xxi A.—4.

Coloured labour-including Chinese, Cingalese, Japanese, Javanese, and Kanaka—is employed in the State of Queensland in connection witht he sugar industry; and, indeed, after considering the evidence before them, your Commissioners are of opinion that in the tropical parts of Queensland, unless coloured labour be by law permitted, the sugar industry will suffer severely, if not die out altogether. The conditions of labour in the cultivation of sugarcane, and the climate in certain parts of Queensland, are such as to be quite unfit for the continuous employment of white men. It was urged before your Commissioners that any work a black man can do a white man can likewise That may be true for a time, but your Commissioners believe that in a tropical climate it would be impossible to continue to employ white people in the cane-fields, generation after generation, without serious deterioration taking place in their physical condition. None of the witnesses examined before your Commissioners upon this branch of their inquiry were able to give any instance of the cultivation of sugar in the tropics without the employment of coloured labour. They believe that in this matter the law of Nature will be stronger than that of man, and that coloured labour will have to be employed, if a large part of tropical Australia is not to be left either wholly or largely undeveloped.

Nevertheless, your Commissioners recognise that there is such a strong feeling throughout Australia—a sentiment shared by all political parties—in favour of preserving the purity of the British race, and protecting white labour against the unrestricted competition of a coloured population, that no serious danger from that cause need be apprehended under federation. If the employment of coloured labour be ultimately found indispensable to the prosecution of any tropical industry, your Commissioners have no doubt that it will only be permitted under proper safeguards. An influx of Asiatics into the northern territories of Australia would be attended with grave evils to the whole of the States, and these can only be averted by laws practically prohibiting immigration of this character. The same danger does not attend the introduction of Kanakas under severe legal restrictions, limiting their employment to field-work on plantations, and providing for their return home at the expiration of their indentures.

INTER-STATE COMMISSION.

The Constitution Act provides for an inter-State Commission, with such powers as Parliament deems necessary, "for the execution and maintenance, within the Commonwealth, of the provisions of this Constitution relating to trade and commerce, and all laws made thereunder." (Section 101.) members of the Commission are appointed by the Governor-General in Council, and hold office for seven years. They are subject to removal within that term by the Governor-General in Council on an address from both Houses of Parliament in the same session on the ground of proved misbehaviour or incapacity. Their remuneration is to be fixed by Parliament, and cannot be reduced during their continuance in office. The Commission will be a judicial body, and may have administrative functions, but the extent of the powers Parliament may see fit to confer is yet to be determined. Reference to sections 102 and 104, however, indicate some of the duties which will devolve on the With the purely internal traffic of a State the Commission is not concerned; but as regards inter-State traffic in the coterminous States, it will interfere to prevent undue competition by means of discriminating rates on State railways for the traffic of particular localities. As regards inter-State maritime traffic, the Commission will probably perform duties analogous to those of the Board of Trade in England; and, if New Zealand became a State, its interference might prejudicially affect the shipping laws of this colony.

Men of large legal and commercial experience will be required to exercise such comprehensive powers, and the aid of an efficient staff will be necessary. It may fairly be anticipated that the annual expense of such a Commission will be considerable, its powers being capable of great expansion under the provisions of

the Constitution Act.