

## OUR AUSTRALIAN LETTER.

Providence continues to smile on Australian affairs. Perhaps this is hardly the correct simile but it is the correct idea. The rains of the past month have been generous and widespread. The outlook for the harvest, which should begin in a couple of months, is most promising, and the prophets are beginning to predict a sixty million yield. The southwest corner of New South Wales and a few other inhabited points are still in sore straits for water—Australia is never without a drought somewhere—but as a rule grass and grain promise alike well.

In trade the grass is growing, but the commercial agent horse is having a bad time of it. Outside of mining and the race-track the Australian is not speculative, and the importer is just now wisely cautious. There is yet two months to the harvest and the weather is a little more uncertain than the favorite in the Melbourne Cup. In another month if the good rains still come things will begin to move a bit. There should not be a boom, for wool is still the foundation of the prosperity of the country and the cut cannot be large this year, nor even in the next. There should, however, be a great improvement.

Importers of wheat and flour are in the doldrums and wondering how they are to get out. The papers assert they are holding on firmly to prices, but millers know all the same that wheat can be had under cost. Yet authorities say that two and a quarter million bushels must yet be ordered to meet Australian needs before the home harvest can come in. The Canadian Commissioner doubts this, on the ground that the figures quoted do not make proper allowance for stocks on hand in January last and, that there are New South Wales farmers with some grain to sell, and the fact that most of the December consumption will be of Australian wheat. There may be a million yet needed, and when the discovery is made the demand will be sudden and must be met, if met at all, at once. British Columbia exporters should, therefore, stand by to meet the emergency if it comes.

The British money-lender is helping Providence to bless Australia by buttoning up his pockets. Queensland, a badly drought-stricken but yet promising state, tried to borrow a modest three-quarter million of pounds, and offered  $3\frac{1}{2}$  per cent. debentures at the low figure of 96, but could only get a third of the amount taken. This sort of discipline is needed to make Australia stand on its own legs. If persisted in it will knock a good deal of social economical nonsense out of the Australian head and prevent a crisis that would be worse than half a dozen droughts. There appeared to be no limit to the Australian willingness to heap up debts, for he ran into debt so easily; and he still attempts to soothe the lender and comfort himself with the old fiction that the money is being spent in reproductive works. What are included in such works are political railways that neither pay their way nor increase the productive power of the country; sand shifting that wind blows back again; scrub cutting on lands that are allowed to return to wilderness; gorgeous public buildings whose merit is that they are to excel anything on earth; bridges to replace predecessors rotted away, and even a new sofa for the Government is chucked in, I am told, with the other items covered by a loan. Worse still is that in late years the mistaken policy of the Labor Party has resulted in the Government not getting value for its money. Some recent revelations have rather surprised even this country. In Victoria certain drainage works were carried on by day labor. The Government after a time tried piece-work, on the basis of the average amount done for six shillings. On piece-work the diggers earned from one to two pounds per day. In this State the work of Government bricklayers on a public building averaged three hundred bricks per day, in private employment the day's work was a thousand. It is no marvel that the treasurer had to tell a deputation who wanted more money to spend on a recently constructed work that the Government had spent £321,000 on it already, and the annual return was £96. I can remember when we were told that

half the sum was to be expended on this very work, and golden returns were promised from it.

The misfortune of Australia is that it was born with not one but two golden spoons in its mouth. The first was the possession of a great area easily adapted to produce the finest wool in the world; the other was the vast store of precious metals in country easily accessible, and the riches easily won. Both made great returns for the money and labor employed. Both these resources are done. The good pastoral lands have long since been occupied, and even territory where three good years out of ten is the utmost that can be expected. The minerals of Australia are far from being exhausted, and it is possible that as rich finds remain as have yet been disclosed, but it will be in regions like the rich West Australian mines, where the gold won, great as are the yields, will only fairly repay the capital and labor employed. Several serious evils are the natural result of the rapid developing of these two resources.

Agriculture was neglected and despised. It was too slow and too laborious. It is still difficult to get people to go on the land.

Great extravagance public and private. When the cream had been taken from mineral and pastoral production, the extravagance was maintained by public and private borrowing in England. Public works that might well have been cautiously constructed from the resources of the country, for in no land were the resources so easily accessible, were built on debt.

Demoralization of the economical ideas of the working man. He saw employment decreasing and declining. With a true Briton's faith in Parliament he believed he could stimulate both by getting control of Parliament. With an astuteness that indicates an ability which when more wisely directed will bring great results, he has succeeded in getting control. Unluckily he is a better politician than economist, and his efforts have been directed towards increasing the wages and holidays, and decreasing the number of working hours and the amount of work done per hour. So long as the credit of the Government lasted this policy appeared to bear good fruit, but when the credit is strained the evil time is approached. The faith in Parliament is not destroyed, and the most drastic proposals, even to the establishment of Government banks and making of artificial money, are in the air. The immediate future of Australia depends upon whether these wild but old experiments shall be tried in this land, too, or whether the people shall have a return to political sanity.

Australia has a great future before it, but this future can only be unlocked by common sense, hard work and frugality, three principles not over popular just now. Even men of otherwise great intelligence will point to the remarkable development of the past and tell you when the drought is over that it will recur, deliberately shutting their eyes to the fact that there is no probability that the causes which created the remarkable advancement can recur. Improvement will come, and there are already signs of breaking clouds in sight. But just now Australia is not an earthly paradise. Capital is nervous, and some of it is leaving the country. Great resources are to be developed, and great bodies of men and money are idle. High wages decreed by a Compulsory Arbitration Court, and thousands of young and able bodied men not ashamed to live on public and private charity. And some of those who are ashamed but have to take charity are Canadians, fools who have been induced by the pretty tales they have heard of Australia to come here. One, a French Canadian, told his story to the Canadian Commissioner. As nearly as I can, I repeat the patois as Mr. Larke related it to me:—

"Mon Dieu! I haf not tink dere can be soch a country dat a man dat laike work cannot get braid by de work. I search de street, I tramp de country, and I get one shilling in de week. I go to de Government Bureau, and he ask if I haf the elector's right. I say 'No.' He shaik his head, I say, 'but I'm Canuck—I Breetish.' He say, 'No good, Monsieur.' I'm hungry, I'm dirty, my clothes wear out. I'm in meesery, in meesery all de taim." —F. W.

Sydney, New South Wales, 11th August, 1903.