him that it was impossible to properly consider any question in this House as long as the present Parliament lasted. What difference has this debate made in that respect? No matter what question comes before the House the Opposition is on one side and the Government is on the other. This debate has not altered that position, but it has shown, if anything could show, the merciless tyranny that would be exercised by members on that side of the House. I remember an incident in this Chamber some years ago when at the instance of the Opposition the House passed the Coercion Bill. I engaged in a vain endeavour to get the Chairman of Committees to hear me.

Mr. WADE: I ask your ruling whether the hon. member's remarks are in order.

Mr. SPEAKER: The hon. member will see that the Coercion Act of some years ago has nothing to do with the present question.

Mr. HOLLIS: I only wanted to make an incidental reference to that act, so as to connect my argument. I can show that hon. gentlemen on the other side of the House are true to the old traditions of the Liberal party. They are on the side of tyranny and against liberty all the time. I do not forget that a bill was passed in this House which made it impossible for three men to talk together in the street.

Mr. SPEAKER: Order! I am very loth, on account of the short period permitted to the hon. member, to interrupt him, but I must point out that the Coercion Act has no relevancy to the action of certain officials in the Lands Department. If the hon. member will deal with the question of the undue consideration shown to Germans by those officials he will be in order.

Mr. HOLLIS: I am trying in my imperfect way to lead up to that incident in English history, the Habeas Corpus Act, which is the foundation of British liberties. I want to show that hon. gentlemen opposite are true to their traditions. I quoted Whittier against them on a memorable occasion in this House. The Empire is engaged in this war because of a scrap of paper. No one hates the horrible nation of Germany more than I do. It had no idea what a scrap of paper meant. For many years past in Australia we have said that we would welcome anyone from northern Europe. This country wants more people to fill its empty spaces. We want people who will defend it if it is threatened, and I would shoot the man who would not defend it. The country wants more population, and, rightly or wrongly, we have said that we would give preference to the nations of northern Europe. When people from those nations came here we gave them a scrap of paper.

Mr. EDDEN: They came here because it paid them to do so!

Mr. HOLLIS: I do not care whether it paid them or not. I believe in keeping a bargain. I do not think the people of this country are prepared, after making a bargain, to go back on it without good reason.

There is no place in the public service for an unnaturalised German. We should take care that there are no traitors employed either in the service of the state or outside the service. It is foreign to my nature to act the spy, but, seeing what dirty tricks the German Government has played, and the doctrines which have been disseminated throughout the German population of this state, I consider it is the duty of the state to employ the most perfect system of espionage in the case of every German or person of German sympathies; but I am not prepared to ignore the great principle of British liberty, and to put a man in durance before he has had an opportunity to prove his case.

Mr. EDDEN: You have spoiled a good speech!

Mr. HOLLIS: I do not care whether I have or not. I have been a fighter for British liberty all my life. I am not ashamed to say that I have no sympathy...
with this bogus public opinion of the present time. The sentiments I am now expressing are those which have brought the British nation from its darkest days into the condition of freedom which it now enjoys. I hold that no man should be condemned without a reasonable trial. I am prepared to say that, if I were in charge of a department, I would institute the most rigid inquiry with regard to the opinions of the men employed in the department, but if I doubted any man I would give him a fair deal. If he came out of the ordeal well I would not punish him. I have lived my life in my own fashion and until this war I never regretted being too old to take up arms. I am an Australian and Britisher every inch of me, but I have my opinions and am going to express them. I am not going back on what my forefathers fought for, and what I have always fought for, and am going to fight for as long as I live—that no man should be condemned without a reasonable trial. 

Take the motion on the business-paper to-day in the name of the leader of the Opposition. It is sheer Liberalism. We have had that sort of thing over and over again. Hon. members opposite are working on a false public sentiment. But when the people consider this question fully I have confidence that they will agree with me that no man should be condemned without a fair trial. I would make the ordeal a strict one, but I would not punish a man unless he was guilty. I am against the motion of the leader of the Opposition, which really asks us to punish people who are not guilty.

Captain TOOMBS (Hurstville) [9.42]: I am rather sorry that the leader of the Opposition should have moved the adjournment of the House on this question. There is not the slightest doubt that outside this Chamber a strong attempt has been made to blacken the political character of members on this side of the House; to call them disloyal, pro-German, in fact anything at all which might do them injury and prevent their return to this Chamber at some future date. I believe that there is no member on that side of the House who is not prepared to say that every member on this side, the leader of the party, and the rank and file, would be prepared to do their utmost to forward Britain's cause in this time of national strife. It is no use bringing forward motions of adjournment in this Chamber with the view of proving that the Government is a disloyal pro-German Government, who are simply the enemies of the Empire, and to try to make out that the only true-blue loyalists and patriots sit in the cold shades of opposition. There is no sacrifice that has been made by any hon. member on that side of the House which has not also been made by hon. members on this side of the House. Who was the cause of our having this alien population with us to-day? Who was it that swept Europe with a small tooth-comb and brought or tried to bring out the scum of Europe to populate Australia? Was it the Labour party? Were it not for the fact that the democracy rose up in their might and used the power that the Constitution gave them and took the power from those gentlemen and declared that the future population of Australasia should be an Australian and if possible a British population, what sort of hybrid population would we have had to recruit from to-day?

Mr. Speaker: Order! The hon. member has evidently not read the motion. The hon. member will see that the gene­sis of Australia, from a racial point of view, is entirely foreign to the question, which is the "undue consideration extended to persons of German origin by officials of the Department of Lands." It is a specific question relating to a specific department.

Captain TOOMBS: I am trying to show that the motion moved to-night and the hon. gentleman's motion on the business-paper are for no other reason than to try to make out that we are a pro-German party.

Mr. Speaker: Order! The hon. member must understand that there is no item on the business-paper open for discussion. The only matter before the House now is this specific matter.

Captain TOOMBS: If the leader of the Opposition were absolutely sincere and believed that a department of state was being maladministered—

Mr. J. C. L. Fitzpatrick: I take a point of order as to whether the hon. member is entitled to question the sincerity of the leader of the Opposition.
Mr. Speaker: The phrase used by the hon. member for Hurstville was, I take it, used in a Pickwickian sense, with no intention to be offensive.

Captain TOOMBS: I say that if the leader of the Opposition was sincere and believed that a great deal of the state was being maladministered and that preference was being shown to enemy subjects to the detriment of the British Empire, the hon. member would not have gone this way about the matter. The hon. member would not have waited night after night to get a chance of bringing this motion of adjournment before the House. If he had done so I say that, with the head of that department and the officials against whom he charges corruption, the hon. member would have been equally guilty if he had delayed for five minutes taking action in the matter. The hon. member would have gone to the head of the department and told him what was happening there. He would have said in the language of an hon. Minister, "This thing must stop." But he did not do that. Had he gone that way about the matter, it would not have attained notoriety. There would not have been publicity given to it. It would not have gone abroad that this pro-German party gave preference to Germans in various departments of state. The Premier has shown that the fullest investigations have been made, and are still proceeding, with regard to German naturalised subjects. When I say "German naturalised subjects," on the evidence that has been read surely there is something more to Australia than naturalised subjects. Would any hon. member opposite say that a man who has renounced his own country and sworn allegiance to the British throne, who has made his home here for forty years, who has married an Australian woman, and has had children born in Australia, some of whom are to-day fighting in the trenches, should be looked upon as disloyal? Would they say that a man who has given the very best of God's gifts to him in the defence of the Empire should be denied by us—that we should imitate the actions of the chief powers of Europe? Would hon. members say that we should dishonor the solemn compact we have made with that man—a compact which he has kept to a greater extent than we have asked him—and that we should say, "Notwithstanding the fact that your sons are now fighting in our trenches you shall not earn your bread on this soil you have adopted as your own, and for which you are prepared to fight?" Anyone who is prepared to take up such a position would be willing to make scraps of paper of the most solemn obligations, whether they were treaties with nations or sacred compacts with individuals. More power and all honor to the head of the Government who will not be swayed by false sentiments, expressed in many cases by shirkers who have to find some excuse when asked why they are not with their fellow men in the trenches! All honor to the Government that will not be bullied, threatened, or frightened into dishonorable actions such as have been advocated by the so-called anti-Germans outside! We have seen it reported that in England, unfortunately, some people of British origin have made treacherous utterances. Some people cannot see any justice or merit in any war; but fortunately we can feel some pride in the fact that all sections of the British Empire recognise the merits of this struggle, and are prepared to do their best for the nation. Any man of German or British extraction, or of any nationality, living in our midst who dares to utter seditious language, or disturb the people among whom he lives by creating alarm, has a place ready to receive him. But there is nothing to warrant this Government in sparring at shadows, or in imagining that every person they meet, who happens to have a German name, must of necessity be a German spy. What would be our case if we were in the same position as some other portions of the Empire? What would be the position in South Africa to-day if all the persons with German names were interned in a concentration camp? Methinks we should have wanted men to take from Kaiser Wilhelm his South African colonies. If the records are consulted it will be found that 75 per cent. of the men who have done the brunt of the fighting against the German forces in South Africa have
Adjournment. [22 Sept., 1915.] German Officials. 2009

German names. Notwithstanding this fact they were loyal and honorable—

Mr. PAGE: De Wet was not!

Captain TOOMBS: One swallow does not make a summer, and no one can asperse the name that South Africa has made for herself in this war because of the fact that one or two, or even twenty-two, of her public men proved to be traitors. We have Australians of the third generation who bear German names, and we cannot afford to tell these men that they are aliens, spies, and criminals. We must first of all give them a fair and impartial trial. If we find them guilty, we should inflict the extreme penalty allowed by the law; but until guilt is proved, we must judge them to be innocent. The leader of the Opposition apparently has the idea that there are some Germans now loose who ought to be placed under restraint, but I believe that on calm reflection he will be prepared to agree that we should not be justified at present in rounding up every man with a German name and declaring that he should not work. We should not be justified in saying to any such man, "You shall be deprived of the means of living; you have married an Australian wife, but we do not care for that. You have Australian sons, who are fighting for the Empire, but we do not care for that—you have a German name." On reflection, the leader of the Opposition will be prepared to admit that even though men have German names the honor of New South Wales and this Chamber demands that they shall be given a fair and impartial trial. If these men are innocent, and good loyal citizens, notwithstanding the names they are unfortunate enough to bear, we cannot treat them with too much kindness or too much consideration.

Mr. CUSACK (Albury) [9.59]: The matter with which we are now dealing is becoming commonplace. It is being served up rather frequently, and every time it is brought before the House the Government shows that it is able to deal with the question in a statesmanlike manner. The leader of the Opposition has been very astute in having this resolution framed and placed on the business-paper, and in suggesting that, as a matter of kindness, he would like it to stand over until after the Willoughby election.

Mr. WADE: It was not placed on the business-paper at all!

Mr. CUSACK: The action which has been taken by the hon. member synchronises with the speeches and demands which have been made outside with the object of creating the impression that this Government is acting disloyally in connection with certain persons who are described as Germans. Why they are so described I am at a loss to understand. Some months ago, when referring to these people who were living in our midst, hon. members of the Opposition reminded me that they were British subjects. I take it they are British subjects still. For public men and the press to endeavour to lead people to believe, when recruiting is urged upon them, that men who leave the civil service to go to the front have their positions taken by Germans is a despicable attempt to mislead the public at a time when feeling runs high. Unless there is good reason for believing that the insinuations made have some foundation people should hesitate to make them. Every time this subject has been investigated these charges have been proved to be without foundation. The position of this Government will compare with that of the Government of the Commonwealth or of any other state in Australia. In Queensland at the last election the Liberal party sought to catch votes by describing the Ministers as "Herr" this and "Herr" that. The Labour Opposition in that state did not try to inflame public opinion on that score, though they had good grounds for doing so. Citizens of other nations have been pleased to come to this state because we give them a greater measure of freedom and liberty than they enjoy in their own countries; yet we doubt their loyalty. Does not history teach us that father has fought against son for the sake of liberty—in America, and even in Great Britain? We have many men here who left their own country because they were not satisfied with the manner in which it was governed, and to-day we can rely on their loyalty. Those who have personal acquaintance with many of these people are in a position to judge. The head of
the department has had intimate knowledge of the individuals concerned for many years, and can therefore advise the Minister as to whether these men are fit to remain in their positions or not.

I deplore the attempt that has apparently been made to cast reflections upon the administration of affairs by insinuations which cannot be borne out. After these have been thrashed out and the evidence examined we find that another mare's nest has been discovered, and there is really nothing in these allegations.

Mr. G. R. W. McDonald: The leader of the Opposition made it quite clear that he did not mean anything he said!

Mr. Cusack: I am pleased to learn that the leader of the Opposition has altered his attitude, but when he brought this matter up on a previous occasion he wanted to place the brand of Cain on every individual who had a German name. To my personal knowledge, many who originally came from Germany are particularly desirous of keeping the laws of this country and being good citizens; and whilst they are under a cloud of suspicion it would be contrary altogether to the spirit of British fair play for us to make pariahs of them because they have a German name.

I am sorry this attack has been made, but I am glad the Government has allowed the leader of the Opposition to bring forward this motion in order that they may explode the insidious attempt to cast reflections upon the Government. I hope this will be the last we shall hear of these charges, unless they are founded on something more reliable. We are accustomed to have charges made here on the most flimsy evidence, but this charge has perhaps a better footing than some of those which have previously been levelled against the Government.

Mr. G. R. W. McDonald (Bingara) [10.7]: I have listened carefully to most of the arguments which have been put before the House to-night. I listened yesterday to the leader of the Opposition when he addressed the House on much the same subject. I have been guilty during the debate of frequently asking the leader of the Opposition certain questions, and I must admit that he has frequently been successful in dodging giving an answer. That hon. member practically allowed the House to believe that if a man were German-born or if he were of German descent—that is, born of German parents in Australia—or if he had a German name, he ought to be sacked from the public service.

Mr. Wade: I did not. I deny that in toto!

Mr. G. R. W. McDonald: I am quite confident it will be found that is what the leader of the Opposition did say; but when I put it to him straight, and asked whether they ought to be sacked, he said, “I did not say that.” If I asked him now whether he would, if in office, dismiss every German in the service, what would his answer be?

Mr. Wade: I refer you to the answer I have already given!

Mr. G. R. W. McDonald: Exactly, or he would refer me to his solicitors, perhaps. If I ask the leader of the Opposition whether he would dismiss a person employed in the public service who is of German descent—that is, who had the misfortune to have a grandfather born in Germany—I again get no answer, except possibly that he again refers me to his solicitor. This charge seems to me to be levelled at the Lands Department because of the neglect of the Minister for Lands in not sacking two men who at all events had German names. The charge against the Minister is that he was so unmindful of the interests of the Empire that he kept these dangerous men at work where they could be of great assistance to the Kaiser.

Mr. Thrower: The leader of the Opposition denied making any charge against the Minister!

Mr. G. R. W. McDonald: That is the trouble; he has denied the charge. I want to know what is the motion before the House?

Mr. Wade: Read it!

Mr. G. R. W. McDonald: The leader of the Opposition is making a charge and denying it himself. The only reason I am taking part in the debate at all is because I am convinced that a number of people who have been following it, judging by the prevailing opinion outside, believe there really is something in what the leader of the Opposition has said. We know there is

[Mr. Cusack.]
not; he knows there is not, but the trouble is that the people outside do not know, partly because they are too lazy to follow up the facts.

Mr. COHEN: The Premier admitted the facts; he admitted that he had sacked Schulze!

Mr. G. R. W. MCDONALD: When the news gets to England that Schulze has been sacked Kitchener will think that he is a long way ahead in his work. In moving a motion of this kind where does the hon. member’s assistance come in? We only deal with the Germans to help the nation carry on. No other purpose can be served. Where does this wholesale dismissal of men of German birth, and of German descent, or who bear German names, lead us to? Does it help anyone? Does the sacking of a German who has married an Australian wife and who has Australian children help England or the British Empire in any way? Certainly the man himself cannot help Germany. I asked the hon. member for Randwick what he would do for that man’s wife and children, and his answer was, “I would support them.” He did not say that until I put the question to him, nor did he say it at the anti-German meeting at Paddington the other night. It is a piece of confidential information vouchsafed to the House.

Mr. J. C. L. FITZPATRICK:

Mr. G. R. W. MCDONALD: Why does the hon. member for Orange keep picking upon me? There are Germans who bear the hon. member’s name, and I am not so frightened of the German with the German name as I am of the German with an Irish name; because one man is so to speak sailing under his true flag, whilst the other is disguised. If a German is here and wants to help the Kaiser he should call himself Fitzpatrick. Then he would be able to dodge the military authorities. They say that being an Irishman in all probability he was in favour of the British arms.

Mr. J. C. L. FITZPATRICK: If I called myself McDonald they might think I was a Chinaman!

Mr. G. H. W. MCDONALD: Very likely. I know a Chinaman of the name of MacPherson, and the very fact that there are Chinamen of that name and Germans of the hon. member’s name proves the stupidity of bringing forward a motion of this kind before the House. For all I know, my great great grandfather might have come from Germany. He might have changed his name.

Mr. J. C. L. FITZPATRICK: The hon. member has certainly all his sentiments!

Mr. G. R. W. MCDONALD: Changes of names do take place in the world, otherwise we should all bear the same name. This reckless and senseless attack upon men with German names is too silly for discussion—I cannot understand it; and this attack upon the Lands Department is the most ridiculous thing I have ever heard. I refuse to associate myself with the stupid hysteria which is prevailing at the present time, and which I say deliberately has only been engineered for political-purposes.

Mr. COHEN: If you have no case abuse the other side!

Mr. G. R. W. MCDONALD: I repeat that this movement has been engineered by the Opposition for the specific purpose of making an unfair attack upon the Government. Yesterday when the Minister announced that a certain man had been removed he was asked by hon. members, “Did you find out anything about him?” and when the Minister responded, “No, all the reports were in his favour,” the immediate demand of the Opposition was, “Why did you shift him?”

Mr. COHEN: Hear, hear!

Mr. G. R. W. MCDONALD: You must sack every man, but you must take every precaution that not one loses his job. That is the class of argument we have heard. During the five years I have been in the House I have heard some stupid arguments put, but I never was entertained by anything quite so silly as the arguments we have heard from the Opposition in this case. It is a mischievous, senseless attack, and an attack which the leader of the Opposition is afraid to follow up. The hon. member will not say, “Sack every person of German descent.”

Mr. WADE: The motion has no bearing upon any attack on the Germans if the hon. member only knew it!

Mr. G. R. W. MCDONALD: It has no bearing on anything apparently. But it has a bearing on this: that there are certain Germans in the Lands Department who are in a position to help the
Kaiser because they are drawing plans. There is no plan that these men can draw which, if the Kaiser wants it, he has not already got; and he got it if he wanted it when the leader of the Opposition held the reins of office. These men were appointed when the Liberal party was in power.

Mr. WADE: They were only permanently appointed in June last!

Mr. G. R. W. McDONALD: Furthermore, let me say that even if these men were able to send information to the Kaiser it could not reach him at the present time unless it was sent through the medium of that mysterious wireless telegraph, composed of a bit of fencing wire and an old jam tin referred to by the hon. member for Dulwich Hill, and which presumably was availed of by the Kaiser to send a message direct to one of his subjects here. I hope that in fairness to hon. members on this side, as well as to his own supporters, the hon. member will not put forth arguments like that. They are too childish. If the leader of the Opposition will come forward definitely and say that every German ought to be sacked then he is saying something. If he will say that every man of German descent ought to be sacked, that is something definite. Or if he says that every child born of German parents in Australia, or every child whose father is the descendant of a German and whose mother is an Australian, ought to be sacked or interned, then again he is saying something definite. If he goes a little bit further, and states that every man with a German name ought to be imprisoned or interned, or sacked, then I say he is saying something a little more definite, and I undertake to say he is not game to say one of those things.

Mr. GARDINER (Newcastle) [10.21]: I am one of those who hold that no enemy subject should have a position in the public service of this state. I am not referring to the third or fourth generation of descendants of Germans or Austrians. I say that an enemy-born subject ought not to be employed in the service of this state, not because he may be disloyal, or even because there is a suspicion of his disloyalty. To my mind the question of disloyalty does not enter into consideration at all. It would be very hard to prove the loyalty or disloyalty of an enemy subject. A man who is German-born is naturally loyal to his own country. It does not matter how long he has lived in this or any other country, when a German is put to the test his sympathies is with his own fatherland and his own people. I do not think there is any need for hysteria on a question like this, and the hysteria that has prevailed was unnecessary. An hon. member has every justification for moving a motion of adjournment on such a question as this. Personally, I think the charge made by the leader of the Opposition against Schulze has been proved up to the hilt. As a matter of fact it was proved when Schulze stated to the Minister that naturally his sympathies were with Germany, although he wanted the Allies to win. When he made that statement he ought not to have been retained an hour or a minute in the service. In this state we are a little more lax than they are in Great Britain in dealing with enemy-born subjects. It has been said that because a man who is German-born has married an Australian woman and reared an Australian family, he ought to be treated differently from an unnaturalised German. I know a German who has been in this country a good many years and has married an Australian woman and reared an Australian family, and whose children, if they are not trainees now, will become trainees under our compulsory system when they reach the age. That man is interned in the German concentration camp. He was arrested on account of his utterances and conduct shortly after the war broke out, and has been interned ever since. The fact of his having married an Australian woman and of his rearing an Australian family, and that his children will become trainees and perhaps be found fighting our cause on the battlefield, did not make any difference in that man's feelings towards his own country.

Mr. G. R. W. McDONALD: Would the hon. member deal the same with the man who does express himself as with the man who does not express himself at all?

Mr. GARDINER: That is a matter of policy. We cannot take any risks in
that respect. I would refer the hon. member to the finding of Mr. Justice Rich, who said that the loyalty of Dr. Schlink was not in question, but that it was unwise to employ the doctor in the position which he held. There ought not to be any enemy-born subjects in either the federal or the state services, and I may say that there are a good many of them, in fact too many of them, drawing salaries in both services, when they ought to be suspended at least until the war is over. I hope that this debate will result in action in that direction being taken, and that in the near future there will be no enemy subjects in the service of the state.

Mr. WADE (Gordon) [10.29], in reply: I desire to remove some of the many false issues which have been raised by the Government side of the House with regard to this motion. The Premier poured out vials of ridicule and scorn upon the motion as being beneath contempt, unworthy of thought, and not deserving of the attention of the House, and yet he exhausted the whole of the time which he was allowed in endeavouring to build up an answer to the charge made under the motion. Other hon. members on the Government side have been ready and willing to put forward bogies which I never raised in order to destroy them. It has been asserted that I have charged various people with actual disloyalty, but the motion is entirely free from accusations of disloyalty. The motion refers to the undue favouritism shown by officials of the department towards certain Germans. The question of loyalty is really outside the whole issue. There is no charge attempted to be made against the Minister, who is not even involved in the motion. The motion refers to officials of his department, and nobody else. There is no charge of disloyalty against the under-secretary or anybody who is an official of the department. The charge is that there are men in the service, either of German birth or of German extraction, and through an act of supreme folly, if nothing worse, an official gave those men precedence at the expense of our own people on more than one occasion. Then, when the question was brought to an issue on the floor of the House, the Minister declined to give the House a candid answer to straightforward questions. These are the complaints that we made: first of all there was favouritism towards certain people, and next a serious want of candour on the part of officials in supplying answers to questions put by me and others in this House. Those being the only issues, I claim I have proved my case completely. There is no single issue of fact raised by me or by any hon. members on this side which is not borne out in actual proof. I am therefore entitled to assume that the inferences I drew from those facts are fair conclusions. What are the results? The only disloyal man I am concerned with, Schulze, is now gone; the preference to Von Stach has ceased; he has ceased to be a favoured man to draw up the roll of honor; and the contract with Stockmann & Kleinig has likewise come to an end. Those being the points we have been fighting for, and with reference to which we have been trying for some weeks past to induce the Government to move, if those things are now achieved some good has been done. The only complaint now is that the Government has been too slow in moving. In the future it would be wise, in the public interest, if it were more active on these questions, and gave more heed to the cries raised outside, and did not wait until compelled to take action under the pressure of public opinion. In the case of Schulze, he was proved in February last to be a disloyal man, to be an ardent pro-German. He admitted it. Yet with those facts on record in the Lands Department nothing was done. Schulze made the admission and said his sympathies were entirely with Germany, and he hoped the Germans would be victorious in the present war. What more could the Minister want than that?

Mr. AsHFORD: Did you inform the House that the military authorities inquired into that?

Mr. WADE: The Minister informed the House of that. There are two things to be considered. First of all the action of the military authorities, the Defence Department, in prosecuting its investigations as to an official in the Lands Department being a disloyal man. After their inquiry the authorities came to the
conclusion that what Schulze said was indiscreet, but in view of all the facts they would not prosecute him.

Mr. AsHFORD: Was that disclosed in the official papers; was it not only contained in papers that we never saw?

Mr. WADE: That was disclosed in the official documents laid on the table of the House some weeks ago. If the Defence Department declined to prosecute, that is no concern of the Lands Department. Their concern was the keeping in employment of a man whom the department knew to be disloyal. Nothing can be said to explain away the fact that on the records of February last Schulze was shown to be a pro-German. Yet he is kept in the department, paid for his work time after time. So things go on until September, when at last the department moves him. But he ought to have been moved six months ago. The fact of his being there enjoying the sweets of the state's money is the very thing that makes people outside suspicious and resentful that the Government of the state, knowing these facts, and that the man was of admitted disloyalty, would not take action to protect the public weal. The Minister said that he made inquiries during last week and that Schulze told him—

Mr. AsHFORD: Not last week; about a month ago!

Mr. WADE: Very well, about a month ago. What Schulze told him was that he was loyal to the Empire. Then I asked why had he been removed. It must have been because of the strong evidence of his own admission in February last that he was disloyal to the Empire. If that is the ground upon which action was taken in September, why was he kept in the department one moment after his admission that he was a pro-German and was against the Empire? Those are the questions that cannot be answered. Those are the things that make the Government unpopular. Those are the things that strike the public ear outside. In face of the facts that were on record in the department the man was allowed month after month to draw from the state the taxpayers' money, though he was an enemy of the Empire. I am quite right to assume a grave want of judgment on the part of the officials in allowing this to continue, as they have allowed it for all this period. All I ask is that this will be some kind of new experience to the Ministry, and will make them realise that if men in their service who are disloyal are kept there month after month, it is bound to cause a feeling of suspicion outside, and the Government cannot complain if the public mind is set against them. Now with regard to Stockmann & Kleinig. I am told that the contract with them has come to an end. It is a good thing that it has, because although they are not Germans themselves they have Germans in their employ.

Mr. AsHFORD: I said the contract was coming to an end!

Mr. WADE: That was ten days ago, and therefore I assume that it has now come to an end.

Mr. G. R. W. McDONALD: But that is not one of the questions under discussion now!

Mr. WADE: That is what the hon. member regards as a fair thing, so as to stop discussion.

Mr. AsHFORD: I want the leader of the Opposition to be honest, and withdraw his suggestion if he has nothing against those people!

Mr. WADE: It would appear now that those men are still employed in violation of the Minister's promise of ten days ago. What are they doing now? They are, I assume, engaged in cutting chaff for the Minister. Down in Pyrmont there have been Germans of German birth at work for the Government only last week. There are Germans in Gilgandra and elsewhere employed by Stockmann & Kleinig who are called upon to report themselves time after time to the police.

Mr. AsHFORD: That is quite in keeping with your usual statements; you are saying I am employing those Germans, and you know it is not true!

Mr. WADE: There can be no direct employment by the Government of men engaged under a contractor. Stockmann & Kleinig are contractors. They employ in their service for Government purposes Germans born in Germany. The Minister cannot deny that. That is what I have been saying all through. The Government has no right to pay a body of men who in the work that they carry out for this state, employ pure-bred Ger-
mans. In view of all those facts the Minister turns a deaf ear until complaints are made in the House. Now, in regard to Mr. Von Stach——

Mr. ASHFORD: When he was employed in the department over which you presided you had him registered under his own name, which is a German name!

Mr. WADE: What has that to do with it?

Mr. ASHFORD: Your Government had him in its employ!

Mr. COHEN: The war was not on then!

Mr. WADE: What does it matter who first engaged him? Until August of last year we were fooled with the mad delusion that Germans, whether naturalised or not, were honest men. We now realise that the mask has been torn off. There is no German you can safely trust in this hour of trial. I suppose that every Ministry for years past has engaged Germans, believing that they would exhibit similar loyalty towards Australia as, for instance, the Italians, but we now realise that in every country, in every home, in every office they may be only spies in disguise. That is why I say it is a scandal to allow Germans to be employed in the public service. People do not realise what the German menace means. It is the most widespread, comprehensive danger the world has ever seen. When a German goes to another country he is a missionary of the German Empire. His object is to devise schemes for the advantage of the Empire, to enable it to acquire more territory, or to secure more power; and, even if he is naturalised, it is only for the purpose of more conveniently getting behind the guard of the country of his adoption. All the time he is working for the Fatherland. Furthermore, the German law of nationality now declares that any German naturalised in any part of the world can, in spite of his oath, throw off his allegiance to his adopted country and retain his allegiance to Kaiserland. Every German in our midst is a possible source of danger. You cannot tell who is sincere and who is not. An oath in no way binds them. They are compelled to admit the superior allegiance to Kaiserland. They are instructed to obey at all times the behest of the German Emperor. Because of the perverted ideas

of morality and public honesty, as declared by the Empire itself, we are uncertain where we stand with regard to any Germans in the public service. I would let people please themselves whether they trust Germans in private life or in business circles, but in Parliament it is our duty to see that the taxpayers’ money is not utilised in the employment of any person in regard to whom there may be a strong suspicion that he is a spy, liable to be controlled by the Kaiser in case of a conflict of duty. These points are, perhaps, not material to this debate. My complaint is that, in the first place, through a want of judgment, Germans have received special privileges at the expense of our own people. When questions have been asked with regard to this matter the replies have not been of the candid nature we were entitled to expect from Government officials.

A substantial amount of good may be done by the debate. I ask the Government not to adopt in the future a spirit of antagonism to every question raised which may be in the public interest.

Mr. PAGE: In some departments some of the workmen refuse to work with Germans!

Mr. WADE: It should be recognised as a fair thing, either in the Government service or in private employment, that a workman should have the right to say he should not be compelled to work with a man of German sympathies, whether that man is naturalised or not.

Mr. G. R. W. McDONALD: You had a German candidate last time!

Mr. WADE: The hon. member perhaps refers to a candidate for Parramatta, who, I believe, is now safely interned; that is Von Hagen.

Mr. SPEAKER: The hon. member has exhausted his time.

Question resolved in the negative.

DAIRY INDUSTRY BILL.
SECOND READING.

Mr. ASHFORD (Liverpool Plains), Secretary for Lands [10.58], rose to move:

That this bill be now read a second time.

He said: I propose to answer some of the criticisms which were made when this
measure was introduced. On that occasion a promise was given to hon. members that they would have a fair opportunity to consider the bill, and I said I did not regard it as a party measure. I hope, with the co-operation of hon. members, to make the measure an effective one. When the bill was introduced it was said that the persons interested in the dairy industry were opposed to the measure. It was also said that the bill was not wanted, and that the Government should not have introduced it. I propose to deal with that aspect of the question as well as with the principles of the bill. I wish to show that the public expect an up-to-date measure in the interests of the dairy industry. All Governments have spent money on building up the industry, and we are justified in expecting legislation that will be effective. In the first place I want to say that this is a great national industry. It is the third largest industry in New South Wales, and undoubtedly every possible step should be taken to pass an act that will be effective, so that butter can be produced under clean conditions and the man who produces the cream or milk shall be fully paid for it and the export trade shall be so encouraged that when we send butter to other countries we shall get a price we have not succeeded so far in getting—a price somewhere near, if not equal to, that obtained by producers in Denmark, and at least equal to that obtained by producers in New Zealand. This industry represents in New South Wales the sum of £6,500,000 annually. We have an export trade of £1,500,000, and we have a considerable interstate trade with Western Australia. Under the circumstances it is absolutely essential that the butter we produce shall be of the highest possible standard, and I believe that if this bill becomes law the same good results which have been obtained in Queensland, where the butter used to be inferior, but is now at least equal to our own production, and in New Zealand, will be obtained here. I think we are entitled to endeavour to build up a national industry which is the third largest industry in the state. With the representation of this state by our commercial agent in America, there is a possibility of getting very good trade with America, which will benefit the dairying industry here to a considerable extent. In reference to a question asked by an hon. member in the first-reading debate, what right the Government has to interfere in this industry, I desire to say that the Government build railways and at the present time are building railways on the North Coast and have built railways on the South Coast, and in the development of that country the Government has the right to expect that the best possible conditions will be taken advantage of and that the railways built there in the interests of the settlers as well as of the state generally will give some return on an expenditure which was undertaken by the Government mainly in the interests of the dairying industry. On the North Coast—the Richmond, Clarence, Macleay, and Hastings—large areas of land have been made available by the building of railways. In some cases standing scrub has brought as much as £13 an acre because of the development of the dairying industry which those railways have made possible. On the North Coast the Government is spending £35,000 every year in suppressing the tick. A great proportion of that money has been spent in the interests of the dairying industry. Under those circumstances, I think that without any other reason we would be justified in going on with this measure. But I wish to add that under the Dairies Supervision Act controlled by the Health Department, large sums of money have been spent in the eradication of tuberculosis and considerable help has been given to the dairying industry by the carrying out of recommendations made by inspectors who have travelled through the various districts. Considerable assistance to dairy-farmers on the South Coast has been rendered by wiping out disease which was very prevalent there. To-day, although tuberculosis may still be prevalent there to a certain extent, it is so only to a very limited degree. I think that the dairy-farmers on the South Coast realise that the Government in that respect have done something to assist them, by means of inspections and representations made under the Dairies Supervision Act, which was formerly administered by the Health
Department. The Government has spent large sums of money on imported cattle. The sum of $6,000 has been spent in obtaining blood stock, with the result that in connection with the leasing of bulls practically every dairy farmer of note looks with great interest to getting pure-bred stock. That is one of the good results of the assistance rendered for years past by the Government by helping to make the dairying industry a success.

Mr. Mark F. Morton: You do not say that the success is due to the use of Government stock!

Mr. Ashford: In a great many instances. At the Wollongbar experimental farm there is a high-class stud which is equal to any of the studs to be found in any other portion of New South Wales. The dairy-farmers on the North Coast who have taken advantage of the Wollongbar stud recognise that animals imported and bred by the Government are of great utility in helping to build up herds in that locality. Experimental farms have been established in various dairying districts. Whether they have been all the success they could have been remains to be seen, but with Government encouragement and a systematic urging of the production of higher-class stock, there is today an increase of 78 gallons per cow per annum in New South Wales. The officers of the Agricultural Department have been greatly responsible for bringing about this good result, which has meant a considerable amount of money for dairy-farmers in this country. With that increase in the flow of milk there has been a considerable increase in the standard. In 1902 it took 25.6 lb. of milk to make a pound of butter. In 1911 it took 23.5. That shows that the Government has given very effective help to which the dairy-farmers have responded, and to-day it takes considerably less milk to make a pound of butter than it did eight or nine years ago with no Government help. Although the operation of the Dairies Supervision Act has not accomplished for the dairying industry all that was expected of it, there is a very much greater consumption of butter because the consumers of this article believe that, with supervision under the act, there is less risk now than there was in consuming butter that might have been manufactured from the milk of cows which carried some disease or other. The department has also encouraged the Herd-Testing Association. Over seventeen years ago the department, then represented by Mr. O'Callaghan, urged the establishment of herd-testing associations, and after a number of years the encouragement of the department in this direction has borne good fruit. A large number of herd-testing associations which are subsidised by the Government are now carrying on effective work. Here again is another proof that the Government has assisted the industry, and we are undoubtedly entitled to bring in a measure which is acceptable to a great number of the most important butter factories in the state. On the last occasion when this bill was under discussion the hon. member for Lismore—who, I regret to say, is not present to-night, and who, as the representative of an important dairying district, should have an opportunity of discussing the bill in Committee—made the statement that very few of the factories were in favour of this measure. As a matter of fact, a great majority of the factories—not only in the hon. member's constituency but throughout the North Coast—are in favour of the bill, and the Byron Bay factory has urged on the Government the desirability of having it placed on the statute-book, so that advantage may be taken of its provisions during the next export season. The management of the Byron Bay factory has persistently endeavoured to manufacture high-grade butter, and has had to combat the depressing influences on butter prices exercised by the placing on the market of inferior makes. As a consequence, producers are not receiving the returns they would get if a better standard of production were established.

Mr. Price: Is the Minister aware that Mr. O'Callaghan was strongly impressed with the importance of protecting the butter industry against the competition of margarine!

Mr. Ashford: I am quite aware of that. We have considered every aspect of the butter industry and intend to take measures to protect it from the competition of margarine. At the Hawkesbury College we have a high-class school for
dairy-farmers, in which instruction is given in cheese and butter making, and we have also established a school for factory-managers which has been in operation for three years, and we have realised the importance of giving instruction in cream-grading. There has been a constant agitation in New South Wales for the introduction of a system of cream-grading, and some years ago the hon. John Kidd introduced a bill containing far more drastic provisions than are now proposed dealing with the question of cream-grading. For many years it seemed a hopeless task to grapple with the subject effectively, but we have consistently inculcated the necessity of cream and butter grading, and I hope that when this measure becomes law we shall be in the happy position of having a sufficient number of cream-graders to carry out the work effectively. The main clauses of the bill relate to the grading of cream and the branding of butter-boxes, and these are the essential provisions upon which I am relying for good results. Prior to the war strong efforts were made in the North Coast districts to enforce conditions such as the bill aims at bringing about. The butter factories agreed to pay a uniform price for first-grade cream and 2d. per lb. for inferior grades; but owing to the war there was an unlimited demand for butter, and the arrangement broke down. When I recently addressed a representative meeting of factory-managers one of the opinions expressed was that no system would be effective unless it was compulsory, because the persons concerned would break away from their agreements.

I now wish to deal with the question of the exportation of butter. Under the Commonwealth law to-day a considerable proportion of the butter exported is examined by the Commonwealth inspectors, and we have received complaints from Great Britain through our Agent-General—in fact, we have had complaints from everyone who has inquired into the industry—with regard to the failure of our butter to command good prices. The prices commanded by our products are considerably below those obtained for New Zealand butter, and we are now losing vast sums of money which I hope will, under the bill, be secured to our dairy-farmers. I believe that within a few years we shall be able to receive over £1,000,000 for our dairy-farmers. Some general objections may be raised to the grading of cream or the examination of butter, and in this connection I wish to quote an opinion expressed by Mr. C. E. D. Meares in the course of an address delivered before a representative body of factory-managers. He said:

If this gathering pledges its units to secure more frequent delivery of cream, and the fearless, conscientious grading thereof, there will then be no occasion to lean over the Government slippails and pass abstract resolutions.

Here we have a commercial man connected with the butter industry who has expressed a decided opinion in favour of grading. I find that 75 per cent. of the butter exported from the Commonwealth is examined, and that of this proportion 60 per cent. is first-class and 40 per cent. below first-class when it is inspected here. With regard to the other 25 per cent., no general inspection is made, and a great quantity of this proportion is, I believe, exported by the company of which Mr. Meares is manager. I took the opportunity of asking our inspector to grade that 25 per cent. for one month, because we could not keep the work of inspection constantly going on. I admit that the month which was selected was one in which the average would be rather lower than ordinary, but the inspection proved that 85½ per cent. of the butter was below first-class and 8 per cent. was quite unfit for consumption. If inferior butter is allowed to go on the market it will necessarily lower the returns obtained for the first-class product and this will result in a considerable loss to our butter-producers. I will now quote Messrs. Weddell & Co., who stated in the year 1914:

It is pleasant to be able to report that Australian butter was more free from defects during the past season than usual, and it is to be hoped that this improvement in quality will continue, for nothing less than a great improvement in the quality of the bulk of Australian butter can save the industry from disaster.

Then Mr. H. W. Osborne was sent home by the Victorian Co-operative Produce Company, to make a report upon the butter industry of Australia. I am dealing now with the point of view in his

[Mr. Ashford.]
report as regards margarine, and intend to show the unanimous opinion of experts appointed by the various Australian Governments, that we must take some effective steps if we are to put the butter industry upon the footing which I am sure every hon. member desires it to obtain in order that we may be able to compete with New Zealand butter in a market which will necessarily, after the war is over, be limited as far as first-class butter is concerned. We want our butter to be of the highest class so that our producers will not have to come into competition with margarine. Mr. Osborne stated in regard to margarine:

Margarine.—"Seven years ago we sold about one ton of margarine weekly; we now sell over 100 tons a week." This remark was made to me by the production manager of a company with over 500 retail shops in the United Kingdom, and it affords a striking illustration of the growth of this trade. The total quantity of margarine imported into Great Britain during the twelve months ended last September, was 73,438 tons, and fully 130,000 tons was made by factories in England and Scotland—thus showing a consumption of about 200,000 tons annually.

That shows that, despite all that can be said to the contrary, to-day we have an open market with unlimited scope owing to the war; and when the war is over, we shall have to produce a high-grade article, or lose our trade altogether, as people who formerly bought butter will prefer a high-class margarine to second-class butter. The recommendations Mr. Osborne made were as follows:

That the State Governments—
Adopt a uniform system of instruction and supervision over the sources of production and manufacture from the dairy farm to the factories and creameries, on lines similar to those of New Zealand.

Adopt compulsory cream grading in all states.

Establish educational institutions for instructors and those engaged in the manufacture of butter.

We are trying to carry out in this bill what Mr. Osborne advised in his two first recommendations. Sir Timothy Coghlan, late Agent-General, in his report stated:

For the purpose of estimating the loss sustained by the shipment of inferior butter, however, let it be assumed that 50 per cent. of the butter exported during the 1912-13 season was up to the first-grade standard, and that the balance was of second and third grade. The total quantity exported during that period was 464,867 cwt., and the average difference in the price between first and other grades was 8s. per cwt., which shows that had the inferior grades been raised to the higher standard, an increased return of £28,973 would have been realised, and this in a season when the export was much below the normal.

In reply to an interjection of the hon. member for Gloucester, some factories to-day manufacture their highest class articles only for shows, which shows that only under the strictest supervision can we manufacture the highest class article, that we can compete with or beat New Zealand, and can compete more favourably even with Denmark and France, which countries have the highest records. We recognise, of course that owing to the distance of carriage, it is impossible, unless better means are adopted, to reach the standard of Denmark; but we do expect, by this measure, to bring about a uniform system and considerably improve the manufacture of butter. Sir Timothy Coghlan goes on to say:

Unfortunately, exact figures showing the grades of Australian butter arriving in London during 1913 cannot be given, but after consulting various authorities, amongst whom are some of the largest operators of Australian butter on the English market, I conclude that not more than from 39½ to 40 per cent. can be considered of first quality. It is claimed that more than half the butter leaving Australia is graded as superfine or first quality; if this is the case, then either a very marked deterioration takes place after the butter has been shipped, or the grading is not efficiently carried out. Should the grading of cream be generally adopted, the grading of the manufactured article would be even more justified than—it is at present, and the official mark of excellence would be generally recognised by purchasers in England, which is not the case at the present time.

I have seen exceptional prices realised for choice Australian butter, which have not been included, because in the opinion of the seller their inclusion would not give a fair average for the bulk, and would, therefore, be misleading. That these exceptional prices are obtained is evidence of the fact that the market will respond for brands which have established a reputation for uniformity and quality.

The system adopted at Copenhagen for fixing the price of butter will indicate one of the advantages enjoyed by Denmark
over all its competitors. Every year towards the end of March, a butter quotation committee is elected for the ensuing twelve months by the Copenhagen Exchange. The committee consists of five members, all of whom must be exporting agents, two representatives of the city, two of the country districts, and a chairman, the latter being required to be a member of the committee of the Copenhagen Exchange. This committee sits every Thursday and fixes the price at which Danish butter for export during the following week must be sold.

Those extracts show that the measures we propose are already adopted in practically every country which has any export trade to consider, and that the production of butter in those countries is in a much more favourable position than so far has been the case in New South Wales.

I may inform the House that New South Wales is the third largest exporter of butter to the British Isles, Denmark, with a considerable excess, is first, and Russia, with only a slightly larger quantity than is exported from Australia, comes second. If we can attain a uniform and high-grade standard of production as a considerable exporter, we are likely to be able to capture the market by reason of the fact that we can export huge quantities of butter suitable to the English taste, and to the trade which we have been trying for many years under disadvantages to obtain in Great Britain.

I may point out that the other states of the Commonwealth unanimously agreed at the last Brisbane Conference that this bill should be brought into operation. I propose, on those grounds, to take the opportunity of meeting some of the criticisms which have undoubtedly been organised against this measure. In some districts the intention of the bill itself was misrepresented. I may inform hon. members that where there is not a clear expression of the intention of the act I propose, when we reach the Committee stage, to make a number of small amendments to meet objections raised by the butter factories. The agitation to which I have referred against legislation on the lines now proposed has been largely, if not wholly, engineered by the manager of a commercial company and a North Coast draper, who, whilst he knew very little about butter, possibly knew a good deal of the value of a systematic agitation.

Mr. Harry Morton: Does not the hon. member know that the organisation referred to has been in existence for sixteen years, ever since Mr. Kidd introduced his first bill?

Mr. Ashford: I know that the organisation is in existence, and that it has been systematically used to prevent the introduction of the measure. The fact that no measure has been passed up to the present shows that the agitation has been effective. In outlining the provisions of this measure, we propose in the first instance to register all butter and cheese factories. The fee charged will be £1, and the payment of that amount secures registration for all time. We are not providing for an annual registration. The registration of dairies is already provided for under the Public Health Act, and the health authorities will continue to carry out the effective work which has been done for the department through the medium of the agricultural officers. By compelling the registration of cheese and butter factories we shall be in a position to exercise a control which it is not possible to exercise to-day. Under existing conditions it is possible for some of these factories to have putrid cream. This is very prevalent in some districts, so the reports show, and the departmental inspectors have found cream quite unfit for human consumption. The fact of factories manufacturing butter from cream of that sort must account for the very considerable proportion of the inferior produce which is being exported from this state. Under this bill factories which attempt such a production will be prosecuted. It will not be the individual dairymen who will be the subject of the prosecution. It is the factory that will be responsible for seeing that butter is not manufactured from cream of the character I have described. We shall achieve this in the first instance by the system of registration proposed to be established. With a more general knowledge and the institution of uniform grading we shall do away with the system which prevails of dairymen sending cream 100 miles by rail to some other factory because that
factory pays on the basis of first-class and cuts the butter down to thirty-eight instead of forty-two points. There should be no putrid cream finding its way to the butter factories, and once this bill is in operation very little of it will be sent to these places at all.

Mr. BRINER: Will not the registration contemplated apply not only to the factories, but to the dairies?

Mr. ASHFORD: It will not apply to the dairies, only to the factories. I shall be quite willing to accept any suggestions upon matters of detail, but so far as the general principles of the measure are concerned I must insist upon them, because I consider that they are in the best interests of the community. I would not be responsible for introducing the measure if I were not convinced that in the first instance it would be advantageous to the farmers; secondly, advantageous to the state, and ultimately advantageous to the general consuming public.

Mr. BRINER: The definition is not very clear!

Mr. ASHFORD: It can be made clear later. I can assure the hon. member that he will have no reason to question the definition. The system of inspection has been the subject of a certain amount of criticism. An idea prevails that it is intended to appoint a number of inspectors. As a matter of fact, it is only contemplated to appoint one, whose duty it will be to inspect the books of the factories to ascertain that the butter manufactured is up to the standard which will be in general use, and that the producer is receiving the amount to which he is legitimately entitled.

Mr. HARRY MORTON: That is purely in the interests of the supplier!

Mr. ASHFORD: Yes. It is entirely for his protection. We do not want to inspect the books of the factory to ascertain what each is making, but we do want to find out the exact production of each factory, and when we have ascertained that, the producer will be in a position to receive payment for every pound of butter manufactured, a position which he is certainly not in to-day.

We have proof, that frequently inferior cream is graded as first. There are factories which carry on up to the best standard the present conditions allow. There are others—and I say it regretfully—which are represented as obtaining all first-class cream, but which, when the inspector has visited them, have been found to have absolutely putrid cream on the premises. Everyone realises that if the bill passes there will be a demand for regular deliveries of cream. That is one of the first essentials. The standard of food supplies must be kept up to the highest point, and if anybody brings forward cream of an inferior quality he will have to suffer the penalty. The responsibility is put on the factory manager, and not on the individual farmer. To-day the individual farmer is penalised because he is encouraged under existing methods to send his cream to the factory where he can get the highest price for it. The main argument of factory managers is that they want a uniform law so that there will be no sending of cream 100 miles or so by rail to a factory in order to get higher prices, when they can supply the cream to a factory at their own doors. People who live a considerable distance away from a factory may be penalised, but in the interests of public health it is necessary that this step should be taken. Putrid cream should not be allowed to be marketed. It is the duty of the department to see that such a state of affairs does not exist, but I regret to say that it is in existence to-day.

We propose to eliminate the colouring of butter. The present Minister for Public Works has already given a deputation the promise that margarine shall not be allowed to be coloured. I have no objection to margarine as margarine, but I have a serious objection to margarine being represented as butter. I believe that the effect of the operation of this bill will be to maintain the butter industry, because the butter will be of a standard sufficiently high to create a ready demand for it. On the part of people who can afford to pay for a first-class article, I propose to take over the supervision of the manufacture of margarine, which has hitherto been under the Health Department. At present the manufacture of margarine can be carried on under the Noxious Trades Act. I can produce letters showing that fat which is absolutely putrid is to-day being
manufactured into margarine in this state. We propose to take steps to see that a pure product is placed on the market. A considerable quantity of margarine is churned with milk so that it has the flavour of butter, and there is no doubt that it comes into competition with butter. I visited the margarine factory of Abel & Co., at Marrickville, and from what I saw and have learnt that factory is equal to the average standard of factories throughout the world. It is absolutely clean and sweet; the butter factories are in no better condition, but the fact remains that margarine can be manufactured under the Noxious Trades Act, and comes into competition with butter. The Agricultural Department has done good work in the supervision of the manufacture of margarine. Credit is due to the honor. member for Byron for bringing to this state Mr. Callaghan, who has done great service in advancing the butter industry. Only the other day he asked the Health Department to inspect the butter in the refreshment rooms of the city. I have not the paper containing the results of that inspection with me to-night, but speaking from memory there were forty samples of butter taken. Five of them were pure margarine, and three or four other samples consisted of half butter and half margarine, so that it is evident that margarine is coming into competition with butter in this state. Under the provisions of this bill we will be able to exercise proper supervision over the manufacture and disposal of margarine, and prevent its sale at butter prices. I believe it will be agreed that we should take effective steps to protect dairymen in that respect.

As regards the grading of butter, in addressing a conference of factory managers recently I gave a definite promise that there would be what may be termed a court of appeal. We will appoint a grader to see that the butter is up to the standard set forth on the box. There may be differences of opinion as to the quality of certain butter. For instance, butter from the North Coast may deteriorate in quality owing to shipping delays. When it leaves the factory it may be a first-class article, but when it arrives in Sydney or at its destination it may be only a second-class article. As showing that I have every sympathy with the producer I have promised to establish a court of appeal. I mention that because it is not provided for in the bill. I propose to do that by regulation. We shall guard against carelessness in the grading of cream. It will be done by regulation and I am prepared to accept suggestions to assist me. The more I look into the matter the more I am convinced that this right of appeal will give general satisfaction.

Mr. Briner: How will the appeal be made?

Mr. Ashford: We have a system of Commonwealth grading, but it is not effective here. Consequently butter is exported and we do not know until the report comes back from the port of destination whether the butter is first or second grade. We propose to grade at the port of export. If there is also supervision at the port of destination there will be a great improvement in the conditions. If it is found that there is a difference of one or two points between the grade of the butter here and at destination the factories can take steps to provide against that deterioration. I believe we shall have an experience similar to that of New Zealand and Queensland, where they receive reports applauding the efficiency of the work done.

Mr. Briner: How will the appeal be made; who will decide the matter?

An Hon. Member: Mr. O'Callaghan!

Mr. Ashford: No; not Mr. O'Callaghan. The factories will appoint a man to inspect the butter and see that it is of the right grade. With regard to the marking of butter, we propose that every factory shall be allowed to have its own brand. We do not propose to ask the factory to state whether the butter is first or second grade, but each having its own brand will stand or fall by that brand in the public estimation. We propose to have registration of the brands as in Denmark, but not to adopt the Danish system, where every factory has the same brand for first grade. That would not suit under our co-operative system, because the price of that grade would have to be fixed and hon. members may not agree to the fixing of the price. We prefer to register each brand and allow the article to be 'sold on its merits.

Those are the principal objects of the bill—effective cream and butter grading, the production of a high-class article, assuring that the cream producer shall get paid for every pound of butter he produces, and the effective inspection of buildings used in butter making. I believe the bill will be found very effective in dealing with the manufacture of margarine, and that will do a great deal to help the industry in New South Wales. The same system will eventually be adopted in Victoria and Queensland in pursuance of the decision of the agricultural conference held two years ago. The preamble of the bill includes the word "sale." Capital is being made of that, and it is being said that we are trying to control the sale of butter. That is not so. The word "sale" is used under the Health Act, yet no one says we have attempted to control prices under that act. To do so we should have to use the word "price." The word "sale" is used in the bill more for the purpose of controlling the output of margarine. If margarine is forwarded in more than 7 lb. packages the manufacturers must inform us of its destination.

There are one or two other matters to which I desire to refer. The heads of departments in New Zealand and Queensland were asked how their acts, which we are trying to follow, had affected the industry in those countries. This is the reply which I received from the Department of Agricultural Industries and Commerce, Dairy Produce Division, in New Zealand. It is dated Wellington, 21st July, 1915, and is as follows:

With reference to your letter of the 8th instant regarding the value to New Zealand of the grading of butter, it would be hard to over-estimate the advantages of the system which has been in vogue since 1894, having been made compulsory by the Government in that year. At that time our butter was very irregular in quality, neither was there any uniformity in regard to the class of brand or package used. On the British market the New Zealand product consequently occupied a low position as compared with that from other countries, it being much lower than the butter from Australia.

The Government of the day therefore decided that something should be done in the way of bringing about a much-needed improvement in the flavour, body, and texture of the butter, as well as in the packing of the produce. The grading was then brought into force under the control of the Minister for Agriculture. At the commencement a considerable amount of opposition from both the farmers and the merchants was shown, but as the Minister remained firm, it was not long before those concerned began to see the benefits of the system.

From the outset it was made clear that the grading was introduced purely for educational purposes so that faults in the product might be remedied as promptly as possible without having to wait for a market report, which could not be expected until after a large quantity of produce had gone forward, and even then was not always unbiased.

The result of visiting both merchants and producers to visit the grading stores for the purpose of seeing how the butter was being classified helped us considerably in overcoming the prejudices against the system. The dairy companies began to see that their interests were being served by the system, and when the manufacture appeared, the directors of companies had something to go upon when discussing the matter with their managers, and the managers, in their turn, became more careful regarding the condition of the supplies of the raw material from the farms.

A little later on several of the merchants considered that the independent grading by the state would form a good basis for business between themselves and the dairy companies in regard to the disposal of outputs of butter. Dairy companies likewise realised that this grading would be a protection to them in this connection. Then it was agreed that the Government, after having received the authority of the dairy-factory concerned, would furnish copies of the grade certificates to any merchant.

Our butter began to improve steadily. The opposition to the grading gradually disappeared, and for many years past the system has been recognised as part and parcel of the whole dairy industry. No one engaged in the business either as producer or as merchant, is in any way displeased with the system, all recognising that it has been highly and generally beneficial to the industry.

Grade certificates representing each consignment sent forward for export are promptly supplied to the factories, and the managers and butter-makers accept them as a reliable guide indicating the correctness or otherwise of their methods of manufacture. Copies of these grade notes are frequently used in this country as testimonials by men who are applying for the managership of factories. As a matter of fact when making an appointment directors often demand them.
Apart from the commercial aspect of the grade notes, which form the basis of sales, or advances on consignment, for the disposal of the whole of the butter exported from New Zealand, the grading has stimulated a healthy rivalry among the men in charge of the factories, many of whom vie with one another in attempting to attain the highest number of points for their butter. In company with one another, they frequently visit the grading stores at the different centres, there to compare notes regarding the butter from the various factories. Not infrequently this results in some immediate improvement.

One of the special advantages of the system of grading in New Zealand has been the high degree of uniformity it has brought about in the butter made in different districts. It is now quite common to see in the grading stores consignment after consignment of butter of which, when the marks are not disclosed, it might be said that the produce was all made in one factory, the flavour, body, and texture and colour being exactly similar. Other consignments, of course, show considerable variation, but the latter are now in the minority.

The whole of the improvement in New Zealand butter cannot, however, be credited to the system of grading, for the department has not stopped short at that point. The grading has been followed up by the work of instruction. This is one of the special advantages of a grading system, namely, the brands of butter that are most in need of improvement can be followed up at the factory by an officer who is able to assist the manager in effecting a remedy.

Disputes regarding to quality as between dairy company and merchant are conspicuous by their absence, both parties admitting that they have a large measure of protection in the fact that the whole of the butter is graded by an independent authority. The same applies in the question of weights.

If any attempt were made to interfere with the present system of grading in New Zealand, dairy companies one and all would oppose it, as the system is now looked upon as one of the mainstays of the industry.—Yours, &c., D. Cuddie, Director of Dairy Produce Division.

I will not inflict upon hon. members the Queensland report, which is of a very similar nature, and shows that successful work has been carried out there. I hope hon. members will accept this measure as one which is entirely non-contentious, of a non-party character, one which is going to build up the dairy industry, and which I believe in future years the House will have every reason to be proud of having passed into law. It will successfully build up the butter industry, which is already a fairly large one, so that those engaged in it can carry on the business on competitive lines, and by producing a high-grade article continue the export trade we already have, and, in course of time, with an increase in the dairy industry, I am quite sure we will capture other markets, and will eventually attain the New Zealand standard we are looking forward to first of all, and that with better arrangements for shipping we shall at least be able to compete with the New Zealand article and the article made in Denmark, which represents the highest possible value today. I recommend to the House the measure, the provisions of which I have outlined fairly fully. Hon. members at this time of the night may perhaps think that I have outlined them a little more fully than I should have done; but the bill is of the greatest importance to the dairying industry, and therefore it was due to them and the House that I should give a fairly lengthy explanation of what the bill proposes and what I think it will achieve—a larger export trade, better prices, and more wealth for the dairy farmers of New South Wales.

Question proposed.

Mr. BRINER (Raleigh) [11.55]: No one listening to the Minister's lengthy exposition of the principles of this bill can doubt for a moment his sincerity. I think that no hon. member will deny that the Minister has put his case for the bill very courteously, very fully, and with a great deal of ability. But the difficulty in dealing with a measure of this kind in this House is that very few hon. members represent butter-producing districts, and unfortunately we have drifted into a system by which bills are taken on trust. This measure is really an important one, and thoroughly warrants the lengthy explanation that the Minister gave of it. As the hon. member for Wollongollly interjected, the butter industry began on the South Coast—practically that was the birthplace of the butter industry as far as Australia is concerned. To-day we on the North Coast, who have now far outdistanced them, as regards the quantity of butter

we produce, admit that we have been well taught by the South Coast farmers. They initiated us into the manufacture of butter. The North Coast and the South Coast represent the butter districts of the state because they are the only districts that have a reliable rainfall.

In regard to the bill generally, I do not think it is necessary to achieve the objects the Minister claims it will achieve, or which he says should be achieved. I admit at once that what has been done by the Government in the past has accomplished some good, and in some ways it has helped the industry. But the butter industry has gone along under three or four acts of Parliament with a number of inspectors representing different departments, each one having different opinions. If this bill will relieve the butter producers of those varying inspections and the difficulties that have arisen from the administration in the past, I should be very glad, but I doubt it. My experience of fourteen years or more in this House has taught me, unconsciously at times perhaps, to take up an attitude towards measures of this kind that may sometimes be unfair, but at any rate places me in a safe position as far as being the representative of butter producers is concerned. But a bill of this character, particularly when applied to an industry which has struggled along and reached its present position practically on its own, in spite of difficulties, in spite of interference by a multitude of inspectors and other officials—a bill of this character applied to an industry like the dairy industry, which is not an industry that can be carried on under ordinary conditions—arouses any hostility, and I want the Minister to understand that although his speech may to some extent disarm opposition from me or anyone else, the objection I have to the bill is as fair and honest as is the hon. member's advocacy of it. My first objection to this bill is that it will saddle the industry with another army of public officials, for which someone will have to pay.

Mr. ASHFORD: Only one officer will be appointed under this measure.

Mr. BRINER: If the act is to be administered by one paid official only, I cannot see how the grading and inspection are to be carried out.

Mr. ASHFORD: A lot of the responsibility will be placed on the factories.

Mr. BRINER: The Minister says that the appeals will be dealt with by the factories or their representatives, but I would like to know how the appeal courts are to be appointed. The Minister put forward two special pleas for this bill. One was that it would bring about a more uniform production of butter so far as quality is concerned, and the producers would get better prices, and in the second place that immunity from unfair margarine competition would be guaranteed. I could not help noticing that the moment margarine was mentioned the Minister at once grasped the idea that protection from margarine was regarded as a most important matter. But I would point out that no Minister would ever dare to permit colouring to be put into margarine to make it look like butter. The Board of Health has absolutely refused to countenance the putting of colouring into margarine to make it look like butter. There can be no objection to margarine being sold as margarine, and the only protest that is made is against the makers of margarine selling it under false pretences as butter. The Minister in claiming that the bill will have the effect of bringing about a higher standard of quality and consequently better prices for the producers, apparently ignores what has happened up to date. The argument that the best dairymen in the state are in favour of this bill has been put forward very quietly, but most of those engaged in the butter industry would tell the Minister that the whole object of every factory is to produce the best butter. The men who run co-operative factories and produce four-fifths of our butter know very well that in order to get the best prices it is necessary not to have a bill of this kind but to produce the best quality of butter.

Mr. ASHFORD: I said that a lot of the factories were trying to produce the best quality of butter.
Mr. BRINER: They are, and if the Byron Bay factory is producing a high quality article why does the management want this bill?

Mr. ASHFORD: To protect it from the manufacturers of bad butter, who are injuring the export trade.

Mr. BRINER: That is a specious argument because good butter will always command a good price in the market, The suppliers of cream are paid for their product on the basis of the grading and the man who supplies bad cream is soon cut out. It is in the interests of the factory people and of the suppliers themselves that the most rigid local supervision should be exercised so that the product of the factory may be able to compete successfully with the butter turned out by other factories. They will not have bad cream at the factories. The butter that has commanded the highest prices in the London market has not been graded by any official, but has been ungraded. I give the Minister credit for being absolutely honest: but I would point out that the only experience we have had of Government grading for foreign markets does not arouse very pleasant memories. The improvement in the quality of our butter has been brought about by the dairymen themselves, and now that the industry has got on its feet and is producing butter of excellent quality, some of the officials seem to have persuaded the Minister that it would be a good thing for the Government to step in and run the show. I admit that the Government has done something to help the dairying industry, but the dairymen themselves can claim by far the greater share of the credit. The Minister has one of the Sydney morning newspapers behind him in this matter, and I admit that there are some dairymen in favour of the bill, but I believe they do not understand the measure or realise what it will mean in the way of official interference. If only one official is to be necessary to carry out the provisions of the act, the administration will be the most marvellous that has come within my experience.

Mr. ASHFORD: I may say that the appointment of only one additional inspector will be involved!

Mr. BRINER: Does the Minister mean that the present staff of inspectors will be retained, and one extra official appointed?

Mr. ASHFORD: Yes!

Mr. BRINER: No doubt the Minister is honest in his belief, but I have had a longer experience than he has, and most of the acts we have passed, particularly those during the last few years, have meant a great increase in the number of public officials. In spite of his most earnest efforts he will find the staff growing, and the people who will have to pay for that must be the consumers and the manufacturers of butter—because the manufacturers will have to pass on the extra expense, or as much of it as they can, and I do not know that the supervision will be any the better for it.

I particularly wish to emphasise that the butter industry has reached the position of being able to command even the top price sometimes in the London market, without the butter being graded by any Government officials. Having reached that position, this bill was quite unnecessary. With regard to the registration of factories, under the bill as it at present stands the registration fee of £1, according to the Minister’s explanation, is to be a permanent one. That is, once having paid £1 no dairy will be called upon to pay anything more. The registration will last as long as the dairy is properly conducted; and when it is cancelled—either by an infringement of the provisions of this bill, or by voluntary notice on the part of the holder of the registration—a notification is to be sent to the inspector under the bill.

Clause 7 says:

If any person places dairy produce in any store or on board any ship or in any vehicle in such a manner that such produce may be deteriorated either by heat or by injurious smells, or by the proximity of unclean matter, he shall be liable to a penalty not exceeding twenty pounds.

When butter is sent from a factory to a steamer, very often the man who produces it does not handle it. Who is to be responsible for butter being placed in proximity to evil smells on a steamer? Will it be the owner of the butter, who may not be guilty of any offence, and may have no control over it?
Mr. Ashford: That is one of the slight difficulties which I undertook to clear up. I am quite prepared in Committee to accept any amendment which will define the responsibility. In fact, I propose to insert words myself which will clearly define it.

Mr. Briner: I accept the Minister's statement, and I hope the bill will be very much amended in Committee.

Clause 26 provides for the making of regulations. When it is considered in Committee, I think hon. members representing butter-producing districts will have something to say with regard to the number of regulations and the powers under them. When we do make laws in this House, I have always held that it should be done as much as possible by the act itself, and without so much being left to regulations. Producers of butter never know where they are with regard to the regulations under which they work, and if this bill cures some of the evils existing in that respect it will do some good. I know of cases where dairymen have been told by an inspector to do certain things, which they have done at a great cost; and a month or two afterwards, under some other regulation they have been made to do something different altogether, and equally costly.

If we are able in Committee to help the Minister to make this a better measure, I hope he will accept the help in the spirit in which it is offered. I confess that at present I am inclined to vote against the bill: mainly because the industry could have got along very well without it. The industry is in a good position. Our butter can compete with any in the world. The New Zealand butter which the Minister mentioned, is not in it in the world's market with our best. Finally, in spite of what the Minister says, this act will mean, at any rate in the future, a very large increase in the number of public officials, which must be a further burden on the industry.

Mr. Fuller (Wollondilly) [12:17 a.m.] Having only been a member of this Chamber for a few hours, I had no idea that this bill, which I saw low down on the business-paper, would come on tonight. Otherwise, taking as I do a special interest in the subject, I should have been prepared to debate it on the second reading. I should like however to congratulate the Minister on the very lucid explanation he gave of the contents of the bill. Reference has been made by the hon. member who has just resumed his seat to one of our great daily newspapers in connection with this matter. I should like to know—and it might be very interesting to the Minister to know—who is the gentleman who has been so strongly advocating the system of compulsory grading which is embodied in the bill. Articles have been continuously appearing for years past in that great daily in advocacy of the system of compulsory grading of butter, which has been opposed by all those gentlemen, not only in New South Wales, but in Queensland and Victoria, who are responsible for bringing the industry to its present stage of development. I look upon this as the most important feature in the measure. I for years have been one of those who have pointed out that the Federal Government particularly, who took this matter up, started at the wrong end with regard to grading; but I am pleased to see that in this bill the Minister has taken the proper course and started with grading in connection with the cream as it comes to the factory. When all sorts of cream were allowed to be brought in—putrid and otherwise—it would have been absolutely impossible to manufacture first-class butter, or have it of uniform quality. Therefore I am glad to see that feature embodied in the bill.

But when we come to the important question of the compulsory grading of butter for export, we come to a very serious matter as concerning the butter industry. It is perfectly true, as the hon. member for Raleigh pointed out that, our first-class butter more than holds its own against New Zealand butter in the markets of the world. Four years ago I had an opportunity to visit London and devoted considerable attention to what was done in connection with the sale of our butter. I then went through all the big stores to which our produce is sent and I saw the buyers from Manchester, Liverpool, and other centres passing by the grades appearing on the boxes and testing the butter with their knives. It was not the
grade value of the butter which influenced them; it was their own tasting and testing of its qualities.

Mr. AsHFORD: The effect of uniformity in the manufacture of the butter would be that the buyers would only require to test one box. They would not need to buy on the brand!

Mr. FULLER: If it were possible to obtain an absolutely first-class article and secure that the shipment was of the same quality it would no doubt be a distinct advantage to our producers. But is this system going to do it? I have already congratulated the Minister upon his proposal to grade the cream as it comes from the factories. I think he is starting at the right end. The hon. member seems to agree with this system of compulsory grading of the butter itself, but I would point out that butter which has been graded in this country as second-class has been sold when it reached the London market as first-class. That has occurred on numbers of occasions and it has brought an even higher price than has been paid for butter graded as a first-class quality here. That fact shows that, so far as the system of grading and the London market are concerned, of which I speak with some knowledge, the grade marked upon the box has no effect with the buyers at all. If the hon. member had the opportunity, as I had a few years ago, of seeing the great buyers assembled in the big stores on the Thames, purchasing butter for the markets on their own test and taste, I think that in all probability, he would not so strongly favour the compulsory system of grading. The Minister has quoted a number of names including that of Mr. Osborne. I presume the Mr. Osborne referred to is the gentleman who represents the great western co-operative districts of Victoria.

I know that he went home in connection with this important matter, and I should like to ask the Minister whether Mr. Osborne has come back satisfied that the system of compulsory grading of butter before it leaves our shores ought to be adopted? Has he said that?

Mr. AshFORD: He has!

Mr. FULLER: If he has said that it surprises me very much.

Mr. AsHFORD: He has made that representation!

Mr. FULLER: I know that he is an advocate of the compulsory grading of the cream before it comes to the factory; but I doubt very much whether he has come back, after his experience of the London market, an advocate of the system of the compulsory grading of butter. That is the reason I put the question. The Minister did not make it quite clear. If Mr.-Osborne has come back an advocate of compulsory grading, then he has made a complete volte-face.

Mr. AsHFORD: I will make it absolutely clear in Committee!

Mr. FULLER: I ask the question in order that we may be perfectly clear. It is not so very long ago since Mr. Osborne and others representing the industry in Victoria, Mr. Meares, and a number of other managers of New South Wales factories, together with representatives from Queensland, waited upon the Minister for Customs in Melbourne in connection with this matter, when we were fighting it in the Federal Parliament. All those gentlemen representing the great co-operative movement throughout Australia were absolutely opposed to the system of compulsory grading of butter. There has been an agitation in this state for a number of years, particularly by the head of the Agricultural Department. I do not wish to say one word against that gentleman, whom I know very well; but I would point out that the men responsible for starting the dairying industry, the men who established the old pioneer co-operative factory near Kiama—whose articles of memorandum I had the honor to draw up and settle,—and later dairy farmers of the South Coast, and those who migrated from there to the North Coast have worked and forwarded this movement without assistance from the Government except to a very slight degree in those directions mentioned by the Minister. These are the men who have built up this great industry, which the Minister accurately described as one of the great national industries of Australia. Like the hon. member for Raleigh I am doubtful whether this measure will be of any real advantage to the industry. There has been too much tinkering with the industry in the past.

Mr. AsHFORD: There have been no acts in connection with it.
Mr. FULLER: There have been the Dairies Supervision Act and the Health Act. I repeat assistance from the Government, and the least the Government interferes the better in the interests of those engaged in it. Not knowing that this question was coming on to-night I am not in a position to submit to hon. members figures which I have in my possession bearing upon the industry. But I would ask the Minister a further question: Is Mr. Brandon, the manager of the Byron Bay Factory, in favour of compulsory grading?

Mr. Ashford: I may be wrong when I said that Mr. Brandon was in favour. I understand that he is dead, but I was told that he was in favour!

Mr. FULLER: I admit that he was in favour of the compulsory grading of cream just as I am; but I think he was one of those who composed the delegation to the Minister for Customs in Melbourne in opposition to the compulsory grading of butter.

Mr. Ashford: I never met Mr. Brandon, but I certainly was told that he was in favour of the grading of cream!

Mr. FULLER: If that is so I am satisfied, because I think that was the attitude he took. I think I am justified in saying that those who listened to the Minister's explanation to-night were rather led to believe that Mr. Brandon and the other gentleman named were in favour of the compulsory grading of butter.

Mr. Ashford: I did not mention Mr. Brandon by name. I referred to the manager of the Byron Bay factory, and said that he was in favour of this bill. I do not know who the present manager is.

Mr. FULLER: Let me put it in this way: The previous manager of the Byron Bay factory, who was one of the principal factory managers in Australia, was opposed to the compulsory grading of butter, and I should be very much surprised to find that the present representative of the company is in favour of the system. Without labouring the question, I take this opportunity to say a few words in opposition to the measure. I hope that the provisions of the bill will be given due consideration in Committee, particularly those provisions which relate to the compulsory stamping and grading of butter. It should be remembered that those who are interested in the co-operative movement are not making fortunes for themselves out of the farmers. The members of the co-operative movement are not there to line their own pockets like those others who speculate in the products of this great industry; but they are there to do the best they can in the interests of the producers; and I hope that hon. members before they accept this measure in its entirety will give it the fullest possible consideration.

Mr. Harry Morton (Hastings-Macleay) [12.29 a.m.]: The question has been raised as to the necessity for any dairy legislation whatever. Several speakers when addressing themselves to the first reading claimed that the industry was already on a satisfactory basis, but at this stage I should like to quote from a report of the Agent-General dated 6th March, 1914, dealing with the British opinions on the Australian butter industry. In that report it is stated that not more than from 32½ to 40 cent. of the Australian butter imported into London was considered to be first-class. I take it that this means that unless New South Wales is better than her neighbours and unless we have improved out of all knowledge during the past twelve months, 60 per cent. of the butter sent to England from this state is of second quality, and is therefore on the same plane as margarine so far as competition is concerned. The position is this: Are the dairy farmers of this state satisfied to accept prices approaching that of margarine for 60 per cent. of their export? The claim of the margarine manufacturers is that 60 per cent. of the butter should either disappear from production or be brought up to the standard of first-quality butter. Clause 20 of the bill states:

Colouring matter shall not be added to margarine, either in the process of manufacture or after manufacture, and margarine containing colouring matter shall not be sold. If any person contravenes the provisions of this section he shall be liable to a penalty not exceeding two hundred pounds.

Important as are a great many clauses in the bill, they are infinitesimal in com-
comparison with the clauses relating to the manufacture of margarine, which, I hold, have been well and carefully considered.

Mr. Price:

Mr. Harry Morton: I think I can prove to the House that that is only covered by regulation. If through any deficiency or shortcoming on the part of butter producers, this Government or any Government is prevailed upon to allow margarine to be coloured, then the local trade of our butter industry would be reduced by fully 50 per cent. If this bill is passed colouring cannot be permitted in margarine without the consent of Parliament, but to-day the Minister in charge of the Health Department may allow margarine to be coloured if he chooses without reference to the people most vitally concerned, the farmers of the state. If that be done, it will have the effect of assisting a competitor, which, if not effectively controlled, will, in the opinion of those best fitted to judge—I refer to the farmers of the state—have the effect of reducing the dairy industry to such a condition as to make it unprofitable, unless the price of land or the cost of labour is reduced accordingly. The Agent-General, in his concluding remark, states:

The rapid increase in the consumption of margarine is looked upon by persons engaged in the production and sale of butter as a great menace to their industry. The conclusion at which I have arrived on this important and interesting subject is that no permanent improvement in the Australian butter trade can be expected until the general standard of the product is raised. That Australia can, and does, produce butter comparable with the best butter of other countries is well known, and is appreciated by the trade in this country, but the production of inferior qualities is equally well known. Good Australian butter is not in competition with margarine, but with butter (mostly superior) from other countries, and the maintenance and development of the Australian trade with the United Kingdom is entirely dependent upon an improvement of the quality of the output. Improvement of quality is a question of national importance.

The report of the Agent-General on this important subject has been the means to a large extent, I take it, of inducing the Government to step in and try to assist the industry. If I thought that the action of the Government would interfere with it I would certainly oppose the bill, but I believe the Minister for Lands is actuated by a sincere desire to do the best he can in the interests of the industry, and I further believe the Minister for Agriculture is equally sincere in his desire to do what he can to promote the industry. I am satisfied too that the administration of the Minister for Agriculture will be in keeping with the general tenor of the bill. I have quoted the Agent-General and I wish to quote an authority nearer home. Mr. Meares, the manager of the Coastal Farmers’ Co-operative Society, who is well known and who knows what he is talking about, states in to-day’s Sydney Morning Herald that only about 10 per cent. of the exported butter by the Argyllshire would have been saleable in Sydney.

Mr. Price: That is owing to the season!

Mr. Harry Morton: The season was not taken exactly as the basis of the Agent-General’s report, because he makes his report on the average position throughout the whole year. As regards clause 2, setting forth the definitions, I know that a great deal of doubt has been cast on the question of registration. Certain opponents of the bill in my electorate have declared that, notwithstanding the Minister’s assurance, it will be compulsory under this bill for all dairy farmers to register and pay a registration fee of £1. This is quite wrong. To me it is quite clear that no such intention exists in the minds of those responsible for the presentation of the bill, and in this connection I shall quote the following letter, which I received from the Agricultural Department on 13th April, 1915:

With reference to your letter of 7th April, relative to the Dairy Bill, I have the honor to state that the present Dairy Bill makes no provision for the registration of dairies, unless such dairy premises are used for the manufacture of either butter or cheese for sale, and hence might be regarded as factories. I ask the Minister to make that point absolutely clear in Committee, so that there can be no doubt about it. The bill provides:

“Dairy produce factory” means building or place where condensed milk, butter, cheese, or margarine is prepared or manufactured or where milk or cream is treated preparatory to manufacture.

If there is any doubt as to the meaning of that definition, it can be easily got over by making it read: “Where milk or
cream is 'collectively treated.' I hope the Minister will accept that amendment. The provision will then be satisfactory to a great many farmers who object to the bill on the ground of registration being required.

The first point of vital interest raised in the other clauses is contained in clause 7 dealing with storage of dairy produce. All farmers have to strictly keep their premises in order so as to obtain annual registration and the same conditions apply to butter factories. Why then should stores in which farmers' produce is placed be exempt from registration and conditions which are necessary for the proper storage of butter? Dairy produce frequently deteriorates through inferior storage, and this clause appears to me to be absolutely in the interests of the dairy farmer for the protection of his produce.

The hon. member for Raleigh referred to clause 7, which provides that if any person places dairy produce in any store or on board any ship, or in any vehicle in such manner that such produce may be deteriorated, either by heat or by injurious smells, he shall be liable to a penalty. The phrasing is rather drastic, and I hope that the Minister will place the responsibility of such an offence upon the owner or his representative. That would not then be irritating to the farmer. With regard to clause 9, which provides for the examination of books, the House will see by subclauses (c) and (g) of clause 26 that only certain books are required to be inspected. I take it that the only books which the department will want to examine will be those necessary to show whether the provisions of the bill have been complied with. For instance it will be necessary to ascertain whether the farmer has been paid in full for his butter and whether cream has been graded and paid for according to the value of the butter obtained therefrom. This must recommend itself to hon. members. All factories will be compelled to pay the supplier for all the butter from the cream supplied by him. Who is more entitled to be paid for the butter produced than the farmer. The Minister wants to ensure that instead of certain factories building up the dividends of the shareholders the money should be paid to the suppliers. 

Clause 11 deals with the manufacture of dairy produce and no one can conscientiously object to it unless it be those who are not particularly desirous that the supplier shall be paid for all the butter produced from the cream he sends. Clause 12 relates to the grading of cream and no objection can be taken to it as compulsory cream- grading has been advocated by co-operative leaders for many years past. Clause 13 is, as has been said, of great importance. It is as follows:

Where cream which is supplied to a dairy produce factory is manifestly affected by putrefactive decomposition, the manager of the factory shall not manufacture butter from such cream, or retain it on the premises. Such cream shall be treated by adding thereto kerosene as prescribed, and shall be returned to the supplier.

The factories in my electorate do object to kerosene being used as an identifying agent on the ground that it may taint the can and cause the farmer loss and difficulty in cleansing it. I would suggest to the Minister that a colouring matter may be substituted for the use of kerosene. Clause 14 provides that:

Colouring matter shall not be added to butter for consumption in New South Wales, and butter containing colouring matter shall not be sold for consumption in New South Wales.

As there is admittedly no necessity for the use of colouring matter in butter this clause will remove one of the arguments in favour of the colouring of margarine. The margarine manufacturer claims that the butter-makers use colouring matter, and he naturally claims a similar privilege. Little need be said with respect to clause 15. It will be generally admitted, that men who test and grade the farmers' cream should show that they have the necessary qualifications themselves. The clause reads as follows:

After the expiration of six months from the commencement of this act every person employed to test milk or cream, or to grade cream supplied to a dairy produce factory, shall, before he enters into or continues such employment, have the qualifications and pass the examination prescribed in that behalf, and shall hold a certificate to that effect.

Many factory managers have not taken advantage of the factory managers' school. They did not anticipate this legislation and the Minister may fairly consider an extension of the time from six to twelve months. I quite agree that the
factory manager who deals with farmers' produce should understand his work, but the six months' period is rather a harsh provision. Clause 16 contains important matter in the farmers' interest. It compels all factories—co-operative and proprietary alike—to show that they are paying the farmer for all the butter manufactured from his cream. In other words it will prevent what is known as the "over-run" being used to cover up deficiencies of management, or for the purpose of making undue profit. While on this subject, it may be appropriate to quote, in justification of this clause, the remarks of Mr. G. W. Gordon, the secretary of the Central Northern Rivers Factories Association, Bellingen, who states in a letter to the Sydney Morning Herald, of 4th May last:

The over-run, to a greater extent, only concerns the factory and its suppliers, for it does not matter whether there is 2 or 10 per cent. over-run in a co-operative factory. The money it returns cannot go out of the concern. The evil of an over-run is where two factories are in competition, and one only takes a 3 per cent. over-run, the other 15 per cent. The latter will be able to pay its suppliers 3d per lb. a month more, while, at the same time, they may be producing an inferior article. This matter could be got over by an amendment to the present act, making it compulsory on each factory to certify their over-run each month, and either publish it or display it in a prominent position in the factory.

That letter speaks for itself. I quote it because it shows the justification for the clause.

With regard to clause 17, dealing with grading of butter for export, I would suggest to the Minister in charge of the bill, that he agree to eliminate certain portions of this clause, and make it absolutely clear, that it is not the intention of the Government to grade butter at the various butter factories, but merely to check the grading at the various ports of export in conformity with clause 12. I trust the Minister will eliminate these words—"unless it is submitted to and graded by an inspector or other person appointed by the Minister in that behalf"—and thus cause butter to be graded by the maker and not by the Government.

Mr. G. W. Gordon also states in his letter of 4th May last to the Sydney Morning Herald:

If a clause was inserted in the bill making grading at the factory compulsory it would improve the quality and attain the desired end. I am pleased that the Minister has seen his way clear to practically agree to a proposal made by certain factories to give them a right to appeal in the case of being dissatisfied in the matter of the Government grading. The Hastings River district factories are particularly interested in this, and they desire the Minister to give all factories the right to appeal if they are dissatisfied with the Government grading. There may be honest differences of opinion, and probably will, and the factories may have good reason to be dissatisfied with the Government grading. I hope that the Minister will either by regulation or by a provision in the bill give them the right he foreshadowed.

I have endeavored to give an intelligent criticism of the various clauses of the bill. The whole measure practically boils down to six headings. Firstly, it provides for the grading of cream; secondly, it provides for paying the farmer for all the butter manufactured from his cream; thirdly, it provides for inspection of stores on the same lines as butter factories are now inspected; fourthly, it provides for protecting the farmers and the dairying industry from the dangerous competition of margarine; fifthly, it provides for the grading of cream without additional inspectors, by checking the quality of the butter at the various export depots; lastly, it provides that the man who grades the farmer's cream shall know his business. I ask, which of those provisions are objectionable? I say it is up to hon. members who oppose this measure to point out which of those provisions are objectionable, and why? I hope and trust that the amendments which I have foreshadowed will prove acceptable to the House and the Minister. The bill is a most important measure, and I believe that the result of its operations will be to improve the industry and assist it. Above all, we have to remember that there is a very dangerous competition ahead of us in the manufacture of mar.
garine and the position is a very serious one not only to dairy farmers but also to men who have invested their capital in dairy lands. I do not want to see the value of the lands of dairy farmers depreciate. I want to preserve to them what they have themselves built up. If I thought for a minute that the intention of the Government or of the Minister in charge of the bill was to pass legislation which would have an injurious effect on the dairy industry I would be a strong opponent of the bill, but believing, as I do, that the Minister is imbued with the one desire of helping the farmer in this particular matter and to assist the dairy industry and to guarantee, above all, that the supplier shall be paid for all butter made from his cream, I welcome this legislation and at the same time trust that the amendments I have foreshadowed will prove acceptable to the Minister.

Mr. PRICE (Gloucester) [12.55 a.m.] : At this early hour in the morning I do not intend to say much on this question. The hon. member who has just resumed his seat asks why any hon. member representing a butter-producing district should oppose the bill at the present stage, I will show him the reason. I take this opportunity of congratulating the Minister on furnishing the House with certain information. What I object to in regard to the whole transaction is that the reports furnished and the advice given to the Minister are largely official. In Victoria there is compulsory grading of butter and the Commonwealth Parliament has passed a grading act. The butter we supply to the London market may come into competition with Danish and other butter which has been passed as first-grade butter, but is so fishy that it brings a less price in the market than butter graded second-class in Victoria and this state. When butter goes to the London market it is not bought according to the grading or the brand but according to the test and taste of the butter. Butter from the North Coast has fetched a higher price than butter which has been graded in Victoria under the compulsory grading system. This is a different matter from a speculative one. The number of proprietary companies on the North Coast at the present time is very small. Nearly every man who is interested there in the butter industry is either a supplier or a shareholder in a co-operative company and their desire is to so run the company so as to produce the best possible results. I believe that the intention of the Minister is that each factory shall register its own brand. Every factory does that at the present time, and the butter is sold on the reputation of that brand. The dairy-farmers of this state have built up a large and successful industry. The Minister now proposes to handicap it. The result may be that what is a success to-day will be landed in disaster. The question is a very big and important one. In dealing with the butter industry we are dealing with commercial problems. Hon. members generally do not deal with such problems from a commercial point of view, because many of them have had no commercial experience. When you sell butter you sell it to keen buyers who always buy on the margin of value and quality. I give the Minister credit for the best of intentions, but I warn him that he is introducing a system which may be attended with grave danger and may seriously handicapped an important industry. Whilst, no doubt, he is endeavouring to do good, I am afraid he will work considerable harm and I would ask him to seriously reconsider the whole situation.

Mr. MARK F. MORTON (Allowrie) [1.1 a.m.] : I regret that the Minister should proceed with a measure of this importance relating to an industry which the Minister has acknowledged to be the third largest in the state at this hour of the morning, when he cannot command a quorum of even his own supporters. In consideration of the virtual promise he made to the hon. member for Lismore he might postpone the second reading until that hon. member can return. I am quite sure that the hon. member for Lismore would not have accompanied his Excellency on an official visit to the North Coast district if he had known that this bill would have come on for consideration to-night.

Mr. Ashford : I promised the Liberal Whip that I would not go on with the Committee stage until the return of the hon. member for Lismore.

Mr. MARK F. MORTON : I think the Minister might consider the desirability of adjourning the second-reading debate until the return of the hon.
member, because there is no special urgency in regard to the measure. This is a measure in which I have been personally interested for the last sixteen years, because this is practically the same bill that was introduced by the Hon. John Kidd.

Mr. Ashford: Not at all!

Mr. Mark F. Morton: The same principles are involved with a few additions. Every Minister has had his ears secured by the officials of the department who are possessed with the idea that the industry should be brought under complete Government control. The bill might very well be called a measure to hand over the sole control of the dairying industry to Mr. M. A. O'Callaghan. A measure of this kind has been in the view of that gentleman ever since it was introduced here by the Hon. John Kidd, and whilst I recognise that Mr. O'Callaghan may know a good deal about dairying in this state, the industry is too important to be handed over to the control of one individual or a few officials. The Minister seems to think that only one extra official will be appointed, and that it will merely be necessary for dairy farmers to pay £1 a year for the registration of their farms. But there are bigger principles involved than the simple statements of the Minister would seem to indicate. It is proposed to hand over to the control of a few officials an industry which has been built up by the farmers themselves. This is not essentially a Labour measure, and I cannot understand why Ministers should bother their heads about a matter of this kind whilst subjects occupying an important place on their platform are left untouched. I should have thought the recent experience of the Attorney-General in the butter business would have had the effect of warning Ministers off the dairying industry for all time. It would be interesting to know what expert graded the American butter that was imported here. That experience shows that not too much faith is to be placed in Government experts. The dairying industry has been built up by the farmers of this country and although the Minister may hope to improve it, he can do nothing in that direction. The whole of the improvement has been brought about by the efforts of the farmers themselves, and the Minister is treading on dangerous ground when he endeavours to hand it over to a body of inspectors.

Mr. Ashford: You do not suggest that we should withdraw all the inspectors who are working at the present time?

Mr. Mark F. Morton: No. I am quite satisfied with what is being done to-day. There are only two or three contentious clauses in the bill, and most of the provisions would meet with general approval. There has been a serious depreciation in the quantity of butter produced and although the drought for the last twelve months has had a good deal to do with this and is still operating on some parts of the North Coast, other causes have had a strong influence in reducing production. The restrictive regulations that have been brought into existence by the Government in respect to industries generally have caused a great number of dairymen to go out of the business altogether, and a number of dairy farmers, especially on the South Coast, are going back to agriculture.

Mr. Ashford: You do not suggest that, except for what has been done under the Necessary Commodities Control Act, any restrictive legislation has been passed in relation to the dairying industry?

Mr. Mark F. Morton: No, but the restrictive legislation which has been applied to other industries and the effectuation of rural troubles has caused a feeling of unrest and fear among dairy farmers, with the result that production has gradually been reduced. The supply of dairy cattle is decreasing owing to the great demand for beef and the indiscriminate killing off of the younger animals. On the top of all this the effect of passing a measure of this kind will be to bring about still less production, because more farmers will retire from the business. The Minister has told us that our butter is deteriorating in quality, and the only authorities he quoted were some people in London. He said that an enormous proportion of our butter was graded as second-class.

Mr. Ashford: I said that of the 75 per cent. of the butter that was properly inspected 60 per cent. was first-grade and 40 per cent. second-grade, and that of the 25 per cent. of butter exported without
inspection, 85² per cent. was inferior. That was butter exported by Mr. Meares' company.

Mr. MARK F. MORTON: The co-operative factories control about 75 per cent. of the total output, and the Minister surely cannot believe that such a large proportion of our butter is of low grade.

Mr. Ashford: The Agent-General reported that only 33½ per cent. of our butter on the London market was first-class, but the records here show that at the time of export the proportions of first and second-grade butter were as I have indicated.

Mr. MARK F. MORTON: No evidence has been produced in support of the Minister's argument. Every pound of butter is produced under sanitary conditions and every milk-producing animal is subject to periodical and rigid supervision.

Mr. Ashford: Thanks to Government supervision!

Mr. MARK F. MORTON: The Government has a perfect right to provide for the inspection of cattle and of the factories and the conditions under which butter is made.

I also want to point out that not one demand has ever been made by the Board of Health that has not been complied with by the factory-owners and dairy-farmers. What more can they do? The Minister alluded to the fact that the Government had done a great deal towards stamping out the diseases to which dairy cattle are prone. I admit that cattle should be rigidly inspected, and so they are. But as far as stamping out disease is concerned, that was started by the Fresh Food and Ice Company—a proprietary milk company—which sent its own inspector, who insisted on behalf of that company that no cattle should be allowed to produce milk for consumption in Sydney unless they were examined. At the present time in Illawarra only one out of 300 cattle on the average has been condemned by the Board of Health inspector, and they are examined for all diseases under the act—not for tuberculosis alone. The Minister will admit that disease has been stamped out. Only the other day the stock inspector in his report for the Illawarra district said that as far as he could ascertain there was not one beast in his domain which was suffering from any disease whatever. But with regard to disease on the South Coast, there has been more of it on the Government stud farm, in my district, than on any other farm in the vicinity. The Minister admits that?

Mr. Ashford: Yes; but it is reported clean now!

Mr. MARK F. MORTON: When the Minister told us about the cattle which were imported from England he did not tell us that there was a bigger proportion of condemnations among the cattle on the Government farm than on any other farm in the district.

Mr. Ashford: I quite admit that!

Mr. MARK F. MORTON: There could not be much disease left, because you have killed nearly all the cattle.

Mr. Ashford: I was personally responsible for the cleaning of that district!

Mr. MARK F. MORTON: I admit the Minister has done a good deal, and I give him credit for it. The strong measures taken practically during the Minister's term of office have stamped out what disease was left on the Government farms. If that is the case, I do not see that the Minister has much to talk about with regard to years gone by, and what his predecessors did to improve the dairying industry. I may say that his recent importation of stock in the horse line is probably the best that any Minister has yet made; but the same cannot be said as regards the dairy cattle, because the latter were a discredit to the dairy cattle of the whole state.

I claim that the Board of Health, by their administrators, are the proper authorities to decide where butter is to be made, whether it is fit for human consumption, and whether it is of proper grade; and the Minister, even at this late stage, would do well to allow the matter to stand over for further inquiry, to see whether the information given to the House is correct in every detail.

With regard to the bill itself, this question of margarine is only a herring drawn across the trail by the Minister himself. Everything that has been done was done long before he came into office. I have, on more than one occasion, introduced a deputation to the Chief Secretary, and
the Minister who was responsible for preventing margarine coming into undue competition with butter was the late Chief Secretary in the Wade Administration, Mr. Wood. He forced on the Board of Health the necessity for protecting the butter industry from competition with margarine, and when it was decided that margarine should only be sold in its proper colour, the butter manufacturers agreed, as a matter of fairness, that butter should not have any colouring matter added to it either. All the butter-producers in the state are now agreed that while the Minister causes margarine to be sold in its proper colour he should see also that butter is sold in its proper colour.

Mr. Ashton: I do not claim that I was responsible for the prevention of colouring margarine.

Mr. Mark F. Morton: I do not say so, but I am pointing out that the Minister is only drawing a herring across the trail when he says that the bill is to deal with margarine.

I remember introducing a deputation to the present hon. member for Sturt, who endorsed what his predecessor had done, and also to the Hon. F. Flowers. If, as the Minister has stated, this is a margarine bill, all that was necessary could have been done by regulation. There was no necessity for bringing in a bill to deal with margarine at all. The statement the Minister made was that the present margarine factories had only to conform to the requirements of the Noxious Trades Act, yet their product competed with that of the butter factories, which had to maintain a higher sanitary standard; that this was not fair to the butter producers, and if the margarine clauses were rejected by the Legislative Council, as was hinted would be the case, the Minister would not say that the measure, which did not cover margarine, would be passed into law at all. The Minister has stated that this bill is designed to prevent margarine coming into unfair competition with butter, and I repeat that there is already provision for that. The Board of Health are the authorities, and whilst former Chief Secretaries insisted upon the regulations being complied with there was no danger in the matter: If the Minister thought fit he could re-enact measures or amend this bill in order to prevent unfair competition. If the Minister says that this measure is to prevent margarine coming into unfair competition with butter I say that it is not so, and he has been hiding the real reason for bringing in this bill.

Mr. Ashton: I gave instances of where margarine was placed on the tables of refreshment rooms in Sydney now!

Mr. Mark F. Morton: You cannot stop that.

Mr. Ashton: You can by regulation under this bill!

Mr. Mark F. Morton: You can in the factory, or in the shop where it is sold; but once it goes on to the table of a restaurant there is hardly an expert who can detect the difference between margarine and good butter, if they are both of the same colouring.

Mr. Ashton: But if this bill is carried you will be able to detect it!

Mr. Mark F. Morton: How?

Mr. Ashton: Because no colouring matter will be allowed!

Mr. Mark F. Morton: No colouring matter is allowed now. I am not an expert myself in the testing of butter, but I defy any hon. member to tell the difference between one and the other if the same colouring is allowed in both. If the Chief Secretary will insist upon this colouring not being allowed in either product the butter-producer will be quite satisfied to put up with certain restrictions so long as the margarine-maker is compelled to do so as well.

Mr. Harry Morton: Would you not sooner have Parliament decide than the Chief Secretary? I would rather make it a law than a regulation!

Mr. Mark F. Morton: I say that this has only been a sop, and is used by the Minister and his experts as a bogey to frighten dairy-farmers on the coast into supporting the bill.

As regards the North Coast district; although I do not know much about it, when the Minister quotes the Byron Bay people as being favourable to the bill, he must remember that they only spoke for themselves, and that shortly afterwards a monster meeting was called to contradict what they had said. The majority of dairy farmers on the North Coast are absolutely against the provi-
sions of this bill. There are one or two clauses of the bill to which I would specifically refer. The Minister says that he sees no objection to clause 9. Personally I see a very big objection to it. Whilst I have no objection to offer to any inspector inspecting the scales and other apparatus necessary for testing the cream, I have a very strong objection to giving him unlimited powers of examination in regard to the books. No inspector should have the right to examine all the books to be found in a factory. If the Minister will amend the clause so as to provide that only one particular class of books shall be the subject of inspection, he will help to remove some of the objections we at present entertain.

Mr. Asfordin: I propose to amend the clause. We only want to find out the quantity of butter manufactured!

Mr. MARK F. MORTON: That is another matter; but when the Minister seeks to pass a measure which contains provision for the examination of any books, I can assure him he is paving the way for trouble.

Mr. Asfordin: I will insert an amendment to make it quite clear.

Mr. MARK F. MORTON: I accept the Minister's assurance. Clause 10 provides that where, as the result of an examination by the inspector, he is of opinion that the scales, measures, and so on, are not what he thinks they should be he may order anything he likes to be done. I do not imagine that the Minister really means that the inspector shall have the right to exercise such a wide power as that. If so, I do not think there is one hon. member who will be prepared to agree to it. I hope the Minister will look thoroughly into the clause with a view to introducing some amendment which will limit the power conferred upon the inspector.

I endorse what was said by the hon. member for Wollondilly upon the question of the grading of cream and of butter. Those who object to Government interference have never been opposed to a clause providing that the cream itself should be graded. Not only so, but to make provision for it here is no innovation, inasmuch as most of the factories are already observing the system. There will be no objection to that, or to many other clauses which are non-contentious; but so far as clause 17 is concerned, that being the crucial clause, whether the Minister agrees with my contention or not, I still submit that the proper men to decide whether or not butter is of the first grade are those who are making their living by the industry and the men who buy the product. Whatever the Minister may say in advocacy of a Government inspector and Government grading, I can assure him that no merchant would think of buying a shipment of butter on the Government grade, so long as he has his own men to test and see that the sample is all right. The hon. member for Wollondilly made it clear from his own personal experience that all the large English buyers sampled the butter before they bought, whatever the grade on the box might be. Addressing the conference of factory managers recently, the Minister made a statement to the effect that the grading of butter for export was only intended to ensure that the quality was in accordance with the registered brand on the box, and that if the butter were not up to the grade represented it could either be re-packed or re-branded. Finally the Minister said, "There will be no Government mark or grade." I do not know whether or not the hon. member was correctly reported, but I would ask him what he meant by that? What is the use of grading butter if there is to be no Government mark or grade?

Mr. Asfordin: They will use their own grade!

Mr. MARK F. MORTON: Do I understand the Government to mean that after the butter has passed the Government inspection the factories can apply their own registered brand? Clause 17, from the standpoint of the dairy-farmers themselves, is one of the most vital clauses of the measure. After all, the proper authority to decide is the Board of Health, operating under the Pure Foods Act. I hope that the Minister can see his way to amend the clause. I would suggest that if butter should not be exported unless it is graded, then we should give the people themselves the right to grade their own butter.
Mr. Ashford: I am prepared to amend the clause!

Mr. Mark F. Morton: I want the Minister to promise that he will be satisfied if the butter is graded at the factory, and not require that it shall be graded by an inspector to be appointed by him. I repeat that the proper people to consult are those who have to make a living by the industry, and if they agree to satisfy the requirements of the Public Health Act that should be quite sufficient. We object to any Government interference. If this measure is forced through the House then as a matter of fairness to those who have built up this industry without assistance the Government should be prepared to agree that the people themselves should grade, and only allow the Government authority to interfere when it is ascertained that some fraud is being attempted. Hon. members will be in agreement that if those who are shipping butter are guilty of any fraud they should be punished. No one would object to the application of that doctrine. In regard to the court of appeal, which the Minister proposes to establish, I understood the hon. member to say that it was not intended that it should include the inspectors, but that the factories themselves would constitute the court.

Mr. Ashford: The hon. member misunderstood me. What I said was, that I had promised the factory managers that I would give them the right to appoint a representative on the court of appeal!

Mr. Mark F. Morton: Where do the owners come in?

Mr. Ashford: Manager or owner—it is immaterial. I am prepared to give them the power if they so desire!

Mr. Mark F. Morton: I admit that would make the position much fairer. I understand that no Government inspector will be on the court of appeal.

Mr. Ashford: The managers or owners will be able to appoint whoever they like. It will be somebody outside the inspector!

Mr. Mark F. Morton: There is only one other clause to which I wish to refer, and that is the one dealing with the regulations. The Minister certainly told the recent conference of the Factory Managers' Association that in the framing of all the regulations under this bill the association would be consulted, and that the department would be prepared to accept suggestions from the conference or from individual managers.

Mr. Ashford: I said that suggestions would be welcome!

Mr. Mark F. Morton: The Minister did not use the word "welcome." I submit that the hon. member has no right to accept suggestions from the managers because they are the employees of the people who own the business. If the Minister is prepared to accept suggestions he ought not to overlook the rights of the owners themselves.

Mr. Ashford: We will accept suggestions from anybody which we think are good!

Mr. Mark F. Morton: There is not very much satisfaction about that. What I do say is that the Minister has been playing up to the Factory Managers' Association instead of consulting those who own the industry.

Mr. Ashford:

Mr. Mark F. Morton: Clause 15 provides that after the expiration of six months from the commencement of the act every person employed as manager shall be a qualified man. I believe in that, but as the certificates of competency are to be given to managers by the Department of Agriculture, the managers will practically be the servants of the department instead of the employees of the owners. What I mean to say is, that no man will be able to get a position unless he has a certificate of competency, and the fact that he is being paid by the owners of the industry does not give them any right to appoint. While I do not object to these men being required to be qualified, I say that you are investing them with a power which they should not have, and some consideration should be shown by the department to the owners of the industry. If the Minister will adopt reasonable suggestions he will find that the bill will emerge from the Committee stage in a form which will make it more workable and more satisfactory to those engaged in the industry than it is at present.

Mr. W. Brown (Durham). [1.32 a.m.]: I want to assure the Minister that I realise he is thoroughly sincere in his
believe that this bill has all the virtues which he has claimed for it, but I do not think there is really much occasion for it. We can improve the quality of our butter in many respects, but we will have to commence at the other end, and not at the export wharf. We will have to get the assistance of the dairy-farmer if we want to improve the quality of the article. The grading of the cream will assist in that direction, but you will require to have an inspector at every factory in the state, otherwise you will not be able to carry out the grading efficiently. Nearly all the larger factories in the state grade their cream. I have known cases in which farmers have had their cream graded as second-class, and were informed that if they brought it up to first-class quality, which they could easily do by observing cleanliness, they could get 2d. a lb. more for their butter, but they still continued in the same old way. You are not going to bring those farmers up to date even if you adopt grading at the factories. The factories which I represent, and which turn out from 150 to 170 tons of butter monthly will not object to the grading of the cream simply because they have been doing that for a good many years. As regards the grading of butter for export, our difficulty is that it takes about seven weeks for the butter to arrive on the London market, and there is always a great danger that it will deteriorate if the refrigerating room be not kept at a temperature at which it ought to be kept. I have always held the belief that if you have a system of butter grading you will require to grade it when it reaches the London market.

Mr. Ashford: I think that will have to be done!

Mr. W. Brown: I may say that we in the Hunter River district have sent both first-quality and second-quality butter to the London market, and the second-grade butter has actually realised 2s. more per cwt. than the first grade. We held the undoubted opinion that the second quality was much inferior to the other, but the fact is, it realised a higher price on the London market. It seems to me that the purchaser of butter has a system of grading of his own. A man buying 10, 15, or 20 tons of butter to supply his customers, will not, if he is a shrewd business man, accept the brand on the outside of the box. He will always want to see the box opened, and test the butter himself, in order to be certain that he is getting the article which he requires. I do not think, therefore, that we shall achieve much by bringing in a system of grading butter for export. There have been times when New South Wales butter has realised as high a price as New Zealand, or even Danish butter; but I do not think we can ever build up a grade which is going to compete successfully with Danish butter.

Mr. Ashford: I never said we could. I mentioned all the difficulties in transport, and the differences in distances!

Mr. W. Brown: There is more than that. Danish butter is manufactured at the cream-separating station, and the milk flows to one centre, so that naturally they get a uniform grade of cream. That is why Danish butter is always superior to any other butter, except Irish butter. In New South Wales during the winter months, when we can make a much better article, we have not sufficient for export, while in summer the climate is adverse to our making a good quality of butter. It has been said that the Byron Bay factory people are not opposed to this bill. I can understand that, because it will not affect them at all, as they carry out now what is required by the bill. They get their cream supplied to the factory every morning, and every attention is paid to grading. That part of the state is practically the home of the industry, and if they cannot make good butter there they cannot make it anywhere else in the state. You should not mix rotten cream with a superior article. If you do that you are going to spoil the quality of your butter. I know there are a few small factories which, for the sake of retaining a customer, will pay him a first-class price for a rotten article, but that sort of thing ought to be put down. We desire the farmer himself to have more regard for the quality of his cream. If we can get him to realise the necessity for cleanliness on all occasions we will be able to improve the quality of our butter more by that than by anything else. Take the cream that arrives at a factory. If a man who understands the business examines the cans, he will know at once...
that the cream, though fresh, is not perfect, because it is tainted through absence of scrupulous cleanliness.

Mr. ASHFORD: The Agricultural Department has been trying for years to get the farmers to be scrupulously clean!

Mr. W. BROWN: We should have more inspection at the farms, because if we do not get the proper article from the farmer we cannot get the high grade of butter desired. I do not like the idea of the fee for registration, and I would not like to have a fee for re-registration. A very drastic provision is that dealing with the temperature and storage. There is no objection to fixing the temperature at which butter must be kept for export, but we do object to the time being fixed during which it must be kept at that temperature. That would mean that an exporter could not send his butter to London at the time when he could obtain the best price. I think that savours too much of interference with the individual. I want to know from the Minister what standard of grade he proposes to adopt. If he intends to adopt the European standard we shall not have any of our butter branded “first-grade.” If we are going to adopt a standard of our own, what is that standard to be? What is to be our first, second, and third grade?

Mr. ASHFORD: We propose practically to accept for the present the standard laid down by the Commonwealth Government!

Mr. W. BROWN: In connection with margarine, we do not fear the competition of that industry so long as the manufacturers do not adopt the expedient of mixing colour with the substance. We recognise that he has the same right to manufacture margarine as we have to manufacture butter, and we do not want any more protection than we have at present.

Mr. J. H. CANN: The other states object to our regulations!

Mr. W. BROWN: Their interest in margarine may be such that they prefer to encourage its manufacture. This elaborate bill is not required. What we want is a very simple measure providing for the grading of cream at the factory and for the supervision of the careless farmers at home. That would get over the whole trouble. We cannot carry out this scheme of grading unless we have an inspector at every factory. No decent factory in the state wants to manufacture bad butter. The factories have always been endeavouring to lift up the quality. We know what good quality means to the industry, which is now worth £8,000,000 or £7,000,000 a year to the farmers. The industry has provided a means whereby many small farmers have been raised to a position in which they are able to pay their storekeepers regularly. For many years they were in the hands of the storekeeper from one year’s end to the other. When the factories were established the farmers were enabled to send their cream there, and they soon got out of their difficulties. Land which was unprofitably used for other purposes was turned to profitable use in dairying. The farmer appreciates the educational assistance that the Government has given him, but he does not want the Government to interfere too much with him. I trust that when we get into Committee the Minister will be prepared to accept any reasonable amendment. We are not opposing this bill because it is brought in by a Labour Government, but we do not want to be too restricted in our actions; we want to be allowed to work out our own salvation.

Mr. ASHFORD (Liverpool Plains), Secretary for Lands [1.48 a.m.], in reply: The remark of the hon. member as to the introduction of the bill by a Labour Government is very interesting. However, I have no wish to speak at length. The criticism has been absolutely fair. I am quite prepared to meet it, and to adopt some of the suggestions made. I would like to place on record certain facts to show to what extent the factories are in favour of this bill. The North Coast Co-operative Company, Murwillumbah, which is a branch of the Byron Bay Company, is in favour of it, as are also the North Coast Co-operative Company, Byron Bay, with six other factories on the Richmond; the Casino Co-operative Dairy Company, Limited, on the Upper Richmond; the Clarence River Pioneer Dairy Company, Limited, which is the largest on the Clarence; also two other factories on this river. On the Macleay River a meeting held at Smithtown was unanimously in favour of the bill, while
at the Kempsey end of the river there are many against the bill. The Hastings District Co-operative Dairy Company, Limited, Port Macquarie, which is the only factory on the river, is very strongly in favour of the bill, as are also the Upper Manning Co-operative Dairy Company, Limited, Taree, and the Manning River Co-operative Dairy Company, Limited, Jones's Island. At Taree, Manning River; Wauchope, Hastings River; Smithtown, Macleay River; and Macksville, Nambucca River, meetings were held to explain the bill, and unanimous support was given at these centres in favour of the bill. I place these facts on record to show that, even if a Labour Ministry does introduce this bill, many districts that do not return Labour members are strongly in favour of it.

Question resolved in the affirmative.

Bill read a second time and committed pro forma.

GREATER SYDNEY BILL.

In Committee (Mr. Durack in the chair):

Mr. J. H. CANN (Sturt), Minister for Public Works (for Mr. Arthur Griffith) [1.57 a.m.], moved:

That it is expedient to bring in a bill to constitute and provide for a Sydney metropolitan area and council; to provide for the better government of the area, and for the exercise and supply by the council of certain powers and services outside the area; to provide for the alteration or abolition of municipalities and shires within the area; to provide for the council co-operating with the Governments of the Commonwealth and state and with public or private bodies and persons; and for these purposes to repeal certain acts and to amend certain other acts; and for purposes consequent thereon or incidental thereto.

He said: I do not propose to give any explanation of the bill. I believe there is a mutual understanding that the bill shall be brought in. I assure hon. members that the next stage will not be gone on with before they have had an opportunity of perusing the bill.

Mr. COHEN (Petersham) [1.58 a.m.]: I only want to say that if this bill is anything like the bill previously brought in I intend to oppose it. I am not going to oppose it at this stage, because I understand some alterations have been made in it.

Mr. J. H. CANN: It is entirely a new bill.

Mr. COHEN: I believe it is entirely a new bill. If it contains the franchise provision which the other bill contained it will receive very short shrift from hon. members on this side of the House. I am opposed to a Greater Sydney scheme as contemplated by the previous bill, and desire to see exactly what this bill is. I hope the Minister will do the same in regard to this measure as was done in regard to the Local Government Bill, and will give not only hon. members but the municipal bodies, who are largely interested in it, copies of the bill before the second reading is moved.

Mr. PRICE (Gloucester) [1.59 a.m.]: The Minister said he would give hon. members reasonable time to peruse the bill before proceeding with it. Other Ministers have made a similar promise, but subsequently they have rushed through a measure in the early hours of the morning without hon. members having a proper opportunity to deal with it. I would like an assurance from the Minister that this important measure will not be rushed through.

Mr. J. H. CANN: If I give my assurance to the House on that point I am sure it will be accepted!

Mr. J. C. L. FITZPATRICK: I suppose the Minister of Public Instruction will be in charge of the bill!

Mr. J. H. CANN: Yes, but I am putting it forward now so that the second reading cannot be taken without the fullest opportunity being given to hon. members!

Mr. PRICE: The affairs of the City Council are now being grossly mismanaged, and it is important that we should not intensify the present unsatisfactory conditions.

Question resolved in the affirmative.

Resolution reported and agreed to.

Bill presented and read a first time.

House adjourned at 2.9 a.m. (Thursday).