Battle Royal: the Royal Commission into the Sugar Industry

Federation created uncertainties for CSR. White Australia would surely deport Pacific Islanders from Queensland cane fields; the federal government might dismantle the separate states' protective tariffs; and despite early gestures, the Commonwealth did not include Fiji. A more immediate problem was William Morris Hughes, mentor of the Waterside Workers and now – representing West Sydney – CSR's local member. By 1911 he had become the federal Attorney General, aiming a Royal Commission at the Sugar Industry, with CSR firmly in his sights.

After a false start the Royal Commission was relaunched in 1912, with ominously broad terms of reference:

(a) Growers of sugar cane and beet;
(b) Manufacturers of raw and refined sugar;
(c) Workers employed in the Sugar Industry;
(d) Purchasers and Consumers of Sugar;
(e) Costs, profits, wages, and prices;
(f) The Trade and Commerce in Sugar with other Countries;
(g) The operation of the existing laws; and
(h) Any Commonwealth Legislation relating to the Sugar Industry which the Commission thinks expedient.

CSR was rightly nervous: the five commissioners comprised two judges, a Sydney businessman with an interest in shipping, a sugar grower from North Queensland, and Albert Hinchcliffe, the editor of *The Worker*, a fervent opponent of CSR. When CSR complained that refineries were not represented on the panel, Hinchcliffe retorted that the refiners' place was in the dock, not the jury! (CSR's report, in *Daily Telegraph*, 1 November 1911.) CSR was also dismayed that they were not allowed to be represented by counsel.

In the event, Knox managed very well by himself. The proceedings are mainly remembered for his refusal to present evidence of the "costs, profits, wages, and prices" sought by the commissioners. When he was prosecuted, he appealed all the way to the Privy Council on London, which upheld his refusal. The *Sydney Morning Herald* (19 December 1912) summarised the Privy Council decision: As the Commonwealth had no authority to legislate in this field,

> *It may not appoint a Commission as a fishing expedition….* [and] *a witness before a Commission shall not be forced to disclose his private business affairs where the disclosure is utterly irrelevant for legislative or judicial purposes… If the CSR had answered every question and produced every ledger, what would have happened as far as the*

> *Commonwealth Parliament was concerned? Nothing; for if it had not jurisdiction to legislate, no "revelations" would have enabled it to do so.*
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> *Then, why did it seek this information? It was from sheer curiosity. The Commonwealth Parliament was anxious for a pretext for interference. If it could equip itself with an armoury of facts and figures it might persuade the elector to give it the jurisdiction it wished. However, desire outran discretion.*

While the constitutional drama was played out off-stage, the commission addressed substantive questions, fielding criticism from cane growers (that the bounty was inadequate) and (on the other flank) beet producers, jam makers, free-traders, anti-monopolists and defenders of the working man's "free breakfast table". The commissioners heard many views, but there was no doubt about the outcome.

As the *Adelaide Register* observed (6 December 1912):

> *The policy of a 'white Australia' must be loyally adhered to and that the cane sugar industry should be supported, because it involves the occupation of tropical and semi tropical areas by whites, who are a factor in the defence of the north. Relative to questions of settlement, and defence, 'all other issues', say the Commissioners, 'are of minor importance'.*