

THE CASE AGAINST THE SUGAR EMBARGO

By E. J. CRAIGIE, M.P.



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FOREWORD

by

HON. F. HAGELTHORN

(President Australian Sugar Consumers' Association).

This review, by Mr. E. J. Craigie, M.P., of the sugar outrage in Australia, is thorough. He shows in a most convincing way how the public has been fleeced by sugar interests and the organisations controlled by them.

Sir James Barrett, K.B.E., has stated that he is "definitely of the opinion that the handling of the sugar industry by the Commonwealth Government is unsound and wrong in principle," and that "the extraordinary powers given by Governments in this matter should be brought to an end."

In spite of public protests from West Australia, South Australia, Tasmania, Victoria, and to a lesser extent New South Wales, the robbery still goes on. Not content to allow the term of the embargo to expire, it is proposed to confirm its operation for a further six years—more than three years beyond the life of the present Parliament.

It is gratifying to know that Mr. Craigie's vigorous and comprehensive attack will be emphasised by the holding of a Conference of Premiers shortly, representing at least three of the States.

In the meantime municipal protests are pouring in, especially from Victoria, Tasmania, and South Australia. Similar action is being taken in the other States.

For the purpose of providing material for the coming campaign Mr. Craigie's work is invaluable. It deals in an effective manner with the claims of the sugar interests.

A majority of members of the Federal Parliament have so far been found ready to vote for this exploitation of the public. One wonders why there is such unanimity among the three political parties in regard to an agreement which exploits the sugar consumers of the Commonwealth to an amount exceeding £6,000,000 a year. It has been alleged that donations have been made to party funds, and it cannot be gainsaid that ratification of the agreement for a further term would constitute a grave public scandal.

THE CASE AGAINST THE SUGAR EMBARGO

By E. J. CRAIGIE, M.P.

The great sugar monopoly is again meeting with scathing criticism throughout the Commonwealth. One of the latest acts of the Prime Minister(Mr. J. A. Lyons) prior to his departure from Australia was to renew the sugar agreement for a further period of five years from September 1, 1936. It is difficult to understand the indecent haste in thus attempting to fasten this incubus upon the sugar consumers for this further term, seeing the existing agreement does not expire until August 31, 1936. For the first time this agreement will have to be ratified by the Federal Parliament, and, according to a statement made by the Minister of Customs, the question is likely to be discussed about August or September. Therefore, it is imperative that sugar consumers should be alive to their own interests, use their influence with their Federal Representatives and Senators, and insist that the agreement shall not be ratified. Meetings of protest should be arranged in all parts of the Commonwealth, and a special effort made to prevent this proposed further exploitation of the public by the sugar interests of Queensland.

For many years pamphlets and leaflets have been very extensively issued throughout Australia pleading the case for the sugar industry. Insulting display advertisements have appeared in the Daily Press whenever an effort has been made to secure a reduction in the price of sugar. Extravagant claims have been made as to the benefit of the sugar industry to Australia, consequently it is essential

that the facts be placed before the public so that the people may realise the enormous burden they have to carry in regard to this one line of foodstuff.

The Struggling Infant.

The usual argument advanced by Protectionists who seek tariff favors, bounties and embargoes, is that such assistance is needed during the "infant" stage of the industry. When the "infant" finds its feet, so it is alleged, it will no longer require spoonfeeding. History reveals the fact that the first sugar cane was grown in Queensland in 1862, but it was not until 1866 the first ton of sugar was disposed of. Since that time the "infant" industry has been expanding, and has reached the allotted span of 70 years. One would be justified in thinking that after such a lengthy period of existence the "sugar baby" would be able to stand on its own feet. Unfortunately for the consuming public such is not the case. It still cries lustily for more and more protection. Its "godfathers" in the Federal Government hearing the cries of this unfortunate "infant," have decided to take it under their paternal care and grant special sustenance for a further five years period.

The Statistical Position.

The following figures relating to the industry will prove of interest at the present juncture. They relate to the year 1932-33, the latest available. The area of land planted with sugar cane, and sugar produced was as under:

	New South Wales.	Queens- land.	Australia.
	acres	acres	acres
Productive Land ..	7,796	205,046	212,842
Unproductive Land ..	8,349	86,090	94,439
	<hr/> 16,145	<hr/> 291,136	<hr/> 307,281

	Tons	Tons	Tons
Cane Produced ..	156,818	3,546,370	3,703,188
Sugar Produced ..	18,567	514,027	532,594
Cane per acre, crushed	20.12	17.30	17.40
Sugar per acre, crushed	2.38	2.51	2.50
Cane for each ton sugar	8.45	6.90	6.97

The average returns for 10 seasons, 1922-32, were:

	N.S.W.	Queensland.	Australia.
	Tons	Tons	Tons
Cane produced ..	24.24	17.63	17.89
Sugar produced ..	2.77	2.36	2.38
Cane per acre, crushed	8.76	7.46	7.52

It is believed this is the highest sugar content obtained anywhere in the world.

Employment.

The number of cane growers was 7,231, and it is unofficially estimated that 15,000 people are engaged as cane cutters and field workers.

Dealing with the question of labor costs the Royal Commission made some interesting comments. "The consensus of evidence leads to the conclusion that the expenditure said to be incurred on hired labor by the farmers who supply figures to the Cane Prices Board, is not representative of the industry; but is considerably in excess of the average." Page 117. "Moreover, there is sound reason for believing that the cost of hired labor is **CONSIDERABLY INFLATED** in the data supplied to the Committee." Page 127. From the foregoing extracts it will be seen that the Commissioners were of the opinion that the evidence submitted was intended to misrepresent the real position in regard to labor costs. It seems difficult to get at the truth, as a former Commission reported there was a "tendency to overstate costs and understate the returns from the cane fields."

Sugar Mills and Refineries.

SUGAR MILLS IN AUSTRALIA.

Number of Factories	36
Number of Employees	5,034
Value of Land and Buildings	£940,574
Value of Plant and Machinery	£7,161,085
Wages Paid	£1,054,358
Total Value of Output	£9,922,821
Value of Production	£2,106,510

SUGAR REFINERIES IN AUSTRALIA.

Number of Refineries	8
Number of Employees	1,604
Value of Land and Buildings	967,001
Value of Plant and Machinery	£1,754,690
Wages Paid	£319,977
Total Value of Output	£11,393,831
Value of Production	£1,568,449

The question of employment in the sugar industry and its relation to other industries will be dealt with at a later stage. The sugar interests stress the value of the industry to the Commonwealth. The statistics already given do not indicate its real value, on account of the inflation of values by reason of the embargo.

Let us examine the question from the standpoint of employment. We have seen there are 6,638 employed in the mills and refineries, there are 7,231 cane growers, and unofficially 15,000 cane cutters and field workers are admitted, making a total of 28,869. It must not be overlooked that a big percentage of the 15,000 are part-time workers whose services are needed for only a limited period.

Now take the fruit growing industry. According to the Census on June 30, 1933, there were 36,221 persons engaged in fruit growing, or a greater number than is employed in the sugar industry. The area planted with fruit was 273,627 acres, and the value of the fruit crop was £7,413,696. It will thus be seen

that the acreage planted with fruit was nearly as much as that planted with sugar cane. The artificial value of the sugar crop was £10,879,423, whereas the natural value of the fruit crop was £7,413,696. In spite of these facts our legislators grant special privilege to the sugar industry at the expense of the fruit and all other industries in the Commonwealth.

I am not overlooking the fact that certain rebates are granted to the fruit industry. The rebates fixed by the Export Sugar Committee ranged from £17 6/- to £19 6/- per ton, and from £19 10/- to £21 10/- per ton on the sugar contents of "fruit products," and "other" products respectively exported overseas. In March, 1934, a rebate was allowed on similar products shipped to New Zealand, the respective rates varying from £5 9/- to £6 9/- and £7 13/- to £8 13/-.

The rebate for March, 1935, was fixed at £20 6/- per ton for "fruit" products, and £22 10/- per ton for "other" products exported overseas. The rebates on exports to New Zealand were fixed at £7 9/- and £9 13/- per ton respectively.

The total payments in rebates were as follows:

	1932-33.	1933-34.
Home Consumption	£113	Nil
Export Rebate	81,899	£72,027
On manufactured stocks on hand		
January 4	14,333	222
Fruit Industry Sugar Concession		
Committee	258,736	200,000

The usual discounts granted to wholesalers on the prescribed monthly purchase were £155,369 for 1932-33 and £141,704 for 1933-34.

It will thus be noted that if fruit processing firms needed sugar for making into jams,



A TOUCHING RE-UNION

Mrs. Canberra: Think, sweetest, I've had £12,500,000 spent on me!

Mrs. Sugar: That's nothing, dearie, I cost £7,500,000 a year.

Sugar interests, including planters, workers and refiners, are gathering on Saturday to interview Mr. Scullin at Canberra.

(Reproduced from "The Herald," Wednesday, July 23, 1930.)

jellies, or preserves for overseas sale, they can buy it at from £17 to £19 per ton lower price than if it is required to supply the needs of good Australian housewives. In other words, the people of the Commonwealth are expected to submit to exploitation so that Australian sugar can be sold to foreigners at £17 per ton lower price than it can be obtained for Australian use.

The concession to fruit growers is more imaginary than real. Owing to the high price of sugar the price of jams, jellies and preserves is artificially inflated, with a consequent reduction in demand. There is another aspect of the question. Housewives being in a position to buy fruit at a reasonable price would like to make fruit preserves, but the high price of sugar restrains them. The position is that although the fruit grower gets a slightly higher price on that portion of the fruit sold to the factories, it is not sufficient to compensate him for the loss of sales of fruit to housewives. He would be in a better position if there was no embargo on sugar, because he could then sell all his fruit at a reasonable price.

In the booklet issued by the sugar interests it is stated on page 32:—"Under the provisions of the Commonwealth Sugar Agreement, Australian-made sugar industry provides £200,000 per annum for the assistance of the fruit industry." This statement is not in accord with fact. The £200,000 is NOT provided by the sugar industry. It is taken from the exploited sugar consumers in Australia and handed to the fruit industry as a "sop" to keep it quiet. The fruit industry would be in a more prosperous condition if we had free trade in sugar. Housewives would then be in

a position to process a greater quantity of fruit, and as a result of the increased demand the fruit grower's position would be much improved.

Another phase of the question is worthy of consideration. Not only does the embargo increase the price of sugar—it also vitally affects the prices of all other articles containing sugar. Here is a table showing the various industries using sugar, with the quantity used, and the number of persons employed in each:

Name of Industry.	Tons Sugar	
	Used.	Number Employees.
Aerated Waters and Cordials ..	5,639	2,254
Bacon Factories	706	1,688
Bakeries	5,789	9,185
Biscuit Factories	5,158	3,105
Breweries	9,117	2,881
Condensed and Concentrated Milk	6,796	36
Jam, Jellies, Preserved Fruit ..	29,208	3,940
Sugar Confectionery Factories ..	18,101	5,914
	<hr/> 80,514	<hr/> 29,003

From the above table it will be seen that the inflated price of sugar must operate to increase the cost of the above commodities, consequently the purchasing power of money is reduced to the detriment of the community. Seeing that money rates of pay are in many instances determined by the cost of living index figures, it will be apparent that the inflated prices of the above named articles, due to the high price of sugar, must react disastrously to the well-being of the community.

Queensland Sugar Board Accounts.

Some details from the accounts of the Queensland Sugar Board will prove of interest, as these show the amount of sugar sold locally, the quantity sold overseas, with the value of same.

	1932-33.	1933-34.
Raw Sugar Purchased ..	515,910 tons	640,918 tons
Total Price	£10,061,638	£10,879,424
Quantity Retained for Australian Requirements	326,177 tons	335,231 tons
Quantity Exported ..	189,733 tons	305,687 tons
Sales in Australia ..	£10,989,261	£10,287,543
Sales Overseas	£2,146,595	£3,275,830

The percentage of Queensland sugar output required for consumption in Australia was declared at 57.781.

It is of interest to note that the price paid for the proportion of the season's output of raw sugar marketed in the Commonwealth was £23 18/6 per ton. This price is £1 3/9 less than that paid for the similar portion of the previous season's production; the decreased price being due to the reduction of one-halfpenny per pound in the retail cost of refined sugar, which dates from January 5, 1933.

The overseas sugar netted £8 0/6 per ton inclusive of tariff preference £3 12/- and exchange, the latter item representing £1 15/6 per ton. The following charges were incurred in connection with the export sugar.

Freight	£514,080	19	6
Sacks	137,740	18	4
Wharfage and Handling	23,984	5	2
Insurance	12,667	14	5
Commission and Sundry Charges ..	20,734	0	5
Harbor Dues	29,304	18	0
Cables	795	4	0

£739,307 19 10

From the foregoing statement it will be noted that the sugar exported overseas was sold for £15 18/- per ton lower than the price charged to Australian consumers. It is frequently asserted by the sugar interests that those who oppose the embargo are unfair in their criticism, inasmuch as they compare the

overseas price of raw sugar with the price of refined sugar in Australia. Such a charge cannot be sustained in regard to this statement as the price in each case is for raw sugar. Another point that must not be overlooked is that the British preferential duty on Dominion sugar is equivalent to £3 12/- per ton, out of the £8 0/6 received. It will thus be seen that if this preference was not granted the price received for the export quota would be much lower than is now shown.

The latest available quotations for sugar on the world's market are as under:

Cubas	5/1½ per cwt.
American, granulated ..	7/9
Java, white	6/9
Czecko Slavak, granulated ..	7/3
Dutch	7/9
Belgian, granulated	7/1½
Continental, beet	6/9

Queensland Cane Growers' Council.

Under the Primary Producers and Marketing Acts, 1926 to 1930, the Cane Growers' Council is empowered to make a general levy for administrative purposes on growers of cane, at the rate of $\frac{3}{4}$ d. per ton. The total amount received for the season ended 1934 was £14,152 19/8, being the levy on 4,528,980 tons of cane harvested.

The Council has a Defence Fund and can levy the growers. This money is used to resist any effort made to bring about a reduction in the price of sugar. No levy was made during the year 1933-34, as the accumulated Defence Fund now stands at £12,458 11/5, made up as follows:

National Bank, current a/c	£503	8	6
Fixed Deposit, Bank of New South Wales	4,000	0	0
Australian Commonwealth Bonds ..	5,040	0	0
Primary Producers' Bank	2,915	2	11

£12,458 11 5

The Central Cane Prices Board Fund.

This Board is constituted to determine the price of sugar cane, and is maintained by a levy made under "The Regulation of Sugar Cane Prices Acts, 1915 to 1922." The levy for the past year was at the rate of 1½d. per ton on 4,665,998 tons, plus a further 1d. per ton of cane crushed by Inkerman, Kalamia and Pioneer Mills, 591,034 tons, to cover costs of special survey. The amount realised from the levy was £26,764 14/6. The expenditure for the year was £21,292 8/-, and the credit balance on June 30, 1934, was £15,906 9/2.

Sugar Experimental Stations.

It is claimed that the industry in Queensland is very efficient in producing the best type of sugar cane. So that the best results may be secured, experimental stations are maintained, the cost being borne jointly by the growers and the taxpayers of Queensland. A levy is made upon cane growers and under Section 9, of the "Sugar Experimental Stations Acts, 1900-1923," it is provided:—"In every year there shall be paid by the Treasurer into the Fund from the consolidated revenue, which is hereby appropriated for the purpose, a sum equal to the amount of the assessment levied in any such year." For the year 1933-34 the levy was ½d. per ton, realizing £9,720 16/2. The Consolidated Revenue contributed £7,776 12/11 by way of endowment. The expenditure for the year was £18,603 13/5 and the balance June 30, 1934, was £12,672 5/4.

Treasury Advances.

Those interested in sugar mills in Queensland have been fortunate in securing advances from the Government. To June 30, 1934, the position in regard to the 17 mills was as under:

Total Advances	£2,669,958	19	1
Total Principal Repaid ..	1,712,415	7	5
Balance Loan Owning ..	937,495	12	7
Total Interest Paid ..	1,176,573	16	3

The present indebtedness of the various mills is as under:

Gin Gin	£21,406	0	0
Mount Bauple ..	20,000	0	0
North Eton ..	40,728	9	8
Proserpine ..	91,310	8	10
South Johnstone ..	299,448	9	3
Tully	434,155	7	3

It is interesting to note that the following amounts have been written off the indebtedness of the undermentioned mills:

Johnstone	£740	7	8
Nerang	19,307	11	5
Nerang	4,006	1	0
Gin Gin	21,008	8	0
Mount Bauple ..	121,266	19	8
North Eton ..	38,114	1	2
	<hr/>		
	£204,443	8	11

From the foregoing facts it appears as if the sugar industry is in the happy position of securing more special privileges than any other industry in Australia.

Industry's War Service to the Nation.

Having given detailed information in regard to the various phases of the sugar industry, it is now necessary to examine some of the claims made by the sugar interests. In the souvenir booklet, "The Australian Cane Sugar Industry," issued for the Centenary Exhibition, 1934, reference is made to the price of sugar in various countries, and it is asserted: "On the basis of the English comparison the Australian industry saved the people of Australia many millions sterling—in the shape of cheap sugar." This statement is delightfully vague. With all the facts at the disposal of

those who control the industry it is surprising the actual amount saved to Australian consumers was not specifically mentioned. Why this omission? It has been frequently asserted by the sugar interests that a considerable quantity of sugar was imported during the war period at a price exceeding £90 per ton. As a matter of fact only two shipments of sugar exceeded £90 per ton. One parcel of 2,565 tons was purchased at £98 12/5, and another parcel of 17 tons at £95 10/2, these being imported on March 27, 1919. On December 5, 1920, a further shipment of 5,062 tons was landed at £93 7/9. It will thus be seen that the total quantity landed at a price exceeding £90 per ton was 7,644 tons, out of a total importation of 475,947 tons during the Commonwealth control period.

The following tables of imports, dealing with the years 1915 to 1921, the period when the industry was under Commonwealth control, will prove of interest, and give the real position in regard to imports.

1915:

Country.	Tons. landed.	Costs, excluding duty, sacks, &c.	Average per landed ton.	Total cost landed ton.
Java	45,963	£945,485 8 7	£20 11 5	£26 5 7
Formosa ..	31,314	642,187 0 10	20 10 2	26 4 4
Fiji	27,930	529,745 5 8	18 19 4	24 13 6
Peru	12,955	265,286 17 1	20 9 7	26 3 9
Mozambique ..	4,971	93,506 4 4	18 6 3	24 10 5
	123,133	£2,476,210 16 6	£20 2 3	£25 16 5

Highest price paid for year, £21 19/6.

Lowest price paid, £18 16/3. Duty paid, £738,750.

1916:

Country.	Tons. landed.	Costs, excluding duty, sacks, &c.	Average per landed ton.	Total cost landed ton.
Fiji	40,288	£743,821 0 4	£18 9 3	£23 9 0
Java	21,232	513,136 18 10	24 3 5	29 3 2
Peru	6,145	148,105 2 4	24 2 0	29 1 9
Formosa ..	5,315	130,907 12 5	24 12 7	29 12 5
New Zealand ..	1,001	22,322 3 5	22 6 0	27 5 9
	73,981	£1,558,292 17 4	£21 1 3	£26 1 0

Highest price paid for year, £24 16/9.

Lowest price paid, £18 6/6. Duty paid, £395,263 1/6.

1918:

Country.	Tons. landed.	Costs, excluding duty, sacks, &c.	Average per landed ton.	Total cost landed ton.
Java	50,056	£1,111,844 12 2	£22 4 3	£24 5 10
Mauritius ..	6,982	149,957 12 10	21 9 6	23 11 1
	57,038	£1,261,802 5 0	£22 2 5	£24 4 0

Highest price paid for year, £25 15/8.

Lowest price paid, £20 12/5. Duty paid, £137,912 7/1.

1919:

Country.	Tons. landed.	Costs, excluding duty, sacks, &c.	Average per landed ton.	Total cost landed ton.
Java	94,921	£4,401,926 13 4	£46 7 6	£46 0 8
Cuba	11,825	513,505 6 4	43 8 6	43 1 8
Peru	6,206	194,612 17 3	31 7 2	31 0 4
Fiji	3,903	107,413 16 11	27 10 5	27 3 7
	116,855	£5,217,458 13 10	£44 13 0	£44 6 2

Highest price paid for year, £98 12/5.

Lowest price paid, £24 11/2. No duty shown.

1920:

Country.	Tons. landed.	Costs, excluding duty, sacks, &c.	Average per landed ton.	Total cost landed ton.
Cuba	25,658	£1,740,775 7 6	£67 16 11	£69 2 11
Java	72,506	4,157,191 11 8	57 6 9	58 12 9
Peru	6,232	340,422 4 10	54 12 6	55 18 6
Fiji	544	24,016 19 5	44 3 0	45 9 0
	104,940	£6,262,406 3 5	£59 13 6	£60 19 6

Highest price paid for year, £93 7/4.

Lowest price paid, £41 9/6. No duty shown.

Exchange paid, £113,000 10/-.

There was not any sugar purchased from overseas during the years 1917 and 1921. These figures show that the average price for sugar in each year was:

	Total cost of landed ton assessed.	Tons landed.
1915 ..	£25 16 5	123,133
1916 ..	26 1 0	73,981
1918 ..	24 4 0	57,038
1919 ..	44 6 2	116,855
1920 ..	60 19 6	104,940

During the same period the following purchases of Australian sugar was made:

	Tons.	Average rate per ton.
1915	137,749	£19 9 4
1916	173,200	20 6 4
1917	293,302	22 16 10
1918	186,913	23 9 3

1919	154,002	23	8	0
1920	175,258	33	9	9
1921	292,420	33	12	1
	<hr/> 1,412,844	<hr/> £25	<hr/> 12	<hr/> 11

Comparing the above tables relating to sugar imports and Australian production it will be seen that during the period under review the Australian sugar was acquired at a lower price than the total landed cost of overseas sugar. The difference between the two prices is shown in the following table:

	Australian Production. Tons.	Difference between local and imported price.	Total saved.
1915	137,749	£6 6 1	£868,392
1916	173,200	5 14 8	993,013
1917	186,913	0 14 9	137,847
1919	154,002	20 18 2	3,219,924
1920	175,258	27 9 9	4,817,403
			<hr/> £10,036,579

Looking at these figures from the most favorable standpoint so far as the industry is concerned, it will be seen that the total sacrifice that can be claimed as being made by sugar producers is £10,036,579. It must not, however, be overlooked that the landed cost shown above includes £2,598,695 paid as customs duties. This amount must be deducted from the sacrifice made by the sugar interests, therefore it will be noted that the sacrifice during the control period was approximately £7,437,884, on world prices.

This question naturally arises: Supposing that Government control of sugar during the years 1915-21 prevented the sugar interests from exploiting the Australian consumers to the extent of £7,437,884, is it reasonable or just that those interests should be permitted, by legislative enactment, to continue to exploit

the consuming public for ALL TIME to the extent of £6,000,000 or more annually? It is an iniquitous and scandalous suggestion, and should not be tolerated for one moment by an intelligent community.

There was no justification for the Government controlling sugar during the war period. The duty on sugar should have been removed and the law of supply and demand allowed to operate. Sugar prices would have been higher for a limited period from 1919 to 1922, but that increased price would have been an index finger—a warning—to users to be careful in their use of sugar. It would not have been a great hardship if people had been forced to economise in their use of sugar.

Instead of the economic law being allowed to operate we had the political meddlesome matties interfering and arranging for control of the industry. The result was made manifest in many ways. The production of sugar has been increased from 159,681 tons in 1915 to 640,918 tons in 1933-34. Growers have produced more sugar than can be purchased at the exorbitant local price, and so our export figures have increased from 7,181 tons in 1915 to 305,687 tons in 1933-34. Australian consumers pay an excessive price for sugar and sell it overseas at £15 18/- per ton lower than is charged the people in the country where it is grown.

Another important aspect of the control and the embargo is the effect upon land values. It has made fortunes for privileged landholders. Let me give a case in point. A man who was struggling upon a piece of land near Brisbane went north to get a farm. That was three years before the embargo. Three years later (after the embargo) he came to Brisbane

from the north, and when asked what success he had in getting a farm, said: "I got three farms and sold each one out at a profit for a total of £27,000. Now I am returning made for life." A friend of mine advised me that during 1928 he was at Innisfail, and a friendly acquaintance there pointed out to him a valley in which his father one time owned a large area of land, as an ordinary big area. Then the sugar industry came and the land which when owned by his father was valued at £1 per acre went up to £100 per acre, for that land enjoys the benefit of an assignment.

The effect of an assignment order upon land values is not generally understood. A man may have 80 acres of land suitable for the cultivation of sugar cane, but it may not be profitable to crop more than 40 acres. Cane growers have assignment orders from the sugar mills stating clearly the number of acres of sugar cane they are prepared to treat. All sugar cane produced in excess of that assigned acreage must be sold in the overseas market and does not share in the inflated local price. Because of this restriction land WITHOUT an assignment is valued at £2 per acre, but similar quality land WITH the assignment may be anything from £50 to £100 per acre unimproved value.

Many of the early holders of cane lands have disposed of their holdings at inflated values and have retired. Those who have purchased at the high value demand the retention of the embargo because they deem it essential to their financial salvation. Heavy tariff duties are imposed on implements, machinery, galvanized iron, and everything needed by the sugar growers, and it is not to be wondered at that many are worse off than before the

embargo. The benefits of the embargo have been capitalised in land values, and the landlords have got away with the swag. Is it right or just that sugar consumers should continue to be penalised for the benefit of the landlord class? Every effort should be made to prevent the continuance of this system of legalised robbery.

Australian Defence.

Advocates for the sugar interests never tire of trying to impress upon the general public the importance of the industry in regard to the defence of Australia. Time and again they have stressed the fact that if the northern areas of Queensland were not developed by the cane growers we should be in danger of attack from foreign nations. We are informed in the words of Mr. Doherty, secretary Queensland Canegrowers' Council, that the sugar industry is a growing giant sentinel standing on Australia's most vulnerable coastline." I have already shown that this "giant sentinel" utilizes 291,136 acres of land in Queensland; and when it is remembered that the area of the Commonwealth is approximately 3,000,000 square miles, it is easy to see the absurdity of the defence claim. Furthermore, there are approximately 30,000 cane growers, field and mill workers in the industry, and when this small number is compared with the population of Australia of nearly 7,000,000 people, it is apparent that if our safety depended upon the sugar industry we should be in a bad way. Yet in spite of these facts we are amused from time to time with the fiction put forth by the sugar interests.

Paying Overseas Interest.

Another fiction, page 19, regarding the industry is: "It helps to pay Australia's over-

seas interest bill by marketing surplus sugar abroad to the value of approximately £2,000,000 per annum." Adopting the same line of argument the wool industry could say: "it helps to pay Australia's interest bill by marketing wool abroad to the value of approximately £40,000,000." The wheat industry could say the same to the extent of £20,000,000. Seven other industries could make a greater claim than the sugar industry along these lines, but the people behind those industries prefer to confine themselves to facts, instead of handling the truth in a careless manner for personal gain. All intelligent persons know that surplus sugar is not sent abroad to pay the nation's interest bill. It goes away because Australians cannot afford to buy it at the local price, and is sold overseas for the financial benefit of the cane growers, and not for the nation.

Alleged Loss of Trade.

The writer of the booklet, page 20, paints a harrowing picture of what would happen to Australia if consumers awakened from their apathy, refused to be further exploited, demanded free trade in sugar, and "cheap foreign sugar were to result in paralysing the industry." He points out: "In the first instance, of course, the Australian people would, for a time, enjoy the benefit of cheap sugar." That, no doubt, would be a strange and unusual thing for them seeing they have been enjoying(?) the disadvantage of DEAR sugar for so long a period. The writer proceeds: "In order to import that black grown sugar, Australia would need to export gold or goods to the value of £4,000,000 per annum under normal conditions, and the country would lose the £2,000,000 per annum now derived from the sale abroad of our surplus

THE PAMPERED SISTER'S CHEQUE



A delegation representing Queensland sugar interests waited on Mr. Scullin at Canberra today to ensure the renewal of the sugar bounty which costs taxpayers £5,500,000 annually. In a few days' time Sir Otto Niemeyer is due at Canberra.

Mr. Scullin: My dear, hurry away. Nemesis comes.

(Reproduced from "The Herald," Saturday, July 26, 1930.)

sugar. Australia, therefore, would, in relation to the outer world, be £6,000,000 per annum worse off than today, and she would also lose the £10,000,000 per annum of wealth and purchasing power now continuously created in Australia by the sugar industry."

One is almost moved to tears after reading such a pathetic statement. The great(?) economist responsible for such fallacious doctrines should receive a pension for life FROM THE SUGAR INTERESTS. No wonder his name is not attached to such an illogical and unsound statement. Let us test this statement in the light of economic law. We are told that Australia would be £6,000,000 worse off because we had to export gold or goods to the value of £4,000,000 of sugar imported. What are the facts? Trade is merely an exchange of goods for goods. If we send gold (which is a commodity) or goods out of Australia, is not it a fact that we receive into Australia sugar to an equivalent value? Is not it ridiculous, then, to assert that we lose £4,000,000 on the transaction? That could only happen if we sent the £4,000,000 goods away and received nothing in return. Then, in regard to the alleged loss of the £2,000,000 per annum received from abroad for our surplus sugar. This, again, is an exchange of goods for goods. Naturally, if we do not send the sugar out, we cannot expect £2,000,000 to come in. But there is no loss to the country, but on the contrary there is a gain, because sugar is now exported at a loss. Consider now the final gem: "and she would lose the £10,000,000 per annum of wealth and purchasing power now continuously created in Australia by the sugar industry." In round figures the production of raw sugar in Australia during 1933-34 was 640,000 tons.

and its value was set down at £10,879,423. About one-half of the sugar was sold in Australia, the other half overseas. The half sold overseas realised £3,275,830, and the half sold in Australia must have realised £7,603,593. Perhaps the economic genius who writes the matter for the sugar interests booklets will explain why one-half of the crop produced 70 per cent. of alleged wealth in Australia, and the half sold overseas only 30 per cent. Is not it due to the fact that the local values were inflated by reason of the embargo? Instead of creating purchasing power in Australia it reduces it by approximately £6,500,000 a year, by reason of the special privilege enjoyed by the sugar industry under the embargo agreement.

Black Labor Competition.

Every time an attempt is made by consumers to secure a reduction in the price of sugar the advocates for the industry raise the question of competition with black labor sugar. They imply that under free competitive conditions the Australian industry could not survive. Apparently the sugar interests speak with TWO voices on this aspect of the question. It will be remembered that in 1924 Lord Leverhulme visited Australia and passed some very scathing comments in regard to the Queensland sugar industry. Mr. W. McCormack, who was then Acting-Treasurer, took up the cudgels in defence of the cane growers. He quoted from the Phillipine "Sugar News" to show "the inefficiency of the labor and the necessity for machinery and up-to-date methods replacing inefficient labor" in those islands, and said QUEENSLAND HAD NOTHING TO FEAR FROM CHEAP LABOR COUNTRIES."

Mr. W. H. Doherty, secretary of the United Cane Growers' Association, also resented Lord Leverhulme's remarks, and said:

Let him go to North Queensland and find exactly what we are doing, not only in the way of production—at present **THE CHEAPEST IN THE WORLD**—but in the direction of closer settlement in the tropical areas of the State, where we are proving to the world of science that white men can live and thrive there with marked success.

Mr. Doherty went on to compare Queensland with Louisiana, U.S.A., and show that 1923-24 was a "bad season so far as the sugar growers were concerned, the average return showed that approximately seven tons of cane were required to produce one ton of sugar," whereas "Louisiana reckons crushing thirteen tons of cane to produce the same amount of sugar." Mr. Doherty then dealt with the position in Java and concluded by saying:

IT WILL THUS BE SEEN, THEREFORE, THAT WHITE LABOR IN QUEENSLAND CAN PRODUCE SUGAR OF THE HIGHEST QUALITY IN AN ECONOMIC MANNER, AND CAN MORE THAN HOLD ITS OWN WITH THE "BLACK CROPS" OF OTHER COUNTRIES.

It will be noted from these extracts by Mr. Doherty that in 1924 he claimed Queensland production costs as "the cheapest in the world." Queensland cane also produced "double the quantity of sugar obtained in U.S.A.," and the industry could "more than hold its own with the 'black crops' of other countries." These statements must not be overlooked at the present moment when a demand for a lower price is being made.

The surprising feature about the black labor propaganda is the inconsistency of those directing attention to it. One would imagine that some terrible calamity would overtake

those who used black labor sugar. We direct attention to the fact that Mr. Doherty and his confreres drink tea, coffee and cocoa grown by black labor, and do not appear to be suffering any ill effects from its consumption. If the worst happened, and they had to place a spoonful of black labor sugar into the black grown beverage they consume, would any great damage be done?

Let us not be misunderstood on this question. **WE ARE NOT ADVOCATING BLACK LABOR.** We believe that under free conditions the Australian sugar grower can hold his own against the world. We had such an assurance from Mr. Doherty in 1924, and this was with all the high tariff taxes imposed upon the sugar growers' requirements. Under a free trade policy the taxation burden would be lifted from production, the inflation in land values would be squeezed out, and they could produce under more favorable conditions than at present. All that is asked is that the sugar grower shall be placed upon the same footing as wool and wheat growers. Let the facts be faced. For the year 1932-33 the average value of the Australian wheat crop per acre was £2 2/3, whereas the average value of the sugar cane crop was £47 4/4. Is it right or just that the wheatgrowers who are forced to sell their product in the world's market, in competition with all kinds of labor, shall be forced to pay an inflated price for sugar to spoonfeed sugar growers whose yield from the land is twenty times greater than the value of the wheat yield? Such an unjust proposition should be resented by all who believe in economic justice.

A White Australia.

The sugar interests never tire of stressing the importance of a White Australia, but do

not direct public attention to the fact that this idea is one of comparatively recent growth so far as sugar growers are concerned. In the booklets issued in 1932 and 1934 on behalf of the industry we are informed:

For many years prior to 1900 the people of all the Australian colonies, including Queensland, had embraced the White Australia idea. Recognising the imperative necessity of effectively occupying tropical Australia with white settlers as a furtherance of this ideal, it was unanimously agreed that the sugar industry, converted from a colored to a white labor industry, offered the only practical solution of the problem of national defence. No other industry possessed the same capacity to settle white cultivators on the soil of Australia's vast tropical areas. QUEENSLAND WAS LOYALLY PREPARED IN THE COMMON NATIONAL INTEREST TO MAKE THE CHANGE. . . . It had to choose between the Kanakas and extinction, and it CORDIALLY WELCOMED THE OPPORTUNITY PROVIDED BY FEDERATION TO BECOME A PURELY WHITE INDUSTRY.

This statement may be accepted by those not conversant with the facts. When the Bill to repatriate the Kanakas was introduced into the Federal Parliament, hostility was shown throughout the length and breadth of Queensland. The State Government stoutly opposed the proposal and nothing appears to have been left undone by the sugar interests to prevent the passing of the Bill. The statement that Queensland "was loyally prepared in the common national interest to make the change" is contrary to fact. Anyone sufficiently interested to investigate the official facts at that period will find there was uncompromising opposition to the change from black to white labor. The truth is handled in a very careless manner when it is asserted: "For many years prior to 1900 the people of Queensland had embraced the White Australia ideal." Perhaps the sugar

interests will explain how the people could square their White Australia ideal with their fierce demands for the retention of the Kanaka labor on the fields. So that the facts may be placed on record in concise form, extracts are given from speeches made in the Federal Parliament, and from resolutions carried by a number of Queensland societies. These show there was an almost unanimous desire among the growers to retain the vile system of Kanaka slavery which had been in existence **FOR NEARLY FORTY YEARS.** Yet the sugar industry advocates have the audacity at the present time to cite the White Australia policy as one of the main reasons why exploitation of the consumers should be permitted for another term of five years.

As to how "cordially" they "welcomed the opportunity provided by Federation to become a purely White industry," let the following quotations testify.

The Prime Minister (Mr. Barton) introduced the Pacific Island Laborers Bill into the Federal Parliament in 1901. In his second reading speech he said there had been forty years of Kanaka traffic. As far back as 1877 a Bill for the abolition of the Kanaka had been introduced in the Queensland Parliament by Hon. John Douglas, then Premier. The Premier had referred to the Kanaka traffic as "bad, wrong, and utterly rotten." Mr. Brooks, who spoke in favor of the Bill, said: "They all knew what the Kanaka trade was—that it was a scandal from beginning to end without a redeeming feature." In 1885 another Bill was introduced for abolition, when Mr. Hume Black, a strong supporter of colored labor, quoted, no doubt with disapproval, from a petition from his constituents at Mackay, as

follows: "Farmers can grow and cultivate at a profit small areas of cane without colored labor of any kind." Sir Malcolm McEacharn opposed the Bill, and said: "I consider the cry for a White Australia so far as the Kanakas are concerned, and the endeavour to introduce into this question of the Kanaka the feeling that exists in relation to Asiatics, is all wrong."

Mr. R. Edwards, who appeared to be chief spokesman for the sugar interests who desired to retain the Kanakas, said:

It has been stated on several occasions that Queensland has decided that the Kanaka must go; BUT I DENY IT. . . . In my opinion this Bill, if it does not utterly destroy the industry, will very seriously check it.

The Premier of Queensland (Mr. Philp), on October 4, 1901, telegraphed Mr. Barton, "protesting emphatically against the Kanaka Bill, as in the opinion of himself and his colleagues, it would entirely destroy the sugar industry. . . . Men who sought to disturb an industry committed a CRIMINAL ACT, AND WERE NOT TRUE AUSTRALIANS." In the Melbourne "Argus," October 7, 1901, the northern people expressed their objection to the Kanaka Bill in the following terms: "A feeling of utmost dismay among planters, shippers, and merchants in the Cairns district in regard to the Pacific Island Laborers Bill. In the event of the measure becoming law there will, it is said, be an absolute depreciation of property." These are the people who "cordially welcomed the change" and were "loyally prepared in the common interest" to make it.

The opposition to the deportation of the Kanakas was not confined to parliamentary representatives. Every string appears to have been pulled to secure as much opposition

as possible. A big number of societies carried resolutions of protest against the Bill, and we produce some as further evidence of the loyalty of the growers and people at that time to the White Australia Ideal.

At a meeting of the National Agricultural and Industrial Association of Queensland the following motion was carried unanimously : "That in the opinion of this Association the effect of the proposed Pacific Island Laborers Bill, if passed in its present form, will be immediate disaster to the sugar industry." The Townsville Pastoral, Agricultural and Industrial Association of Queensland was of the opinion it "will practically annihilate the sugar industry." The Pioneer Farmers' Association of Mackay believed the Bill would "seriously diminish the production of sugar in Queensland, and asks the other associations of Queensland to support the stand the Premier has taken on the subject." In the opinion of the Drayton and Toowoomba Agricultural and Horticultural Society it would be "immediately disastrous to the sugar industry." The Bundaberg Council of Agriculture carried a motion: "That the abolition of the Kanakas will be injurious to the State." The Halifax Farmers' Club thought "the Bill at present means ruin to the farmers of this district." Lockyer Agricultural and Industrial Society and Central Downs Society both protested against the Bill. Wide Bay and Burnett Pastoral and Agricultural Society said "it will ruin the most important industry in Queensland." Titana Fruitgrowers and Farmers' Association considered the Bill "far too drastic, and will tend to cripple the sugar industry in Queensland." Western Pastoral and Agricultural Association at Roma was of the opinion that it would "inflict a gross

wrong on a worthy and hardworking section of the community in Queensland." Mount Mee Farmers' Association said it "would be very injurious to the interests of the State." Burpengary Farmers' Association declared that "members were unanimous that the Federal Government should not interfere with Kanaka labor as at present regulated." Australian Pastoral and Mining Association stated, "the proposed legislation will mean that the cane farmers will be ruined, and the land will revert to its natural state." Mossman Farmers' Association could see "nothing but ruin and destruction in the Kanaka Bill." Hughenden Pastoral and Agricultural Association considered "it would be injurious to sugar industry and colony at large if Kanaka labor withdrawn." Townsville Chamber of Commerce unanimously passed a resolution protesting against the Kanaka Bill. A protest was also passed by the Upper North Pine Farmers' Association, and the Queensland Acclimatisation Society endorsed a protest against the Bill. The Johnstone River Cane Growers' Association said it "means absolute ruin to northern cane growers." The Mackay Harbor Board "viewed with alarm the proposed legislation," and the Brisbane Chamber of Commerce expressed the opinion it would "be immediately disastrous to the sugar industry and to the trade and commerce of Queensland." The Directors of Mount Bauple Central Mill Co. Ltd. said the "Bill will be ruinous to us, and we respectfully suggest that the recruiting of boys be allowed until December 31, 1907." At a large public meeting in Brisbane, October 22, 1901, it was resolved that the "legislation threatens the destruction of the sugar industry in

tropical Queensland, and will prove disastrous to the trade, shipping, commerce and wage earners of the State." The Marborough Chamber of Commerce on October 22 resolved that a "cruel injustice will be inflicted upon the sugar industry, and irreparable loss sustained by those engaged therein," and it was resolved "to ask Mr. Chamberlain to block the Bill." The Bundaberg Chamber of Commerce said the Bill "will have a paralysing effect on the sugar industry and trade and commerce," and the Bundaberg Harbors Board viewed "with apprehension the provisions of the Pacific Island Laborers Bill."

These facts speak for themselves, and prove there was no desire on the part of the Queensland sugar growers to dispense with Kanaka labor and give effect to their alleged White Australia ideal.

Colonial Sugar Refining Co. Ltd.

No reference to the sugar monopoly would be complete without mention of the Colonial Sugar Refining Co. Ltd. The C.S.R. Co. is one of the big industrial concerns in the Commonwealth. Those who were fortunate enough to get in on the "ground floor" and who have held their shares have received a magnificent return. The business of the company commenced nearly 80 years ago, the company being registered in New South Wales on July 1, 1887. The authorised capital on March 31, 1935, was £14,000,000, but the issued and paid-up capital was £11,700,000 in 585,000 shares of £20 each. Of this amount only £2,425,000 has been paid in cash, and the balance consists of bonus issues. The dividend paid by the Company is equivalent to 30 per

cent. on the cash capital. The bonus issues have been over a period of years as under:

1907	Reserves Capitalised	£75,000
1908	" "	350,000
1910	" "	150,000
1913	" "	250,000
1915	Assets written up and capitalised	3,250,000
1924	Reserves Capitalised	2,275,000
1927	" "	975,000
1934	" "	5,850,000
		<hr/>
		£13,175,000

Out of the foregoing capitalisation the following CASH RETURNS were made to shareholders:

1920	..	£650,000
1921	..	1,625,000
1923	..	1,625,000
		<hr/>
		£3,900,000

The recent bonus issue is worthy of special mention. All shareholders whose names were registered on the books of the Company on November 28, 1934, participated in the distribution of NEW shares to the value of £5,850,000, on the basis of one £20 share FREE FOR EACH SHARE THEN HELD. In addition to receiving these free shares provision was also made for the payment of a special dividend to facilitate the payment of income taxation consequent on the participation in this distribution of free shares.

This cash distribution was no new thing with the Company. In 1921 the shareholders received a cash bonus of £203,125, and in 1923 there was a further distribution of cash to the extent of £325,000. These distributions were for the purpose of lightening the taxation burden of the poor(?) shareholders who had these free shares thrust upon them. The following tabulated statement gives the position

of the Company for the past ten years, 1926-25, inclusive, up to March 31, 1935.

Year.	Net Profit.	Dividend.	Rate.
1926	£800,732	£609,375	12½%
1927	832,797	609,375	12½%
1928	966,628	731,250	12½%
1929	976,306	731,250	12½%
1930	910,829	731,250	12½%
1931	734,824	731,250	12½%
1932	744,321	731,250	12½%
1933	792,413	731,250	12½%
1934	963,501	731,250	12½%
1935	931,949	731,250	12½%
	<hr/> £8,654,300	<hr/> £7,068,750	

The above figures disclose the fact that during the past ten years the net profits amounted to £8,654,300, out of which dividends at the rate of 12½ per cent. on WATERED STOCK were paid, amounting to £7,068,750; leaving a substantial sum to be transferred to Reserves. The profit made in 1934 was close to the record made in 1929; and the 1934 earnings exceeded 16 per cent. on the capital. A great deal has been heard during the years of depression about "equality of sacrifice," but the above facts indicate that the "sacrifice" made by the fortunate holders of shares in the Colonial Sugar Refining Co. Ltd. is not worthy of special mention.

The figures for the year ended March 31, 1935, reveal the latest position of the Company. The total earnings were £1,025,467 and the net profit was £931,949. In November, 1934, a dividend of 6½ per cent. was paid on the old capital of £5,850,000, and in May, 1935, a dividend of 3½ per cent. on the new capital of £11,700,000. The amount of Reserves was £3,998,185, not including Suspense Account amounting to £2,343,800. The admitted net profit for the past half-year was £487,167.

The assets as revealed in the latest balance sheet were set down at £19,610,908.

Although the Colonial Sugar Refining Co. Ltd. does not figure in the Commonwealth Sugar Agreement, a separate agreement is made each year between the Company and the Queensland Government. The Company undertakes the refining of the whole sugar crop and also acts as agents for the Government in regard to the distribution of the refined product. The Company also finances the whole sugar crop.

The Profit and Loss Account of the Queensland Sugar Accounts for the year ended June 30, 1934, show the following amounts as payment to the C.S.R. CO. LTD.

Refining ..	£724,296	3	1
Managing ..	421,060	14	0
Selling ..	110,546	0	1

£1,255,902 17 2

The total raw sugar purchased by the Queensland Sugar Board for the same year was £10,879,423 10/4, and the above payment to the C.S.R. Co. represents the highest charge against the sugar. Reference is frequently made to the very small profit made by the Company by reason of its association with the industry. Seeing the gross payments mentioned above represent slightly more than 11½ per cent. on the total value of the raw sugar, it does not appear as if the Company is performing any philanthropic service to the industry, but, like Shylock, gets its "pound of flesh."

It is interesting to note that several families have been fortunate in their investments in sugar shares. It is alleged that prior to the recent distribution of shares the Knox family were the registered holders of 40,058 shares.

With the bonus shares their holding would be 80,116 shares with a market value of £3,615, 234. Other families not quite so fortunate had respectively 22,248, 7,004, 6,682, 5,642, and 2,426 shares, the last mentioned being in the unfortunate(?) position of having sugar shares to the value of only £109,473. Quotation for shares at time of writing is £45 2/6. That is to say the shares given free to shareholders at the end of 1934 are now worth £45 2/6 on the Stock Exchange.

Inconsistency of Minister of Customs.

The Minister of Customs (Mr. White) has been giving his views on the sugar agreement, and it is interesting to compare them with an earlier utterance by the honorable gentleman. On March 20, 1935, Hansard No. 2, pages 155-156-157, we find Mr. White saying: "So if we put a high duty on sugar to make the local product competitive with sugar from the rest of the world, or if we place an embargo on its importation, it is to enable reasonable conditions to prevail in the industry. . . . Unless some adequate inducement was held out, who, I ask, would be prepared to endure the hardships and discomforts of the tropics, when they could live comfortably in the city. . . . We should realise that the sugar industry provides a great deal of employment in Queensland, both in growing the crop and in making the sugar at the mills." . . . The sugar industry is one of the most valuable industries in Australia, and is absolutely essential to Queensland if that State is to remain solvent. The Prime Minister did right to give early and general notice of the Government's intentions."

And now let us see what this same Mr. White had to say about the sugar industry before he

became a Minister of the Crown. On November 17, 1932, Hansard No. 26, pages 2557-8, we find his speech. He then said: "Today we have heard the praises of the State of Queensland sung from all parts of the House. . . . The boast has been made that there is no opposition to the agreement, but I, MYSELF DO NOT SEE EYE TO EYE WITH ITS SUPPORTERS. . . . Every person in the Commonwealth is to some extent a consumer of sugar, and if honorable members consider the matter for one moment they will be forced to admit that any POSSIBLE REDUCTION IN THE PRICE OF SUGAR SHOULD BE BROUGHT ABOUT. Why, then, should we unanimously accept this agreement? There is nothing to congratulate ourselves upon in having secured a reduction of one half-penny per lb. WE CAN GO MUCH FURTHER."

Dealing with the enormous profits of the Colonial Sugar Refining Co. Ltd., Mr. White said: "There are also included the enormous depreciations that have been made. Who has been responsible for those bonuses and the increase from the initial value of £20 in the case of the shares that were paid for, to a value of £54 or £55? HAVE THESE PROFITS DESCENDED FROM THE AIR? . . . THEY HAVE BEEN TAKEN FROM THE CONSUMERS OF AUSTRALIA TO THE EXTENT OF £7,000,000 MORE THAN WOULD HAVE BEEN THE CASE BUT FOR THIS AGREEMENT. A reduction of one half-penny in the price of sugar represents a difference of £1,750,000 to the Australian people. If, as a result of an enquiry, the reduction could be made one penny, and thus double the saving, would not honorable members support it?"

Replying to an interjection by Mr. Riordan, that if the leaders of the Housewives' Associations were given a job "they would quickly forget all about sugar," Mr. White said: "That is an insult to an organisation which voluntarily, in conjunction with other organisations, primary producers and manufacturers, has endeavoured to prove that the price of sugar is too high. There are many pertinent facts awaiting disclosure. . . UNQUESTIONABLY INORDINATE PROFITS ARE BEING MADE. If it can be proved that the C.S.R. Co. is a monopoly, and as such is exploiting the people, there is room for enquiry. MONOPOLIES ARE ONE OF THE GREATEST EVILS THAT ARISE OUT OF EXCESSIVE PROTECTION OR EMBARGOES. . . Because of the absence of competition . . . The C.S.R. Co. enjoys a monopoly, and monopolies, as I have said, are one of the evils that grow up behind embargoes and excessive tariffs . . . The C.S.R. Co. . . . IS ABLE TO EXPLOIT THE PUBLIC BY MEANS OF PRICE FIXATION. I think that price-fixing is wrong, and it is WRONG FOR THIS PARLIAMENT TO SUPPORT THE PRACTICE."

Here we see the deadly parallel, the views of Mr. White as an ordinary member fighting for the rights of his constituents and the consumers generally, and his subsequent ideas when Minister of Customs. As a private member he did not hesitate to raise his voice against the great sugar scandal, and endeavour to secure a reduction in price. He makes a complete volte face as a Minister and now defends the monopoly he previously condemned. Herein is seen the curse of party politics. Principles are put in the background, and the sweets of office considered as of para-

mount importance. Such inconsistent action brings to mind the lines by Robert Browning:

Just for a handful of silver he left us,
Just for a ribbon to stick in his coat—
Found the one gift of which fortune bereft us,
Lost all the others she lets us devote.

Blot out his name, then, record one lost soul more.
One task more declined, one more footpath untrod,
One more triumph for devils, and sorrow for angels,
One wrong more to man, one more insult to God.

Conclusion.

The foregoing investigation into the sugar problem has been made in view of the early consideration of the agreement by the Federal Parliament. Though of a lengthy nature it was necessary. All facts submitted have been taken from official documents and may be regarded as reliable. There is no desire to do the sugar industry an injury, the object in preparing this pamphlet being to place before sugar consumers a concise and truthful statement showing the exploitation now taking place.

Emphasis must be placed upon the fact already submitted that it is not the CANE GROWERS who get the advantage of the embargo. Although Australian consumers had to pay £23 18/6 per ton for raw sugar during the past year—1933-34—the cane grower did not get that amount. As already shown about one half of the raw sugar was sold overseas at £8 0/6 per ton, so that the actual price received by the cane grower for his raw sugar was £16 6/3. Are Australian consumers going to tamely submit to an extension of an agreement for a further five years period from September 1, 1936, and pay nearly £24 for raw sugar here, when the same quality sugar is sold overseas at £8? The time is ripe for active

protest. Meetings should be convened throughout all States of the Commonwealth, resolutions of protest carried, and sent to the Federal members for the various districts, and to the Federal Government as well.

The embargo exploits consumers to the extent of nearly £7,000,000 per annum. This is a matter that vitally affects the well-being of **ALL THE PEOPLE**. For this reason it cannot be safely left to political parties to handle. The people are fleeced, and the people themselves must act, if they desire to be freed from the tentacles of the sugar octopus in the future. A special effort must be made to prevent this scandalous agreement being ratified for another five years term.

Once to every man and nation
Comes the moment to decide.

That moment is here in regard to the sugar monopoly, and we ask the people to rise in their might and abolish this special privilege for all time.