THE COMMONWEALTH.

THE question of the federation of the various provinces of Australia was not overlooked by the framers of the first free Australian Constitution, who proposed the establishment of a General Assembly "to make laws in relation to those intercolonial questions that have arisen, or may hereafter arise," and who, indeed, sketched out a tolerably comprehensive federation scheme. Unfortunately, however, that proposition was included with another for the creation of a colonial hereditary nobility, and in the storm of popular opposition and ridicule with which the latter idea was greeted, the former sank out of sight. Again, in 1853, the Committees appointed in New South Wales and Victoria to draw up the Constitutions of their respective colonies, urged the necessity for the creation of a General Assembly; but the Home Government in definitely postponed the question by declaring that "the present is not a proper opportunity for such enactment." From time to time, since Responsible Government was established, the evil of want of union among the Australian colonies has been forcibly shown, and the idea of federation has gradually become more and more popular. Some years ago (1883) the movement took such shape that, as the result of an Intercolonial Conference, the matter came before the Imperial Parliament and a measure was passed permitting the formation of a Federal Council to which any colony that felt inclined to join could send delegates. The first meeting of the Federal Council was held at Hobart in January, 1886. The colonies represented were Victoria, Queensland, Tasmania, Western Australia, and Fiji. New South Wales, South Australia, and New Zealand declined to join. South Australia sent representatives to a subsequent meeting, but withdrew shortly afterwards. The Council held eight meetings, at which many matters of intercolonial interest were discussed, the last having been held in Melbourne, early in 1899. One meeting every two years was necessary to keep the Council in existence. Being, from its inherent constitution, a purely deliberative body, having no executive functions whatever, the Federal Council possessed no control of funds or other means to put its legislation into force, and those zealous in the cause of federation had to look elsewhere for the full realisation of their wishes. The Council naturally ceased to exist at the inception of the Commonwealth.

An important step towards the federation of the Australasian colonies was taken early in 1890, when a Conference, consisting of representatives from each of the seven colonies of Australasia, was held in the Parliament House, Melbourne. The Conference met on the 6th February, thirteen members being present, comprising two representatives from each of the colonies, except Western Australia which sent only one. Mr. Duncan Gillies, Premier of Victoria, was elected President. Seven meetings were held, the question of federation being discussed at considerable length; and in the end the Conference adopted an address to the Queen, expressing their loyalty and attachment, and submitting certain resolutions which affirmed the desirability of an early union, under the Crown of the Australian colonies on principles just to all, suggested that the remoter Australasian colonies should be entitled to admission upon terms to be afterwards agreed upon, and recommended that steps should be taken for the appointment of delegates to a National Australasian Convention, to consider and report upon an adequate scheme for a Federal Constitution.

In accordance with the terms of that resolution, delegates were appointed by the Australasian Parliaments, and on the 2nd March, 1891, the National Australasian Convention commenced its sittings in the Legislative Assembly Chambers, Sydney, having been convened at the instance of Mr. James Munro, the Premier of Victoria. There were forty-five members of the Convention altogether, New South Wales, Victoria, Queensland, Tasmania, and Western Australia (which had only recently been placed in possession of the privilege of Responsible Government) each sending seven delegates, and New Zealand three. Sir Henry Parkes, then Premier of the mother colony, was unanimously elected President of the Convention; Mr. F. W. Webb, Clerk of the Legislative Assembly of New South Wales, was appointed Secretary; Sir Samuel Griffith, Premier of Queensland, was elected Vice-President; and Mr. (later Sir) J. P. Abbott, Speaker of the New South Wales Legislative Assembly, was elected Chairman of Committees.

A series of resolutions was moved by the President, Sir Henry Parkes, setting forth certain principles necessary to establish and secure an enduring foundation for the structure of a Federal Government, and approving of the framing of a Federal Constitution; and after discussion and amendment, the resolutions were finally adopted, affirming the following principles:—

1. The powers and rights of existing colonies to remain intact, except as regards such powers as it may be necessary to hand over to the Federal Government.
2. No alteration to be made in State boundaries without the consent of the Legislatures of such States, as well as of the Federal Parliament.
3. Trade between the federated colonies to be absolutely free.

4. Power to impose Customs and Excise Duties to rest with the Federal Government and Parliament.
5. Military and Naval Defence Forces to be under one command.
6. The Federal Constitution to make provision to enable each State to make amendments in its Constitution if necessary for the purposes of Federation.

Further resolutions approved of the framing of a Federal Constitution which should establish a Senate and a House of Representatives—the latter to possess the sole power of originating money Bills; also a Federal Supreme Court of Appeal, and an Executive consisting of a Governor-General, with such persons as might be appointed his advisers. On the 31st March, Sir Samuel Griffith, as Chairman of the Committee on Constitutional Machinery, brought up a draft Constitution Bill, which was fully and carefully considered by the Convention in Committee of the Whole, and adopted on the 9th April, when the Convention was formally dissolved.

The Bill of 1891 aroused no popular enthusiasm, and parliamentary sanction to its provisions was not sought in any of the colonies; thus federation fell into the background of politics.

At this juncture a section of the public began to exhibit an active interest in the cause which seemed in danger of being temporarily lost through the neglect of politicians. Public Associations showed sympathy with the movement, and Federation Leagues were organised to discuss the Bill and to urge the importance of federal union upon the people. A conference of delegates from Federation Leagues and similar Associations in New South Wales and Victoria was called at Corowa in 1893. The most important suggestion made at this Conference was that the Constitution should be framed by a Convention to be directly elected by the people of each colony for that purpose. This new proposal attracted the favourable attention of Mr. G. H. Reid, then Premier of New South Wales, who perceived that a greater measure of success could be secured by enlisting the active sympathy and aid of the electors, and who brought the principle to the test in 1895. In January of that year he invited the Premiers of the other colonies to meet in conference for the purpose of devising a definite and concerted scheme of action. At this Conference, which was held at Hobart, all the Australasian colonies except New Zealand were represented. It was decided to ask the Parliament of each colony to pass a Bill enabling the electors qualified to vote for members of the Lower House to choose ten persons to represent the colony on a Federal Convention. The work of the Convention, it was determined, should be the framing of a Federal Constitution, to be submitted, in the first instance, to the local Parliaments for suggested amendments, and, after final adoption by the Convention, to the electors of the various colonies for their approval by means of the referendum.

In 1896 a People's Federal Convention, an unofficial gathering of delegates from various Australian organisations, met at Bathurst to

discuss the Commonwealth Bill in detail, and by its numbers and enthusiasm gave valuable evidence of the increasing popularity of the movement.

In accordance with the resolutions of the Convention of 1895, Enabling Acts were passed during the following year by New South Wales, Victoria, South Australia, Tasmania, and Western Australia; and were brought into operation by proclamation on the 4th January, 1897. Meanwhile Queensland held aloof from the movement, after several attempts to agree on the question of the representation of the Colony. The Convention met in Adelaide, Mr. C. C. Kingston, Premier of South Australia, being elected President; and Sir Richard Baker, President of the Legislative Council of South Australia, Chairman of Committees; while Mr. Edmund Barton, Q.C., one of the representatives of the mother colony, and a gentleman who had taken a deep interest in the movement, acted as leader of the Convention. The final meeting of the session was held on the 23rd April, when a draft Constitution was adopted for the consideration of the various Parliaments, and at a formal meeting on the 5th May, the Convention adjourned until the 2nd September. On that date the delegates re-assembled in Sydney, and debated the Bill in the light of suggestions made by the Legislatures of the federating colonies. In the course of the proceedings, it was announced that Queensland desired to come within the proposed union; and, in view of this development, and in order to give further opportunity for the consideration of the Bill, the Convention again adjourned. The third and final session was opened in Melbourne on the 20th January, 1898, the Colony of Queensland being still unrepresented; and, after further consideration, the Draft Bill was finally adopted by the Convention on the 16th March for submission to the people.

In its main provisions the Bill of 1898 followed generally that of 1891, yet with some very important alterations. It proposed to establish, under the Crown, a federal union of the Australasian colonies, to be designated the Commonwealth of Australia. A Federal Executive Council was created, to be presided over by a Governor-General appointed by the Queen. The Legislature was to consist of two Houses—a Senate, in which each colony joining the Federation at its inception was conceded the equal representation of six members; and a House of Representatives, to consist of, as nearly as possible, twice the number of Senators, to which the provinces were to send members in proportion to population, with a minimum number of five representatives for each of the original federating states. The principle of payment of members was adopted for the Senate as well as for the House of Representatives, the honorarium being fixed at £400 per annum. The nominative principle for the Upper House was rejected, both Houses being elective, on a suffrage similar to that existing in each colony for the popular Chamber at the foundation of the Commonwealth. At the same time, it was left to the Federal Parliament to establish a federal franchise, which, however,

could only operate in the direction of the extension, not the restriction, of any of the existing privileges of the individual colonies; so that in those States where the franchise has been granted to women their right to vote cannot be withdrawn by the central authority so long as adult suffrage prevails. While the House of Representatives was to be elected for a period of three years, Senators were to be appointed for twice that term, provision being made for the retirement of half their number every third year. The capital of the Commonwealth was to be established in federal territory.

Warmly received in Victoria, South Australia, and Tasmania, the Bill was viewed somewhat coldly by a section of the people of New South Wales, and this feeling rapidly developed into one of active hostility, the main points of objection being the financial provisions, equal representation in the Senate, and the difficulty which the larger colonies must experience in securing an amendment of the Constitution in the event of a conflict with the smaller States. So far as the other colonies were concerned, it was evident that the Bill was safe, and public attention throughout Australasia was riveted on New South Wales, where a fierce political contest was raging, which it was recognised would decide the fate of the measure for the time being. The fears expressed by its advocates were not so much in regard to securing a majority in favour of the Bill, as to whether the statutory number of 80,000 votes necessary for its acceptance would be reached. These fears proved to be well founded; for on the 3rd June, 1898, the result of the referendum in New South Wales showed 71,595 votes in favour of the Bill, and 66,228 against it, and it was accordingly lost. In Victoria, Tasmania, and South Australia, on the other hand, the Bill was accepted by triumphant majorities. Western Australia did not put it to the vote; indeed, it was useless to do so, as the Enabling Act of that colony only provided for joining a Federation of which New South Wales should form a part.

The existence of such a strong opposition to the Bill in the mother colony convinced even its most zealous advocates that some changes would have to be made in the Constitution before it would be accepted by the people; consequently, although the general election in New South Wales, held six or seven weeks later, was fought on the Federal issue, yet the opposing parties seemed to occupy somewhat the same ground, and the question narrowed itself down to one as to which should be entrusted with the negotiations to be conducted on behalf of the colony with the view to securing a modification of the objectionable features of the Bill. The new Parliament decided to adopt the procedure of sending the Premier, Mr. Reid, into conference, armed with a series of resolutions affirming its desire to bring about the completion of federal union, but asking the other colonies to agree to the reconsideration of the provisions which were most generally objected to in New South Wales. As they left the Assembly, these resolutions submitted—first, that, with equal representation in the Senate, the

three-fifths majority at the joint sitting of the two Houses should give way to a simple majority, or the joint sitting be replaced by a provision for a national referendum; second, that the clause making it incumbent upon the Federal Government to raise, in order to provide for the needs of the States, £3 for every £1 derived from Customs and Excise Duties for its own purposes, and thus ensuring a very high tariff, should be eliminated from the Bill; third, that the site of the Federal Capital should be fixed within the boundaries of New South Wales; fourth, that better provision should be made against the alteration of the boundaries of a State without its own consent; fifth, that the use of inland rivers for the purposes of water conservation and irrigation should be more clearly safeguarded; sixth, that all money Bills should be dealt with in the same manner as Taxation and Appropriation Bills; and seventh, that appeals from the Supreme Courts of the States should uniformly be taken, either to the Privy Council or to the Federal High Court, and not indiscriminately to either; while the House also invited further inquiry into the financial provisions of the Bill, although avowing its willingness to accept these provisions if in other respects the Bill were amended. These were all the resolutions submitted by the Government to the House, but the Assembly appended others in respect to the alteration of the Constitution and the number of Senators, submitting, on the first of these points, that an alteration of the Constitution should take effect, if approved by both Houses and a national referendum; that a proposed alteration should be submitted to the national referendum, if affirmed in two succeeding sessions by an absolute majority in one House, and rejected by the other; and that no proposed alteration, transferring to the Commonwealth any powers retained by a State at the establishment of the federation, should take effect in that State, unless approved by a majority of electors voting therein; and, on the second point, that the number of Senators should be increased from six to not less than eight for each State.

The Legislative Council adopted the resolutions with some important amendments, discarding the suggestion in the first resolution for a national referendum; submitting that the seat of the Federal Government should be established at Sydney; more clearly preserving the rights of the people of the colony to the use of the waters of its inland rivers for purposes of water conservation and irrigation; carrying all appeals from the Supreme Courts of the States to the Privy Council; and declining to affirm its preparedness to accept the financial scheme embodied in the Bill. Further, the House suggested that the plan of submitting proposed alterations of the Constitution to the people by means of the referendum should be altered, and that no rights or powers retained by a State should be afterwards transferred to the Commonwealth without the consent of both Houses of Parliament of that State. The New South Wales Premier decided to submit the resolutions of both Houses to the other Premiers in conference, attaching, however, greater importance to those of the Assembly, as embodying the views

of a House which had just returned from the country. This conference was held in Melbourne at the end of January, 1899, Queensland being represented; and an agreement was arrived at, whereby it was decided that, in the event of a disagreement between the two Houses of Parliament, the decision of an absolute majority of the members of the two Houses should be final; that the provision for the retention by the Commonwealth of only one-fourth of the Customs and Excise revenue might be altered or repealed at the end of ten years, another clause being added, permitting the Parliament to grant financial assistance to a State; that no alterations in the boundaries of a State should be made without the approval of the people as well as of the Parliament of that State; and that the seat of Government should be in New South Wales, at such place, at least 100 miles from Sydney, as might be determined by the Federal Parliament, and within an area of 100 square miles of territory, to be acquired by the Commonwealth, it being provided that the Parliament should sit at Melbourne until it met at the seat of Government. A special session of the New South Wales Parliament was convened to deal with this agreement, and the Legislative Assembly passed an Enabling Bill, referring the amended Constitution to the electors. The Council, however, amended the Bill demanding—first, the postponement of the referendum for a period of three months; second, making it necessary for the minimum vote cast in favour of the Bill to be one-fourth of the total number of electors on the roll; third, deferring the entrance of New South Wales into the Federation until Queensland should come in. These amendments were not accepted by the Assembly, and a conference between representatives of the two Houses was arranged; but this proved abortive, and twelve new members were appointed to the Upper House in order to secure the passage of the Bill. This course had the effect desired by the Government; for the Council passed the Bill on the 19th April, an amendment postponing the referendum for eight weeks being accepted by the Assembly. The Bill received its final assent on the 22nd April, and the 20th June following was appointed as the date of the referendum. The poll resulted in a majority of 24,679 in favour of the Bill, the votes recorded for and against being 107,420 and 82,741 respectively. South Australia on the 29th April had re-affirmed its acceptance of the Bill by a majority of 48,937 votes, in Victoria it was again passed with a majority of 142,848 on the 27th July, while on the same date the Bill passed in Tasmania with a margin in its favour of 12,646 votes. Queensland adopted the measure on the 2nd September by a majority of 6,216. Western Australia still hung back, but at a referendum taken on the 31st July, 1900, the Bill was accepted with the decisive majority of 25,109 votes.

Though the Bill was favourably received by the Imperial Government, certain amendments, the most important of which referred to the appeal to the Privy Council, were proposed by Mr. Chamberlain, the Secretary of State for the Colonies. At a Premier's Conference, held

in Sydney at the end of January, it was decided to send delegates to England from each of the federating colonies, who were to give their joint support to the Bill, but were not to consent to any amendment of its provisions. The six delegates arrived in England in March, 1900, and a series of conferences took place amongst themselves, and also with officers representing the Imperial Government. The most serious ground of contention was Clause 74, which prohibited appeals to Her Majesty in Council in matters involving the interpretation of the Constitution of the Commonwealth or of a State unless the public interests of other parts of Her Majesty's dominions were concerned. On all other questions the right of appeal from Supreme Courts of the States, as well as from the Federal High Court, was left untouched. Mr. Chamberlain proposed that, notwithstanding anything in the Constitution, the prerogative of Her Majesty of granting special leave to appeal might be exercised with respect to any judgment or order of the High Court of the Commonwealth or of the Supreme Court of any State. In other words, the Secretary of State insisted that Clause 74 should be amended so as to maintain the royal prerogative as to appeals on constitutional questions as well as other matters, while at the same time he promised a re-constituted Court of Appeal for the Empire in which the Australian Colonies would find representation. The delegates opposed most strongly the submission of constitutional disputes to the decision of the Privy Council under any pretext. A compromise, supported by four of the six delegates, was therefore agreed upon, by which the consent of the Executive Government or Governments was made a necessary condition precedent to an appeal from the High Court to the Privy Council on constitutional questions. The new arrangement, however, evoked such hostile criticism in the colonies that the Premiers cabled a rejection of it. A fresh compromise was thereupon arrived at, by which it was determined that the right of appeal to the Privy Council, where a constitutional point purely Australian in character was involved, might be granted at the pleasure of the High Court. By this settlement the finality of the decisions of the High Court upon matters of constitutional interpretation is preserved. The arrangement proved satisfactory to both sides, and the amendment was accepted by the legislatures of the federating colonies. Thenceforward no further objection was made to the passing of the measure, and it received the royal assent on the 9th July.

Lord Hopetoun, who had formerly occupied the position of Governor of Victoria, was appointed first Governor-General of the Commonwealth of Australia, and arrived in Sydney on the 15th December. Meanwhile, by royal proclamation, the first day of January, 1901, was fixed on as the date of inauguration of the new Commonwealth. The first Federal Ministry was formed under the leadership of Mr. (now Sir) E. Barton, and was composed of the following members:—

Mr. (now Sir) E. Barton (N.S.W.), Prime Minister and Minister of State for External Affairs; Sir William Lyne (N.S.W.), Minister of State for

Home Affairs; Sir George Turner (Vic.), Treasurer; Mr. Alfred Deakin (Vic.), Attorney-General and Minister for Justice; Mr. C. C. Kingston (S.A.), Minister for Trade and Customs; Sir J. R. Dickson (Q.), Minister for Defence; Sir John Forrest (W.A.), Postmaster-General. Mr. R. E. O'Connor (N.S.W.), and Mr. (now Sir) N. E. Lewis (Tas.) were also appointed as Ministers without portfolio, the former occupying the position of Vice-President of the Executive Council. A few days later Sir James Dickson died after a short illness, and the portfolio of Minister of Defence was assigned to Sir John Forrest, while Mr. J. G. Drake, who held office as Postmaster-General of Queensland, was appointed to a similar position in the Federal Executive. Mr. Lewis only held office in the Commonwealth Cabinet until the Federal elections had taken place, when he resigned, and was succeeded by Sir Philip O. Fysh. The Ministry as above constituted was sworn in on the 1st January, 1901, the ceremony taking place in a specially-erected pavilion in the Centennial Park, Sydney. The festivities in connection with this epoch-making event in Australian history lasted for several days, additional interest being lent to the proceedings by the presence of detachments of troops from Great Britain, India, and the various provinces of Australasia. The death of Queen Victoria, which took place on the 22nd January, 1901, possesses a melancholy interest for these States from the fact that one of the last great public acts of the deceased sovereign was the signing of the proclamation establishing the Commonwealth. Under the Constitution, the control of Customs and Excise in the various States passed over to the Federal authority with the inauguration of the Commonwealth, and attention was at once devoted to placing matters in connection with these services in working order. The taking over of the postal administrations of the States was not finally dealt with till the 1st March, and the same date saw the transfer of the Defence Departments. These were the only divisions of State administration over which the Commonwealth Government thought necessary to assume control, though the Constitution rendered it permissible to take over lighthouses, lightships, beacons, buoys, and quarantine, by the simple act of proclaiming the dates, and without further legislation.

As it was necessary for the Federal elections to take place early in 1901, much detail work was cast upon the Ministry in the shape of arranging for the various preliminaries in connection with recording the votes in the six States. In the first Parliament each State returned six members to the Senate, while section 26 of the Constitution provided for the number of representatives in the Lower House as follows:—New South Wales, 26; Victoria, 23; Queensland, 9; South Australia, 7; Western Australia, 5; Tasmania, 5. Parliament may increase or diminish the number of members, provided that it does not alter the proportion of members to Senators, and does not bring the number of members returned from an original State below five. The chief interest in the elections settled round the question of the fiscal policy of the new

Commonwealth. When the Constitution Act was under consideration, the problem arose of ensuring a sufficient Customs Revenue to enable each State to receive back from the Federal Treasurer an amount equal to what its own receipts would have been, less the net expenditure of the Commonwealth. This necessity was met by the "Braddon Clause," as section 87 was called, providing that during a period of ten years after the establishment of the Commonwealth, and thereafter until further legislative action is taken by Parliament, not more than one-fourth of the net revenue of the Commonwealth from Customs and Excise shall be applied annually towards Commonwealth Expenditure. The balance of three-fourths is to be returned to the States, or applied towards the payment of interest on the debts of the several States taken over by the Commonwealth. Under these circumstances it was recognised that it would be necessary to raise a revenue, certainly over £6,000,000 and more probably approximating £8,500,000, so that the States should be recouped in the manner indicated. It was, therefore, apparent that the elections could not be contested on a clear-cut Freetrade-Protection issue, and the parties divided on the question as to whether the tariff should be revenue-producing alone, or of a more or less protective character. The Prime Minister, in his official declaration of ministerial policy, announced himself in favour of a tariff that would yield revenue without destroying industries, or a policy of "moderate protection." The fiscal issue was made most prominent in New South Wales and Victoria, although in the other States more or less powerful organisations ranged themselves on either side. Representatives of labour, for the most part, took up an independent position.

The elections were conducted as provided by the different State laws. Each State voted as one constituency for the Senate, and in Tasmania and South Australia the same procedure was adopted in voting for the House of Representatives. The elections took place on the 29th and 30th March, each of the opposing parties claiming the victory when the final results were published. From the declared policy of the candidates it appeared probable that the protectionists would have a majority in the Lower House, while the "revenue-tariffists" had a stronger hand in the Senate. The attitude of the Labour Party, which had secured 23 seats in the two Houses, was now of prime importance, but a semi-official statement from one of their number made it clear that the party intended to "retain the balance of power and use their strength only to defeat a government which refused to obey the will of the people." In addition to completing arrangements for the mechanical working of both Houses, preliminary action with regard to the framing of a tariff had to be initiated in the interval between the elections and the meeting of Parliament. The Prime Minister was also called upon to deal with questions affecting the condition of affairs in the New Hebrides, and the ownership of Kerguelen Island, and the policy pursued in these matters showed that the Commonwealth was prepared to take cognisance of subjects that lay outside the dominion of Australia. This

development met with some adverse criticism, but, generally speaking, the introduction into Australian politics of a more-extended range of interests and a broader aspect of national life was hailed with satisfaction.

The ceremony of opening the first session of the first Federal Parliament of the Commonwealth took place on the 9th May, 1901, in the Exhibition Building at Melbourne, which had been specially decorated for the occasion. Under commission from His Majesty King Edward VII., His Royal Highness the Duke of Cornwall and York formally opened the Parliament and in his speech from the throne, reference was made to His Majesty's deep interest in the consummation of Australian union, and eloquent testimony was given to the loyalty and devotion of the Colonies to the Empire. On the same day the Senate elected Sir Richard Chaffey Baker, of South Australia, as its first President, while the House of Representatives elected Mr. Frederick William Holder, also of South Australia, as Speaker. The Governor-General delivered his speech to members of both Houses on the following day, in which an outline was given of the policy of the Commonwealth. In addition to proposals necessary for adapting the recently transferred Customs and Excise, Posts and Telegraphs, and Defence Departments to the new conditions, measures covering a wide range of subjects were promised. Bills establishing a High Court of Australia, a Commission for the execution and maintenance of the provisions of the Constitution relating to Trade and Commerce, and for regulating the Public Service of the Federation were included in the first part of the Government programme, and the selection of the site for a Federal capital was looked upon as a matter of comparative urgency. As regards the fiscal policy, it was stated that "The fiscal proposals of any Government must be largely dependent on the financial exigencies of the States. The adoption of the existing tariff of any one of these States is impracticable, and would be unfair. To secure a reasonably sufficient return of surplus revenue to each State, so as fully to observe the intention of the Constitution, while avoiding unnecessary destruction of sources of employment, is a work which prohibits a rigid adherence to fiscal theories. Revenue must, of course, be the first consideration, but existing tariffs have in all States given rise to industries, many of which are so substantial that my advisers consider that any policy tending to destroy them is inadmissible. A tariff which gives fair consideration to these factors must necessarily operate protectively as well as for production of revenue."

Bills were also promised dealing with the restriction of immigration of Asiatics, and the diminution and gradual abolition of the introduction of labour from the South Sea Islands, while measures were stated to be in preparation providing for conciliation and arbitration in cases of industrial disputes extending beyond the limits of any one State, for the uniform administration of the law relating to patents and inventions, and for a uniform franchise in all federal elections. Amongst

other legislation foreshadowed, but not designed for immediate consideration, were Bills dealing with Old Age Pensions, Banking Laws, Federal Elections, Navigation, Shipping, Quarantine, and the management of State Debts. Reference was also made, and attention promised to the question of the relations of the Commonwealth with the islands of the Pacific, the construction of railways, connecting the eastern states with Western Australia, and also the Northern Territory of South Australia, while with regard to the latter its transference to the Commonwealth was also projected. Mention was also made of such matters as the strengthening of Commonwealth defences, the assimilation of postal and telegraph rates, and the adoption of universal penny postage. After the formal opening of Parliament, both Houses adjourned until the 21st May, when the real work of the session began. Early in the debate on the Address in Reply the Labour Party raised the question of a "White Australia" by moving amendments to the effect that black labour on the sugar plantations of Queensland and northern New South Wales should cease at once, but on the assurance being given that the Ministry had the matter under consideration the amendments were negatived. The address was finally adopted in the Senate on the 31st May, and in the House of Representatives on June 5th, and the way was then clear for practical legislation.

The first measure introduced into the House of Representatives was the Acts of Parliament Interpretation Bill on the 10th May, while in the Senate leave to introduce the Service and Execution of Process Bill was moved for on the opening day. On June 5th notification was given of several bills dealing with such subjects as Pacific Island Labourers, Judiciary, High Court of Procedure, Federal Elections, Federal Franchise, Conciliation and Arbitration, Immigration Restriction, Public Service, Interstate Commission, Acquisition of Property for Public Purposes, Defence, and Customs. On the same date the Postmaster-General introduced the Post and Telegraphs Bill in the Senate.

Early in the session the Senate gave token of its intention to maintain strictly the privileges granted to it by the Constitution. Exception was taken to the first Supply Bill sent from the House of Representatives because the accounts of proposed expenditure had not been incorporated in the measure, but submitted in the form of a schedule. The Bill was returned to the Lower House, which consented to amend it in accordance with the wishes of the Senate. In the House of Representatives deliberations were commenced on the Public Service Bill, and although the Lower House had passed the measure on to the Senate by the end of July it was not till near the close of the session that it finally became law. The second reading of the Customs Bill, a purely machinery measure, passed the Lower House early in July, but the Defence Bill, which proposed to introduce compulsory military service, was shelved. Another measure which met with little success was the Property Acquisition Bill, the various schemes devised for payment for property acquired from individuals or States evoking much

opposition from the State Governments, while the Government did not persevere with the bill to institute the Interstate Commission. During July and August, in addition to Supply Bills, the Acts Interpretation Act and an Audit Act received royal assent, while the State Laws and Records Recognition Bill had been practically finally dealt with, and the Postal Bill (assented to on the 20th November) was also in a fair way towards completion, a novel clause being inserted in the latter measure at the instigation of the Labour Party providing for the employment of white labour only in the carriage of mails. While awaiting the completion of these and of other measures preparatory to the introduction of the tariff, some important legislation was introduced in the shape of the Immigration Restriction Bill and the Pacific Islands Labourers Bill.

Under the Constitution, a period of two years was allowed before the imposition of uniform duties became compulsory, but the feeling, both in Parliament and amongst the people of the various States, was in favour of its early introduction in order to secure adequate adjustment of commercial relations. Before the tariff proposals proper could be tabled, however, various machinery measures, such as the Customs Bill, already mentioned, the Excise Bill, and the Beer Excise and Distillery Bills had to be dealt with. Attention was again devoted to the Immigration Restriction Bill, and the Pacific Islands Labourers Bill. After a long debate the first of these measures was passed, but not quite in the form desired by the labour organisation. The Pacific Island Labourers Bill provides for a gradual lessening of the number of Kanakas employed in the northern plantations up till 1904, and none were to enter Australia after the 31st March in that year, while no agreement was to be made, or remain in force, after the same date in 1906. As it stood, the measure met with strenuous opposition in Queensland, where it was maintained that the sugar industry would be extinguished if the Bill became law. Despite the efforts made, both in Parliament and outside, the Bill passed both Houses practically unamended, and received the royal assent at the end of the year.

While the above-mentioned Bills were before the House, in some form or another, the Treasurer delivered his budget speech, and the tariff was laid on the table by the Minister for Trade and Customs on the 8th October. Reference was made by the Treasurer to the financial considerations involved in constructing the proposals. The Cabinet had decided that £21,000,000 represented the value of goods available for taxation in a normal year, and on this amount duties had been framed to produce £2 7s. 6d. per head of revenue. In a normal year the yield from the Customs was estimated at £7,388,056, which with £1,554,345 from Excise, brought the total to £8,942,401. It was proposed to raise a loan of £1,000,000, and a sinking fund for redemption of loans was to be provided, such fund to be invested in Commonwealth Stock. The Minister of Trade and Customs, upon whom devolved the duty of tabling the tariff, did so with the

declaration that interstate freetrade had arrived. After stating that the tariff was neither freetrade nor protectionist in character, the Minister proceeded to detail the methods under which it had been drawn up. From the total annual value of imports into the Commonwealth, calculated at £63,000,000, various deductions were to be made. The establishment of interstate freetrade took away £29,000,000 from this sum, and it was estimated that the total taxable balance left amounted to £21,000,000. Of this amount the value of narcotics and stimulants was £1,910,000, and the duties proposed on these articles, together with £1,131,000 from excise would yield £4,100,000. From fixed and composite duties averaging 30·94 per cent. £2,020,471 would be raised on £6,530,000 worth of goods, and ad valorem duties ranging from 10 per cent. to 25 per cent. would yield £2,362,211 on £12,583,740 worth of goods, or an average of 18·7 per cent. The excise on sugar was to be charged from the 1st July, 1902, and would cease in 1907, when, according to the terms of the Kanaka Bill, sugar would be produced by white labour. In the course of his speech the Minister indicated that the Government intended to adopt a reasonable system of bonuses to encourage the establishment or extension of industries which were not yet established, or to which protection could not be immediately extended.

It was to be expected that a tariff constructed under such difficulties as beset the framers would not meet with unqualified approval, and immediate signs were not wanting that extensive amendments would be proposed. On the 15th October the Right Hon. G. H. Reid, the leader of the Opposition, moved a vote of censure to the effect that the financial and tariff proposals of the Government did not meet with the approval of the House. After a protracted debate the motion was put to the vote on the 1st November, and resulted in a victory for the Government by a majority of 14, every member of the House being represented.

When finally dealt with in Committee the tariff had undergone extensive alteration. Amongst the more important changes was the abolition of composite duties, a novel form of impost in most of the States, and in many instances the rates were lessened. The duties on tea and kerosene were abandoned, and the placing of these items on the free list deprived the Treasurer of some £500,000 of his anticipated revenue. The abolition of these duties was viewed with dismay by the Treasurers of the smaller States, and Queensland, South Australia, and Tasmania were united in their protest. Assurance was, however, given by the Government that if it were found necessary fresh duties would be imposed at a later date. The tariff finally emerged from the House of Representatives during the second week in April, and the necessary machinery measures were thereupon pushed through. Under the Constitution the Senate has no power to alter the tariff, but it may suggest alterations and refuse to pass the duties until such suggestions have been acceded to

The transfer of British New Guinea to the Commonwealth, effected towards the close of 1901, is interesting, as the territory possesses great, though almost undeveloped, resources, while in connection with Commonwealth defences, the position may prove of strategic importance.

One of the disabilities under which the Commonwealth laboured during the first months of its existence was the absence of a Federal Judicature to deal with cases arising out of the administration of the Federal laws. In some instances, of course, the State Courts were appealed to, but there was some doubt as to whether the Commonwealth itself could be sued under the existing legislation. To obviate in some measure this inconvenience, the State Laws and Records Recognition Act and the Service and Execution of Process Act were introduced at the beginning of the session, and the Punishment of Offences Act was also passed to provide that offenders against the Commonwealth might be dealt with by State laws. It was recognised, however, that a Judiciary Bill and High Court of Procedure Bill were still urgently needed. The second reading of the former was moved on the 18th March. This Bill provided for a High Court, with one Chief Justice and four other justices; the principal seat of the Court to be at the Federal capital. Power was given to appoint a judge of the Supreme Court of any State as a judge of the High Court sitting in Chambers, in order to enable the initiatory steps to actual hearing to be proceeded with prior to the visit of a High Court judge. The measure also allotted certain Federal jurisdiction to State Courts, and permitted the transfer in certain instances of cases from the State Courts to the High Court. Subsequently the Bill was shelved by the Government until a more favourable opportunity presented itself for its discussion.

During 1901 efforts were made, both in Parliament and by public men outside, to have a site fixed on for the Federal Capital. Several localities were suggested and discussed, and the Government of New South Wales obtained reports as to their suitableness, but it was not till 1902 that any definite move was made by the Federal Parliament. In February certain members of the Senate made a tour of inspection to several of the suggested sites, while members of the House of Representatives were given a similar opportunity in May. Both excursions were of necessity somewhat hurried, but they at least served the useful purpose of giving members some knowledge as to the localities suggested. The sites visited included Albury, Tumut, Dalgety, Wagga, Yass, Goulburn, Orange, Cooma, Bombala, and Armidale.

Towards the close of 1901 a commencement was made with the laying of a Pacific Cable, the Australian terminal of which is at Southport, in Queensland. From this point the line runs to Norfolk Island, thence to New Zealand, to Fiji, to Fanning Island, and to Vancouver. The cable was completed and opened for business in November, 1902.

During the adjournment at the end of 1901 the Premier received a request from the Imperial Authorities for 1,000 troops for service in South Africa. This contingent was made up of 348 men each from

Victoria and New South Wales, 116 each from Queensland and South Australia, and 116 from Tasmania and Western Australia combined, the united forces being known, at a later date, as the Australian Commonwealth Horse. When the House met after vacation, the Premier took occasion to refer to the charges made against the people and army of the Empire, and moved resolutions expressive of the determination of the Commonwealth to give all the assistance in its power to His Majesty's Government with a view to a speedy termination of the war. On the 20th January the Government sent another contingent of 1,000 men, and in March a request was received for 2,000 additional troops, and these were also despatched.

At one time it seemed as though the new legislation of the Commonwealth would involve the Federal Government in international complications. By the operation of the Customs Act it was provided that deep sea vessels should pay duty on all stores consumed by passengers and crew during the period between their first touching at an Australian port until they finally left the coast. When a mail steamer arrived at a Western Australian port, therefore, a Customs official boarded the vessel, superintended the removal of sufficient stores to last till the next port of call, and sealed up the storeroom. If on arrival at the next port these seals were found to have been broken, prosecution followed. The first case occurred in connection with an English mailboat, and the Full Court of Victoria decided in favour of the Commonwealth. The owners of the vessel pleaded that, as they were on the high seas between the ports, the Commonwealth had no jurisdiction. When the law was enforced with reference to the German vessels, the matter was taken up warmly by the authorities in Germany, and representations were made to the British Government on the matter. An amicable settlement was, however, arrived at, both English and foreign steamship companies agreeing to the payment of the duties until the matter had been decided by the Privy Council. Judgment was given by the Privy Council in favour of the Commonwealth towards the close of 1903.

Universal regret was expressed throughout the Commonwealth when it became known in May, 1902, that the Earl of Hopetoun had resigned his office as Governor-General. Lord Tennyson, Governor of South Australia, was appointed to the position in November; but, in accordance with his wishes, held office only until January, 1904, when he was succeeded by Lord Northcote.

In June an Imperial Conference was held in London, the Hon. E. Barton being delegated to represent the Commonwealth of Australia. The subjects for discussion suggested by the Commonwealth included (1) Army and Navy supply contracts; (2) Ocean cables and purchase thereof; (3) Imperial Court of Appeal; (4) Mutual protection of patents; (5) Loss of most favoured nation treatment if preference given to British manufacturers; (6) Imperial stamp charges for colonial bonds. The decisions of the Conference were to be brought before Parliament on its re-assembling.

In August the Tariff Bill was again under consideration by the Senate. After some three or four months spent in revising the Bill as passed by the House of Representatives, the Senate sent down requests for 103 amendments to be made. Of these 51 were acceded to by the Lower Chamber and the remaining 52 were rejected. The Senate pressed for consideration of its requests, and the Lower House proving obdurate, it was feared that a deadlock would ensue. The conciliatory attitude of both Houses after maturer consideration happily averted this crisis, the Lower Chamber agreeing to a number of the Senate's proposals, while the two Houses compromised as to the main points at issue. The Bill finally became law on the 10th September, a little over eleven months after its introduction.

The important matter of re-arranging the electorates of the Commonwealth was dealt with at the close of the session, and a Commissioner for each State was appointed. The duty of the Commissioner was to divide his State into electorates embracing, as far as possible, equal numbers of electors, deviations from equality on account of special circumstances detailed in the Federal Elections Act being permitted within certain specified limits. The total number of members to which a state is entitled is determined by section 24 of the Constitution Act, which provides that the population of the Commonwealth shall be determined according to the latest statistics, and a quota thereof ascertained by dividing that population by twice the number of the Senate (72). The number of representatives to which a State is entitled being determined by dividing the population by the ascertained quota, any remainder on such division greater than one-half of the quota is taken as entitling a State to one more member. In reckoning the number of people, aborigines are to be excluded as well as all persons of any race disqualified from voting at elections for the more numerous House of Parliament.

This last provision is an extremely important one. It will be found on reference to the Acts governing the exercise of the franchise that several states have an alien exclusion provision; thus Section 6 of the Queensland Act of 1885 provides that "No aboriginal native of Australia, India, China, or of the South Sea Islands shall be entitled to be entered on the roll except in respect of freehold qualification."

The question arises whether it can be said that all persons of any race are disqualified from voting in view of the exception in regard to a freehold qualification. The matter was submitted to the Attorney-General of the Commonwealth, who decided that the provision of the Queensland Act does disqualify all persons of the races named within the meaning of Section 25 of the Constitution, and persons of those races cannot therefore be reckoned for electoral purposes as people of the Commonwealth. This decision affects Queensland, South Australia, and Western Australia only, as the laws in force in New South Wales, Victoria, and Tasmania do not exclude "all persons of any specified race."

The persons disqualified under the various State Acts are the aboriginal natives of India, China, and the South Sea Islands by

Queensland; the aboriginal natives of Asia and Africa, and persons of half-blood, by Western Australia; and the immigrants under the "Indian Immigration Act, 1882," in the Northern Territory of South Australia.

In establishing a quota it will be necessary, therefore, to exclude from consideration the aliens disqualified by state electoral laws, and, making this exclusion, the population of the Commonwealth on the 30th June, 1902, was 3,827,859 persons, distributed as follows :—

State.	Population, 30th June, 1902, exclusive of Aborigines.	Aliens, Disqualified by State Electoral Acts.	Population, excluding Aborigines and Aliens.	Number of Representatives.
New South Wales	1,391,822	.....	1,391,822	26·2
Victoria	1,206,478	.....	1,206,478	22·7
Queensland	509,585	18,038	491,547	9·2
South Australia	363,686	2,862	360,824	6·8
Western Australia	208,325	3,709	204,616	3·9
Tasmania	172,572	.....	172,572	3·2
Total	3,852,468	24,609	3,827,859	72·0

A quota was therefore 53,165, and the number of members which the various states were entitled to return at the last election was therefore—

New South Wales	26	Western Australia	5
Victoria	23	Tasmania	5
Queensland	9		
South Australia	7		75

Later returns than those available when the above table was compiled give the number of aliens in South Australia as 2,805, and in Western Australia, 3,668. If the number of aliens in Western Australia shown to be disqualified by the State Electoral Acts be compared with the number of persons set down in a later chapter as natives of Asia and Africa, it will be found that the former is apparently below the truth. This is due to the fact that the census returns do not enable a distinction to be made between aboriginal natives and persons born of white parents, and the number for Western Australia will lie somewhere between 3,668 and 5,066, shown on page 189. What the true figure is it is now impossible to say. The minimum number, therefore, in the absence of absolute evidence to the contrary, must be taken in forming an estimate of the Commonwealth population for electoral purposes. The present representation of the different States in the House of Representatives was determined on the population of the Commonwealth on the 30th June, 1902. If the population of twelve months later had been taken, the existing representation would have remained unaltered.

Towards the close of 1902, a difficulty arose in connection with granting permission to enter the Commonwealth to six operatives who had been brought out from England under contract to labour in a hat factory at Sydney. The Immigration Restriction Act expressly forbids the introduction of immigrants under contract to perform manual labour in the Commonwealth, unless it can be shown that such persons possess special qualifications required in the Commonwealth. As soon as a declaration was made to the effect that the men were specially skilled, they were permitted to land. The incident aroused a good deal of angry comment at the time, but it is clear that the Federal authorities simply complied with the law in detaining the operatives on board ship until the necessary declaration was forthcoming.

In view of the senatorial elections to be held at the close of 1903, and consequent on the extension of the Commonwealth franchise to all adults, the work of re-adjustment of the various Federal electorates was vigorously pushed forward. When the returns were published early in 1903, it was found that there were marked discrepancies in some districts between the number of electors shown and the persons of voting age as recorded at the census. Special efforts were therefore made to ensure the enrolment of all persons qualified to vote, and the rolls, as finally compiled, accounted for all but a very small proportion of those entitled to the suffrage.

The first session of the first Federal Parliament concluded its labours on the 10th October, 1902, after a period of activity lasting seventeen months. The second session opened on the 26th May, 1903. Attention was at once devoted to the passage of a Judiciary Bill and a Sugar Bonus Bill. The need for the former measure had already been made apparent, for early in April a decision given by the Chief Justice of Victoria impugned the validity of the Customs Act, while just previously the Supreme Court of New South Wales had denied the power of the Commonwealth to tax State Government imports. "The Constitution," as has been pointed out, "is in effect a deed of national partnership between the States, and until a Federal Court is established there exists no authority competent to settle its true meaning where differences take place as to its interpretation." The Government showed its earnestness in the matter by introducing the Judiciary Bill on the 26th May, while the first reading of the High Court Procedure Bill took place on the 9th June.

The question of the division of cost of the excise rebate of £2 per ton granted to Australian sugar planters who employ white labour occupied the attention of the Cabinet in the early months of 1903. It was anticipated when the Bill was passed that a fair division of the rebate would fall to the share of each State but the system broke down owing to the large importation of foreign sugar into Victoria and South Australia, which consequently consumed little white-grown Australian sugar, and it was found that Queensland and New South Wales, the sugar producing States, had to bear the brunt of the payment. Both of these

States urged the necessity for treating the payment as a bonus, and charging it to all the States in proportion to population. This course eventually was adopted, and the Sugar Rebate Abolition Bill was presented and read the first time on the 10th June, and the Sugar Bonus Bill was also introduced on the same date.

On the 12th June the Report of the Select Committee on Commonwealth Coinage, which was ordered to be printed on the 4th April, 1902, was presented to Parliament, and a motion for its adoption was proposed. The Committee recommended that the Commonwealth should have its own silver coinage with the profits arising therefrom, and in addition proposed the introduction of a decimal system. Under this system the sovereign, half-sovereign, florin, shilling, and sixpence were to be retained, but provision was made for four new coins—a mixed coin equal to a tenth of a florin (2·4d), and three bronze coins, equal respectively to 0·96d, 0·48d, and 0·24d. The question of reform in the coinage has not evoked widespread interest, but the useful labours of the Committee will sooner or later be recognised.

Royal assent to the Sugar Bounty Bill and the Sugar Rebate Abolition Bill was reported on the 31st July, and on the 26th August following the Judiciary Bill became law. In consequence of the retirement of Mr. Kingston from the portfolio of Trade and Customs on the 24th July some rearrangement of the Cabinet became necessary. Sir William Lyne took over the administration of the Customs Department on the 11th August, and Sir John Forrest assumed the direction of the Department of Home Affairs on the same date. On the 10th August the Hon. J. G. Drake accepted the portfolio of Minister of Defence, and the portfolio of Postmaster-General was filled by the appointment of the Hon. Sir P. O. Fysh. On the 18th August Mr. G. H. Reid, leader of the Opposition, resigned his seat in the House of Representatives as a protest against the action of the Government in connection with the re-arrangement of the Federal electorates. Early in the following month Mr Reid was re-elected, a remarkable feature of the election contest being that out of a total of 13,000 electors on the rolls in the East Sydney division, only about 2,000 took the trouble to record their votes.

On the 24th September it was announced in the House of Representatives that the Premier, Sir Edmund Barton, had tendered his resignation, and that the Governor-General had called upon Mr. Deakin to undertake the task of re-arranging the Ministry. The new administration comprised the following members :—Minister for External Affairs, Hon. Alfred Deakin ; Attorney-General, Hon. James George Drake ; Minister for Home Affairs, Right Hon. Sir John Forrest, P.C., G.C.M.G. ; Treasurer, Right Hon. Sir George Turner, P.C., K.C.M.G. ; Minister of Trade and Customs, Hon. Sir William John Lyne, K.C.M.G. ; Minister of Defence, Hon. Austin Chapman ; Postmaster-General, Hon. Sir Philip Oakley Fysh, K.C.M.G. ; Vice-President of Executive Council, Hon. Thomas Playford. On the same

day it was announced that Sir S. W. Griffith had accepted the position of Chief Justice of the Federal High Court, while Sir Edmund Barton and Mr. R. E. O'Connor had agreed to accept positions on the High Court Bench. The first sitting of the newly-constituted Court was held in Melbourne on the 7th October.

It was hoped that the question of selecting a site for the Federal capital would have been disposed of during the session of 1903, but this matter will now have to be dealt with by the parliament of 1904. The House of Representatives favoured Tumut as the site, while the Senate selected Bombala, a bill introduced by the Government to deal with the matter being allowed to lapse.

Prior to the formal prorogation on the 22nd October, assent was given to several important legislative enactments. The Defence Bill provides for a uniform system of defence for the Commonwealth, which it is hoped will increase the efficiency of the forces, while avoiding unnecessary expense; and the Patents Bill enables inventors to secure protection for their inventions throughout the Commonwealth with the minimum of expense and trouble. Under the provisions of the "Naturalisation Act of 1903," which was assented to on the 13th October, the right of issuing certificates of naturalisation is exclusively vested in the government of the Commonwealth, and after the commencement of this Act no certificate of naturalisation or letters of naturalisation issued under any state Act shall have any effect.

Parliament was dissolved on the 24th November, and the elections of members of the House of Representatives and of Senators to replace those who retired in accordance with the terms of the Constitution Act, took place on the 16th December. The following table shows the number of electors on the roll, together with the number and proportion of those who recorded their votes at the election of Senators in each state. The figures have been obtained from preliminary returns, the complete official records not being available at the time of publication of this volume.

State.	Electors on the Rolls.	Effective Voters.	Proportion of Effective Voters to Total Electors.
			per cent.
New South Wales	679,791	313,239	46·1
Victoria	603,000	306,617	50·8
Queensland	227,186	120,401	53·0
South Australia	165,742	53,580	32·3
Western Australia	116,195	31,149	26·8
Tasmania	81,880	35,546	43·4
Commonwealth	1,873,794	860,532	45·9

As the table shows, the proportion of effective voters represented only 45·9 per cent. of the total voters enrolled, the percentages ranging from 26·8 in Western Australia to 50·8 in Victoria. The figures point to a remarkable degree of apathy on the part of a large proportion of the population with respect to the exercise of the franchise, and it would appear as if the value placed on the privilege of voting varied in the different states. It is not possible, however, to draw any hard and fast inference from the above figures, as the proportions are liable to be affected by various causes, such as weather conditions, accessibility of polling places, and other local influences.