GOVERNOR-GENERAL.

His Excellency Field Marshal Sir William Joseph Slim, Knight Grand Cross of the Most Honorable Order of the Bath, Knight Grand Cross of the Most Distinguished Order of St. Michael and St. George, Knight Grand Cross of the Royal Victorian Order, Knight Grand Cross of the Most Excellent Order of the British Empire, Companion of the Distinguished Service Order, upon whom has been conferred the Decoration of the Military Cross, Knight of the Venerable Order of St. John of Jerusalem, Governor-General and Commander-in-Chief in and over the Commonwealth of Australia, from 8th May, 1953.

ADMINISTRATOR.

His Excellency General Sir John Northcott, Knight Commander of the Most Distinguished Order of St. Michael and St. George, Knight Commander of the Royal Victorian Order, Companion of the Most Honorable Order of the Bath, was appointed on 30th July, 1956, under Dormant Commission dated 13th March, 1950, to Administer the Government of the Commonwealth during the absence from Australia of His Excellency the Governor-General.

His Excellency returned to Australia on 22nd October, 1956.

SIXTH MENZIES GOVERNMENT.

(Assumed Office 12th January, 1956.)

(Portfolios to 24th October, 1956.)

Prime Minister ........... The Right Honorable Robert Gordon Menzies, C.H., Q.C.

Treasurer ................. The Right Honorable Sir Arthur William Fadden, K.C.M.G.

Vice-President of the Executive Council; and Minister for Defence Production

Minister for Labour and National Service; and Minister for Immigration

Minister for Trade ........... The Right Honorable John McEwen.

Minister for External Affairs .... The Right Honorable Richard Gardner Casey, C.H., D.S.O., M.C.

Minister for Defence ........... The Honorable Sir Philip Albert Martin McBride, K.C.M.G.

Minister for the Navy ......... Senator the Honorable Neil O'Sullivan

Attorney-General ............. Senator the Honorable John Armstrong Spicer, Q.C.

Minister for National Development .... Senator the Honorable William Henry Spooner, M.M.

Minister for Air; and Minister for Civil Aviation The Honorable Athol Gordon Townley

Minister for Territories ....... The Honorable Paul Meernaa Caedwalla Hasluck.

(The above Ministers constituted the Cabinet.)

Minister for Repatriation .... Senator the Honorable Walter Jackson Cooper, M.B.E.

Minister for Supply ........... The Honorable Howard Beale, Q.C.

Minister for Primary Industry .... The Honorable William McMahon.

Minister for Shipping and Transport .... Senator the Honorable Shane Dunne Patridge.

Minister for Health ........... The Honorable Donald Alastair Cameron, O.B.E.

Postmaster-General ........... The Honorable Charles William Davidson, O.B.E.

Minister for Customs and Excise .... The Honorable Frederick Meares Osborne, D.S.C.

Minister for the Interior; and Minister for Works The Honorable Allen Fairhall.

Minister for the Army ......... The Honorable John Oscar Cramer.

Minister for Social Services .... The Honorable Hugh Stevenson Roberton.

Prime Minister ...... The Right Honorable Robert Gordon Menzies, C.H., Q.C.
Treasurer ...... The Right Honorable Sir Arthur William Fadden, K.C.M.G.
Minister for Labour and National Service ...... The Right Honorable Harold Edward Holt.
Minister for Trade ...... The Right Honorable John McEwen.
Minister for External Affairs and Minister in Charge Commonwealth Scientific and Industrial Research Organization ...... The Right Honorable Richard Gardiner Casey, C.H., D.S.O., M.C.
Minister for Defence ...... The Honorable Sir Philip Albert Martin McBride, K.C.M.G.
Vice-President of the Executive Council; and Attorney-General ...... Senator the Honorable Neil O'Sullivan.
Minister for National Development ...... Senator the Honorable William Henry Spooner, M.M.
Minister for Immigration ...... The Honorable Athol Gordon Townley.
Minister for Territories ...... The Honorable Paul Meernaa Caedwalla Hasluck.
Minister for Supply; and Minister for Defence Production ...... The Honorable Howard Beale, Q.C.
Minister for Primary Industry ...... The Honorable William McMahon.
(Parliament of the Commonwealth—continued.)

Minister for Repatriation ...... Senator the Honorable Walter Jackson Cooper, M.B.E.
Minister for Shipping and Transport; and Minister for Civil Aviation ...... Senator the Honorable Shane Dunne Paltridge.
Minister for Health ...... The Honorable Donald Alastair Cameron, O.B.E.
Minister for the Army ...... The Honorable John Oscar Cramer.
Postmaster-General; and Minister for the Navy ...... The Honorable Charles William Davidson, O.B.E.
Minister for Air ...... The Honorable Frederick Meares Osborne, D.S.C.
Minister for the Interior; and Minister for Works ...... The Honorable Allen Fairhall.
Minister for Social Services ...... The Honorable Hugh Stevenson Robertson.
Minister for Customs and Excise ...... Senator the Honorable Norman Henry Denham Henty.
THE MEMBERS OF THE HOUSE OF REPRESENTATIVES.

TWENTY-SECOND PARLIAMENT—FIRST SESSION: SECOND PERIOD.

Speaker—The Honorable John McLeay, M.M.

Chairman of Committees—Charles Frederick Adernann.


Leader of the Opposition—The Right Honorable Herbert Vere Evatt, Q.C., LL.D., D.Litt.

Deputy Leader of the Opposition—The Honorable Arthur Augustus Calwell.

Leader of the Australian Country Party—The Right Honorable Sir Arthur William Fadden, K.C.M.G.

Deputy Leader of the Australian Country Party—The Right Honorable John McEwen.

Adermann, Charles Frederick
Allan, Archibald Ian
Anderson, Charles Groves Wright, V.C., M.C.
Anthony, Hon. Hubert Lawrence
Aston, William John
Barnard, Lance Herbert
Bate, Henry Jefferson
Beale, Hon. Howard, Q.C.
Beazley, Kim Edward
Bird, Alan Charles
Bland, Francis Armand
Bostock, William Dowling, C.B., D.S.O., O.B.E.
Bowden, George James, M.C.
Brand, William Alfred
Brimblecombe, Wilfred John
Bruce, Hon. Henry Adam
Bryant, Gordon Munro
Buchanan, Alexander Andrew
Cairns, James Ford
Calwell, Hon. Arthur Augustus
(•) Cameron, Hon. Archie Galbraith
Cameron, Clyde Robert
Cameron, Hon. Donald Alastair, O.B.E.
Chambers, Hon. Cyril
Chaney, Frederick Charles, A.F.C.
Clarey, Hon. Percy James
Clark, Joseph James
Cleaver, Richard
Cope, James Francis
Costa, Dominic Eric
Coutts, Wilfred Charles
Cramer, Hon. John Oscar
Cresan, Frank
Curtin, Daniel James
Daly, Frederick Michael
Davidson, Hon. Charles William, O.B.E.
(•) Davies, William
Davis, Francis John
Dean, Roger Levinge
Downer, Alexander Russell
Drummond, Hon. David Henry
Drury, Edward Nigel
Duthie, Gilbert William Arthur
Edmonds, William Frederick
Erwin, George Dudley
Fadden, Rt. Hon. Sir Arthur William, K.C.M.G.
Failes, Laurence John
Fairbairn, David Eric, D.F.C.
Fairhall, Hon. Allen
Falkinder, Charles William Jackson, D.S.O., D.F.C.
(•) Forbes, Alexander James
Fox, Edmund Maxwell Cameron
Fraser, Allan Duncan
Fraser, James Reay
Fraser, John Malcolm
Fisher (Q.)
Gwydir (N.S.W.)
Hume (N.S.W.)
Richmond (N.S.W.)
Phillip (N.S.W.)
Bass (T.)
Macarthur (N.S.W.)
Parramatta (N.S.W.)
Fremantle (W.A.)
Batman (V.)
Warringah (N.S.W.)
Indi (V.)
Gippsland (V.)
Wide Bay (Q.)
Maranoa (Q.)
Leichhardt (Q.)
Wills (V.)
McMillan (V.)
Yarra (V.)
Melbourne (V.)
Barker (S.A.)
Hindmarsh (S.A.)
Oxley (Q.)
La Trobe (V.)
Adelaide (S.A.)
Perth (W.A.)
Bendigo (V.)
Darling (N.S.W.)
Swan (W.A.)
Watson (N.S.W.)
Banks (N.S.W.)
Griffith (Q.)
Bennelong (N.S.W.)
Melbourne Ports (V.)
Kingsford-Smith (N.S.W.)
Grayndler (N.S.W.)
Dawson (Q.)
Cunningham (N.S.W.)
Deakin (V.)
Roberson (N.S.W.)
Angas (S.A.)
New England (N.S.W.)
Ryan (Q.)
Wilmot (T.)
Herbert (Q.)
Bullaarat (V.)
Barton (N.S.W.)
McPherson (Q.)
Lawson (N.S.W.)
Farrer (N.W.)
Paterson (N.S.W.)
Franklin (T.)
Barker (S.A.)
Henty (V.)
Eden-Monaro (N.S.W.)
(A.C.T.)
Wannon (V.)
REPRESENTATIVES—continued.

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<td>Freeth, Gordon</td>
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Forrest (W.A.)
Kingston (S.A.)
St. George (N.S.W.)
Shortland (N.S.W.)
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Scullin (V.)
Lalor (V.)
Kennedy (Q.)
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Maribyrnong (V.)
Darling Downs (Q.)
Port Adelaide (S.A.)
Higinbotham (V.)
Denison (T.)
Mallee (V.)
Bradfield (N.S.W.)
East Sydney (N.S.W.)
Newcastle (N.S.W.)
Stirling (W.A.)
MacKellar (N.S.W.)
Mitchell (N.S.W.)
Werriwa (N.S.W.)
Lilley (Q.)
Sturt (S.A.)
THE COMMITTEES OF THE SESSION.

JOINT.

CONSTITUTION REVIEW.—Senator Spicer (Chairman to 14th August, 1956), Senator O’Sullivan (Chairman from 24th October, 1956), the Prime Minister, the Leader of the Opposition in the House of Representatives, Senator Kennelly, Senator McKenna, Senator Wright, Mr. Calwell, Mr. Downer, Mr. Drummond, Mr. Hamilton, Mr. Joske, Mr. Pollard, Mr. Ward, and Mr. Whitlam.

FOREIGN AFFAIRS.—Mr. Kent Hughes (Chairman), Senator Cole, Senator Gorton, Senator Maher, Senator Pearson, Senator Robertson, Senator Vincent, Senator Wordsworth, Mr. Chaney, Mr. Downer, Mr. Drummond, Mr. Failes, Mr. Joske, Mr. Lucock, Mr. Mackinnon, Mr. Timson, Mr. Turner, Mr. Wentworth, Mr. Wheeler, and Mr. Wight.

HOUSE.—The President (Chairman), Senator Amour, Senator Marriott, Senator O’Flaherty, Senator Ryan, Senator Wade, Senator Wordsworth, Mr. Speaker, Mr. Failes, Mr. R. J. Fraser, Mr. Hulme, Mr. Morgan, Mr. Opperman, and Mr. Webb.

LIBRARY.—Mr. Speaker (Chairman), the President, Senator Arnold, Senator Kendall, Senator McCallum, Senator Robertson, Senator Sheehan, Senator Tangney, Mr. Bryant, Mr. Downer, Mr. Drummond, Mr. R. W. Holt, Mr. O’Connor, and Mr. Wentworth.

PARLIAMENTARY PROCEEDINGS BROADCASTING.—The President (Chairman), Senator Arnold, Senator Marriott, Mr. Speaker, Mr. Costa, Mr. Falkinder, Mr. Allan Fraser, Mr. Opperman, and Mr. Turnbull.

PRINTING.—Senator Benn, Senator Buttfield, Senator Hannaford, Senator Robertson, Senator Scott, Senator Tangney, Senator Toohey, Mr. Dean, Mr. Drury, Mr. Freeth, Mr. E. James Harrison, Mr. Leslie, Mr. McLvor, and Mr. Stewart.

PUBLIC ACCOUNTS.—Mr. Bland (Chairman), Senator Benn, Senator Seward, Senator Wedgwood, Mr. Barnard, Mr. Cope, Mr. Davis, Mr. Hulme, Mr. Leslie, and Mr. Thompson.

PUBLIC WORKS.—Senator Henty (Chairman to 19th October, 1956), Mr. Lawrence (Chairman from 24th October, 1956), Senator Anderson (from 23rd October, 1956), Senator Mahet, Senator O’Byrne, Mr. Bird, Mr. Bowden, Mr. Dean, Mr. O’Connor, and Mr. Watkins.

HOUSE OF REPRESENTATIVES.

PRIVILEGES.—Mr. Speaker, Mr. Clark, Mr. Allan Fraser, Mr. Freeth, Mr. Galvin, Mr. Joske, Mr. Morgan, Mr. Swartz, and Mr. Turnbull.

STANDING ORDERS.—Mr. Speaker (Chairman), the Prime Minister, the Chairman of Committees, the Leader of the House, the Deputy Leader of the Opposition, Mr. Clark, Mr. Costa, Mr. E. James Harrison, Mr. Joske, Mr. Makin, and Sir Earle Page.

PARLIAMENTARY DEPARTMENTS.

SENATE.

Clerk.—R. H. C. Loof.
Clerk-Assistant.—J. R. Odgers.
Usher of the Black Rod.—R. E. Bullock.

HOUSE OF REPRESENTATIVES.

Clerk.—A. A. Tregear.
Clerk-Assistant.—A. G. Turner.
Second Clerk-Assistant.—N. J. Parkes.
Third Clerk-Assistant.—J. A. Pettifer.
Serjeant-at-Arms.—G. S. Reid.

PARLIAMENTARY REPORTING STAFF.

Principal Parliamentary Reporter.—W. J. M. Campbell.
Third Reporter.—W. E. Dale.

LIBRARY.

Librarian.—H. L. White.
Assistant Librarian.—L. C. Key.

SECRETARY.—W. I. Emerton.
THE ACTS OF THE SESSION.

(First Session: Second Period.)

Air Force Act 1956 (Act No. 73 of 1956)—

Aluminium Industry Act 1956 (Act No. 106 of 1956)—

Appropriation Act 1956–57 (Act No. 70 of 1956)—
An Act to grant and apply out of the Consolidated Revenue Fund a sum for the service of the year ending the thirtieth day of June, One thousand nine hundred and fifty-seven, and to appropriate the Supplies granted by the Parliament for that year.

Appropriation (Works and Services) Act 1956–57 (Act No. 71 of 1956)—
An Act to grant and apply out of the Consolidated Revenue Fund a sum for the service of the year ending the thirtieth day of June, One thousand nine hundred and fifty-seven, for the purposes of Additions, New Works and other Services involving Capital Expenditure and to appropriate the Supplies granted by the Parliament for that year.

Australian National Airlines Act 1956 (Act No. 105 of 1956)—

Australian Security Intelligence Organization Act 1956 (Act No. 113 of 1956)—
An Act relating to the Australian Security Intelligence Organization.

Broadcasting and Television Act (No. 2) 1956 (Act No. 65 of 1956)—
An Act to amend the Broadcasting Act 1942–1954, as amended by the Broadcasting and Television Act 1956, and for other purposes.

Broadcasting and Television Act (No. 3) 1956 (Act No. 92 of 1956)—
An Act to amend the Law relating to Broadcasting and Television in consequence of the enactment of the Repatriation (Far East Strategic Reserve) Act 1956.

Canned Fruits Export Control Act 1956 (Act No. 64 of 1956)—

Cocos (Keeling) Islands Act 1956 (Act No. 89 of 1956)—
An Act to amend the Cocos (Keeling) Islands Act 1955.

Commonwealth Employees’ Compensation Act 1956 (Act No. 93 of 1956)—

Commonwealth Railways Act 1956 (Act No. 99 of 1956)—

Conciliation and Arbitration Act (No. 2) 1956 (Act No. 103 of 1956)—
An Act to amend the Law relating to Conciliation and Arbitration.

Customs Tariff (No. 2) 1956 (Act No. 58 of 1956)—
An Act relating to Duties of Customs.

Customs Tariff (No. 3) 1956 (Act No. 62 of 1956)—
An Act relating to Duties of Customs.

Customs Tariff (No. 4) 1956 (Act No. 86 of 1956)—
An Act relating to Duties of Customs.

Customs Tariff (Canadian Preference) 1956 (Act No. 60 of 1956)—
An Act to amend the Customs Tariff (Canadian Preference) 1934–1954.

Customs Act (Federation of Rhodesian and Nyasaland Preference) 1956 (Act No. 61 of 1956)—
An Act relating to Duties of Customs on Goods the Produce or Manufacture of the Federation of Rhodesia and Nyasaland.

Customs Tariff (Industries Preservation) Act 1956 (Act No. 111 of 1956)—
An Act to amend the Customs Tariff (Industries Preservation) Act 1921–1936.

Customs Tariff (Papua and New Guinea Preference) 1956 (Act No. 63 of 1956)—
An Act to amend the Customs Tariff (Papua and New Guinea Preference) 1936–1950.

Customs Tariff Validation Act 1956 (Act No. 88 of 1956)—
An Act to provide for the Validation of Collections of Duties of Customs under Customs Tariff Proposals.

Defence Act 1956 (Act No. 72 of 1956)—
An Act to amend the Defence Act 1903–1953.

Distillation Act 1956 (Act No. 74 of 1956)—
An Act to amend the Distillation Act 1901–1954.
THE ACTS OF THE SESSION—continued.

Estate Duty Assessment Act 1956 (Act No. 94 of 1956)—

Excise Tariff (No. 2) 1956 (Act No. 59 of 1956)—
An Act relating to Duties of Excise.

Excise Tariff (No. 3) 1956 (Act No. 87 of 1956)—
An Act relating to Duties of Excise.

Home Nursing Subsidy Act 1956 (Act No. 84 of 1956)—
An Act to provide for the Grant of Subsidies to Home Nursing Organizations.

Income Tax and Social Services Contribution Assessment Act (No. 3) 1956 (Act No. 101 of 1956)—
An Act to amend the Law relating to Income Tax.

Income Tax and Social Services Contribution (Individuals) Act 1956 (Act No. 102 of 1956)—
An Act to impose a Tax, payable by Persons other than Companies and by Companies in the capacity of trustee, by the name of Income Tax and Social Services Contribution.

International Wheat Agreement Act 1956 (Act No. 80 of 1956)—
An Act to approve Acceptance by Australia of the International Wheat Agreement, 1956, and for other purposes.

Land Tax Abolition Act 1956 (Act No. 85 of 1956)—
An Act to amend the Land Tax Abolition Act 1953.

Loan (Housing) Act 1956 (Act No. 76 of 1956)—
An Act to authorize the Raising and Expending of Moneys for the purposes of Housing.

Loan (War Service Land Settlement) Act 1956 (Act No. 81 of 1956)—
An Act to approve the Borrowing of Moneys for a Defence Purpose, namely Financial Assistance to the States in connexion with War Service Land Settlement, and to authorize the expending of those Moneys.

Loans Securities Act 1956 (Act No. 82 of 1956)—
An Act to amend the Loans Securities Act 1919.

Mount Stromlo Observatory Act 1956 (Act No. 79 of 1956)—
An Act to provide for the Transfer of the Administration of the Observatory at Mount Stromlo in the Australian Capital Territory to The Australian National University, and for other purposes.

National Health Act (No. 2) 1956 (Act No. 95 of 1956)—
An Act to amend section twenty of the National Health Act 1953–1955, as amended by the National Health Act 1956, in consequence of the enactment of the Repatriation (Far East Strategic Reserve) Act 1956.

Northern Territory (Administration) Act (No. 2) 1956 (Act No. 110 of 1956)—

Post and Telegraph Rates Act 1956 (Act No. 66 of 1956)—
An Act to amend the Post and Telegraph Rates Act 1902–1951.

Public Service Arbitration Act (No. 2) 1956 (Act No. 104 of 1956)—
An Act to amend the Law relating to Public Service Arbitration.

Re-establishment and Employment Act 1956 (Act No. 96 of 1956)—

Repatriation Act 1956 (Act No. 68 of 1956)—
An Act to amend the Repatriation Act 1920–1955, and for other purposes.

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An Act to provide Benefits for certain Members of the Defence Force who have served in Malaya with, or in connexion with, the British Commonwealth Far East Strategic Reserve, and for purposes connected therewith.

Social Services Act 1956 (Act No. 67 of 1956)—

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States Grants Act 1956 (Act No. 107 of 1956)—
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Wednesday, 31st October, 1956.

Mr. SPEAKER (Hon. John McLeay) took the chair at 2.30 p.m., and read prayers.

MIDDLE EAST.

Dr. EVATT.—The question I wish to ask the Prime Minister concerns a very urgent matter. Can the right honorable gentleman say whether the United Kingdom Government communicated to him or to the Australian Government its intentions prior to its taking certain action at the meeting called by the United Nations Security Council to discuss the Israel-Egypt situation? Secondly, what instructions were given to the Australian representative at that meeting, who, having expressed the opinion that Israel was guilty of aggression against Egypt, did not record a vote on the matter? Were any instructions given to him? Have any consultations taken place, either with Australia’s representative at the United Nations or with the British and French governments? I ask the Prime Minister, more broadly, whether he will take the opportunity of making a general statement of Australia’s views in relation to this critical situation, whether Australia has any obligation in the matter, express or implied. Will the right honorable gentleman ensure that the House is kept informed and in session, if there is any possibility of Australia becoming involved in the obligations referred to in some of the messages?

Mr. MENZIES.—This problem in the Middle East has, as honorable members know, arisen somewhat suddenly, and the reports are even now somewhat confusing. We are not yet in a position, on the basis of official reports, to say anything definitive to the House. The Prime Minister of the United Kingdom made a statement in the House of Commons within the last few hours, the text of which I am prepared to read to the House, which exhibits the approach of the United Kingdom Government. As to the other aspects of the matter referred to by the Leader of the Opposition, I may say that we have been in constant communication, not only with the United Kingdom Government, but with our own posts and representatives, and have so far exhibited a very keen desire to know what the facts are, because there are always keen arguments about the facts when border incidents occur and when operations of some kind are conducted in some one else’s territory. As soon as we have the facts reasonably clearly available on the matter, I shall naturally take the first opportunity of making a statement to the House about it. I have said that I propose to put the House in possession of the statement made by the British Prime Minister, Sir Anthony Eden, in the House of Commons, because I think it is, at any rate, something definite and recent which honorable members will want to hear. His statement was as follows:—

As the House will know, for some time past the tension on the frontiers of Israel has been increasing. The growing military strength of Egypt has given rise to renewed apprehension which the statements and actions of the Egyptian Government have further aggravated. The establishment of a joint military command between Egypt, Jordan and Syria, the renewed raids by guerrillas, culminating in the incursion of Egyptian commandos on Sunday night, had all produced a very dangerous situation.

Five days ago news was received that the Israel Government were taking certain measures of mobilization. Her Majesty’s Government at once instructed Her Majesty’s Ambassador at Tel Aviv to make inquiries of the Israel Minister for Foreign Affairs and to urge restraint.

Meanwhile, President Eisenhower called for an immediate tripartite discussion between representatives of the United Kingdom, France and the United States. A meeting was held on the 28th of October in Washington and a second meeting took place on the 29th of October.

While these discussions were proceeding news was received last night that Israeli forces had crossed the frontier and had penetrated deep into Egyptian territory. Later, further reports were received indicating that paratroops had been dropped. It appeared that the Israeli spearhead was not far from the banks of the Suez Canal. From recent reports it also appears that air forces are in action in the neighbourhood of the canal.

During the last few weeks Her Majesty’s Government have thought it their duty, having regard to their obligations under the Anglo-Jordan Treaty, to give assurances both public and private of their intention to honour these obligations. Her Majesty’s Ambassador in Tel Aviv late last night received an assurance that Israel would not attack Jordan.

My right honorable and learned friend, the Foreign Secretary, discussed the situation with the United States Ambassador early this morning. The French Prime Minister and Foreign Minister have come over to London at short notice at the invitation of Her Majesty’s Government to deliberate with us on these events.

I must tell the House that very grave issues are at stake and unless hostilities can quickly be
stopped free passage through the canal will be jeopardized. Moreover, any fighting on the banks of the canal would endanger the ships actually on passage. The number of crews and passengers involved totals many hundreds and the value of the ships which are likely to be on passage to-day is about £50 million, excluding the value of the cargoes. Her Majesty's Government and the French Government have accordingly agreed that everything possible should be done to bring hostilities to an end as soon as possible. Their representatives in New York have, therefore, been instructed to join the United States representative in seeking an immediate meeting of the Security Council. This began at 4 p.m.

In the meantime, as a result of the consultations held in London to-day the United Kingdom and French Governments have now addressed urgent communications to the Governments of Egypt and Israel. In these we have called upon both sides to stop all warlike action by land, sea and air forthwith and to withdraw their military forces to a distance of 10 miles from the canal. Further, in order to separate the belligerents and to guarantee freedom of transit through the canal by the ships of all nations we have asked the Egyptian Government to agree that Anglo-French forces should move temporarily, I repeat, temporarily, into key positions at Port Said, Ismailia and Suez. The Governments of Egypt and Israel have been asked to answer this communication within 12 hours. It has been made clear to them that if at the expiration of that time one or both have not undertaken to comply with these requirements British and French forces will intervene in whatever strength may be necessary to secure compliance. I will continue to keep the House informed of the situation.

It is quite clear that this is a very fluid position. My colleague the Member for Defence, who is acting for the Minister for External Affairs, and I, hope to receive further official information during the afternoon. I propose, if it becomes available in time, and with the approval of the House, to say something more about the matter later to-day.

Dr. EVATT.—I desire to ask the Prime Minister a supplementary question arising out of his answer to my previous question. Was the Australian Government consulted in any way before this ultimatum containing an intimation of the use of force was issued by the French and British governments? Further, did the Australian Government give instructions to Australia's representative on the United Nations Security Council? Since our representative abstained from voting, will the right honorable gentleman tell the House what instructions were given to him?

Mr. MENZIES.—The United Kingdom Government has been in communication with us, and we with it, since the matter arose, and we have exchanged ideas. We have been in communication with our posts, and our posts have been in communication with us. We have been in communication also with the Australian representative at the United Nations. I think that it would be completely unwise, in respect of a matter which is at present at a very critical stage, to take any one of these matters out of its context. That is why I propose to make a comprehensive statement at the earliest possible moment. But I do not propose to make it except on a clear official basis of fact.

TELEPHONE SERVICES.

Mr. WHEELER.—I seek the advice of the Prime Minister by way of a question relating to the announcement made by the Postmaster-General at the beginning of this month that the proposed introduction of shared telephones in the cities and suburbs of Australia would be placed before the Cabinet for decision. As this may be the final week of the present sessional period, I ask the right honorable gentleman whether Cabinet has considered this matter. If so, may the House be informed whether any decision has been reached? If the subject has not been considered, is it likely to come up for consideration while the Parliament is in recess? If it does, and if the Government considers that it should accept the recommendations of the Postmaster-General's Department, will the Prime Minister supply interested private members with details of the economics of the scheme before it is put into effect? Finally, will the right honorable gentleman give some thought to the proposition that the Public Accounts Committee should be asked to investigate, under the terms of paragraph (d) of section 8 of the Public Accounts Committee Act, the advantages likely to result from separating the telephone branch from the other services of the department and giving it financial autonomy?

Mr. MENZIES.—The Postmaster-General did say that he would take this matter to the Cabinet, and, being a man of his word, he did. The Cabinet has discussed it and given the Minister a decision. I have no doubt that he will make that decision known in his own fashion.
QUEENSLAND RAILWAYS.

Mr. GEORGE LAWSON.—I direct a question to the Treasurer. Is it a fact, as has been reported, that at the conference of Commonwealth and State Ministers held in June last the Queensland Premier made to the right honorable gentleman a special request for financial assistance amounting to £10,000,000 for the purpose of strengthening the railway line between Townsville, Cloncurry, Mount Isa, and Mary Kathleen, an important new uranium field, and purchasing new rolling-stock and locomotives? If this is a fact, does the Treasurer realize the extraordinarily heavy burden that will be placed on this railway by the further development of the two very important national projects at Mount Isa and Mary Kathleen? In view of the urgency and importance of this work, has the Treasurer yet made a decision, and has he, on behalf of the Government, agreed to accede to the Queensland Premier's request for financial assistance?

Sir ARTHUR FADDEN.—The honorable gentleman is quite correct in saying that the Queensland Premier approached me, as the Acting Prime Minister at the time, because these matters are carried out on a Prime Minister to Premier basis. I was so expeditious in agreeing to the Premier's suggestion that an investigation be made that I appointed two officers of the Commonwealth to confer with officers of the Queensland Premier's Department. The Commonwealth officers are still awaiting the results of certain investigations to be carried out by the Queensland Department of Railways.

POLIOMYELITIS.

Mr. CLEAVER.—Is the Minister for Health now in a position to advise me of the outcome of my representations for an additional supply of Salk vaccine to be made available to the Western Australian Department of Health in order to enable the immunization of school children in my electorate before the Christmas vacation?

Dr. DONALD CAMERON.—The honorable gentleman, I think, first brought this matter up about three weeks ago. As I explained to him then, the amount of Salk vaccine produced by the Commonwealth Serum Laboratories is allocated fully after production, with the exception perhaps of some very small reserve, in accordance with arrangements to which all the States were parties, and which received the approval of the National Health and Medical Research Council. Some time ago the Western Australian Government made, as it was of course entitled to do, a re-arrangement of the priorities according to which it would distribute the vaccine to the various areas within the State's boundaries. The administration of the vaccination programme in each State is, of course, under the control of the State government concerned, the Commonwealth Government merely supplying the quantity that has been agreed to under a formula. When that occurred the honorable gentleman took the matter up with me, and I also received a request from the Western Australian Government seeking information as to whether additional supplies could be made available to Western Australia, so that both the area originally intended to be dealt with in the vaccination programme at a certain time and the area subsequently substituted for it might both be done simultaneously. I informed the honorable gentleman then that it would probably be difficult to arrange for adequate supplies for both areas simultaneously, but that we would investigate the matter and see whether they could be made available. That has now been done. An officer of the Commonwealth Department of Health discussed the matter with the Director of the Commonwealth Serum Laboratories, with the result that a considerable number of extra doses will be available to the Western Australian Government at about the middle of next month. I am not yet certain whether this extra supply can be repeated, or whether it will be available on this one occasion only, but the honorable gentleman should be very satisfied with the result of his activities in this matter, because they have led to the provision of this extra supply of vaccine.

REGISTERED MAIL.

Mr. CLARK.—Will the Postmaster-General review the procedure that has been adopted in respect of the checking of registered mail matter, in order to give
greater protection to people who send articles by registered post? It has been brought to my notice that a person who registers an article for transmission by post now has no protection because, in the event of the article being lost, there is no means of tracing it under the new system since no receipt is issued in the name of the sender, and no list containing the number of receipts issued is included in the registered mail bag. The only information placed in the registered bag is in reference to the number of articles. In view of this information, will the department revert to the previous practice, thereby giving the public the protection that they expect after paying the cost of registration?

Mr. DAVIDSON.—It is correct, as suggested by the honorable member for Darling, that the department has instituted a new method of dealing with registered matter recently in an attempt, first of all, to preserve the security which previously existed and the protection of the sender, and at the same time to reduce operation costs. It has been found that the cost of the registration system has considerably exceeded the benefits which were derived from it. However, the new system which was introduced a little while ago has been introduced purely on a trial basis. I can assure the honorable member that I shall have a look at the results of that trial, and if it appears that the protection which it is desired to give those who send registered packets is being lost, the old system will be reverted to. But, at the moment, I feel sure that the honorable member's statement that the protection previously given to the sender of registered articles has been lost is not being borne out in fact.

PRINTING MACHINERY.

Mr. TURNBULL.—Is the Minister acting for the Minister for Trade aware that practically all the specialized machinery required for commercial printing and for the production of newspapers in Australia has to be imported and that much of the machinery now in use is out of date? As the level of imports is determined by the Government, will the Minister cause investigations to be made, with a view, where possible and practicable, to fostering the importation of more modern plant, designed for new tasks as well as the more efficient performance of established operations in the printing trade, which employs more than 23,000 people in Australia?

Mr. McMAHON.—If I may touch on the last part of the honorable gentleman's question first, I should like to make it clear immediately that there is no danger, so far as I can see, of unemployment in the printing trades throughout Australia. I think it wise to mention that point at the beginning. As to the main part of the question, I know that there is central import licensing and central import control and that these do affect the importation of printing machinery. I have looked into this question in the course of the last few weeks and have discussed it with some of the metropolitan newspaper companies. We have, for the present, been compelled to advise them that equipment for improving the quality of newspaper work cannot be imported at the present moment. Many companies are involved, and if we give one company the right to import machinery we must give it to the whole lot of them. But I assure the honorable gentleman that this matter is receiving our attention and that as and when central import licensing can be relaxed one of the first problems that will be looked at is the problem of newspaper companies.

UNEMPLOYMENT IN TASMANIA.

Mr. BARNARD.—The question which I address to the Minister for Labour and National Service concerns the rising unemployment figures in Launceston, Tasmania, as well as in other parts of that State. I ask the Minister whether he could enlarge upon this matter for me, particularly in relation to the number of unemployed in Launceston. How many people in that city are in receipt of the unemployment benefit and how many have applied for the benefit?

Mr. HAROLD HOLT.—I am unable, offhand, to give the honorable gentleman the figures for Launceston, but as it happens, I can give him the latest figure for Tasmania. He spoke of rising unemployment in that State. That statement is not borne out by the official figures available to me, which show the total number of people in receipt of the unemployment benefit in Tasmania, as at 20th October, to be 90, a reduction of twenty on the preceding week.
AMATEUR RADIO BROADCASTS.

Mr. PEARCE.—I ask the Postmaster-General whether it is correct that under the terms of the international agreement by which frequency allocations made by the Atlantic City conference to the various radio services are applied, any of the participating administrations may vary the terms of these allocations to any extent to which variations do not infringe the services of other parties to the agreement. If this is the position, will the Postmaster-General request the radio administration of his department to authorize an extension of the frequency spectrum at 7 megacycles, now available to radio amateurs in Australia, by permitting the use of the segment from 7.15 megacycles to 7.3 megacycles during daylight hours, say from 8 a.m. to 5 p.m. daily according to the local time zone, during which hours propagation laws make transmissions at this frequency strictly domestic in range? Will the Minister further ask the department to make plans for arranging at the next international radiotelegraphic conference for the permanent full-time extension of the 7 megacycles amateur frequency band to 7.3 megacycles for use by Australian amateurs?

Mr. DAVIDSON.—I do not profess to be able to answer the honorable member's question in the exact terms he used, but as he asked me to look into it some weeks ago I can say that it is quite practicable for Australia, within the limits of the international agreement, to make certain variations of the channels used by amateur radio enthusiasts. Such variations are, in fact, made from time to time. As for the use of bands, certain channels in the band to which he refers have already been allotted to the broadcasting stations and, therefore, in the absence of a further close look at those channels I would say that his proposal is impracticable. I assure him that the possibility of further allocations will be discussed, along with the requirements of other users of the spectrum, at the next international conference.

MIDDLE EAST.

Mr. MAKIN.—My question is directed to the Prime Minister. I am sure that the House and the country would appreciate a specific reply from him as to whether Australia is committed in any way whatever by the action that is indicated in the statement which he read to this House, made by the Prime Minister to the House of Commons.

Mr. MENZIES.—I am not aware that any commitments have been entered into by Australia.

Mr. Pollard.—Are there any?

Mr. MENZIES.—If I were not aware of them, I could hardly speak about them. I am not aware of any, and that answers that. I propose to make a full statement on this matter as soon as possible and I will, before the House rises—in the normal course, to-morrow—pay regard to the then state of affairs in order to determine what ought to be the future of the parliamentary sitting.

TELEPHONE SERVICES.

Mr. TURNER.—Will the Postmaster-General inform the House of the decision of the Government in regard to the installation of shared telephone services? Secondly, will he inform the House what support in his policy he expects from backbenchers whom he has consistently refused to consult in this matter?

Mr. DAVIDSON.—A few moments ago the Prime Minister, in replying to a question from the honorable member for Mitchell, indicated that I had carried out an undertaking which I gave to this House that when I had a firm recommendation from the department on the use of shared services I would present it to the Government for determination. The Prime Minister pointed out that I had presented this information to Cabinet recently, and was good enough to say that I would myself announce the decision. I am, therefore, glad to be able to tell the honorable member for Bradford, from whom I have not withheld any information that he has ever sought of me, that the department will continue to provide telephone services in local residential areas on the duplex basis. Therefore, the second part of his question relates to something that will not arise.

INTERNATIONAL RED CROSS.

Mr. O'CONNOR.—I direct a question to the Prime Minister. In view of the fact that some nations have made financial grants to the International Red Cross towards helping that body to give aid and
relief to the Hungarian nation, will the Australian Government give favorable consideration to a similar request that a financial grant be made to the International Red Cross to assist it in this work?

Mr. MENZIES.—I will be glad to have that suggestion looked into.

HUNGARY.

Mr. ANDERSON.—Will the Minister acting for the Minister for External Affairs inform the House whether the Russian forces, which are guilty of unwarranted interference in Hungarian domestic affairs, have withdrawn from the capital of Hungary?

Sir PHILIP McBRIDE.—We have no information on that subject other than that which appeared in the newspapers, and, therefore, I cannot give a definite answer to the honorable gentleman's question.

INTERSTATE RAIL FARES.

Mr. RUSSELL.—I direct a question to the Treasurer. In to-day's press appears an article which states that interstate rail fares are to be increased by 20 per cent. Will this increase be applied by the Commonwealth Railways? If so, why are fares to be so increased, in view of the satisfactory financial working position of the Commonwealth Railways?

Sir ARTHUR FADDEN.—In the first place, I thought it was out of order for an honorable member to base a question on a newspaper report. Irrespective of that, however, I know nothing of the report, but I shall have the matter investigated and let the honorable gentleman know the result.

TELEVISION.

Mr. HAWORTH.—Does the Postmaster-General envisage any legislative action for the compulsory use of suppressors which will eliminate electrical interference in television reception caused by, for example, the ignition systems of motor vehicles? If not, does he suggest that this is a matter for State control?

Mr. DAVIDSON.—The honorable member has introduced quite a important matter bearing on the introduction of television and the ensuring of favorable reception by viewers. I dealt with it fairly fully recently when speaking on the Estimates. The position is that at present no such legislative action is contemplated, although provision was made in the Broadcasting and Television Bill for the formulating of regulations should it prove necessary. As I said at the time, it is not desired to take such action if it can be avoided. In order to make some preliminary arrangements in the matter, the Australian Broadcasting Control Board has for some time been consulting the authorities which will be brought into this matter if it is to be properly dealt with. For instance, regarding the interference to be expected from new motor vehicles, the board has consulted the various manufacturers and distributors, and also the chambers of manufactures in the two States concerned. Interference from old motor vehicles becomes a problem for the State authorities, and discussions on that aspect of the problem have been held already with the Chief Secretary's Department in Victoria and the Commissioner for Road Transport in New South Wales. Interference is also possible from the use of various household appliances fitted with electric motors, and also from equipment used by the medical profession. Discussions have taken place with representatives of those persons who are responsible for the distribution of such appliances and equipment. I am glad to be able to tell the House that up to the present a great deal of co-operation has been received from all of these persons and we are hopeful that the matter will be dealt with successfully without the need for legislation. In conclusion, I wish to make it clear that these steps which I have outlined briefly are simply preliminary measures which have been taken, and that a firm plan for dealing with the matter cannot be evolved until such time as we have had more practical experience with television, and have ascertained the degree to which these various factors cause interference and the kind of action that should be taken in regard to them.

HUNGARY.

Mr. BEAZLEY.—I direct a question to the Minister acting for the Minister for External Affairs supplementary to that asked by the honorable member for Hume. The Minister in his reply to the honorable member for Hume revealed that he had no information from Budapest other than that which appeared in the
press. I ask him whether in countries such as Poland and Hungary, where there is no Australian embassy, reports on the facts of a situation made by the British ambassador to the United Kingdom Government are made available to the Australian Government, or does the Government request that they be made available if that is not done automatically?

Sir PHILIP McBRIEDE.—In those places where Australia has not a representative, we usually obtain the information we require—sometimes voluntarily and sometimes on request—from British or other representatives in those countries.

Mr. FALKNDER.—My question is directed to the Minister acting for the Minister for External Affairs. As the position in Hungary is apparently by no means clear, will the Minister consider instructing the Australian delegate at the Security Council that, should the position deteriorate and the Russians again take control in Hungary, the Security Council should adopt every possible means to prevent wholesale and widespread reprisals, a pattern with which we have been regrettably familiar?

Sir PHILIP McBRIEDE.—I will certainly take into consideration the suggestion made by the honorable gentleman if the position deteriorates as he has mentioned.

COURTS-MARTIAL APPEALS ACT.

Mr. WHITLAM.—I ask the Minister for Defence: When will he authorize the proclamation of the Courts-Martial Appeals Act, which was passed sixteen months ago? Does he still believe, as he said when he introduced it, that the act is an important step forward in the administration of military justice in Australia? If so, does he know or can he give any explanation for such a long delay in bringing the act into operation?

Sir PHILIP McBRIEDE.—I was not aware that the proclamation had not been made. But I will ascertain the facts.

INTERNATIONAL ATOMIC ENERGY AGENCY.

Mr. SWARTZ.—I address my question to the Minister acting for the Minister for External Affairs. At a conference last week, 82 nations agreed to terms for the setting up of an International Atomic Energy Agency for the peaceful use of atomic energy. Has the charter of the agency been signed by representatives of the countries concerned, subject, of course, to ratification by their governments? Was the Soviet Union a signatory to the charter and, if so, does this mean that the Soviet as well as all other countries subscribing to the charter agree with the nature and extent of controls which the agency will exercise over assistance which it provides?

Sir PHILIP McBRIEDE.—It is true that on 22nd October, 1956, representatives of 82 countries met and discussed the statute of the International Atomic Energy Agency and agreed to certain revisions of that statute. I understand that on 26th October, when this statute was open for signature, the representatives of 70 nations signed it subject to ratification by their respective governments. I believe that the representative of the Union of Soviet Socialist Republics was among those who signed. Australia also signed. I point out that, while the fact of signing this statute indicated the feelings of those nations which were represented as to the powers and provisions that they wanted this agency to exercise, it is true that, until the statute is ratified by those nations, they do not commit themselves to that action. I understand that the statute will come into operation when eighteen nations have ratified it. Those nations must include three of the following:—Canada, France, the United Kingdom, the Union of Soviet Socialist Republics, and the United States of America. Therefore, until eighteen nations have signed, including three of the nations to which I have just referred, the statute will not operate.

EXPORTS AND IMPORTS.

Mr. WARD.—Is it a fact that the Treasurer has stated that it is essential for Australia to have a yearly export income of £1,000,000,000, and to limit its imports to £650,000,000 per annum? Is it also a fact that, based on last year's trading figures, this would mean increased exports to the value of £227,000,000, and reduction of imports by £169,000,000? Has the Government any plan designed to raise export income to the stated objective, and in respect of a reduction of imports, has it any proposal other than the imposition of further restrictions? Does the Government expect to achieve its objective this year? If not,
what are the likely repercussions from such a failure, and what plan has the Government developed to meet such a situation?

Sir ARTHUR FADDEN.—The honorable member's question is based on erroneous premises. I have never at any time said that it was necessary to have £1,000,000,000—

Mr. Ward.—I will produce the right honorable gentleman's speech.

Mr. SPEAKER.—Order!

Sir ARTHUR FADDEN.—I have never at any time said that it was necessary to have £1,000,000,000 worth of exports to meet £600,000,000 worth of imports. If the honorable member refers to my budget speech, he will see the facts.

UNIVERSITY OF NEW ENGLAND.

Mr. DRUMMOND.—Has the attention of the Minister for Primary Industry been directed to a proposal to establish a faculty of rural science at the University of New England? Is he aware that that university is situated in an area which has, perhaps, the greatest variety of primary industries in Australia, ranging from wheat in the south, to sugar cane in the north, and English fruits on the tablelands, in addition to sheep and cattle? In view of the importance of the step which has been taken by the university, assisted by private benefactions, towards the establishment of such a faculty, can the Minister inform the House whether there are residual funds, from primary production pools or from other sources, which might be used to assist the university in its efforts to advance research and teaching in respect of the rural industries?

Mr. McMAHON.—I know, of course, of the great importance to the rural economy of the University of New England, and I also have heard that it is establishing, or has established, a school of rural science. I remember seeing, in the department or in my office, a paper dealing with this matter, and I think that there was a suggestion that Commonwealth extension grant services might, in some way, be used to help the university in the initial stages. Nonetheless, I shall ascertain the position. I had intended to get the paper to which I have referred and advise the honorable member of it, because of his interest in the matter. I shall see that the file is resurrected and that he is fully informed.

FRUIT INDUSTRY SUGAR CONCESSION COMMITTEE.

Mr. McMAHON.—I lay on the table the following paper:


It has not yet been possible to have the report printed. Arrangements are now being made to have it printed, and after that is done, copies will be made available to all honorable members who desire them.

RAIL STANDARDIZATION.

Mr. WENTWORTH.—by leave—I lay on the table the following paper:


Copies are available for the information of honorable members who desire them.

Dr. EVATT.—by leave—I lay on the table the following paper:


GOVERNMENT BUSINESS.

Precedence.

Motion (by Mr. Harold Holt) agreed to—

That Government business shall take precedence over general business to-morrow.

CONCILIATION AND ARBITRATION BILL (No. 2) 1956.

Second Reading.

Debate resumed from 30th October (vide page 1929), on motion by Mr. Harold Holt—

That the bill be now read a second time.

Mr. SNEDDEN (Bruce) [3.18].—This bill deals, as do the three associated bills, principally with four matters. It deals, first, with the representation of parties before the Commonwealth Industrial Court; it deals with Commonwealth projects; it deals with the problem of Commonwealth employees who are competing with employees in other industries; and it deals with the Public Service Arbitration Act. I propose to consider the bill under those four headings.

With regard to the representation of parties, the Minister has stated, in his second-reading speech, that in fact, all the
legislation does is to maintain the old position. There is an attempt to divest the court and the arbitration process of formalism. The bill enables non-qualified persons to appear before the court in quasi-judicial proceedings. In debates on this matter during these sittings, and in the last sessional period, the Minister has maintained a constant position. During the last sessional period, the Minister said—

There is more probability of conciliation in this kind of atmosphere than in the more formal atmosphere produced when counsel are in attendance. There will, of course, be no limitation on the appearance of counsel before the Industrial Court.

In his second-reading speech on this bill the Minister said—

The Government has considered what special provision should be made in respect of proceedings before the Industrial Court, and has come to the conclusion that the arrangements to operate in future should, generally speaking, conform with the practice of the past.

On this point, and only on this point, I diverge from the Government. I believe that it should not provide an opportunity for non-qualified persons to appear before a body that is essentially and indisputably a court. It is improper that non-qualified persons should be enabled to come before that court and argue matters of law, interpretation or the effect of legal decisions. I know that it has been suggested that there are many people in the trade union world who are fully capable of coming before that court and arguing these points, but, with great respect to the honorable member for Bendigo (Mr. Clarey), I propose to cite him as an illustration of the reasons why non-qualified persons should not appear before the Commonwealth Industrial Court to argue matters of law. The honorable member for Bendigo delivered in this chamber last night a speech which, I am afraid, departed very greatly from truth.

Mr. Daly.—What a scandalous statement!

Mr. SNEDDEN.—I do not make it for the purpose of attempting to create scandal; I make it only because it is necessary to point out to honorable members how greatly the honorable member for Bendigo erred. In dealing with this bill, the honorable member said that the Minister had assured us that its provisions are purely machinery provisions. Then he said he wanted more detail in regard to clause 6, which provides for the repeal of section 54.

He then said that the proposed amendment seems to go beyond the adjustment of a mere technicality. I took the opportunity of referring to the records in order to ascertain how section 54 came to be inserted in the legislation. This section of the act, which is proposed to be repealed by clause 6 of the bill, reads in part—

The Commission shall not include in an award a provision requiring a person claiming the benefit of an award to notify his employer that he is a member of an organization bound by the award.

That provision was introduced on the motion of a private member, Mr. McNeill, who was then the honorable member for Wannon. I propose to read to the House a short paragraph from the report in "Hansard" of the honorable member's speech, in which he moved, in committee, that this provision be inserted in the legislation. The honorable member said, on 9th July, 1930—

I should like to move an amendment to provide that the court shall not include in any award a provision requiring a person who claims the benefit of the award to notify his employer that he is a member of the organization which obtained it from the court. When Chief Judge Dethridge made his award in relation to the pastoral industry in 1927 he inserted a provision that station employees should notify their employers that they were members of the organization covered by the award. Such a provision is unjust, and many men employed on stations find it embarrassing to have to notify their employers of their membership of such organizations. In some cases these men have been engaged at lower rates than those prescribed in the new award, and they are put in a very awkward position through having to notify their employers that they are members of the organization which has obtained the award, and therefore entitled to increased wages.

That provision was inserted in 1930, in a period of turmoil, a period of depression, a period when the development of organized trade unions was in its infancy as compared with their highly organized state to-day. It was a time when the relationships between employers and employees were vastly different from what they are to-day, and the circumstances that led to the insertion of this provision were simply these: At that time, when a vast number of people were seeking a limited number of jobs, if an employer asked a proposed employee whether he was a member of a union and received a reply in the affirmative, the employer might look elsewhere for someone to fill the job, knowing that he could then pay lower wages than he would be required to pay to a member of a union covered by an award.
Section 54 was designed to avoid that. It was made an offence for an employer to ask a proposed employee whether he was a member of the appropriate union, and everybody seeking a job was placed on an equal footing.

But conditions have changed vastly since then. An employer is still precluded from asking a proposed employee whether he is a member of a certain union, and if the employer engages the man, he does not know whether the man is covered by a federal award or by a State award. If the employer complies with the terms of the appropriate State award, he may find that he has contravened a federal award, by which the employee is covered. So the employer is in the unenviable position that if he does not comply with the terms of the award covering an employee he commits an offence, yet he is precluded from asking the employee whether he is a member of a certain union. Clause 6 proposes the repeal of section 54 of the principal act—rightly so. Those are the facts.

The honorable member for Bendigo has objected strenuously to the proposal that the Conciliation and Arbitration Commission shall be entrusted with the duty to determine disputes which may not be interstate disputes. The Minister will be able to declare a project to be a Commonwealth project, and such a declaration will give authority to the Conciliation and Arbitration Commission to determine industrial disputes arising in that project. The honorable member for Bendigo has advanced a rather tenuous argument. He has said that the Conciliation and Arbitration Commission is geared specifically for the resolution of interstate disputes and that it is not trained to deal with disputes that are confined to one State. It is extraordinary that such an argument should be advanced by the honorable member for Bendigo, who has many years of experience of these matters.

There is no generic difference between a dispute of an interstate character and a dispute of an intra-state character. The honorable member's allegation that the Conciliation and Arbitration Commission is inexperienced in intra-state disputes is quite wrong, because the commission, in its earlier form of the Commonwealth Arbitration Court, was responsible for dealing with disputes arising in territories of the Commonwealth. I had always believed it to be the policy of the Labour party that the power of Commonwealth arbitration tribunals should be extended to cover all disputes, and I am completely at a loss to explain why the honorable member for Bendigo should argue against that principle now.

The honorable member has suggested that this is a dreadful conspiracy to depress the wages and conditions of the workers. That is a most extraordinary suggestion. He has said that, as a result of these measures, the commission will be able to deal with matters which now are dealt with by the Public Service Arbitrator. He has said that that is bad and that it is a part of a conspiracy to depress wages. I remind the House that during the last sessional period the honorable member for Bendigo, in debate here, agreed that the Commonwealth Arbitration Court—the earlier form of the Conciliation and Arbitration Commission—was a worth-while body. Are we to believe the honorable member for Bendigo now when he says that the character of the Conciliation and Arbitration Commission will change overnight, and that it will no longer apply to the resolution of disputes the principles which it and its predecessor, the Commonwealth Arbitration Court, have always applied? Surely the honorable member for Bendigo is only pretending that he believes that that will happen.

He has said also that the workers will be forced into a jurisdiction which they do not want and, once again, he has detected a conspiracy of some kind. The worker will not be forced into a jurisdiction which they do not want. These bills are designed to avoid the extraordinary situation that two men, working side by side on the same job, are covered by different awards, specifying different terms and conditions of employment. It is proposed that all people working on vital national projects with which the Commonwealth is concerned shall be covered by one set of awards. It is not the intention to eliminate the authority of the Public Service Arbitrator. The bills are designed to bring rationalization of industrial awards to projects to which the Commonwealth commits itself.

Mr. D'Ally.—The honorable member is right off the beam.
Mr. SNEDDEN.—I am not off the beam. I am certain that the honorable member for Grayndler (Mr. Daly) has been so busy writing letters that he has not read the bills. I bet that he does not know even how many bills are under discussion. In fact, there are four. If the honorable member wants to know the titles of those four bills, I am sure that the honorable member for Melbourne Ports (Mr. Crean), when he rises to his feet, will read them, as a special gesture to him.

My objection to the opening up of the Commonwealth Industrial Court to non-professional advocates is reinforced by the fact that the honorable member for Bendigo, who is probably the most eminent of the trade union advocates, has misunderstood the real intention of the legislation. The purpose of the legislation is to provide an opportunity for all persons working on Commonwealth projects to receive the same wages and to enjoy the same conditions of employment. I did not expect that the members of the Labour party would oppose that objective. I thought that they would applaud it warmly, and I was surprised when they did not do so.

There is a great difference between Federal and State awards. There is a great difference between the number of people covered by State awards and the number covered by federal awards. The legislation is designed to bring some uniformity of industrial awards to large projects such as the St. Mary's ammunition filling factory and the Maralinga establishment. As the Minister said in his second-reading speech, there is no indication that projects of that kind will cease in the near future, or that the number of Commonwealth projects will be kept to a minimum. The desirability of one arbitration authority for Commonwealth projects cannot be denied. The legislation will give the Minister power to declare that any major project is a Commonwealth project. If he does so, the Conciliation and Arbitration Commission will have power to unify wages and other conditions of employment in that project. In a project on a single site, it is obvious that everybody working on the site would be covered by determinations of the commission, but in many instances there would be people coming to and going from the site and people employed in contractors' yards or factories, manufacturing various important items for the project. The Minister will be given a discretion to declare such fringe activities, as they may be described, as a part of the project. This is a very sound and reasonable proposition. I am certain that the present Minister for Labour and National Service will not abuse it, and that no future Minister would abuse it. I am equally certain that no Minister could abuse it.

The honorable member for Bendigo suggested, last evening, that this measure could be used to depress wages and working conditions. I am certain that the Commonwealth Conciliation and Arbitration Commission will not, overnight, reverse the historical attitude and criteria that have been adopted in this matter and become party to a conspiracy to reduce wages.

Mr. Clarey.—Does the honorable member appreciate that the Public Service has one standard in regard to annual leave and the Commonwealth Conciliation and Arbitration Commission has another?

Mr. SNEDDEN.—I do. I think that, because of the very obvious differences, the honorable member ought to agree that the adoption of the criteria of a single authority would be a tremendous improvement. I think it is impossible to deny that. I suggest to him that, inherent in his remarks last evening was confused thinking about the difference between Federal and State awards and about the current emphasis that is being placed on the cost of living and its relationship to automatic quarterly adjustments of the basic wage. For example, the honorable member illustrated his argument by reference to builders' labourers in Victoria. He said that, until recently, they had received automatic quarterly adjustments of wages in accordance with the movement of the cost of living.

Mr. Clarey.—That is true. Until recently they did, but they will receive those adjustments no longer.

Mr. SNEDDEN.—The fact that the honorable member placed so much importance on this analogy indicates to me, quite definitely, that his mind was confused about the cost of living controversy and the object of this bill, which is to concentrate under
a single authority jurisdiction over all the workers employed on a Commonwealth project.

There is another aspect of this bill which relates to Commonwealth employees who are engaged in activities controlled by the Commonwealth, but are not specifically Commonwealth public servants in the normal sense of the term; for instance, certain people working for the Department of Works or, more importantly, for instrumentalities such as Trans-Australia Airlines and the Australian National Airlines Commission. These people are engaged in a competitive field. It does not seem reasonable for Commonwealth employees to be subject to one industrial tribunal and for the employees of private competitors to be subject to another. This leaves open the possibility of a very serious divergence in awards and determinations. Either the Commonwealth instrumentalities or the private undertakings could be placed in a competitively advantageous position as a result.

Under legislation enacted during the last sessional period the Commonwealth Public Service Arbitrator was given discretion to decline to hear a matter if he considered it should more properly be determined by the Commonwealth Conciliation and Arbitration Commission. It was also provided that an applicant organization could apply to the Arbitrator to have a matter referred to the commission. The honorable member for Bendigo last evening referred specifically to the Foremen's Association. My own information, which I believe is correct, is that this was the very organization that highlighted the weaknesses that this bill is designed to remove. The association is composed principally of employees of Trans-Australia Airlines. It approached Mr. Galvin, the Public Service Arbitrator, with a request that a matter be referred to the Conciliation and Arbitration Commission. Mr. Galvin agreed that it would be preferable for the matter to be heard by the commission, and it appeared that he would refer it, but he declined to do so. His first reason for declining to refer the matter was that he doubted the authority of the commission to hear it because the membership of the Foremen's Association consisted entirely of Commonwealth employees. His second reason was that he doubted the commission's power, upon hearing the matter, to override a law of the Commonwealth in making an award, and he was no doubt correct.

The Arbitrator certainly had the power to override a Commonwealth law, but he considered at the time—I contend quite rightly—that the commission did not have power to do so. This bill is designed to cure the two defects that were discerned by Mr. Galvin. Therefore I regard it as a very sound measure. Until now the Arbitrator has been the only authority with discretionary power to override a Commonwealth law. Of course, there was provision to ensure that he would not do so recklessly. For example, he was required to make a report to the Attorney-General. Since any Commonwealth law he proposed to override had the legislative authority of the Parliament, the Parliament itself at all times retained the right to override it. But the Commonwealth Public Service Arbitrator, an authority which has existed since 1920, had a history and tradition of the application of Commonwealth Public Service rules and customs of employment. Therefore it was unlikely that the Arbitrator would run riot and completely cut across the traditions and historically established customs of the Public Service. However, another body which has not the benefit of that history and those traditions is being clothed with similar power, and apparently it becomes necessary in the Government's view to place three very important restrictions on the power to override a law of the Commonwealth, namely, with respect to the Commonwealth Employees' Compensation Act 1930-1954, the Commonwealth Employees' Furlough Act 1943-1953, and the Superannuation Act 1922-1956. I think these restrictions are most desirable, because, as the Minister pointed out in his second-reading speech, if it were left to the Parliament to reject a determination or part of a determination made by the Arbitrator under those acts, a matter could enter into the field of political disputation. This would not be desirable. It is far better to specify the fields in which the Arbitrator cannot invade, and thus avoid political disputation on matters which are better dealt with by the normal procedures of arbitration.
Mr. Clary.—Similar provision is made in the Public Service Arbitration Bill (No. 2) 1956.

Mr. SNEDDEN.—I think it is a most proper provision, and its inclusion in that measure is merely consequential on the acceptance of that principle in this bill.

I have stated the matters that occur to me on the consideration of this measure. I emphasize to the Minister that I do not agree with the provision to open up before the Commonwealth Industrial Court the capacity of unqualified people to appear before it by leave. Under legislation in this form, I think it is impossible for the court reasonably to refuse leave. I think the provisions of the Judiciary Act should apply. We were told, when the conciliation and arbitration measure, under which the court is constituted, was being considered by the Parliament during the last sessional period, that the purpose of that bill was to create on the one hand an arbitral body, and on the other hand a judicial court, which was to interpret judicially the legal problems that might arise before the arbitral body, and exercise the legal functions of an appeal court. I think that to permit the too free access to that court—and I emphasize that it is a court—of non-qualified people will tend to pull down the whole machinery of arbitration, which places the body determining the matters on a level beyond any field of argument other than properly channelled argument through the mouths of its counsel.

Mr. E. JAMES HARRISON (Blaxland) [3.45].—If it were not that the honorable member for Bruce (Mr. Snedden) were not so new in this chamber and so utterly ignorant of the real impact of industrial conciliation and arbitration, one would feel inclined to think that he was merely filling in time with his pathetic contribution to the debate on this important subject of arbitration. When we hear a member of his profession, speaking from his place in this House, say that he is completely opposed to the appearance of laymen before this new industrial authority, and contending that only legal counsel should appear before the authority to argue matters, we realize that he is saying, in effect, that when a demarcation dispute is to be settled, the trade unions concerned should instruct counsel such as himself, on the trade union principles involved. What a difficult task that would be! He also suggested that when it is necessary to determine whether a breach has occurred in award working conditions, the trade unions should attempt to bribe legal counsel to argue the case before the court. What an impossible task! So it could go on.

The ignorance displayed by the honorable member for Bruce is all the more pathetic when we realize that legislation of this character deals with the interests of the people, indeed the very bread and butter of people who are the real producers in this country. We have heard from the other side of the chamber the amazing statement that the mind of the honorable member for Bendigo (Mr. Clary), who has a long history of industrial negotiation and advocacy, is confused in respect of the principles of industrial arbitration in this country.

Mr. Anderson.—Of course, it is.

Mr. E. JAMES HARRISON.—The honorable member for Bendigo is a recognized authority on the subject of conciliation and arbitration. When we hear such interjections as that just made by the honorable member for Hume, we realize that that honorable gentleman knows nothing whatever of the subject, and would not know much about it if he lived to be 1,000 years old. This Government, in the short period of seven years since it took office, has found it necessary to amend the Conciliation and Arbitration Act no fewer than seven times. I invite the honorable member for Bruce to study the impact of some of the suggestions he made in his speech on the industries to which he referred. The honorable member for Bendigo pointed out last night, the impact of clause 14 of this legislation, which proposed to insert new sections 88A, 88B and 88C in the act. Surely, it is not to be suggested that the honorable member for Bruce believes in control by the executive government. If he does, he is getting right away from democratic principles. In the first place, proposed new section 88B provides for nothing other than control by the executive. It provides that the Minister may do this, the Minister may do that, the Minister may do something else. The Minister for Labour and National Service (Mr. Harold Holt) made the clear-cut statement in his speech
on the bill that he believed that all these matters relating to the Snowy Mountains scheme and the projects at Woomera, Maralinga and St. Mary's should be brought under Commonwealth industrial control.

Let me take the Snowy Mountains scheme as an example. The Minister tried to get away from the point that the honorable member for Bendigo made, which was that when the Labour government introduced the necessary legislation in respect of the Snowy Mountains scheme it did not provide that the scheme should come under the control of the Commonwealth Arbitration Court. But this Government, by its legislation in 1951, did so provide. Let us have a look at the result. This is an example of what we shall get out of bureaucratic Commonwealth control in these matters. At the moment I am looking at the bottom of page 6 of the fifth annual report of the Chief Judge of the Commonwealth Court of Conciliation and Arbitration. The relevant passage reads—

Mr. Justice Wright, whom I requested to undertake the exercise of the jurisdiction of the Court conferred by the Snowy Mountains Hydro-electric Power Act 1952, will shortly—

and I emphasize that word "shortly"—

be in a position to devote all the requisite time to completing the hearing and determination of such claims as have been, or may from time to time be, brought to the Court thereunder. Indeed, His Honour has been already occupied upon inspections of the area of the operations of the Authority and of the work and conditions appertaining thereto.

That report is dated 3rd October, 1952. What are the facts? The Snowy Mountains hydro-electric power scheme is a self-centered scheme which is not related to industry generally in Australia and was already operating as the result of agreements drawn up between employers and employees. This Government decided, as a result of a statement made by the Commonwealth Arbitration Court, that the court would take over the industrial affairs of the Snowy Mountains Authority, as indicated in 1952. I think that the judge visited the area on at least four occasions. He had before him the proper claim on the very things that the honorable member for Bruce has talked about but, as a result of the inability of the court to apply to a compact organization the principles which the court had enunciated, terrific disputation arose. Finally, the court decided to barge in, and the Australian Workers Union began an action to prevent the court from so doing. The result was, as the honorable member for Bendigo stated last night, that the court did not proceed and the Government dilly-dallied, until quite recently it was agreed between the parties that the action initiated by the Australian Workers Union should be withdrawn, and that the Commonwealth should pay all the expenses incurred by the Australian Workers Union in connexion with the case. That is what happens as a result of actions of that kind.

Despite that experience, the Minister has produced this bill. Nobody in this chamber would be game to say that Mr. Justice Wright would not know his job. He was possibly one of the most skilled persons on the legal side of arbitration presentation that this country has ever had. He represented the employers. As a matter of fact, he cross-examined me in the 40-hours case. We in the trade union movement know his great capacity. He was given the job of arbitrating in that one industry, and if there was one man on the bench of the Commonwealth Arbitration Court who should have succeeded in that task it was Mr. Justice Wright. But, as the result of the impossibility of cramming into the general framework of arbitration procedure, dealing with interstate control of industry generally, a compact, centralized organization such as the Snowy Mountains Hydro-electric Authority, he failed, and the Commonwealth is out of pocket to the tune of the Australian Workers Union's expenses in the litigation that I have mentioned. Yet the Minister, with that knowledge in his possession, comes before this House and tells us that he will do the same thing in respect of the St. Mary's project as was done in the Snowy Mountains case. What will be the position in respect of St. Mary's? The Government will be in exactly the same position in relation to that project as it was in 1952 in respect of the Snowy Mountains scheme. If the court attempts to barge into St. Mary's, the same action will be taken by the Australian Workers Union as was taken in the Snowy Mountains case, with the result that in two years' time, when it is hoped the St. Mary's project will be completed, the Government will again have to pay the Australian
Workers Union legal expenses. We need harmonious relations in the organizations if we are to have a normal flow of production. That is why the Commonwealth is foolish to attempt to bring into the framework of the Arbitration Court such things as the Minister has proposed. I know that the honorable member for Bruce could relate every word I am saying to the Snowy Mountains Authority.

Let us take two other projects, Woomera and Maralinga. We heard a moment ago that we should not let advocates other than legal people appear before the Industrial Commission. But what did we do with respect to Maralinga? Is it suggested that this Commonwealth organization, which is of tremendous importance to the nation, should not be subject to the jurisdiction of the authority that is concerned with the determination of wages and conditions of Commonwealth employees? If there is one place that should be dealt with by the Public Service Arbitrator, it is this one.

Why was the Public Service Arbitrator originally appointed? I should have thought that before the honorable member for Bruce criticized the honorable member for Bendigo, he would have looked at the reason for the appointment of the Public Service Arbitrator. I refer him to the words of the late W. M. Hughes, leader of the government which appointed the Arbitrator, on page 420 of the "Hansard" volume covering debates from the 9th August to the 7th September, 1920. He said—

I repeat that all the bill proposes to do is to create a Public Service Arbitration Court. Presiding over it would be one who could be either a lawyer or a layman, but who would be concerned in no other interests. Honorable members must admit that this will be a far better method of dealing with Public Service affairs than that which exists to-day, where a Judge of the Commonwealth Court of Conciliation and Arbitration is required to give so much of his attention to a Public Service matter arising as he may be able to spare in the course of dealing with industrial problems emanating from any and every industry throughout the land.

Those are the words of the late W. M. Hughes, who introduced the bill to provide for the appointment of the Public Service Arbitrator in order to get away from just the sort of silly set-up that has occurred under this Government's legislation in respect of the Snowy Mountains Authority.

I have told the House what will happen at St. Mary's if the Government barges in there. Let us take the Australian Aluminium Production Commission's Organization in Tasmania. The workers in this project which, since it has been re-organized, is tremendously successful, have never been to the Arbitration Court. They work under an agreement that has been made between the employer and the employees. If any section of that agreement is contrary to the general run of conciliation and arbitration principles, the court will not register it. Yet every satisfaction has been given. Because this project is a Commonwealth concern, the right and proper jurisdiction for its employees is the Public Service Arbitrator. Yet, as pointed out by the honorable member for Bendigo, they have not an order, but a determination. The difference between a determination and a court decision is that the determination runs on. The parties can agree to a variation of any section of it at any time. The agreement does not expire at the end of three or five years, as required by the act. This obviates the need for new logs of claims, and forestalls legal fights that often occur in connexion with such cases. Does the honorable member for Bruce want a first-class arbitration fight every three years in respect of Maralinga? That, in effect, is what he advocated to-day.

Let us take the Woomera project. Under the arbitration law, an award can only be made for three years, or for five years at the most. Does the Government want a continual legal fight in this show or does it want the industry to operate smoothly as the Commonwealth Railways do? The Commonwealth Railways organization has not had a log of claims filed since 1937—almost twenty years. From time to time, upon agreement between the parties—and this is real conciliation—variations of determinations have taken place.

My friend, the honorable member for Bruce, did not have the true story in respect of Trans-Australia Airlines. He had half of it, but he did not have the lot. It was the commission, not the employees, that wanted to get away from the Arbitrator. The commission had two tries, and succeeded only because of the confusion that arose from the 1951 legislation of this Government. There had been no decision on this point since the legislation of the Hughes Government in 1920, until this
sort of thing started. The point has been taken that other employees work to a similar set of conditions. That has happened in the Commonwealth Railways ever since 1934. The employees are working to an award of the Public Service Arbitrator. They join in with South Australian railway men under a federal award and there is no trouble or argument about it. This continuity of agreement is more marked in the Commonwealth Railways than in any other section of employees in Australia, and shows the great value of the Public Service Arbitration system.

In the case concerning the Australian National Airlines Commission, the Public Service Arbitrator said—

It seems to me that it would not be in the public interest for me to, in effect, deprive organizations now entitled to have their claims dealt with by this tribunal of any means of settlement of those claims by determination or award of an industrial tribunal properly constituted by Commonwealth legislation.

That was forced upon the Public Service Arbitrator by the 1951 legislation introduced by this Government. Because of that legislation, the Government is now facing all the difficulties in the world inside the Public Service. The postal workers provide an illustration of this fact. That trouble will spread right through the Public Service as a result of this legislation. The postal workers went before the Public Service Arbitrator, and I believe that this legislation is being considered in this, the second last day of this sessional period, so as to make it possible to push the postal workers' case into the court and apply the court's dictum in respect of margins. The result will be that the employees will not receive an increase. I honestly believe that. This trouble will run right through the Commonwealth Public Service. The Government has a contented body of employees ever ready to do their job while they are in the jurisdiction of the Public Service Arbitrator, but this legislation will divide them into sections and fragments from one end of the country to the other and destroy completely that unity of effort that existed in the Public Service.

Mr. Madden.—Does the honorable member suggest that there should be, under the Public Service Arbitrator, a complementary body to the Conciliation and Arbitration Commission?

Mr. E. James Harrison.—That interjection underlines the complete ignorance of the honorable member with respect to the functions of the two authorities. The Public Service Arbitration Act provides that the Public Service Arbitrator shall deal only with Public Service employees. It provides, further, that Commonwealth employees within the framework of that act cannot go to any other arbitration tribunal. As a result of that provision, there is a uniformity of working conditions and wages throughout the Commonwealth Public Service irrespective of where staff are employed or on what work they are engaged. But I do not intend to be dragged away from the truth by the honorable member for Bruce, who does not understand what he is talking about.

Let us see what this legislation will do with respect to the Commonwealth Public Service. If the honorable member agrees with those features, I am surprised that he ever got into Parliament. Section 14A is to be repealed, and section 22 is to be amended. The principal act states that the Public Service Arbitrator shall deal with matters affecting the Commonwealth Public Service. Proposed new section 14A reads—

14A. The Arbitrator may refrain from hearing, or from further hearing, or from determining a claim or application made to him under this Act, or a matter forming part of or arising out of such a claim or application, if it appears to the Arbitrator that, on any ground, including any of the following grounds, it is unnecessary or undesirable in the public interest to deal with the claim, application or matter:—

This Government, in 1951, for the first time since the office of the Public Service Arbitrator had been established, permitted a right of appeal against his decision. The section which I have read contains an implication that the Public Service Arbitrator must have regard for conditions that are operating in industry outside in determining a matter that might affect the public interest. That is the rock on which Government supporters will perish.

Honorable members heard the honorable member for Bendigo (Mr. Clarey) pointing out the difference between the long-service leave granted by the Public Service Arbitrator and that granted elsewhere. The honorable member could have spoken for three-quarters of an hour on the difference between Public Service conditions and those
outside. The Public Service Arbitrator, knowing that his determination will operate for years and years, is able to make an award that will satisfy employees in one direction, and will give the Commonwealth a benefit in another. This cannot be done when one uses the rule of thumb method which must be applied to common industry outside, involving as it does all kinds of employees and employers. This legislation pushes back the industrial arbitration of Commonwealth employees to the level from which Billy Hughes raised it in 1920. The Government is doing the very thing that he attempted to correct. It is throwing these matters back to the courts, which must try to determine common principles, though these cannot really be applied to employees engaged on the Snowy River project or at St. Mary's. For instance, the employees at St. Mary's are receiving the State basic wage, plus a special 6s. loading, their fares and other concessions agreed to by the employer in writing. The matter should come within the jurisdiction of the Public Service Arbitrator because in another twelve months the agreement will expire. Where this Government's legislation has fallen down the New South Wales courts have taken up the slack. They have done the very thing that the Public Service Arbitrator should be able to do in these matters. St Mary's offers no continuity of employment. It is a two-year job, and calls for special conditions. The ordinary run of conditions found in private industry have not been prescribed, but rather special conditions to meet the needs of a packet job such as this.

The aluminium undertaking is in a similar category. I could give many similar illustrations. If honorable members will consider the aspect of permanency in relation to both the aluminium undertaking and the St. Mary's job, and then study what was done in 1920, they will see the wisdom of the Hughes approach to the needs of Commonwealth employees. I do not, in common with the Minister, feel that benefit can be gained by jumping from one authority to the other, but when the Minister says that the honorable member for Bendigo is running away from Labour's policy he is only indicating how very little he knows about our policy. The honorable member for Bendigo was merely emphasizing the need for the complete adoption of Labour's policy in respect of Commonwealth matters, which should come under one control, thus ensuring continuity of employment and peace in industry. That was what the honorable member was advocating when he said that undertakings such as that at Woomera should come under the Public Service Arbitrator. Ordinary industrial arbitration cannot cope with a situation such as we find at Maralinga. How can union members state their conditions of employment in open court as they would have to do before the ordinary conciliation and arbitration tribunal? Does any honorable member suggest that secret work ought to be revealed to the world?

The honorable member for Bruce (Mr. Snedden) was pathetic—not because he did not try, but because he had not the capacity to understand the functions of the Public Service Arbitrator, whose determination has the element of continuity. The Commonwealth railwaymen have given us the best rail transport in Australia because they have continuity of employment and award conditions that have been granted by the Public Service Arbitrator. A bitter disagreement has not taken place since 1937, but this measure gives the Minister the right, after Parliament rises to-morrow if he so desires, to transfer the control of conditions in the Commonwealth Railways to the arbitration commission. No honorable member will be able to do anything about it. Without consulting the Parliament the Minister can transfer the control of conditions in the railways, or in munitions production, to the arbitration commission. We are not fighting for the opportunity to jump from one tribunal to the other. Some of our conditions under federal awards have been better than those that we have been granted under the Public Service Arbitrator, but over the whole range the Commonwealth railwaymen are happy. Why does the Government seek to disturb that happiness?

Mr. Snedden.—There has never been any suggestion that the Commonwealth Railways will be declared in the manner suggested by the honorable member.

Mr. E. JAMES HARRISON.—Having heard the honorable member speak to-day, I would not be willing to leave such a decision in his hands. He is not a Minister now, but, by pushing forward, he may get
there some day. He would then have power to act in that way. That is why we oppose this legislation with all the vehemence that we possess. The Government is making a stab in the dark. We know how it has poured public money down the drain in connexion with the Snowy Mountains project. I doubt whether two honorable members knew, before I rose this afternoon, that the Government paid the expenses of the Australian Workers Union in respect of the writ that was taken out over industrial arbitration in connexion with the Snowy Mountains project.

Mr. Clyde Cameron.—What conditions did the Government impose upon the Australian Workers Union? Was it to agree not to prosecute?

Mr. E. JAMES HARRISON.—The Australian Workers Union agreed to withdraw on condition that the Commonwealth paid, and the Commonwealth did pay. So what the Australian Workers Union did in respect of the Snowy Mountains Union, it will do in respect of the St. Mary's, Maralinga, and other projects. I finish on this note: Where there is continuity of agreement such as now exists in the instance of the Australian Aluminium Production Commission's establishment in Tasmania and where provision exists for settling industrial disputes, the test of the need for this bill is whether the Government believes in conciliation. Where an organization has been built up between employer and employee to the extent that it is a profitable concern, the arbitration arrangements under which it operates should not for any consideration be disturbed.

Mr. ACTING DEPUTY SPEAKER (Mr. Lucock).—Order! The honorable gentleman's time has expired.

Debate (on motion by Mr. Osborne) adjourned.

TARIFF PROPOSALS 1956.

Customs Tariff Amendment (No. 8); Customs Tariff (New Zealand Preference) Amendment (No. 1).

In Committee of Ways and Means:

Mr. OSBORNE (Evans—Minister for Air) [4.17].—I move—

[Custums Tariff Amendment (No. 8).]

That the Schedule to the Customs Tariff 1933-1956, as proposed to be amended by Customs Tariff Proposals introduced into the House of Representatives on the thirtieth day of August, One thousand nine hundred and fifty-six, be further amended as hereinafter set out, and that, on and after the first day of November, One thousand nine hundred and fifty-six, at nine o'clock in the forenoon, reckoned according to standard time in the Australian Capital Territory, Duties of Customs be collected in pursuance of the Customs Tariff 1933-1956 as so amended.

2. That, without prejudice to the generality of paragraph 1 of these Proposals, the Governor-General may, from time to time, by Proclamation declare that, from a time and date specified in the Proclamation, the Intermediate Tariff shall apply to such goods specified in the Proclamation as are the produce or manufacture of any British or foreign country specified in the Proclamation.

3. That on and after the time and date specified in a Proclamation issued in accordance with the last preceding paragraph, the Intermediate Tariff shall apply to such goods specified in the Proclamation as are the produce or manufacture of a British or foreign country specified in that Proclamation.

4. That any Proclamation issued in accordance with paragraph 2 of these Proposals may, from time to time, be revoked or varied by a further Proclamation, and upon the revocation or variation of the Proclamation, the Intermediate Tariff shall cease to apply to the goods specified in the Proclamation so revoked, or, as the case may be, the application of the Intermediate Tariff to the goods specified in the Proclamation so varied, shall be varied accordingly.

5. That in these Proposals, unless the contrary intention appears—

"Proclamation" mean a Proclamation by the Governor-General, or the person for the time being administering the government of the Commonwealth, acting with the advice of the Federal Executive Council, and published in the "Commonwealth of Australia Gazette";

"the Intermediate Tariff" mean the rates of duty set out in the Schedule to these Proposals, in the column headed "Intermediate Tariff", in respect of goods in relation to which the expression is used.
THE SCHEDULE.

IMPORT DUTIES.

DIVISION V.—TEXTILES, FELTS AND FURS, AND MANUFACTURES THEREOF.

105. By omitting the whole of paragraph (3) of sub-item (a) and inserting in its stead the following paragraph:—

"(3) Piece goods, woven, weighing six ounces or more per square yard, of the types which either as imported or when further processed are ordinarily used for furnishings, drapes or upholstery (not including moquettes, chenille fabrics and other pile fabrics, fabrics printed in fast colours and curtain nets), as prescribed by Departmental By-laws—

(a) wholly of artificial silk; composed of a mixture of fibres in which at least 10 per cent. by weight is artificial silk and, if the mixture of fibres includes wool, not more than 5 per cent. by weight is wool

less per square yard

ad val. 50 per cent. 50 per cent. 60 per cent. 2½d. 2½d. 2½d.

(b) wholly of cotton; wholly of linen; composed of a mixture of fibres but not including a mixture of fibres in which more than 50 per cent. by weight is wool, except piece goods enumerated in sub-item (a)(3)(a) — ad val.

32½ per cent. 50 per cent. 60 per cent."

By adding to sub-item (a) a new paragraph (4) as follows:—

"(4) Cotton piece goods and piece goods containing a mixture of fibres in which cotton predominates, which but for this paragraph would be classified under sub-item (A)(1)(a), weighing not less than eight ounces per square yard, used for the same purposes as, or capable of being used as a substitute for, canvas or duck of cotton or containing a mixture of fibres in which cotton predominates—

(a) As prescribed by Departmental By-laws

per square yard

and ad val. Free 1d. 2½d. 4d. 1½d. 1s. 1d. 15 per cent. 32½ per cent. 37½ per cent."

115. By omitting the whole of sub-item (e) and inserting in its stead the following sub-item:—

"(e) Women’s and girls’ stockings, including stockings worn below the knee—

(1) Woollen or containing wool per dozen pairs or ad val. 10s. 6d. 20s. 6d. 20s. 6d. 17½ per cent. 35 per cent. 45 per cent.

whichever rate returns the higher duty.

(2) Other per dozen pairs or ad val. 8s. 28s. 28s. 17½ per cent. 35 per cent. 40 per cent.

whichever rate returns the higher duty."

DIVISION VI.—METALS AND MACHINERY.

174. By omitting the whole of paragraph (10) of sub-item (a). I

DIVISION IX.—DRUGS AND CHEMICALS.

285. By adding to sub-item (a) a new paragraph (3) as follows:—

"(3) Tablets being similar to tablets commercially produced or manufactured in Australia from a single therapeutic substance which is not commercially produced or manufactured in Australia, as prescribed by Departmental By-laws—

per 1,000 tablets

and ad val. 3s. 4d. 3s. 4d. 3s. 4d. 10 per cent. 10 per cent. 10 per cent.

or ad val. 10 per cent. 20 per cent. 20 per cent.

whichever rate returns the lower duty."
DIVISION XIII.—PAPER AND STATIONERY.

338. By omitting the whole of sub-item (a) and inserting in its stead the following sub-item:

"(a) Catalogues, price lists and printed advertising matter, not designed to advertise the sale or hire of goods by, or the services of, any person in Australia, as prescribed by Departmental By-laws  Free Free Free".

By omitting the whole of sub-item (e).

DIVISION XVI.—MISCELLANEOUS.

376. By adding after "handbags" (second time occurring) in sub-item (h) the following:

"; purse frames".

400. By omitting the whole of sub-item (a) and inserting in its stead the following sub-item:

"(a) Goods imported for repair or alteration and intended to be returned to the country whence imported, subject to such conditions as may be prescribed by Departmental By-laws  Free Free Free"

404. By adding a new item 404 as follows:

"404. Samples which, in the opinion of the Minister, are of negligible value and which are to be used for promoting orders for the importation of goods of the kind represented by the samples, as prescribed by Departmental By-laws  Free Free Free"

[Customs Tariff (New Zealand Preference) Amendment (No. 1).]

That the Schedule to the Customs Tariff (New Zealand Preference) 1933-1954 be amended as hereinafter set out, and that, on and after the first day of November, One thousand nine hundred and fifty-six, at nine o'clock in the forenoon, reckoned according to standard time in the Australian Capital Territory, Duties of Customs be collected in pursuance of the Customs Tariff (New Zealand Preference) 1933-1954 as so amended.

<table>
<thead>
<tr>
<th>Consecutive No.</th>
<th>Tariff Item.</th>
<th>Tariff Rates on Goods the Produce or Manufacture of New Zealand.</th>
</tr>
</thead>
</table>
| 23              | Ex 105 Textile piece goods of wool or containing wool to which— | 22½ per cent. ad val."
|                 | "23 paragraph (4) of sub-item (e) of Item 105, except in respect of cut pile moquettes; | |
|                 | (b) paragraph (1), paragraph (2), paragraph (3) or paragraph (6) of sub-item (r) of Item 105; or | |
|                 | (c) sub-item (L) of Item 105. | |
|                 | in the Schedule to the Customs Tariff 1933-1956, or that Act as amended from time to time, or as proposed to be amended from time to time by a Customs Tariff alteration proposed in the Parliament, applies | |

The tariff proposals I have just presented to the committee propose to vary certain of the import duties specified in the Customs Tariff 1933-1956, and the Customs Tariff (New Zealand Preference) 1933-1954. The proposed amendments will, as is usual, take effect as from 9 a.m. to-morrow. The "Summary of Alterations", now being circulated to honorable members, sets out in concise and convenient form the proposed rates of duty as compared with those at present in operation.
In the main, the proposed amendments are designed to accord increased tariff assistance to those Australian industries which are engaged in the production of furnishing and upholstery fabrics, substitutes for canvas and duck piece goods composed wholly or principally of cotton, and medicinal tablets. Reduced duties are proposed in respect of circular type hosiery for women and girls, and purse frames. These tariff variations, I might say, are based on the findings of the Tariff Board in comparatively recent reports. At a later stage I shall table the reports concerned. Other tariff variations are also proposed and I will refer to them later on.

When tabling the Tariff Board reports, to which I have already referred, I shall also avail myself of the opportunity to table eight further reports of the board. Of these, six reports relate to the following:—

Fish preserved in tins,
Bags, sacks, packs and bales,
Forged steel spades,
Single and multi-tyne cultivators,
Locomotives as used underground in mines, and

Pneumatic hand tools,

and, in each instance, the board has recommended that no increase be made in the existing import duties. The two remaining reports relate to women's and children's socks, and chemicals of the thiocarbamyl type. In these reports the board has recommended the imposition of increased duties, but the Government feels that it would be undesirable, in the overall national interest, to adopt the findings made by its advisory tariff tribunal in these particular cases. Chemicals of the thiocarbamyl type are used extensively in spraying preparations for the control of fungal diseases by the fruit-growing industry. They also have some use in the rubber industry, but their predominant use is in primary industry.

Honorable members will observe that provision is being made in the proposals for the duty-free admission from any country of goods which are imported for repair or alteration and which are intended to be returned to the country whence imported. This proposed provision will replace the existing concession in the Tariff Schedule which is confined solely to second-hand goods owned by persons resident in the Territory of Papua and New Guinea. The Government recognizes the growing capacity of Australian industry to cater for repair work, and the need for some of our industries, for example those producing refrigerators, when seeking export markets, to offer a "factory guarantee service". The Government feels that industry's path in obtaining orders of this sort, and thus assisting in the Commonwealth's export drive, will be made easier if the somewhat irksome and rigid requirements for deposits of duty, or guarantees, undertakings and the like, are eased when goods are brought into Australia for repair and return. Moreover, action in this direction should assist and encourage the further economic integration of countries adjacent to Australia. The existing provisions governing the admission into Australia of certain printed catalogues, price lists and advertising matter not designed to advertise the sale or hire of goods by, or the services of, any person in Australia, and samples of negligible value, have been varied to provide for their duty-free admission from all sources. The proposed amendments give effect to the provisions of the international convention to facilitate the importation of commercial samples and advertising material to which Australia is a signatory. Existing Australian customs law and practice are substantially in line with the provisions of the convention. The action now proposed will demonstrate our good faith to other contracting parties to the convention and, at the same time, will do away with the need, in most cases, to collect insignificant amounts of duty on small quantities of printed advertising matter forwarded through the post to individuals in Australia. The committee might know that a columnist in one of the Sydney newspapers was complaining about the necessity to pay small amounts of duty on this advertising matter. Perhaps the gentleman concerned might think that he has quite abnormally fast results from his remarks.

Mr. Calwell.—But he has not?

Mr. OSBORNE.—No. This action was decided upon some time ago. The Customs Tariff (New Zealand Preference) Proposals are complementary to the principal Customs Tariff Proposals so far as they relate to furnishing fabrics containing wool. Their
introduction is necessary in order that the Commonwealth may maintain its international commitments in accordance with the principles laid down in the General Agreement on Tariffs and Trade.

I am unable, at this stage, to indicate when the opportunity will be available to debate these proposals. I hope that such an opportunity will present itself in the early stages of the next parliamentary sitting. I may point out to the honorable member for Melbourne (Mr. Calwell), the Deputy Leader of the Opposition, that every time I have tabled any proposals he has complained about the time lag between their presentation and the resumption of the debate on them. The last customs tariff proposals were, I think, debated and disposed of within a fortnight of their adoption being moved, and these are the only ones which are now before the committee and not debated.

Progress reported.

TARIFF BOARD.

Reports on Items.

Mr. OSBORNE.—I lay on the table reports of the Tariff Board on the following subjects:

- Bags, sacks, packs and bales.
- Chemicals of the thiocarbamyl type.
- Fish preserved in tins.
- Forged steel spades.
- Furnishing and upholstery piece goods.
- Locomotives as used underground in mines.
- Medicinal preparations.
- Men's half hose, men's and boys' full golf hose, women's and girls' stockings, and socks and stockings N.E.I.
-Piece goods used as substitutes for canvas and duck.
- Pneumatic hand tools.
- Purse frames.
- Single or multi-tyned cultivators.
- Women's and children's socks.

Ordered to be printed.

CUSTOMS TARIFF VALIDATION BILL 1956.

Motion (by Mr. Osborne)—by leave—agreed to—

That leave be given to bring in a bill for an act to provide for the validation of collections of duties of customs under Customs Tariff proposals.

Bill presented, and read a first time.

Second Reading.

Mr. OSBORNE (Evans—Minister for Air) [4.26].—by leave—I move—

That the bill be now read a second time.

This bill is designed to validate, until 30th June, 1957, collections of duty made in pursuance of Customs Tariff Proposals No. 8 and Customs Tariff (New Zealand Preference) Proposals No. 1, which were introduced into the Parliament by me earlier to-day.

I indicated, when I introduced the proposals, that it would not be practicable to debate the tariff variations involved before the present sitting ends. However, unless proposed tariff alterations are enacted or validated within six months of their introduction, or before the end of the parliamentary session, whichever first happens, the collection of duties, in accordance with the proposals, is open to legal challenge. Therefore, in view of the possibility of Parliament being prorogued before it meets again next year, it is necessary to pass this bill, which I might describe as a machinery measure, to safeguard the position until the opportunity is available to debate the tariff proposals. I commend the bill to honorable members.

Debate (on motion by Mr. Calwell) adjourned.

CONCILIATION AND ARBITRATION BILL (No. 2) 1956.

Second Reading.

Debate resumed (vide page 1958).

Mr. CREAN (Melbourne Ports) [4.28].—As indicated by my colleagues, the honorable member for Bendigo (Mr. Clarey) and the honorable member for Blaxland (Mr. E. J. Harrison), the Opposition opposes the measures now under consideration. We feel that they are hastily brought down at the end of the sessional period, that they contain many provisions which we have not been given adequate opportunity to examine and that they are the forerunner of the kind of thing that seems to be envisaged by the Government in calling a conference of Premiers to consider what is known as the stabilization of wages. That is not to stabilize wages at a high and just level as has, to some degree, been attained under some State awards, but to stabilize them at the low level of the pegged federal basic
wage. It seems that these measures contain the possibility that people, who are at present employed on such Commonwealth projects as the St. Mary's undertaking and who, apparently, work under New South Wales awards, will automatically lose income immediately if they are transferred to Commonwealth awards, as they can be in terms of the provisions of this legislation.

As my colleague, the honorable member for Bendigo, indicated, clause 14 of the bill, which amends the Conciliation and Arbitration Act, contains a very wide power. Proposed section 88a reads, in part—

The Minister may, by notice published in the "Gazette", declare a work or undertaking which is to be, or is being, carried out or undertaken by or for the Commonwealth or an authority of the Commonwealth to be a Commonwealth project for the purposes of this Division.

The theoretical reason given by the Government is that to-day governments undertake ventures which are different from the strict administrative functions of government. We have long been accustomed to what is known as the Public Service generally, or the civil service, as it is sometimes called, in its purely administrative aspects. Even in that function the Public Service has grown to considerable dimensions, and it seems very difficult for it not to grow when one considers the activities that are undertaken by governments in these modern times. Apart from that, there are other activities which may be more of an industrial kind than a facet of public administration.

It seems that in this legislation the Government is attempting to segregate the administrative side of government from the industrial side. Certain examples, such as the aluminium project, have been cited. The point that characterizes them, as distinct from other governmental activities, is that the projects may be of a limited duration and that employees tend to be of a temporary rather than of a permanent kind in their association with the Government. They may to-day be employed in a State government undertaking which is not within the province of the Commonwealth. To-morrow they may be employed on building work for a private employer. Their term of employment with the Commonwealth as such is not of a permanent kind and this legislation is apparently designed to remove them from the scope of the Public Service Arbitrator. Another kind of employee is one whose employment is of a more permanent nature, such as airways employees. The argument used in relation to them is that employees in undertakings with which they compete do not come within the scope of the Public Service Arbitrator and it would be better if they were brought under the control of the ordinary arbitration machine.

The main part of the second-reading speech of the Minister for Labour and National Service (Mr. Harold Holt) was a kind of historical description of the growth of the Public Service arbitration machinery. It also contained a little excursion into the types of activities undertaken by the Government in 1956 that were not so undertaken earlier. Whilst that is the reason given by the Minister for amending the act, it seems that the Government has also taken some trouble to amend some of the conditions applied to the traditional type of government employee.

Many of the staff organizations of the various Public Service bodies are worried about the terms of the Public Service Arbitration Bill (No. 2) that is now under consideration. One provision that has caused a considerable amount of discussion amongst those bodies is clause 9, particularly that part which specifically mentions a number of acts and then gives a further general power.

As I said earlier, the traditional public servant is perfectly satisfied with the framework of arbitration as it affects him. He is governed by conditions which are laid down in acts of Parliament. The Public Service Act, which is an act of this Parliament and which can be amended from time to time, prescribed certain conditions of employment for him. But the Public Service Arbitrator, who may adjudicate on matters concerning those people, is given a power which on the face of it appears to be rather odd. He is given power, as it were, to vary a Commonwealth statute. He can make decisions which are inconsistent with the existing law. On the face of it, that may appear to be an odd power for a Parliament to give to any one. The Parliament passes a law and then says, in effect, "The Public Service Arbitrator may vary the terms of this law if he thinks they should be varied". According to the Minister, if that were not so, all matters
affecting public servants would be subject to acts of Parliament. If it were desired to vary their conditions in any way, it would be necessary to seek amendment of the relevant act of Parliament, which would leave no independence of action to the Public Service Arbitrator. He says that that is the reason behind this provision, which has existed for a considerable period of time.

Clause 9 of the Public Service Arbitration Bill to some extent varies the position that has existed in this connexion. I understand that representatives of the Public Service associations have had discussions with the Minister for Labour and National Service (Mr. Harold Holt) and other Government members, and also with certain members of the Opposition, and that they have been given assurances along certain lines by the Minister. I understand that they would like the right honorable gentleman to say, on the floor of the House, that there is no intention to take action which, they feel, could be taken under clause 9. I know that the Parliamentary Draftsman was given a very tall order by the Government when he was asked to have all this legislation drafted so that it could be printed and placed before the Parliament before the end of the current sessional period. I submit that such haste with important legislation is bad, because it does not afford the supporters of the Government full opportunity to see what is involved in the legislation, and still less does it afford an opportunity to members of the Opposition, who have not the benefit of the expert advice that is available to the Government, to discuss with outside bodies the implications of the legislation.

The Public Service Arbitration Bill now before the House is a complicated measure, and I think that lay members of the Parliament may be excused if they experience difficulty in understanding the terminology that has been used by the Parliamentary Draftsman. Not all of its provisions are expressed in basic English, although I appreciate that it is possible to get into difficulty by trying to simplify complicated matters and reduce them to easily understandable terms. Nevertheless, I suggest that honorable members who have no legal training should be given an opportunity to discuss the legislation with those whom it will affect, and to ask, "What, in your opinion, does this provision mean, and how do you think it affects the conditions of your employment?" Clause 9 clearly calls for such an opportunity for discussion of its implications, and I hope that, at the committee stage, the Minister will reply to the point that I have raised and indicate that there is no ground for the fears that have been expressed.

I invite the attention of the House to clause 9, proposed new sub-section (2.) of section 22, which reads as follows:—

The Arbitrator may, where he thinks it proper to do so, make a determination that, in his opinion, is not, or may not be, in accord with a law of the Commonwealth relating to conditions of employment of employees in the Public Service, not being—

(a) the Commonwealth Employees' Compensation Act 1930-1954, the Commonwealth Employees' Furlough Act 1943-1953 or the Superannuation Act 1922-1956; or . . .

It seems that the representatives of the public servants cannot see any great danger in that provision. The three acts referred to are comparatively innocuous. However, paragraph (b) of this omnibus sub-section gives rise for concern. It refers to—

any other prescribed Act or the prescribed provisions of any other Act.

I understand that that provision could apply to approximately 42 separate acts of Parliament. I do not suggest that it would apply to all of them, but it could do so. The representatives of the Public Service associations are asking—and I suggest they are entitled to an answer from the Minister—questions on these lines: If there are specific provisions that require to be placed in this reserve category, why not state what they are? Why not try to eliminate from the 42 acts that may be affected the ones that the Government thinks require amendment? Alternatively, if nothing definite is in mind, why not leave the matter where it is and introduce legislation in the Parliament when the occasion arises? Why seek a general power arising from the three acts that have been referred to—the Commonwealth Employees' Compensation Act, the Commonwealth Employees' Furlough Act, and the Superannuation Act? If power to amend those acts is needed, why seek general power in relation to other acts which do not seem to come into the picture?
The representatives of the Public Service maintain that, in theory, the whole of the Public Service could be placed outside the scope of arbitration by the terms of clause 9 of the bill. They say, "Arbitration could be swept away by a stroke of the executive pen". That, perhaps, may appear to be going to extremes, but it does seem that if the Public Service were brought within the range of clause 9 the whole of the rights which public servants enjoy by virtue of the fact that their determinations are made by the Public Service Arbitrator could be swept away because the Arbitrator would be left without arbitral powers. I do not think that that is the intention of the Government. It may even be that, properly read, clause 9 does not imply such a development. Nevertheless, there is a considerable body of opinion that that interpretation could be read into the clause.

Again, I put it to the Government that the Opposition has not had sufficient opportunity to scrutinize the measure as it should be scrutinized. I understand that my colleague, the honorable member for Melbourne (Mr. Calwell), referred the matter to a person in authority, and that some doubt was expressed about the meaning of the clause on the ground that it could be interpreted in a certain way in extreme circumstances. If that is so, I think that the Government should make a statement on the matter. I understand from the Minister that he has given certain assurances in writing, but as I have said, the whole Public Service body would like an explanation to be made on the floor of the chamber, either at the second-reading stage or at the committee stage. It seems that the original intention of the legislation was to try to segregate the proposed new kind of government activity in the industrial sphere from the traditional administrative functions, which would remain within the jurisdiction of the Public Service Arbitrator, and that the new field of activity should be covered by the more general scope of industrial arbitration. Whether or not that is a desirable thing, I do not propose to argue. My colleague, the honorable member for Blaxland (Mr. E. James Harrison), has submitted that the present system has functioned successfully and that there does not seem to be good reason to change it. He is certainly more skilled and versed in these matters than I am. I am simply saying that if that was the intention of the Government, this omnibus power seems to afford the opportunity to exercise greater control over the purely administrative side of government undertakings. In this connexion, again, some public servants believe that the Government may be trying to apply a policy which the Australian Labour party believes it is trying to apply to the whole field of industry, that policy involving the stabilization of wages not at a just level, with allowances for cost of living adjustments which would, in any case, merely bring wages to the point at which they ought to be, but at a lower level than that. The Government may attempt to apply the same policy to some of its own employees by taking them out of the flexible jurisdiction of the Public Service Arbitrator, and placing them under the jurisdiction of the commission, which may, when making awards, take into account the capacity of industry to pay.

I conclude with those remarks, hoping that at a later stage in the debate the Minister will give the assurance on this point that is being sought by representatives of the various public service organizations, both individually and through their high council, because they feel that this legislation may threaten many of the improvements in wages and conditions that they have attained only after long years of fighting for them.

Mr. CLYDE CAMERON (Hindmarsh) [4.47].—The Opposition has become accustomed to the practice of the Minister for Labour and National Service (Mr. Harold Holt) of assuring the House, when introducing a piece of legislation that may be dangerous from the point of view of the trade union movement, that the measure contains nothing contentious, and hoping that the Opposition will not oppose the bill. On this occasion again the Minister has told us that he did not believe the bill would prove contentious, and that he did not think that there would be any opposition to it. If we did not know the Minister as well as we do, we might have accepted his assurance that this was a non-contentious bill, and have allowed it to go through, as an Opposition will always allow a really non-contentious bill to go through. However,
even a very cursory examination of the bill reveals some very contentious provisions. As an example, I cite clause 5 of the bill, which has already been referred to by the three previous speakers on this side of the House.

Clause 5 proposes that in future the Minister shall have the right to take away from the jurisdiction of the State tribunals or the Commonwealth Public Service Arbitrator the right to determine disputes within a government instrumentality, and place them under the jurisdiction of the Commonwealth Industrial Court or the Commonwealth Conciliation and Arbitration Commission. That may not, on its surface, appear to be very important, but it means that the Government will have the power to take employees of the Snowy Mountains Hydro-electric Authority out of the jurisdiction of the New South Wales Industrial Commission, from which body they have received awards under which they have produced the most outstanding production results, particularly in the tunnelling work in connexion with the Adaminaby dam. Nowhere in the world have results been obtained equal to those that have been achieved by the Kaiser-Walsh-Perini-Raymond construction company, employing members of the Australian Workers Union under State awards. This Government proposes to upset that arrangement, which has worked so favorably for every one concerned, and to give itself the power to place those employees under the jurisdiction of the Commonwealth Conciliation and Arbitration Commission.

Mr. Anderson.—Do not those employees receive a bonus for production?

Mr. CLYDE CAMERON.—Yes, they get a bonus for production, and that bonus could be taken away from them altogether, or drastically reduced, by the commission. The New South Wales Industrial Commission has awarded most beneficial conditions for tradesmen employed on that project, which they would be in serious danger of losing if the jurisdiction was transferred to the Commonwealth Conciliation and Arbitration Commission, because that commission would then say, “We must not continue, except by consent, something that has been awarded by the New South Wales Industrial Commission if it is contrary to our precedents, or if it in any way differs from the standards we have previously fixed, because if we adjudicate on a matter and grant to members of the Australian Workers Union employed by the Snowy Mountains Hydro-electric Authority terms and conditions of employment that we have not previously granted to employees in any other industry, a precedent will be established, and the employees in other industries will use it against us and ask why we should make such an exception”. I think it is a tragedy that the Australian Workers Union withdrew its application to the High Court. The union should never have trusted this Government to maintain the status quo, and the day will come, I am afraid, when the Australian Workers Union will regret its action in withdrawing that application to the High Court, as, I understand, it has done, because this Government has no intention whatever of allowing employees of the Snowy Mountains Hydro-electric Authority to remain permanently exempt from the provisions laid down from time to time by the Commonwealth Conciliation and Arbitration Commission.

When we consider clause 5 of the bill, we find that its provisions may be extended to employees of the Commonwealth Railways, who, at the moment, are not subject to the Public Service Regulations, and are completely under the jurisdiction of the Public Service Arbitrator. Ever since 1937, the Commonwealth Railways organization has had a magnificent record of service to this community, free from industrial disputes. Contrast that record with the record of continual stoppages and disputes when the Commonwealth Railways employees were under the jurisdiction of the Commonwealth Court of Conciliation and Arbitration. One can see the danger that would flow from changing the present arrangement and transferring those employees back to the jurisdiction of the Commonwealth Conciliation and Arbitration Commission. It is of no use for the Minister to give us an assurance that that is not his intention, because the Minister will do whatever the secretary of his department tells him to do. If Mr. Bland decides that the employees of the Commonwealth Railways are to be brought under the jurisdiction of the Commonwealth Conciliation and Arbitration Commission, the Minister would, as usual, be too spineless to say no to the proposition. If Mr. Bland were a person who
could be relied upon to give a wise and reasoned judgment on these industrial matters, one could not blame the Minister for taking his advice. But one has only to look at the kind of legislation that has repeatedly been brought to Parliament by the Minister, on the advice of this gentleman, to realize how little Mr. Bland understands of the trade union movement, or, if he does understand it, how completely hostile he is to the welfare of the trade unions of Australia. While these conditions prevail, while we have a servile Minister and an arrogant, Labour-hating secretary in charge of the department advising him what to do, it is obvious that any legislation that gives to the Minister more power than he now possesses constitutes a serious danger to the trade union movement.

For these reasons, I direct the attention of the House, and of the trade union movement, to what the trade unionists could lose as a consequence of transferring to the jurisdiction of the Commonwealth Conciliation and Arbitration Commission the industries and undertakings of the Commonwealth Government that are now within the jurisdiction of the Public Service Arbitrator, or of the New South Wales Industrial Commission, or of some other State body. Under the Public Service Regulations, employees of the Commonwealth are entitled to three weeks' recreational leave each year, but it is quite certain that, if some Commonwealth employees were brought within the jurisdiction of the Conciliation and Arbitration Commission, the commission would not include in the awards covering them provision for three weeks' annual recreational leave. The commission would have the right to disregard the Public Service Act and the Public Service Regulations, which protect Commonwealth employees at present.

Neither I nor any other member of the Opposition is prepared to stand idly by when the Minister tells us that these bills are not contentious. When the Minister said that, either he attempted deliberately to mislead the House, or the secretary of his department deliberately misled him or did not tell him what was in the bills. Both of those charges are serious charges to lay against a Minister of Her Majesty's Government.

I want to refer to the effect that the bills will have on the sick leave entitlement of Commonwealth employees. At the moment, all employees of the Commonwealth to whom the Public Service Regulations apply are entitled to sick leave each year at the rate of two weeks on full pay and a further period on part pay, but if men are transferred to the jurisdiction of the commission, the commission will make applicable to them only the sick leave provisions contained in other awards that it has made. They will be granted only one week's sick leave a year, and after one day's absence due to sickness they will be required to produce doctors' certificates covering each additional day of absence. Under the Public Service Regulations, an employee of, say, Trans-Australia Airlines, the Commonwealth Railways or the Australian Aluminium Production Commission is entitled, not only to double the amount of sick leave to which he would be entitled if he came within the jurisdiction of the commission, but also to be absent on sick leave for four days without being required to produce a doctor's certificate. That is something that the commission would never give to an employee.

I turn to district allowances. What guarantee have we that the commission will grant to men working in outlandish places district allowances at the same rates as those prescribed by the Public Service Regulations? What guarantee have we that the Minister, on the instructions of the secretary of his department, will not bring all of the line staff of the Postmaster-General's Department within the jurisdiction of the commission? If that were done, it is quite certain that the linemen would lose the benefit of the district allowances to which they are entitled now, as well as the benefit of the recreational leave and sick leave facilities that I have described. It is certain also that they would lose the benefit of the present camping allowance provisions. We know that whenever the Conciliation and Arbitration Commission, or its predecessor, the Commonwealth Arbitration Court, has been called upon to fix a camping allowance, the most that it has ever awarded has been 7s. a day. Mr. Commissioner Donovan fixed 7s. a day as the camping allowance for Australian Workers Union men employed on railway construction work, but under the Public Service Regulations Commonwealth employees are entitled to a camping allowance of 12s. a day in the case of a married man and
8s. 6d. a day in the case of an unmarried man when the department provides and pays the wages of a cook. But most telephone linemen and most members of the Australian Workers Union who become entitled to a camping allowance have to do their own cooking. Public Service Regulation 98B provides that where no cook is provided the rate of camping allowance shall be 14s. a day for a married man and 10s. 6d. a day for an unmarried man. In the case of a married man, the Public Service Regulations provide for a camping allowance at double the rate that would be fixed by the commission.

Mr. Curtin.—It is not enough.

Mr. CLYDE CAMERON.—I agree that it is not enough, but, in the case of a married man, the camping allowance prescribed by the Public Service Regulations is exactly double the allowance that the men could expect to get from the commission, once it got its claws on their conditions. There is no doubt that the aim of this Government is to drag the conditions and the standards of the workers down to a common level.

Mr. Bland.—What nonsense!

Mr. CLYDE CAMERON.—The fact is that that is the aim of the Government. With the object of ensuring that decisions of the Public Service Arbitrator will not get out of line with decisions of the commission, some time ago the Government gave to itself, as an employer, the right to appeal to the commission against any decision of the Public Service Arbitrator of which it did not approve. Could anything be more dictatorial than that? By these bills the Government is making certain that it will have, not only a right of appeal against decisions of the Public Service Arbitrator with which it disagrees, but also a right to disagree with decisions of the Public Service Board itself. By transferring Commonwealth employees to the jurisdiction of the Conciliation and Arbitration Commission, it will remove them from the jurisdiction of the Public Service Board. The Minister knows that the commission would not give to men within its jurisdiction the conditions to which Commonwealth employees are entitled under decisions of the Public Service Board.

There is no doubt that the aim of the Government is to take away from all people employed by the Commonwealth on a wages basis the beneficial conditions that they enjoy under the Public Service Regulations and to apply the regulations only to the tall poppies of the Public Service. The collar-and-tie top boys will have one set of conditions and other Commonwealth employees will be expected to accept another, and inferior, set of conditions. Frankly, I see no reason why Jack Brown, a labourer working for the Commonwealth, should be entitled to less sick leave than Mr. Bland, another Commonwealth employee. I see no reason why two men employed by the same government, and being paid, in effect, by the same tax-payers, should be entitled to different periods of sick leave. There is no ground on which the Government can justify its action of splitting the Public Service into two sections and giving to the less privileged section a poorer set of conditions than that given to the more highly paid section. That is one of the things that we oppose strenuously.

I want to refer to compassionate leave. Under the Public Service Regulations, an employee is entitled to two days' compassionate leave in the event of the death of a wife, a mother or a child. I know that the commission would never give such conditions to people within its jurisdiction. I applied to the Commonwealth Arbitration Court for compassionate leave for members of the Australian Workers Union, but the court refused point-blank to introduce, as a standard, a provision for compassionate leave. It is certain that any Commonwealth employees who are brought within the jurisdiction of the Conciliation and Arbitration Commission by the operation of these bills will lose the right to two days' compassionate leave which they now enjoy.

The living-away-from-home allowance—which is distinct from the camping allowance—is applied to the Public Service at present on a level which the commission would never accept and would never apply to people unfortunate enough to come within its jurisdiction. Will any trade union secretary tell me when the Commonwealth Arbitration Court or the Conciliation and Arbitration Commission ever provided for 7s. to be paid for each meal that an employee had to buy as a result of working overtime? The meal allowances prescribed by the court and the commission have been very much lower than the 7s. prescribed by the Public Service Regulations.
Mr. Curtin.—What does a judge or a commissioner get?

Mr. CLYDE CAMERON.—I do not know. Certainly he gets more than 7s. for a meal.

Mr. Curtin.—He gets £7 7s. a day as an allowance.

Mr. CLYDE CAMERON.—I think the honorable gentleman is wrong there. The living-away-from home allowance for a judge was £7 7s. a day, but there has been an increase since then.

The point is that once these men are denied the benefits of the Public Service Act and the regulations under that act, they stand to lose all the rights I am talking about. I shall mention only one more of the things they stand to lose: Under the Public Service regulations a member of a union is entitled to attend an arbitration hearing to give evidence, or to appear on behalf of his union, without the loss of pay. We shall live a long time before the judges of the Commonwealth Industrial Court give a trade unionist the right to appear before it to give evidence or to plead a case and be paid by the employer while he attends, whether the employer is the Government or a private undertaking, because the court knows that its job, especially in the eyes of this Government, is to reduce wages and conditions to the lowest level that the workers will tolerate, and not to award the maximum that industry can afford to pay. The judges of the court consider that they should give to the employees the minimum that the employees will accept without revolting. They consider that their judgments should be based not on merit, but on the attitude of the employees at the time, according to whether they are led by a “grouper” trade union secretary who will do what the boss says or by a militant Labour man who will fight for their rights. The court knows that if they are led by a “grouper” secretary like Laurie Short, who will take whatever is rammed down his throat by the Government and the employers, it can hand out whatever it likes. If they are led by an Australian Labour party militant union secretary who the court knows will fight for the rights of the union members he represents, it exercises its judgment accordingly and awards a little more.

Mr. Turnbull.—What will happen if they are led by Communists?

Mr. CLYDE CAMERON.—The court, unfortunately, will award a little more then also. That is why the Communists have been able to entrench themselves so firmly in the trade unions.

I want to discuss now the proposal in this so-called non-contentious bill to repeal section 54 of the principal act. Let us consider this non-contentious bill a little. The Minister for Labour and National Service has not told us why it is proposed to delete section 54. The secretary of the Department of Labour and National Service knows that it is to be omitted at the behest of the Graziers Federal Council of Australia, because the award of the New South Wales Industrial Commission which gives persons who are not members of the Australian Workers Union a rate of pay higher than that fixed by Mr. Conciliation Commissioner Donovan forced the graziers ultimately to give way on the recent shearsers’ strike and pay the higher rates. So the Graziers Federal Council now wants employees to be compelled to indicate whether they are members of the Australian Workers Union so that if the graziers succeed in having the present rate under the award of the Industrial Commission reduced, they can dismiss Australian Workers Union members, who would be entitled to a higher rate. The Minister and the secretary of the department know perfectly well that that is what is behind the proposal to repeal section 54.

That section has been in the act for many years. It was repealed on only one occasion, and its removal almost caused a revolt. Both the Minister and the secretary of the department know that this section was originally inserted in the act to protect unionists from victimization by employers who were prepared to take advantage of their knowledge that an employee was a unionist and either dismiss him or deprive him of some of the benefits to which he was entitled. I recollect very well the days when I was employed in the shearing industry. Before my mates and I were given jobs in a shearing shed we were forced to sign a declaration stating whether we were union members. The employers did not dare to take action against the shearing teams to which we
nical machinery matters. It is about time the Minister was a little more frank in explaining in this House legislation affecting the trade union movement. He should tell the truth and stop trying to lull us into a false sense of security by telling us that a measure is non-contentious although some of the most contentious provisions that one could imagine are tucked away in it.

I now want to discuss briefly proposed new section 117A of the principal act, which relates to the right of laymen to appear before the Commonwealth Industrial Court. This matter should never have been overlooked in the first place. The Minister has no excuse, because the Opposition specifically directed attention to this weakness when the Conciliation and Arbitration Bill 1956 was being considered in this House less than six months ago, and stated that laymen should be given the right to appear before the court. On that occasion the Minister, in typical fashion, refused to accept the Opposition's advice. He refused not because he knew anything about the matter himself, or because he understood the measure, but because the secretary of the department, who in fact is the Minister, told him, "Clyde Cameron or some other Com. has put it forward. Therefore you should have nothing to do with it". It is about time the Minister started thinking about legislation for himself so that he can make up his own mind instead of allowing himself to be pushed about by a public servant who tells him what to do in matters that are of vital concern to the trade union movement as a whole.

It is entirely wrong for the Commonwealth Industrial Court to have the right to prevent a union representative who is a layman from appearing before it. It has no more right to prevent him from appearing than it has to prevent a solicitor or barrister from appearing. A union should have the right to say who will appear on its behalf, whether on a matter of law, on an appeal, or on any other matter. This Government had no right to make such a provision. A murderer can appear in his own behalf before a criminal court if he wishes to. Any citizen can appear in his own behalf before any ordinary court. How can a union, a thing incorporate that consists of a number of members, something intangible, express itself other than
through its secretary or other appropriate officials? While trade unions remain bodies incorporate and quite intangible, then some person—and I suggest that the union itself should decide who that person should be—should have the right to appear before the court and represent the union, irrespective of what the court says about the matter. The Industrial Court consists of legal men, and the trouble with it is that lawyers love to have lawyers appearing before them. It appeals to their vanity to have lawyers before them, and they think that it is infra dig to have to listen to laymen pleading a case. Not only that, but they are usually small enough, when a layman appears before them, to go out of their way to find some reason for rejecting the propositions that he puts before them. Here we have a court presided over by a man who has been politically partisan all his life—Mr. Justice Spicer. A political appointment! A man whose political—

Mr. ACTING DEPUTY SPEAKER (Mr. Lawrence).—Order! The honorable gentleman's time has expired.

Mr. ANDERSON (Hume) [5.17].—I did not intend to intervene in this debate, but some of the remarks of the last speaker make me do so. When honorable gentlemen opposite talk on industrial matters they infuriate me as a rule. In my opinion, the honorable member for Hindmarsh (Mr. Clyde Cameron) is doing a great disservice to the trade union movement. During the debate on this bill, we can see the head of the Civil Service department concerned seated behind the Minister. That gentleman is responsible for the administration of the Department of Labour and National Service, and we have heard him grossly attacked when he has no means of reprisal. The honorable member who made that attack is the only honorable member who does that sort of thing. It is high time that this House took him to task, because the Civil Service is a permanent Civil Service, and the head of the Department of Labour and National Service has a job to do, and he has full authority to do it. If the honorable member for Kingsford-Smith (Mr. Curtin), who has just interjected, would just use his brains a bit he would understand. When the honorable gentleman wishes to attack the Civil Service he does not attack the system but attacks the individual. It is truly discomposing for honorable members to have to sit and listen to a tirade against individuals.

On every occasion on which the honorable member for Hindmarsh has spoken on industrial matters, he has attacked the court. According to him, the only persons who know anything of industrial matters are trade union officials. Legal men, says he, like to have legal men appear before them. He says that merely because he is firmly convinced that only members of the Labour movement know anything of industrial matters. He is one of those who have forced free people to become trade unionists, and then does not give them the right to vote on strikes. I support free trade unions, but anybody who claims that trade unions in Australia to-day are free is not telling the truth.

The honorable member for Hindmarsh made an attack on Mr. Donovan. He said that Mr. Donovan would not dare to alter an award against the shearsers. What sort of talk is that in a free country? He said, in effect, that the trade union movement would not tolerate this Government, and asked what right the Government had to alter the law. I should like to know whether the Government is the government of the country or whether the trade union movement is the government of the country. If the honorable member for Hindmarsh and his colleagues think that our laws are wrong, then let them go to the electors about it, because it was the electors who put us here, not honorable members opposite. It is high time that we got down to cold facts.

Honorable gentlemen opposite claim that the Labour movement stands for peace and prosperity for the workers. Let me compare the results of industrial activity by trade unions in New South Wales with what has happened in the rest of Australia, in the last year. In that period there have been 1,000-odd industrial disputes in New South Wales. Usually the annual figure is about 1,200. In Victoria, there were 66, in Queensland 274, in South Australia 43, in Western Australia 16, and in Tasmania 48. The House should know that in the last twenty years New South Wales and Queensland have had more industrial disputes than all the other States put together. More than three-quarters of the industrial disputes occurred in New South
Wales, which has a Labour government. They occurred under Labour because of the way that Labour administers arbitration laws. Here we have had speaker after speaker rising and saying that we on this side are not competent to understand or administer industrial laws; yet we have this huge number of industrial disputes in States in which Labour governments have been in office for twenty years or so. I think it is high time that we looked at these things more carefully.

The honorable member for Bendigo (Mr. Clarey) always puts his case clearly. I believe, however, that he and the honorable member for Blaxland (Mr. E. James Harrison) sometimes lack trust in the views of other people. I believe that there are two points of view in all these matters. The honorable member for Hindmarsh has always stressed the desire of the trade union movement to get more and more for the workers. That is why I interjected on the question of the Snowy Mountains Authority. I know that tunnelling on the Snowy Mountains project has been a world record, and I know that the workers there work under an incentive scheme. We have always tried to encourage the use of incentive systems, because we feel that that is the way to increase production. But every time we discuss in this chamber any bill connected with arbitration members of the Labour party express the view that the Commonwealth Arbitration Court is always working against the worker, always trying to get him down to a minimum wage. The truth is that if honorable gentlemen opposite want higher wages for the workers they should realize that there is only one way to achieve them—encourage increased production.

The honorable member for Hindmarsh said that the workers wanted money for living out, and for this and that. I quite agree with that. Give the workers more money, but justify the increase by increasing production. Legislation introduced by Labour governments always aims to get for the workers the maximum amount of money for the minimum amount of work. The truth is that honorable gentlemen opposite do not represent the working class—they represent the “leisure” classes. I have little time for leisure myself. Whilst it is necessary to protect the workers, it is also necessary that in return for the decent amenities given to workers, the consumers should receive full value. If Labour would adopt the principle that a greater reward should be accompanied by a greater effort there is no reason why wages and working conditions in Australia should not rise until they are higher than anywhere else in the world, because we are a particularly fortunate nation. But the desire of militant trade unionism, which is represented by the honorable member for Hindmarsh, is to get more and more wages without increasing production. What sort of talk is that to encourage a government to improve the system of conciliation and arbitration as between workers and management? If honorable members opposite really want this country to progress, and to have a free trade union movement, they are not going about it the right way, as the figures I have cited concerning industrial disputes in Australia in the last year quite clearly show. Those figures also show that members of the Labour party are not experts in arbitration and conciliation because, as I repeat, in New South Wales, which has had a Labour government for the last twenty years, there were 1,000 odd industrial disputes last year, or 250 every quarter. How do honorable members explain those figures if they claim that Labour party members are the people to control industry?

Mr. Clyde Cameron.—Most of those disputes related to the awards of Commonwealth tribunals.

Mr. Anderson.—I do not accept the honorable gentleman’s statement that most were against the awards of Commonwealth tribunals. Do the awards of Commonwealth tribunals apply only in New South Wales? Then why are there 66 disputes in Victoria? Half the figures cited by the Opposition in this House are cited by interjection. The honorable member for Kingsford-Smith said that a judge gets £8 8s. a day for living expenses. The purpose of Opposition members is to do everything that they can to create doubt with respect to the law. They attack the law. There is no reason to attack the law in Australia.

I personally, support the Minister in his conduct of the arbitration system. We were told during the last debate on arbitration matters, about three or four months ago, that internal strikes and all sorts of terrible things would happen immediately the stevedoring bills were passed. Those things did not happen. It is high time that
we got down to brass tacks and tried to make the system work; and the only way to make the system work is to see that, while the worker gets all the benefits to which he is entitled, in exchange the rest of the country gets more production.

Mr. CURTIN (Kingsford-Smith) [5.36].—I rise to support my colleague, the honorable member for Hindmarsh (Mr. Clyde Cameron), in his opposition to this bill. I should like to answer a few of the remarks of the honorable member for Hume (Mr. Anderson). The honorable member is typical of the bloc which calls itself the Australian Country party. All that its members do, from morning to night, in this House, is to insult the workers of Australia. They hurl insults at the real producers of the wealth of the Commonwealth. The honorable member for Hume is so vicious that he is outstanding among the very bitter and vicious members of the Australian Country party.

Mr. ACTING DEPUTY SPEAKER.—Order! I should like to know what this has to do with the bill.

Mr. CURTIN.—I am answering the honorable member for Hume on behalf of my colleague, the honorable member for Hindmarsh, who cannot answer the attacks that were made on him. The honorable member for Hume opposed incentive payments which have been paid in accordance with agreements which have been entered into and which this Government wishes to abolish. The honorable member cannot conceive in his wildest dreams why a working man should be paid a little above the basic wage. He has the idea of years gone by of just giving the worker enough to keep him going and to keep him strong enough to work again the next day. The idea was to keep him in debt, in abject poverty, and that is one of the objectives of the Australian Country party and its supporters. The tradesmen of to-day will no longer be dictated to by these people. The tradesmen of to-day demand what they want. They demand their price and, what is more, they wait until they get their price before they do what is needed of them. I shall pass from the honorable member for Hume, because I think that he is sour with respect to the activities of the workers over the past two years, culminating recently in the glorious victory by the shearsers in defeating the attempts of members of the Australian Country party and their supporters to reduce the payment to shearsers for each 100 sheep.

This bill has been introduced by the Minister for Labour and National Service (Mr. Harold Holt). He presented the bill, made his second-reading speech, and departed from the House. So distasteful is this bill to the members of his own party that there are now only eight of them in the House, plus the Minister for the Interior (Mr. Fairhall), who is disgusted with the Minister for Labour and National Service because he is not here to pilot the bill.

Mr. Pearce.—How many Labour members are in the House?

Mr. CURTIN.—There are only eight members of the Liberal party here, despite the fact that this is a most important bill. This decaying Government has adopted its usual tactics of bringing very important measures into this House in the last days of a dying Parliament. The Minister for Labour and National Service, in his opening remarks, said that the several arbitration bills that he had introduced were interrelated. He said that, in some respects, they were complementary one to the other. The Minister proceeded—

Clauses 17 to 21 are designed to clear up a few drafting points—

How simple and innocent—
revealed when the act passed last session was finally printed. There is nothing of any substance here, and I do not think that the House would wish to be wearied—

One of his favourite sayings—
with a detailed recital of the reasons for each individual clause.

Let me recite one of the provisions of the bill.

Mr. Pearce.—Let the honorable member weary us, instead of the Minister wearying us.

Mr. CURTIN.—I shall tell the people of Australia the truth, which the Minister and the supporters of the Government, who are interjecting, have not had the courage to tell them. Clause 3 (b) of the Australian National Airlines’ Bill 1956 reads as follows:—

Any determination or order which was in force under the Public Service Arbitration Act 1920-1956 immediately before the date of commencement of this Act and applied in relation to the employment of officers or employees of the Australian National Airlines Commission—
That applies to Trans-Australia Airlines—

and any determination or order resulting from proceedings referred to in the last preceding paragraph, continues to apply . . . but

"But" is an important word—

is subject to any award, order, determination or agreement made under any other Act after the commencement of this Act . . .

The last few words destroy the meaning of the whole paragraph. That is what the Minister did not want to weary the House with. He did not want to tell the truth.

There is another bill which concerns the aluminium industry. Clause 4 of that bill reads as follows:

Notwithstanding the amendment made by this Act, a determination which, immediately before the commencement of this Act, was in force under the Public Service Arbitration Act 1920-1956 and applied in relation to persons appointed or employed by the Australian Aluminium Production Commission continues to apply as if section eleven A had not been inserted in the Principal Act, but is subject to any award, order, determination or agreement made under any other Act after the commencement of this Act.

That is another provision with which the Minister did not want to weary the House.

Let us take into consideration the basic wage rates payable in the different States. The aluminium industry is confined to Tasmania. There is an agreement in respect of the aluminium industry, and it is based on a basic rate of £13 18s a week. This bill will bring the industry under rulings of the Commonwealth court which has pegged the basic wage at £12 16s. So when these bills have been correlated, the effect will be to establish a basic rate of £12 16s a week for the employees affected by them. In Tasmania, for instance, the difference between that rate and the existing rate will be £1 2s a week. The Minister said that he did not want to weary the House with a recital of the details. That is one of the details. Immediately this bill is passed, the Australian Aluminium Production Commission will make an application to the court, under this bill, and the employees who are working under an agreement based on the basic wage operating in Tasmania will immediately have their wages reduced by £1 2s a week. Of course, the workers in Tasmania will be very pleased to hear that immediately this bill is passed their wages will be reduced by £1 2s a week.

Employees at the St. Mary's project work under a New South Wales act. The New South Wales basic rate is £13 14s. Consequently, the employees at St. Mary's will have their wages reduced by 16s a week. Of course, the Minister for Labour and National Service would say that he does not intend that their wages shall be decreased. Honorable members know what this Government has done to the arbitration law in the last seven years. The president of the Commonwealth Industrial Court, who will have the responsibility of implementing these bills, has in fact been their architect. He has designed them to give himself dictatorial power to rationalize wages, conditions and hours of labour throughout Australia.

The honorable member for Bruce (Mr. Snedden) said that he deprecated the statements of Opposition members and that the Government did not intend to do this or that. When the Minister for Labour and National Service (Mr. Harold Holt) brought down the Stevedoring Industry Bill he said that the Government did not intend to do anything, but it is doing plenty. Big business is being given the right to do as it wishes throughout the stevedoring industry. and now, with the aid of the Arbitration Court, it will be able to do what it likes elsewhere as well. Even though the honorable member for Hume (Mr. Anderson) suggests that we should not criticize the Arbitration Court, I wish to make the deliberate statement that the action of the president of the new tribunal, in appointing himself to that position, has lowered the prestige of that body to a degree not previously known in this country. The president is a political cat's paw, who has appointed himself for the purpose of carrying out the vicious legislation that has been brought down by this Government. The lack of interest by Government supporters in this bill is demonstrated by the fact that only seven or eight of them are in the chamber, but those who are here must surely realize the political repercussions that will follow this bill. Surely they do not think that the workers of Australia will take it lying down. Do they not realize the strength and determination of the trade union movement? Do they think that my own union, the Boilermakers Society of Australia, will accept the dictation or direction of a political cat's paw who has set
himself up as a dictator of the arbitration system? Do they think that my union will accept an attack on their conditions at the Snowy Mountains project, or a reduction of the climatic or living away allowances? As long as they are boilermakers they will not accept those things. That goes for all the craft unions. While they exist they will provide the opportunity to tell Mr. Justice Spicer what the workers think of him. Speaking as a member of the boilermakers' organization, I can say that we shall never accept a reduction in our standard of living. Speaking as a member of Parliament, I fully endorse the sentiments of the members of the Boilermakers Society of Australia.

Mr. Turnbull.—The honorable member is endorsing his own sentiments.

Mr. CURTIN.—I endorse a sentiment that was expressed by a majority meeting which I attended. The vicious clauses in this bill will cause no end of industrial trouble. The Minister would be well advised to withdraw and completely redraft the bill before it proceeds further. The honorable member for Bruce has described it as a mere process of rationalization. We all know the sins that are committed under cover of rationalization. We all know what happened to Trans-Australia Airlines under rationalization. This Government gave £4,000,000 of the people's money to Australian National Airways Proprietary Limited so that that organization could place itself on an equal basis with Trans-Australia Airlines. Every one knows that the Government wiped off Australian National Airways Proprietary Limited's taxation debt, as well as the amount owing for airport dues. Every one knows that that stank to high heaven.

Mr. Joske.—I rise to order. For the last five minutes the honorable member has been talking, not about the bill, but about the rationalization of Australian National Airways Proprietary Limited.

Mr. ACTING DEPUTY SPEAKER.—I must ask the honorable member for Kingsford-Smith to direct his remarks to the bill. I had occasion to do so earlier, and I must ask him to observe my ruling or resume his seat.

Mr. CURTIN.—My esteemed legal friend, the honorable member for Balaklava (Mr. Joske), should examine the bills under discussion. He will find that one of them refers to Australian National Airways Proprietary Limited, and must surely give honorable members the right to refer to the rationalization of that company and Trans-Australia Airlines. I wish to refer to the depressing conditions that obtain in both organizations as a result of the Government's policy of rationalization. If I cannot do so, I shall accept your direction to the contrary, Mr. Acting Deputy Speaker.

Every one knows of the appalling conditions under which the employees of Trans-Australia Airlines are working. The conditions of the air hostesses are disgusting, to say the least. The pilots approached the former Public Service Arbitrator, Mr. G. B. Castieau, but this Government appealed successfully against his award. The result was a reduction of the salary increase awarded to the pilots. Similar action was taken in regard to other employees of Trans-Australia Airlines, notably the air hostesses, who at the moment are trying, through one court or another, to obtain justice. So far, they have failed dismally, and I take this opportunity to bring the injustice under which they are labouring under the notice of Parliament.

I oppose the bill in its entirety. The Minister loves to pose as a moderate who is happy to appease the trade union movement. His favorite feature writers these days are pleased to refer to him as a man who is subjected to much antagonism in his own party for his moderate treatment of trade unionists. To the contrary, he is one of the most vicious Ministers for Labour and National Service we have ever had, and has brought down some of the most vicious legislation that this Parliament has known. An examination of "Hansard" and the statute-book will reveal just how oppressive has been the legislation that he has brought down in the last seven years. The Minister has only to examine his own handicraft—the Stevedoring Industry Bill, the 1952 and 1956 amendments of the Conciliation and Arbitration Act and the culminating effort that we have before us. The Minister is pleased to describe the bill as a very moderate approach and does not want to "weary" us with a detailed description of it. The details are there for my legal friend on the Government benches to examine. By unloading more work on to the arbitration system, the Government will create more work for the legal eagles, who also belong to a union.
Mr. Joske.—What is wrong with that?

Mr. CURTIN.—There is nothing wrong with it at all, but unionism means toleration, combining to get justice for all, and not discriminating against another body of unionists. Bar associations are always pleased to protect the interests of their members, and they are assisted, of course, by some members of Parliament, but they do not care whose interests are impinged upon, as long as their own are protected. This bill was introduced by a lawyer, to assist other lawyers to exploit the field of arbitration to the detriment of the trade union movement, by reducing unions to such a state of financial weakness that they cannot resist the attacks of big business.

Mr. ACTING DEPUTY SPEAKER (Mr. Bowden).—Order! Where is that provision in the bill?

Mr. CURTIN.—If I had not looked, Mr. Acting Deputy Speaker, I should have thought that you were asleep.

Mr. ACTING DEPUTY SPEAKER.—The honorable member will either connect his remarks with the bill or sit down.

Mr. CURTIN.—The bill deals with arbitration. The legalisms in the act, which are to be exploited by the legal eagles, are to be widened considerably by the provisions of this bill. I do not know why you are restricting me, Mr. Acting Deputy Speaker.

Mr. ACTING DEPUTY SPEAKER.—I would like the honorable member to cite clauses if he makes statements like that.

Mr. CURTIN.—The clauses are there in abundance. I should like to read a few clauses to honorable members, but I do not wish to weary the Minister with such a recital. However, I shall refer to three or four of them. The Minister, in his second-reading speech, after surveying the background to these bills, said—

What the bills do is—

(a) To restate the circumstances—

That is a very nice word—

Mr. Turnbull.—I rise to order. I remind you, Mr. Acting Deputy Speaker, that the Standing Orders provide that tedious repetition is an offence.

Mr. ACTING DEPUTY SPEAKER.—Order! The honorable member is now reading from the Minister's second-reading speech.

Mr. Turnbull.—He has already read it once or twice.

Mr. CURTIN.—If we had not a second-reading speech to guide us, how would we criticize the provisions? The Minister continued—

(b) to allow the Arbitrator to consent—

Mr. Turnbull.—We heard that before.

Mr. CURTIN.—I am merely referring to a few of the points which the Minister brought out, instead of citing the full clauses.

Mr. ACTING DEPUTY SPEAKER.—I think that the honorable member is summing up.

Mr. CURTIN.—The people of Australia and the trade union movement will sum up on this matter. The Minister said—

(b) to allow the Arbitrator to consent to a claim being dealt with by the Arbitration Commission—

Now we know where that claim will end up after it has been dealt with by the commission—

. . . where he believes it is one which he should refrain from dealing with;

Under the power which the Minister will gain from this bill, the Arbitrator will be told which claims to deal with. The Minister continued—

(c) to allow an organization comprised only of Crown employees to take a claim to the commission where the Arbitrator refrains—

That is, where the Arbitrator, by deliberate act, refrains from conforming to the requirements of the bill, organizations that consist only of Crown employees will be enabled to take a claim to the commissioner. The Minister went on to say—

. . . from dealing with it or consents to its going to the commission and

(d) to permit the commission, when dealing with matters affecting Crown employees, to make an award though it may be inconsistent with a law of the Commonwealth affecting the wages and conditions of the employees concerned.
That is one of the provisions with which the Minister did not want to weary honorable members!

We have previously had legislation designed to tie up the trade unions, but some such measures have been broken down by the organized action of the trade union movement. This bill is designed deliberately to do exactly what has been done in the past by anti-Labour governments, and the result, which the Minister is inviting, will be deliberate action by the trade union movement. I suggest that the Minister have a good look at the bill before he takes any further action.

Mr. FREETH (Forrest) [5.51].—I must commend the honorable member for Kingsford-Smith (Mr. Curtin) on his valiant effort to fill in time, and to fill the traditional role of aggression which honorable members opposite always seem to fill on any matter connected with arbitration. It is interesting to cast our minds back a short time to when the legislation, which this bill now proposes to amend, was before the House. We then had all the fire and fury possible from honorable members opposite, and prophecies of industrial woe and disaster if that legislation was implemented. As far as I am aware, the legislation has been put into effect with remarkable smoothness, and has been generally accepted by industrial organizations. I do not doubt that, in spite of similar prophecies of woe and disaster from honorable members opposite, the amendments now introduced by the Government will prove to be sound common sense.

Unfortunately, this debate has taken a rather unpleasant turn in some aspects. We have honorable members opposite who are full of knowledge and experience in industrial matters. I refer to such men as the honorable member for Bendigo (Mr. Clarey) and the honorable member for Blaxland (Mr. E. James Harrison), from whom we usually get some fairly sound contributions, but I join with the honorable member for Hume (Mr. Anderson) in expressing deep disgust at the sort of attack made by the honorable member for Hindmarsh (Mr. Clyde Cameron) on certain persons in the civil service, whom he named. The Government, and the Minister in charge of a bill, accept full responsibility for what it contains. It is most despicable conduct to make a personal attack on any member of the civil service, who is really only doing what he is told to do by his employer—that is, the Government—and who is quite unable to defend himself in any way. Honorable members should be more conscious of their privileges and rights than to adopt such a despicable means of venting their spleen on legislation which comes before the House.

As far as I can recall, during the debate on the principal legislation, there was a substantial measure of agreement between members opposite and on this side of the House on a point I then raised with regard to the difficulties that can be created in courts when laymen try to discuss questions of law. All of us who have been connected in any way with these matters have seen the ridiculous situation where a layman has appeared in court to argue questions of law and has been instructed from behind by legal advisers who are continually tugging at his coat tail and advising him on matters of procedure and of law. At times it becomes a complete farce. The honorable member for Bendigo will no doubt have had considerable experience of that sort of thing.

It seems to me entirely reasonable that, as an assistance to the court itself on matters of pure law, men who are trained and versed in the law should be the ones to argue those questions before judges who themselves have a training in the procedures and traditions of the law. Therefore, I cannot understand the attitude of honorable members opposite when they oppose the provisions relating to legal appearances before the Industrial Court.

The Government has been extremely generous and realistic in its approach to the view that, as far as possible, where trade unions want to be represented by their own employees or officers, those men appear on matters which are within their own specialized knowledge. But nobody could expect a trade union officer to have a training in the procedures of the law, unless he was actually a qualified lawyer. I grant that many of them have a specialized knowledge which is far beyond the knowledge of any lawyer on a matter which affects their industrial organization. In those cases, the way is open for them to be present in court assisting or advising their legal representative.
Included in the rather aggressive attack on this legislation by honorable members opposite was an attack by the honorable member for Kingsford-Smith on the Minister for Labour and National Service (Mr. Harold Holt), who introduced the bill. Knowing the quarter from which it came, I am quite sure that most honorable members will realize that when the honorable member for Kingsford-Smith referred to this Minister as a vicious Minister, he reflected on nobody but himself. The right honorable gentleman has a record in industrial matters in this country which is second to none. I do not think that any government in the past has consulted so frequently with all interested parties, has held so many conferences and has studied the interests of all parties so carefully as has this Government in relation to its industrial legislation.

This legislation should be given a fair trial. I am quite satisfied that none of the measures contained in it is extreme in any sense of the word. The measures are completely logical and common sense. I feel that the principal act will work all the smoother for these amendments.

Sitting suspended from 5.59 to 8 p.m.

Question put—

That the bill be now read a second time.

The House divided.

(MR. SPEAKER—Hon. John McLeay.)

Ayes .......................... 51
Noes .......................... 32

 Majority .................. 19

AYES.

Adermann, C. F. .................................................. 10
Anderson, C. G. W. ............................................ 11
Anthony, H. L. ................................................... 1
Aston, W. J. .......................................................... 1
Bland, P. .............................................................. 2
Bostock, W. D. .................................................... 1
Bowden, G. J. ....................................................... 1
Brimblecombe, W. J. ........................................... 1
Buchanan, A. A. .................................................. 1
Cameron, Dr. Donald ............................................ 1
Chaney, F. C. ....................................................... 1
Cleaver, R. ........................................................... 1
Cramer, J. O. ....................................................... 1
Davidson, C. W. .................................................. 1
Davis, F. R. ......................................................... 1
Dean, R. L. .......................................................... 1
Downer, A. R. ..................................................... 1
Erwin, D. ............................................................ 1
Failes, L. J. .......................................................... 1
Fairhall, A. .......................................................... 1
Falkinder, C. W. J. .............................................. 1
Forbes, A. J. ........................................................ 1
Fox, E. M. ........................................................... 1
Fraser, Malcolm ................................................... 1
Frehse, G. ............................................................ 1
Hamilton, L. W. ................................................... 1
Haworth, W. C. .................................................... 1
Holt, Harold ......................................................... 1
Howse, J. B. ........................................................ 1
Howson, P. .......................................................... 1
Hulme, A. S. ....................................................... 1
Jack, W. M. .......................................................... 1
Joske, P. E. ........................................................ 1
Killen, D. J. ......................................................... 1
Lawrence, W. R. .................................................. 1
Lindsay, R. W. L. .................................................. 1
Luck, A. W. G. ..................................................... 1
Mackinnon, E. D. .................................................. 1
McBride, Sir Philip .............................................. 1
McMahon, W. ..................................................... 1
Osborne, F. M. .................................................... 1
Pearce, H. G. ...................................................... 1
Robertson, H. S. .................................................. 1
Snedden, B. M. ................................................... 1
Stokes, P. W. C. .................................................. 1
Towney, A. G. ..................................................... 1
Westworth, W. C. .............................................. 1
Wheeler, R. C. .................................................... 1
Wilson, K. C. ..................................................... 1
Tellers: ............................................................... 1
Oppeeman, H. F. ................................................. 1
Turnbull, W. G. .................................................. 1

NOES.

Kearney, V. D. .................................................... 1
Luchetti, A. S. .................................................... 1
McLvor, H. J. ...................................................... 1
Minogue, D. ....................................................... 1
Morgan, C. A. A. .................................................. 1
O'Connor, W. F. .................................................. 1
Peters, E. W. ....................................................... 1
Pollard, R. T. ..................................................... 1
Russell, E. H. D. ................................................ 1
Thompson, A. V. ................................................ 1
Ward, E. J. ........................................................ 1
Webb, C. H. ....................................................... 1
Whitlam, E. G. .................................................... 1

Tellers: ............................................................... 1
Griffiths, C. E. ..................................................... 1
Stewart, F. E. ..................................................... 1

PAIRS.

Menzies, R. G. .................................................... 1
Fairbairn, D. E. .................................................. 1
Kent Hughes, W. S. ............................................ 1
McEwen, J. ........................................................ 1
Drury, E. N. ........................................................ 1

Question so resolved in the affirmative

Bill read a second time.

In committee:

Mr. CLAREY.—I suggest, Mr. Chairman, that the committee deal with clauses 1 to 4 together, then with clause 5, then with clause 6, and then with the remainder of the bill.

Clauses 1 to 4—by leave—taken together and agreed to.

Clause 5 (Powers of the Commission in relation to disputes, &c., affecting employees of the Commonwealth).

Mr. CREAN (Melbourne Ports) [8.6].—This clause seems to be consequential on clause 9 of the Public Service Arbitration Bill (No. 2). All that I wish from the Minister for Labour and National Service (Mr. Harold Holt) is an assurance that subsection (2)(b) of proposed new section 22, which clause 9 of the Public Service Arbitration Bill (No. 2) seeks to insert will be defined at some length. The sub-section reads—

The arbitrator may, where he thinks proper to do so, make a determination that, in his opinion, is not, or may not be, in accord with a law of the Commonwealth relating to conditions of employment of employees in the Public Service, not being—

(b) any other prescribed Act or the prescribed provisions of any other Act.

Public Service bodies recognize that, while no exception can be taken to reference to the Commonwealth Employees' Compensation Act, the Commonwealth Employees Furlough Act and the Superannua-

...
tion Act, which they describe as comparatively innocuous acts, proposed sub-section (2.) (b) could have application to no fewer than 42 separate acts. I do not suppose that the Government envisages that it will have such wide application; nevertheless, the organizations would like an assurance that the provision will not be used to proscribe the Public Service arbitration legislation so as, in effect, to deprive the Public Service Arbitrator of his functions. If the Minister is prepared to give an assurance on this point it will obviate subsequent debate on clause 9 of the Conciliation and Arbitration Bill (No. 2).

Mr. HAROLD HOLT (Higgins—Minister for Labour and National Service) [8.8].—The honorable member for Melbourne Ports (Mr. Crean) has raised a matter which, I know, has exercised the consideration of the High Council of the Commonwealth Public Service Organizations. Perhaps I should indicate that, for the convenience of the Parliament, we are discussing four bills together, and that the matter raised by the honorable member for Melbourne Ports concerns an issue which might, perhaps, arise more appropriately during discussion of the Public Service Arbitration Bill (No. 2). However, it is convenient for it to be considered at this stage.

As I understand the matter, the Public Service organizations were concerned lest, arising out of this amendment, at some point of time there might be a prescription which would have the effect of taking in the whole of the Public Service arbitration legislation in such a way as to nullify determinations of the Public Service Arbitrator. In the first instance, they wrote to me regarding this matter and I sent a letter to them in reply, the substantial part of which I shall read to the committee shortly. Then, last evening, Mr. Smith, the president of the High Council, in company with one of his colleagues, saw me about the matter and I reaffirmed the assurances which I had given to the letter I sent. I assume, from what the honorable member for Melbourne Ports has been putting to the committee, that it is desired that I affirm in this Parliament the assurance that I have already given, in such a way as to make quite clear the general attitude of this Government—and this may be more important for the organization and its members in years to come—so that any succeeding government, irrespective of its political complexion, may have no doubt of the intention of the Parliament at this time. It is perhaps desirable and convenient that the matter has been raised by an honorable member on the other side of the committee, because it will be clear on any future occasion that the Parliament as a whole was agreed on the general attitude which I have expressed in my letter of assurance to the public service organizations. I think I can explain the matter best by reading the relevant paragraphs of a letter dated 30th October that I sent to Mr. Smith in his capacity as president of the High Council of Public Service Organizations. I said in that letter—

I note that your concern is not with the specific prescription of the three general acts with which no inconsistent determination or award may be made, but with the power to prescribe other acts or provisions of other acts. If it were that Crown employment was governed solely by the Public Service Act, it would have been a comparatively simple matter to prescribe the provisions with which an inconsistent determination or award might not be made. There are, however, a number of other acts—

I think the honorable member for Melbourne Ports has just indicated that there are, perhaps, more than 40 of them—which deal with the conditions of employment in the services of statutory authorities. Examples are the Broadcasting Act, the Commonwealth Bank Act, the Overseas Telecommunications Act, the Commonwealth Railways Act and the Peace Officers' Act. In addition, there are acts like the Officers Rights Declaration Act, the Tradesmen Rights Regulation Act and the Re-establishment and Employment Act.

The problem that is apparently troubling you did engage my attention when the bill was being drafted. I had hoped to find a form of words which would make it apparent that the provisions that might be prescribed should be those dealing with what I might broadly describe as the structure and organization of the various services, appointments, promotions, discipline and the like. These are matters going to the kind and conditions of employment or service with which the Parliament has seen fit to deal specifically, and I would think there would be general agreement that it would be undesirable that power should reside in some arbitral tribunal to make determinations or awards inconsistent with such specific provisions.

I hope that honorable members are following the point that has been raised. We have taken the view that, in principle, it is not desirable that the Public Service Arbitrator should be able to override some specific terms of acts of Parliament, but there are some matters, on the other hand, that we would not wish to prescribe as
matters in respect of which inconsistent determinations should be made. My letter then continued—

Unfortunately, it was not found possible to find words which would express, with the precision required for Acts of Parliament, this general concept.

I have heard it said that, as the bill is drafted at the moment, it would be possible to prescribe the whole of the Public Service Act. Theoretically, that is perfectly true. Theoretically, all the other acts, dealing with employment under the Commonwealth, could be prescribed. Nobody surely imagines for a moment that any of these things would be done, unless of course Parliament wished to abolish the Public Service Arbitrator, in which event a more direct method would doubtless be used.

Governments must, of course, be presumed to act responsibly. There is, in any event, this safeguard that all regulations are subject to consideration by the Parliament, and may be disallowed. They can thus be subjected to the same Parliamentary control as the proposed legislation.

I then went on to give an assurance which I would stress for the consideration of all sections of the Parliament, and which, I hope, will meet the wishes of all sections. I said—

I am, however, prepared to go further and say that before any proposals were made to the Governor-General in Council for the making of any regulations under the provision with which you are concerned, I will be prepared to arrange for my department to consult with you or representatives of your council. This will enable full consideration to be given to any views you or your council may have, and, as well, give plenty of opportunity for you and your council to be aware of what is in mind.

I hope that the assurance which I have given at this point of time, and which, I gather from what has been said by my friend, the honorable member for Melbourne Ports, is supported by honorable members opposite, will be honoured by future governments, irrespective of their political complexion.

Mr. E. JAMES HARRISON (Blaxland) [8.16].—I am not sure that the assurance given by the Minister for Labour and National Service (Mr. Harold Holt) goes far enough. I cannot forget that the Minister said, in his second-reading speech—

... there was a tendency for organizations to go to the Arbitrator or to the court or commissioners, depending on their assessment of their chances of getting most.

Although the Minister referred a moment ago to the Commonwealth Railways, I am not satisfied that his remarks actually covered the situation as affecting those industries—if I may so describe them—that come within the jurisdiction of the Commonwealth Public Service Arbitrator, and which in fact work under a code of conditions that are related to those in force in industries outside the Public Service. Matters such as this are causing Opposition members as much concern as the point raised by the High Council of Public Service Organizations and referred to by the Minister.

I need not mention in detail all the organizations that will be affected in this way. Not only the High Council, but also a large number of trade unions, such as the Australian Workers Union, and the Australian Federated Union of Locomotive Enginemen and other organizations that have members employed by the Commonwealth Railways, will be affected. I do not know whether the passage that I have read from the Minister's second-reading speech was his own, or whether it was part of material prepared for him, but I feel that when he uttered those words he gave cause for the representatives of trade unionists, and not only those in Public Service organizations, to be concerned about possible decisions that may be made at a later stage on a ministerial level. We are concerned not only about the view that may be taken by the present Minister, and the assurances that he may give, but also at the possibility that if a change is made in the composition of the Cabinet some other Minister may take a different view, and organizations such as the Australian Workers Union and the Australian Federated Union of Locomotive Enginemen may be adversely affected thereby. This matter was stressed this afternoon by the honorable member for Bendigo (Mr. Clarey), at a time when the Minister was, unfortunately, not in the chamber. I think it was also mentioned by a Government supporter. The trade union movement is concerned at practices which may develop as a result of this legislation which allows unions to be adversely affected by executive action on the part of the Government. I put it to the Minister that the Trans-Australia Airlines decision is relevant to this issue. The decision in the Trans-Australia Airlines case affected a proportion of the people in the Australian National Airways Proprietary Limited organization, in
the same way as the Commonwealth Railways organization is affected by other organizations in proceedings before the Conciliation and Arbitration Commission. It follows that, if the Australian National Airways Proprietary Limited organization was affected, so, on exactly the same principle, will the Commonwealth Railways be affected by the powers of the Conciliation and Arbitration Commission with respect to declarations of wages and conditions.

I ask the Minister to give an assurance to honorable members and to the trade unions that, while he holds his present position and is responsible for exercising the executive authority conferred by section 88A, he will see to it that the status quo in relation to the people who come within the jurisdiction of the Public Service Arbitrator will not be altered. That is the minimum assurance that we expect from the Minister. He may not hold his present position for very long, for all we know.

Mr. Harold Holt.—The honorable member is asking me to withdraw the whole of the bill.

Mr. Haworth.—Why does not the honorable member for Blaxland get back to the clause?

Mr. E. JAMES HARRISON.—I am dealing with the clause, which refers to "any other prescribed act or the prescribed provisions of any other act". It may affect the employees of the Commonwealth Railways. The Minister, in an interjection, said that in asking him to give an assurance that the employees of the Commonwealth Railways and other Commonwealth organizations would not be adversely affected by the bill, I was asking for the withdrawal of the whole of the bill. That remark emphasizes the reason why I am on my feet now, on behalf of the trade union movement. If the Minister cannot give us an assurance that employees of organizations such as the Commonwealth Railways will not be affected by this clause, we can be doubly sure that we shall be right in opposing every move that the Government makes under this legislation.

Clause agreed to.

Clause 6 (Employees not to be required to notify membership of organization).

Mr. CLAREY (Bendigo) [8.24].—Clause 6 reads as follows:

Section fifty-four of the Principal Act is repealed.

Section 54 of the principal act states—

The Commission shall not include in an award a provision requiring a person claiming the benefit of the award to notify his employer that he is a member of an organization bound by the award.

That section prohibits what is now known as the Conciliation and Arbitration Commission from inserting in any order or award a provision that an employee must notify his employer that he is a member of an organization. At a later stage, I shall move that clause 6 be omitted. I am hopeful that, when I have completed my case on this point, the Minister for Labour and National Service (Mr. Harold Holt) will indicate that the Government will accept that amendment. So that the committee will understand why section 54 was inserted in the principal act, I shall refer to the provision in the Constitution on which the Conciliation and Arbitration Act is based.

The CHAIRMAN.—I suggest to the honorable member for Bendigo that he would achieve the purpose of his proposed amendment by voting against the clause.

Mr. CLAREY.—I am hopeful that when I have completed my remarks the Minister will say that he will accept my proposed amendment. That would overcome the difficulty.

Mr. Harold Holt.—If the honorable member will allow me to make my explanation of the clause, he may agree that it is a wise provision. But perhaps we both are optimistic.

Mr. CLAREY.—That is an indication that, at any rate at this stage, the Minister is not prepared to accept the amendment that I have foreshadowed. Therefore, I must put my case to the committee. The Conciliation and Arbitration Act is founded on a provision of the Constitution which authorizes the Commonwealth Parliament to pass laws for the prevention and settlement of industrial disputes extending beyond the limits of any one State. An award of the Commonwealth arbitration tribunal binds the employers and employees concerned. An award is generally described as binding the employers named in the schedule to the award and also the members of the claimant organization. The corollary to that is that persons who are not members of the claimant organization cannot claim either the wages or the other conditions of employment prescribed by the award.
Mr. Thompson.—You want a common rule, really?

Mr. CLAREY.—As my friend, the honorable member for Port Adelaide, knows, a common rule is not possible under the Commonwealth Constitution. The difficulty has been overcome by a decision of the High Court in the 1920's or the 1930's which enables an organization to create a dispute in an industry as to whether an award shall apply to all employees in the industry. As a consequence of that decision, many awards have been made which apply to all employees engaged in an industry or to all employees in the service of certain named employers in the industry.

The question whether an employee should be required to state that he is a member of an organization has caused a great deal of difficulty in the administration of awards. In times of economic stress some employers were unwilling to employ members of the union covered by a certain award when they could employ non-members at rates of pay lower than those prescribed in the award. Eventually, in order to overcome that difficulty, a provision was inserted in the legislation which stated that no order of award of the court should require an employee to notify his employer that he was a member of the trade union or the organization which had secured the award. The need for that provision is shown by the fact that in section 5 of the principal act there is a provision which makes it an offence for an employer to discriminate against a man because he is a member of a registered organization, is a member of a trade union or is an officer of a trade union. Right from the early days of arbitration discrimination against a man because he is a member of a trade union has been recognized, and the act prescribes penalties for it.

I know that the Minister will say that an employer has the right to know whether or not he is required to pay the award rate to a man he employs. My proposal is a test to ascertain whether the Government desires that awards of the Commonwealth Conciliation and Arbitration Commission shall be observed by employers or whether it desires to afford employers the opportunity to pay less than the rates prescribed under awards made by the commission. The Minister will probably say that the repeal of section 54 is designed to meet the case in which an employer, having employed a man he believes to be a non-unionist, and, therefore, having paid him less than the rate under the appropriate award of the commission, is notified by the employee some weeks later that he is a member of a union and that he wants the award wage. From the stand-point of the trade unions, we say that the commission, having laid down wages and working conditions to be observed in an industry, trade unionists, fair employers, and the Australian community generally expect the employers to pay the wages prescribed under the award. We should do nothing to the Conciliation and Arbitration Act that would encourage or enable an employer to pay rates lower than those prescribed by the commission.

For those reasons, we desire section 54 which prevents the commission from inserting in an award provision that an employee must notify his employer whether he is a member of a union, to remain in the act. I tell the Minister, frankly, that if the Government accepts my suggestion it will indicate that it desires all employers to pay the relevant award wages and to observe the relevant award working conditions. If it does not accept the Opposition's suggestion, it will leave an opening for employers to discriminate against unionists and to employ non-unionists at lower wages. I sincerely hope that the Minister will agree to my suggestion.

The CHAIRMAN.—If the Opposition votes against the clause, the effect will be the same as if the amendment that the honorable member for Bendigo has suggested were put to the committee. I shall deal with his proposal on that basis.

Mr. CLAREY.—Perhaps the Minister will agree to my suggestion.

Mr. HAROLD HOLT (Higgins—Minister for Labour and National Service) [8.33].—The honorable member for Bendigo (Mr. Clarey) is a disarming character when he gives his benign smile. I have known him well enough over the years to realize that he is really a warm-hearted and benevolent character. But sometimes, when he sits across the table from me, he takes on an air of malevolence and attributes to me sinister motives which really belie his own character and, I am certain, belie mine.
This evening he tried to drag a page out of the murky past and attribute to the Government motives in relation to this clause which could perhaps more appropriately have been attributed to some not very reputable employer of labour of several generations ago.

There is a history attached to section 54 of the principal act of which we all are very well aware. It was inserted in the act in the early 1930's in a time of depression and mass unemployment. The Parliament at that time thought it was desirable to restrict as far as possible any arrangements that would enable an unscrupulous employer to exploit the economic situation of that time. There was then a great surplus of labour, and men went about the country seeking jobs. Awards prescribed a minimum rate, and an employer could demand to know from a prospective employee whether he was or was not a member of a union. On being told that the man was not, he could employ him at a rate well below that prescribed in the relevant award.

Mr. Ward.—We are approaching a similar situation again.

Mr. HAROLD HOLT.—I am afraid the honorable member is going to be disappointed. I know that nothing would suit him better politically than for this country to fall again into a state of mass unemployment and depression. He has been praying for such a situation since 1949, but unfortunately for him it just has not developed. This Government does not intend to allow it to develop while it is in office. We are here to sustain prosperity, full employment, and a rising standard of living for the wage-earners of Australia. In including this clause in the bill we have served none of the sinister purposes which the honorable member for Bendigo assumed to exist. But I want to point out to him a practical difficulty which has arisen, and which we believe should be curable, not by any arbitrary, hasty, or capricious decision, but by an order by a member of the Commonwealth Conciliation and Arbitration Commission if, on the facts presented to him, he thinks that the situation calls for such an order. Honorable members should not imagine that the repeal of section 54 of the act will leave employees defenceless. Up till now there has been a prohibition against the insertion in an award of a provision requiring an employee to notify an employer whether or not he is a member of a union. If this clause is agreed to, as I hope it will be, it will be within the power of a member of the Conciliation and Arbitration Commission to decide whether such a provision should be inserted in an award.

Honorable members may well ask why the Government considers it necessary to delete section 54 of the act so soon after a recent substantial amendment of the conciliation and arbitration legislation. The answer is quite simple. In most sections of industry no problem arises. In these days there is a highly organized and very effective trade union body in every section of industry which ensures that every employee is paid the award wage. Indeed, in a period of scarcity of labour such as we have experienced in recent years the situation generally has been one of payment of above award rates rather than of any attempt to pay less. But there have been cases, particularly in the pastoral industry — this was noted in New South Wales quite recently — in which employers were in difficulty not in determining whether employees were or were not covered by an award, but because there were two awards—a State award and a Federal award—relating to precisely the same occupation. In those circumstances it is reasonable that an employer should know which award imposes obligations on him and covers his employees. Nomadic employees in the pastoral industry in New South Wales are not regular employees, but seek engagement during a period of seasonal work, such as shearing time, and for that work rates have been prescribed by both Federal and State awards. There have been brought to the notice of the Department of Labour and National Service cases in which the employer has paid the appropriate federal award rate as he understood it, and the employee has worked for him quite happily at that wage, but several months later has come back and said, "I was not covered by the federal award. I was covered by the higher award".

I want to make it quite clear that this Government is not legislating to enable employers to pay less than the rates prescribed by the appropriate award in any industry, and does not approve of employees being so treated. On the contrary, we
maintain a group of inspectors in the Department of Labour and National Service whose job it is to police awards and see that the appropriate wage rates are paid. But where two awards operate in relation to a particular industry we think it is only a fair thing that the employer should know, before he engages an employee, under which of the two awards the employee will be working. It does not necessarily follow that a commissioner will insert any particular provision in an award. That matter is still entirely within the discretion of the commissioner according to the facts placed before him by the parties in any particular case. I find it hard to appreciate the objection of honorable gentlemen opposite, when they know that there is retained in the measure the safeguard of the commissioner's power to decide what should, or should not be, the situation in relation to a particular industry.

We have given the commissioners wide powers in relation to other aspects of industry and to the wages and conditions of employment. It is quite consistent with everything we have done in the rest of our legislation to take fetters off the commissioner in relation to a particular case. The honorable member for Bendigo, and those who sit behind him, may, if they choose, import sinister motives into this amendment. I assure the committee that there are no such motives. All we are trying to do is to leave it within the discretion of the commissioner to decide what should be the appropriate determination in a particular case, and to make quite clear to those who employ labour, once a provision has been inserted in an award, what their legal obligations are to the employees they engage.

Mr. THOMPSON (Port Adelaide) [8.42].—I have endeavoured to follow the Minister's argument in this matter. The Minister claims that this measure will clear the difficulty up, but I point out that the measure arose as a result of recent difficulties in the pastoral industry over varying awards. If the federal award wage rate in an industry is lower than the State award rate covering the same industry, a man may accept a job at the wage rate under the federal award and later, perhaps in the event of his dismissal, claim payment for the whole of his period of employment at the higher State award rate. I am at a loss to understand how the provision in this clause could prevent an employee from acting in that way. I think that the provision is intended to apply particularly to Queensland. I do not thing that it applies to any other State.

Mr. Harold Holt.—It applies to New South Wales. The employer would then make this protection satisfactory from his point of view, by getting some provision inserted in the State award as well. That is how much protection the employee has in this matter.

Mr. THOMPSON.—You propose to compel the employee to state whether he belongs to an organization so that the employers can have a clause put in an award to meet the position. I can remember the position in industry in the past, when certain kinds of men in trade unions—men of the same type as we find in other spheres—would be prepared, and not only in times of economic depression to accept all sorts of bad conditions of labour in order to gain, or retain, employment. Like the honorable member for Bendigo (Mr. Clarey), I have had experience in trade unions, and have known of cases of men coming to their unions after they have been dismissed from their employment and telling the unions that the employers have been paying them 10s. a week or £1 a week below the award rates. They then ask the union to recover the amount of under payment for them. Such men were prepared to work at lower than award rates so long as they kept their jobs, and the unions concerned have had to fight their cases for them, although the employees had been acting as they should not have acted by accepting wages below award rates.

The Minister has said that there are other clauses on which we could argue more effectively than this one.

Mr. Harold Holt.—I did not say that.

Mr. THOMPSON.—The Minister said something to that effect. But I say to the Minister that the previous measure was just as objectionable to us in many ways as it could possibly be. The Government was able to force that measure through the Parliament by the use of its majority.

Mr. Harold Holt.—It has not proved to be objectionable to the trade union movement.
Mr. THOMPSON.—It is all very well for the Minister to speak about the trade union movement. He is speaking about the leaders, for the time being, of that movement. I remind him that the trade union movement consists of the men who make up that movement, and not merely of the leaders of the movement. An honorable member opposite said that when the previous legislation was before us we on this side of the chamber, and especially the honorable member for East Sydney (Mr. Ward), forecast that all sorts of dire happenings would result from it. I want to say to that honorable member and his colleagues that even this series of provisions is not being taken calmly by the organizations that will be affected. They are not just sitting back and accepting anything the Government cares to do in the industrial field. In my electorate I learn week after week of difficulties that are arising as a result of the Government's industrial legislation, such as the Stevedoring Industry Act. These difficulties stem directly from the powers that the Government provided in legislation which are now being exercised by the various authorities concerned. An honorable member says that these authorities are justified in using those powers. The supporters of the Government claim that the men have accepted the Government's legislation, and that the Opposition's arguments against the legislation are only a lot of bluff. But I tell the Minister that I hate having to read in the newspapers in my own district about twice a week that men are stopping work as a result of the implementations of some of the provisions inserted in industrial legislation introduced by this Government. I do not suggest for one moment that the Minister is including provisions in this measure with the purpose of doing something wrong.

Mr. Harold Holt.—Be fair. If I understand the honorable member correctly, he is speaking about the provisions of the Ashburner award for waterside workers. Where does that come into this legislation?

Mr. THOMPSON.—It is not in this legislation.

Mr. Harold Holt.—What other disputes in South Australia, then, is the honorable member referring to?

Mr. THOMPSON.—I did not say that that came into this legislation. What I said was that the Minister had spoken about the improvements that have resulted from the previous legislation and that honorable members opposite have stated that what we forecast would happen as a result of that legislation did not, in fact, happen.

Mr. Harold Holt.—I challenge the honorable member to name any disputes in South Australia, apart from waterfront disputes, that have been the result of our legislation.

Mr. THOMPSON.—If the Minister knows of anything more devastating than the trouble that has occurred in the waterfront industry, I should like to hear what it is. Honorable members opposite—not the Minister—have been saying that our case is just a lot of bluff, and that the things we said would happen did not happen. I am pointing out what has been happening week after week. The Minister may say that the troubles I am referring to have occurred in the waterfront industry. I am quite prepared to accept that, but the point I am making is not whether it be the waterfront industry or any other industry, it is that if the Government puts certain clauses in this legislation it will produce a condition that will engender in the men the feeling that they must stop work in protest against these provisions. The Minister has told us about these two awards covering the pastoral industry, but I do not think that that position warrants the insertion in the legislation of the present provisions. I agree with the honorable member for Bendigo that the Minister could well delete these clauses. Does the Minister think that if the provision contained in clause 6 had been in the act when the federal award in the pastoral industry was made, it would have prevented the difficulties that arose? I say that it would not have prevented any upheaval that came about, and I hope that the Minister will reconsider the necessity for the elimination of section 54 of the principal act.

Question put—
That the clause be agreed to.

The committee divided.

(The Chairman—Mr. C. F. Adermann.)

Ayes . . . . . . 56
Noes . . . . . . 36

Majority . . . . 20
AUSTRALIAN NATIONAL AIRLINES
BILL 1956.
Second Reading.
Debate resumed from 25th October (vide page 1807), on motion by Mr. Harold Holt—
That the bill be now read a second time
Question resolved in the affirmative.
Bill read a second time, and reported from committee without amendment or debate; report adopted.
Bill—by leave—read a third time.

ALUMINIUM INDUSTRY BILL 1956.
Second Reading.
Debate resumed from 25th October (vide page 1807), on motion by Mr. Harold Holt—
That the bill be now read a second time
Question resolved in the affirmative.
Bill read a second time, and reported from committee without amendment or debate; report adopted.
Bill—by leave—read a third time.

STEVEDORING INDUSTRY CHARGE
BILL 1956.
Second Reading.
Debate resumed from 23rd October (vide page 1693), on motion by Mr. Harold Holt—
That the bill be now read a second time.

Mr. WARD (East Sydney) [9.0].—The Opposition does not propose to vote against this measure, but we do intend to be very critical of it. The measure provides for an increase in the stevedoring industry charge from 7d. to Is. 7d., and, according to the Minister for Labour and National Service (Mr. Harold Holt), this is necessary in order to meet certain variations of the award, which will benefit waterside workers. We have no objection to that. We approve any gain in working conditions, but we would have handled this situation in an entirely different way. I think it will now be apparent to any honorable member who has examined the report of the recent committee of inquiry into the stevedoring industry that the shipowners are well able to afford an improvement in working conditions. There is no need to increase the stevedoring rate and so, in turn, increase freight and also the cost of living.
According to the Minister, the proposed charges have been made necessary by an increase in attendance money from 16s. to 24s. a day, by sick leave privileges, by payment for statutory holidays, and by improved amenities on the waterfront. It is rather interesting to note that, although the Minister is talking about payment for statutory holidays, the waterside workers have not been paid—if they ever will be—for the last Six Hours Day holiday. We contest his assertion that the additional expenditure must be met by increasing the stevedoring rate.

Alterations in the award have, in many respects, effected great savings for the shipowners and the stevedoring companies. It has not been a matter of merely bestowing benefits upon the waterside workers. First, the number of men working below in the hold has been reduced from eight to six in each gang. Whereas, previously, four men were working in what are called the "alley ways", now there are only two. Thus, the cost of employing four men has been saved in every gang working a ship. As a result, the remaining members of the gang have to work harder, and take greater risks. The four truckers and stackers, who previously came from what was known as the "veterans' list" now come from the gang itself. If eight gangs are working a ship, there is a total saving of 32 men. Recent alterations to working conditions have effected such savings for the shipowners that there is no need to increase the stevedoring rate.

Relief men are no longer provided. No one stands by in case an accident occurs. If one of the gang is injured and has to go to hospital for treatment, the remaining members must share the additional work and the shipowner bears no added expense. At one time sling loads were governed by safety factors, but to-day the stevedore decides what the load shall be. Under the old agreement cartons were loaded in the sling to a height of 3 feet 9 in., but to-day the stevedore can decide the height. All these things have effected great savings for the shipowners.

Let us turn now to the radio pick-up service. No doubt the Minister spoke in ignorance, and from material prepared for him by a public servant, when he said that the considerable cost of the radio pick-up has to be met from increased freights. The radio pick-up has in fact meant a saving to the shipowners. Previously men were picked up from a central point or depot and then proceeded to where the ship was berthed. The time allowed as set out in a booklet which I have before me, varied from five or six minutes to an hour. During that period no work was done for the company. but to-day the radio pick-up system ensures that the waterside worker reports to the ship's side, and his pay commences from that moment. The removal of the dead time occupied in moving from the pick-up place to the ship's side is a direct saving to the shipowner.

It is preposterous to suggest that the shipowners are justified in increasing freight rates, when they have gained enormously from changes in the award. The Minister for Labour and National Service does not, of course, care. He said—

While the Government regrets the need for these increases it is not without knowledge of the difficulties confronting the Australian coastal shipping lines, for it knows very well the financial position of its own line of ships.

Normally that might be accepted as some sort of an argument, but every honorable member knows that the cost of operating Commonwealth ships is greatly inflated because of departmental sabotage, and sabotage on the part of those who control stevedoring operations. It suits the private owners that the charges of the Commonwealth shipping line should be high. The Minister, referring to the report of the committee of inquiry; said further—

It bears out the difficulties which the interstate shipping lines have faced in recent years.

That is exactly what the report did not set out. It is well known that the investigating committee could not carry out the directions of this Parliament because the private shipowners refused to make their financial statements and balance-sheets available for examination. The committee was not in a position to state that increased freights were justifiable. On page 9 of the report we read the following:—

For the most part shipping companies engaged in the interstate trade eventually complied substantially with the requisition. They did not comply with the requisition in full. I invite honorable members to consider what the report said. It proceeded—

The one material exception—
That is, to complying with the requisition—
being the refusal of members of the Australasian Steamship Owners' Federation and the Independent Steamship Owners' Association to produce to the committee detailed trading accounts, profit and loss accounts and balance-sheets.

That was the one material exception, yet the Minister and the committee said that the companies complied substantially with the requisition that was forwarded to them. As a matter of fact, we know full well that freight rates, as even the committee was forced to admit, increased by 160 per cent. between December, 1947 and June, 1955, but operating costs of the ships increased in the same period, according to the committee's report, by only 100 per cent. Then the committee went on to say, as did the Minister in his speech, that this increase was necessary to put the steamship owners in a position where they could operate profitably. The increases in freights have not been uniform. It is difficult to find any justification for them. Freights in the coal trade between Newcastle and Adelaide increased by 36 per cent. in that period, but the general cargo rate between Adelaide and Fremantle increased by 235 per cent. The committee and the Minister would find it very difficult to justify those variations in the rates.

Let us see how freight rates were determined and whether any reasonable method was adopted. We all know that there exists a freight committee on which are represented all the private shipping interests and the Commonwealth Department of Shipping and Transport. This is the procedure which has followed:—Each representative has before him the overall financial results of the trading of the interests which he represents, together with estimates of the total amount necessary to cover any known or anticipated increases in costs. The actual results and estimates of each interest are not tabled or disclosed to the representatives of the other interests, so while they meet in conference and have before them all of the essential material which would permit them to determine a reasonable freight rate, they do not show it to each other. Then, on this basis, they carry out negotiations, and a list of increases or decreases in respect of each particular item in the trade is finally agreed by negotiation. That information is contained in the committee's report. How can a committee determine a matter by negotiation if each of the representatives at the conference fails to reveal to the others the material which he has in regard to the operations of the shipping interests he represents?

In the case of the Australian Shipping Board, which operates the Commonwealth line of steamers and which takes part in meetings of the freight committee, an increase in freight rate has to be approved by the Commonwealth Minister for Shipping and Transport. The private shipping companies always, according to the report, await the Minister's decision. Mr. J. B. Wilson, who gave evidence before the committee, said that as far as he knew the Minister had never failed to approve an increase in rates of which the freight committee was unanimously in favour. Of course, the freight committee, being overwhelmingly representative of private shipping interests, and knowing it will receive the approval of an anti-Labour Commonwealth Minister, is always unanimous.

Now let me turn to the sabotage of the Commonwealth ships, because that is an important factor in the maintenance of high freight rates along the Australian coast. As everybody is aware, the Australian Shipping Board is not permitted to have its own stevedoring organization; instead it is obliged, under the present arrangement of operating the Commonwealth ships, to use the services of the stevedoring companies which themselves are subsidiaries of the private shipping companies. As a result, the Commonwealth ships are at a distinct disadvantage. Let me give just one or two illustrations of how Commonwealth ships are sabotaged as a result of the board not having its own stevedoring organization. I was advised recently by watersiders of an incident which occurred in the port of Sydney, and which I was assured was not of an isolated character, in reference to the Commonwealth ship "Yanderra". Work on loading the ship had been almost completed as the week-end approached, and the waterside workers were wondering what gangs were to be retained to work on Saturday morning to complete the loading of the ship, which they realized could be done at the latest by midday with two gangs operating. But all of the eight gangs, I understand, which were working the ship, were brought back on Saturday morning to do the work that could have been completed by
midday by two gangs, and the waterside workers themselves told me that they were just idling their time, just cutting out time, because there was not sufficient work to keep all the gangs occupied. The stevedoring company did not worry because it works on a system of remuneration of cost plus 10 per cent., and the higher the cost the higher its profit. The company therefore did not worry about the waterside workers who were idling their time, not because they wanted to idle it; they preferred to work but there was no work for them. But here is the most amazing part of it. Not only were these men required to report for work when there was not sufficient work available, but also somebody directed that a full complement of gangs report on Saturday night, and when the men reported on Saturday night "Yanderra" had already sailed; it was not in port.

That is the way in which the Commonwealth ships are sabotaged. That labour had to be paid for because the men had been directed to report for work. This is only one of many instances. Waterside workers say that there are innumerable instances where Commonwealth ships are berthed at a wharf, either discharging or loading, and when a private ship arrives, there being insufficient wharfage space for both ships, the Commonwealth ship is pushed out into the stream and has to wait until the private ship either discharges or loads. Recently, in the port of Cairns, in north Queensland, when a dispute existed in the sugar industry and there was a shortage of supplies, the private companies deliberately organized the port in such a way that they were given a full complement of sugar to load while the Commonwealth ships were permitted to depart either empty or with incomplete cargoes. This is how it was done: The Commonwealth ships and the private ships were working at the same time, and, according to reports, the waterside workers were loading the vessels at the same rate; that is, the rate of loading was identical in the case of each vessel. But the men loading the Commonwealth ship were discharged because it was said that they were giving insufficient effort. That was the charge levelled against them, and the Commonwealth ship ceased to load because the men were discharged. It was alleged that they were not loading the cargo rapidly enough, although they were loading at the same rate as other men were loading the private ship. The gangs on the private ship were allowed to continue. This was the method used by the stevedoring company to ensure that whatever sugar cargo was available for loading would go into private ships, regardless of whether or not there was sufficient to complete the cargoes of Commonwealth vessels. These are illustrations of how the Commonwealth steamship line is sabotaged.

Let me turn to the profits of the stevedoring companies, because they are quite considerable. According to the committee's report, allowing for rebates that are made to the private shipping companies that own the stevedoring companies—the committee agrees that these rebates ought to be regarded as profits—the profits of the stevedoring companies increased by 433 per cent. between 1947-48 and 1953-54, while the wages of waterside workers, about which honorable gentlemen opposite are always complaining, increased by only 114 per cent. in the same period. Seventy per cent. of the profits of the stevedoring companies were retained in the shipping industry. As a percentage of wages paid, net profits, plus rebates, increased from 4.78 per cent. in 1947-48 to 10.49 per cent. in 1953-54. The Minister admits that these stevedoring companies did not assist the investigation that was instituted by decision of this Parliament. They refused to give information on the voyage costs of particular vessels and the costs at particular ports. If they had given that information, it would have been shown clearly that the Commonwealth line of steamers was being deliberately sabotaged by the private companies.

Let us consider the question of traffic, because the traffic around the Australian coast is also organized. The individual companies do not decide where they will sail their ships or what cargoes they will pick up or deliver. That is decided for them by a traffic committee on which the private shipowners again have a majority and of which they have the overwhelming control. The unprofitable cargoes are left for the Commonwealth ships. In addition, the Commonwealth ships are, on occasions, given cargoes that are unsuitable for the vessels operated by the Commonwealth line of steamers. As a result, because they have been obliged to take cargoes for which
they were not built and for which they are unsuitable, their repair costs have been enormously increased.

I want to refer now to charter ships. Honorable members will be aware that a great deal of the traffic around the Australian coast is carried by charter ships. In the post-war period, it was unprofitable to operate ships on charter because of the world-wide shortage of ships. The rate charged for the chartering of ships made it a very unprofitable business. Naturally, when it was unprofitable, the private shipowners did not want this business and they left it for the Commonwealth ships. During the period when the Commonwealth shipping line was exclusively operating charter ships, between 1947-48 and 1950-51, it lost an amount of £2,600,000. Then the situation changed and the operation of charter ships became profitable. Consequently, we find that now it has become a profitable business, instead of being left as a monopoly for the Commonwealth ships, the work is shared with the private shipping lines. The Commonwealth shipping line has to be satisfied with a very small proportion of this most profitable business.

I shall mention one other matter, that is, the basis for determining the profitability or otherwise of the Commonwealth shipping line. The Government determines this question on the basis that it permits a payment to the Commonwealth Treasury of 4 per cent. of the depreciated value of each vessel in addition to an amount covering depreciation. Although a considerable amount for depreciation is allowed in the trading accounts, an additional 4 per cent. is paid by the Treasury on the money advanced to purchase or construct the ships. Even so, the private shipping lines, according to the Minister, felt that this was not a satisfactory way of determining the profitable operation of their vessels, and refused to accept it.

I shall now say a word about overseas freights and the operation of the private shipping companies. These companies refused to divulge any information to the committee regarding their earnings and profits. They supplied some information of a confidential nature, but made it a condition that, when the committee dealt with this confidential material, the only people to be present were members of the committee, counsel, or officers assisting the committee, such as shorthand writers and so on. The union representatives, who were most vitally concerned with this question, because it affects their employment, were excluded. They were not permitted to cross-examine witnesses and, so that there could be no possible chance of any leakage of this information, when witnesses were giving evidence, they referred to the companies by cipher and did not name them. It is obvious, therefore, that this so-called investigation into profits was rigged. The shipowners did not call any witnesses. If they had, they would, naturally, have been subjected to some interrogation on the operations of the shipping companies.

I have often heard supporters of the Government, and the Minister, say how much it cost the Australian export industries for freight. The figure was said to be £100,000,000. That is evidently an instance of "just think of a number". When I asked the Minister a question upon notice about the amount of money paid on our exports for freight, he could not tell me. He said that the information was not available. That means that the figure which has been mentioned is purely a guess.

What happens in regard to the fixing of our overseas freight rates? The shipowners have what is called an Australia-United Kingdom Continental Conference. It is always called a conference when shipowners engaged in a particular trade meet to determine such things as freight rates. In turn, a conference is held with the Australian Overseas Transport Association. The Minister said, "Whether the system results in freight rates which are reasonable to both shippers and shipowners depends, of course, on the relative bargaining strength of the parties to the contracts". It is not a question of fixing a reasonable rate; the rate is determined on the basis of the bargaining strength of the parties to the contracts.

Obviously, in a discussion on shipping freights, the people who own and operate the ships hold all the cards. They are the people who hold the bargaining strength in these conferences. As a result, we find that, although the shipowners meet the shippers in conference, the negotiations are not based on an examination of what it actually costs to operate a ship, but on an examination of increased costs since 1951
They accept 1951 as the base year, but they cannot be examined or interrogated on whether the rates were reasonable in 1951. The starting point is the base year, and the only argument is what additional costs were incurred since that date. I think it will be agreed that that is a very unsatisfactory situation for Australian export industries. The shippers, of course, have no means of ascertaining whether or not the profits made by the shipowners, in 1951, were reasonable. The wool traffic is shared. The quotas are fixed for each shipping company, and each shipping company obtains only its proportion. The companies share the spoils.

Because of the refusal of the overseas shipping companies to furnish information, the committee was obliged to set up what it called an examination of the voyage costs of a specimen vessel. It was an imaginary vessel and, strangely enough, in the report it was called "Fairplay". The committee began to analyse the costs of operating the phantom ship over a period of twelve months. An interesting comparison can be made on the working costs of the specimen ship "Fairplay". The South African-United Kingdom-Continental Trade Agreement, which was entered into in August, 1955, provided that freight rates should be determined on the basis of a profit rate equal to 5 per cent. on the capital investment as represented by the replacement value of the vessel. If the same formula were accepted for the alleged costs of the phantom vessel "Fairplay", the profit earned by the specimen vessel, according to the committee's figures, would be equal to 21.9 per cent. The shippers in South Africa have, evidently, a better representation at these conferences, which enables them to obtain a much more favorable agreement than the committee believed that the shippers in this country should receive. It is interesting to note that the committee went on to say—

The earnings of the "Fairplay" were based on freight rates ruling prior to the 7½ per cent. increase which came into effect in the latter half of 1955.

So, the 21.9 per cent. increase has not taken into account the last increase of freight rates of 7½ per cent. Why is it that the overseas shipowners are able to exercise this great control and are able to exploit the Australian community, particularly the exporting industries? It is because they operate a great monopoly. They may be represented as separate, privately owned shipping companies, but for the purpose of freight rates, and for the purpose of exploiting communities and dividing freight between them, in reality they represent a monopoly. That is recognized by the committee, because it refers to them as a monopoly. How can we compete against a monopoly? We could deal with the monopoly by taking complete control of it. If it were operating in a particular country that could be done, but because of the overseas registrations of shipping companies, that would be extremely difficult. On the other hand, we could do what the Government has refused to do, and develop and expand our Commonwealth shipping line so that it could compete with the privately owned shipping companies. That is the only effective way to bring down freight rates.

Honorable members have heard Government supporters speaking of the great success of the Minister for Trade (Mr. McEwen) last year, when the private shipping companies wanted to increase freight by 10 per cent. Subsequently, it was announced in this House that the Minister, as a result of negotiations, had had a great victory and had been able to get the private shipping companies to reduce the proposed increase to 7½ per cent. I am able to tell the Parliament that the shipowners had wanted an increase of only 7½ per cent. in the first place. This was known to the Government at the time, and the shipping companies deliberately asked for 10 per cent. so that the Government would be able to save face by apparently securing a reduction to 7½ per cent. It is a fact that an increase of 7½ per cent. was all that the private shipowners required.

The Minister tried to tell the Parliament that the shipping industry was in a parlous condition and that, therefore, we could not expect it to bear these additional charges. I naturally assumed that we would hear that interstate shipping had declined, because if the shipping industry was in a parlous condition one might reasonably
expect it to be declining. But we find that the interstate shippers' share of the available traffic increased between 1946-47 and 1954-55, from 17,700,000 tons to 23,500,000 tons. That does not indicate that they were in a languishing condition. Therefore, it must be obvious to any reasonable member of the Australian community that this Government represents the great monopolies of the country and does not propose to do anything to curb them. As a matter of fact, it has reduced the opportunities of the Commonwealth ships to compete with the privately owned shipping lines, because it is not so very long since this Parliament passed legislation to limit the tonnage of Commonwealth shipping construction. It was provided that that limit was not to be exceeded, no matter how the traffic increased. The increased traffic was to be left exclusively to the private shipping companies. So far, the Government has not been able to eliminate Commonwealth ships completely from the Australian coast, but it is so shackling and crippling the Commonwealth shipping line that, in the end, it will destroy it as an active competitive medium against the private shipping companies and as a means of keeping down freight rates.

The Labour Opposition is not satisfied with the investigation that has been conducted. It has not been an investigation of profits, as we were promised it would be. It has not been a proper examination of working costs of the vessels, and there can be no doubt in the world that these people are doing what the committee has said they are doing. The committee stated, referring to the overseas trade—

The ultimate determining factor in the setting of freight rates in this trade is "what the traffic will bear", having regard to such alternatives as are available.

Therefore, whatever the shipping companies can extract from the Australian exporting industries and from the Australian community will be extracted. What alternatives are available? All the private shipping companies are in this agreement, this swindle of the Australian community, and the only effective alternative is to have a Commonwealth line of steamers operating and competing effectively with private enterprise, as it could under proper management.

That was proved possible under the management of a gentleman whom the late Mr. Chifley brought from England to manage the Commonwealth ships. He did that so effectively that despite all the handicaps imposed by an anti-Labour government and the private shipping lines, he was still able to make the Commonwealth ships a very successful undertaking which earned handsome profits. But what did the anti-Labour government do? When that man's contract expired, although he was prepared to accept a renewal of the contract on condition that he was permitted to run the ships as he wanted to run them, the Government would not accept that condition and refused to renew the contract. It secured the services of a man who would carry out its wishes, the wishes of a government that represents great private monopolies in this country.

I do not know how long it will be—I hope that it will not be very long—before Labour again takes control of the national affairs. Should the figures in the Barker by-election be reflected in every electorate at a general election throughout Australia, it would mean the return of a Labour government. It is evident from the by-election figures that this Government, which represents the big private monopolies, has lost the confidence of the people. I know that it is useless to appeal to the Government to take action against the masters who direct it from outside, but it will not be long before Labour again takes control. When that happens, we shall deal with this shipping tie-up by the private interests. We shall give to the exporting industries ships that will operate and carry their products at a reasonable rate and, by that means, bestow great benefits on the Australian nation.

Mr. JOSKE (Balaclava) [9.37].—There was a time when honorable members listened eagerly to the honorable member for East Sydney (Mr. Ward) because they knew that they would hear a highly coloured exciting speech; but before very long, we realized that for all the honorable member's violence he can tell us only what is in his imagination. No facts are dealt with and the answers to his criticisms were always at hand. The result is that he now gets a poor
Mr. JOSKE.—I am glad that the honorable member for East Sydney has interjected. I did not think I could get under his skin, but apparently I have done so. I thank him very much for his interjection. It is not often that one can appreciate his interjections, but on this occasion I can do so.

Mr. Whitlam.—Even the "gods" are leaving.

Mr. JOSKE.—The honorable member for Werriwa would be well advised not to say too much, because he cannot get an audience at all.

Mr. Ward interjecting,

Mr. ACTING DEPUTY SPEAKER (Mr. Lawrence).—Order! The honorable member for East Sydney must cease interjecting.

Mr. JOSKE.—For those and other reasons, as the Minister pointed out, these freight increases must be imposed. The Minister went on to say—

The increase in costs . . . stems almost entirely from the incidence of a series of awards of the arbitration tribunals . . . in particular, our waterside workers have secured great benefits. But benefits and obligations go hand in hand. The obligation in this case is to the community—that the utmost should be done to assist in securing a more expeditious turn-round of shipping.

As to that aspect, the point is that the troubles on the waterfront are due not in any sense to the various figments of the imagination of the honorable member for East Sydney, but to the slackness of the men who work on the waterfront. The Minister finally said that the trade on the coast is likely to be diverted to other forms of transport, and he warned the stevedoring industry that it will go the way of other industries that have refused, or failed, to face facts. In other words, unless the waterside workers realize that they must work harder and cease the strikes that have been so prevalent in recent years, their work on the waterfront will disappear. It is interesting to note, in this connexion, that the coal-miners in New South Wales indulged in so many strikes over recent years that their industry is now in a parlous position. The waterside workers will find themselves in a similar plight if they continue their policy of striking.
I turn now to some of the comments made by the honorable member for East Sydney. I refer in particular to the subject of profits. He has suggested that it is because the profit rate is so high that these increases have become necessary. He said that the shipping industry could afford to meet the increased costs. If one studies the report of the Stevedoring Industry Committee of Inquiry, one must conclude that the profits of shipping companies could have no significant effect on freight rates. In 1953-54, the year of the highest profits, the profits amounted to 1s. 4d. a ton of cargo handled. At that time it cost £6 11s. 6d. to send a ton of cargo from Melbourne to Sydney, and the weighted average of freight rates between Australia and the United Kingdom was £14 10s. a ton. In other words, these enormous profits that we have been told about amounted to 1s. 4d. in £6 11s. 6d. for coastal freight, or 1s. 4d. in £14 10s. for overseas freight.

What, then, is the cause of the increased costs? The board has made a finding in this regard. It has said that the main item of cost in the total costs of stevedoring operations is the cost of labour. Over all, labour costs represent about 80 per cent. of total costs. The fact is that very high wages have been paid on the waterfront for many years, and those wages have increased to a very great extent in recent years, while profits have been very low. The committee found as follows:

The increase in freight rates between December, 1947, and June, 1955 . . . was greater than the increase in operating costs between 1947-48 and 1953-54. However, a substantial proportion of the increased earnings flowing from higher freight rates went to restore profit-earning ability to the industry.

In other words, profit-earning ability had to be restored, because there had previously been no such ability in the industry. The committee went on—

The level of profits in 1953-54, the year of highest profit, was too low to provide from that source the estimated replacement cost at that time of the fleet of the private operators engaged in the industry.

The average profit of the main operators engaged in interstate trade amounted, in 1953-54 (the year of highest profit) to 5.4 per cent. of the original cost of their vessels and to 3.3 per cent. of their estimated replacement cost.

If one takes the life of a vessel as 25 years, which is a reasonable time and the time that is usually accepted, the amount of profit earned by the shipping companies would not be sufficient to replace the vessel, and the profit rate would certainly have no appreciable effect on costs. [Quorum formed.] The Australian shipping companies far from making the enormous profits that were referred to by the honorable member for East Sydney in one of his flights of imagination, are in a deplorable financial position. I shall cite to the House an extract from a paper read to the Australian Institute of Political Science Summer School that was held at Canberra in January of this year. It was a paper on the Australian coastal shipping industry by Mr. A. G. Lowndes. He stated—

The Australian shipping companies are all relatively small when we are thinking in terms of capital. Two of the largest of them have not increased their capital since the early 1920's, their disclosed net profits after tax over the last four years have averaged less than 4 per cent. on shareholders' funds and, with the current trends in the profitability of shipping, their prospects of attracting capital to finance expansion are extremely small. Apart from the unattractiveness of coastal shipping as an investment, the Australian shipping companies with their present fleets are struggling to keep their heads above water. They have not yet solved their replacement problem on their existing number of ships and, unless this can be done by investment allowances, more just and enlightened policies on depreciation allowances for taxation purposes or ability to trade more profitably, they must be reluctant to take on more ships except on extremely favourable terms.

That was a true statement of the condition of the Australian shipping companies.

The honorable member for East Sydney suggested that the whole of the trouble on the waterfront was due to the conduct of the shipping companies, but the committee of inquiry into the stevedoring industry, in its interim report, had this to say—

The Waterside Workers Federation has used its industrial strength and the weapon of stoppages to enforce its demands upon the employers. The vast majority of these stoppages have been of comparatively short duration, and very many of them have been limited to the men on a particular hold, or on a particular ship or at a particular port. Some of them arise out of petty disputes, even as to almost frivolous matters.

Then the report gave instances of the way in which work on the waterfront had been held up over the years by the conduct of the union. That matter was dealt with also by
Mr. Lowndes in the paper to which I have referred already. The waterside workers have had a good spin and they have had every opportunity to improve conditions on the waterfront. Mr. Lowndes stated—

The Waterside Workers Federation was given by law a virtual monopoly of employment on the waterfront, first during the war under wartime regulations, and since 1948 under the Stevedoring Industry Act, and it has exercised this monopoly without hindrance.

It is rare indeed—perhaps fortunately—that a union is given a monopoly of employment in an industry. But this union was given such a monopoly and has had every opportunity to make good use of it. Mr. Lowndes stated also—

This monopoly position of the federation... is a fundamental barrier to achieving reform and good work on the waterfront. The federation is under Communist leadership. The question must be raised as to whether its policy is really aimed primarily at improving conditions for the watersiders or whether it is intended to achieve some political object. Taking the most benevolent view, the leaders have clearly shown that they wish to take over the running of the job, to destroy the normal relationship between employer and employee and to pave the way for socialization of the industry.

Then he added these significant words—

In the meantime, measures which might make for the long-term security and welfare of waterside workers—

That, surely, should be the aim—

and for the greater efficiency of stevedoring operations are resisted and rejected because they might in some way interfere with the strength of the union.

This union has used its monopoly of employment on the waterfront only to create turbulence. That is why there has been so much trouble on the waterfront over the years. It was because the honorable member for East Sydney wished to support this union and its policy of creating turbulence that he made the speech he delivered tonight. It was a flight of his imagination. It was not a factual speech in any sense. By citing facts throughout my speech, I have endeavoured to show how far wrong he was and how far he departed from the facts. He tried to present a distorted picture, because he supports these men and the policy of creating turbulence which they have practised over the years.

Mr. O’CONNOR (Dalley) [9.58].—In view of the fact that in 1953-54 transport costs represented 32 per cent. of Australian domestic expenditure, any bill relating to transport that comes before the Parliament is of the highest importance. This bill proposes that the stevedoring industry charge shall be increased from 6d. to 1s. 7d. a man-hour. The Minister for Labour and National Service (Mr. Harold Holt), in his second-reading speech, criticized the Waterside Workers Federation. He gave five reasons why he thought that this increase was necessary and then he suggested that a final solution of the problems of the stevedoring industry depended on the approach of the Waterside Workers Federation to those problems.

I think that the Minister was completely unfair, as also was the honorable member for Balaclava (Mr. Joske). There is abundant evidence that many of the difficulties that confront us on the waterfront arise from sources other than the Waterside Workers Federation. I think it would be as well for me to go on record as saying, in defence of the Australian waterside workers, that when honorable members opposites refer to the turbulence on the Australian waterfront as something unique to Australia they are not being accurate, because the waterfront industries of the United Kingdom, the United States of America and some European countries have many of the characteristics of the Australian waterfront industry. That being so, I submit that the statement that the Australian waterside worker adopts a unique approach to the problems that he meets from day to day is contrary to the truth.

The Minister, in his second-reading speech, informed the House of the possible extent of the costs involved in the new award. He suggested that the increase of attendance money from 16s. to 24s. would cost approximately £380,000, and that benefits the waterfront workers were recently granted in the way of sick pay and statutory holiday pay would cost approximately £1,000,000. Like the honorable member for East Sydney (Mr. Ward) I am very pleased indeed to know that the waterside
workers have made some gains in this respect. But like him I emphasize that the shipowners also received favorable consideration in the last award made by Mr. Justice Ashburner. Although the Minister has told the House approximately how much the new award will cost, he has not indicated how much revenue the increased charges are expected to bring in. I suggest that it was within the capacity of the officers of the Department of Labour and National Service to prepare for presentation to the House an estimate of the expected revenue from the increased charges.

For the want of information from the Minister, I have been forced to turn to the last report of the Australian Stevedoring Industry Board and to make estimates based on the figures in that report. My figures may not be strictly accurate, but they will be near enough for my purposes. With a charge of 6d. a man-hour the income of the board for the financial year 1954-55 amounted to £998,000. This means that when the charge is increased to 1s. 7d. a man-hour an additional £2,000,000 approximately will be received. On the figures submitted to the House by the Minister the recent award involves an additional cost of approximately £1,500,000. If that is so, why is it necessary to increase the charge in order to obtain so much as the Government proposes to obtain?

The Minister stated that some of this money will be devoted to providing amenities on the waterfront throughout Australia. That is all to the good. I think the Stevedoring Industry Board deserves credit for whatever amenities have already been provided. Before the board came into existence conditions on the waterfront were deplorable and utterly disgraceful, and it has contributed a great deal towards their improvement. Nevertheless, I suggest that it should have done more. Much remains to be done still. The last report of the board indicates that during the six years ended 30th June, 1955, it spent £220,226 on the operation of cafeterias and on other amenities. This represents approximately £35,000 a year. I suggest that, since the administrative costs of the board averaged about 48 per cent. or 49 per cent. of its expenditure, the waterside workers have not received so much in the way of amenities as they might have received. The board itself pointed out that certain plans have been considered from time to time, but various factors prevented them from being put into operation. Nevertheless, I suggest that the board could have done a great deal more than has been accomplished. I do not say that with any intention of detracting from what it has achieved.

The Government proposes to increase the stevedoring industry charges sharply, and it is open to question whether such violent fluctuations of charges are conducive to stabilization of the industry. The Stevedoring Industry Board, in its sixth report, which was presented to the Parliament in March last stated—

For six years from the establishment of the Board until 30th June, 1955, the charge averaged about 5½ pence per man-hour. In the Board's view it is in the interests of all parties that the rate should not be subject to violent fluctuations such as have occurred in the past. At the risk of a charge of being wise after the event, it is pointed out that the steep increase from 4 pence to 11 pence which occurred in 1952 would not have been unnecessary had the original rate of 4½ pence been maintained and not reduced drastically to 2½ pence in 1949 because of a temporary surplus of cash funds.

This charge was introduced in 1947 at the rate of 4d. a man-hour. After some fluctuation it stood at 11d. a man-hour in 1952. In 1954 it was reduced to 6d. a man-hour, and the Government now proposes to increase it to 1s. 7d. a man-hour. The Government has stated that certain developments will follow from this increase, but the Minister has not attempted to inform the House what the Government proposes to do about shipping freight rates. If history repeats itself the shipping interests, both Australian and overseas, will take advantage of the opportunity to raise their charges. Honorable members will recall that when the stevedoring industry charge was reduced from 11d. to 6d. a man-hour some Australian companies engaged in the coastal shipping trade reduced their freight rates correspondingly, but the overseas shipping owners made no reductions of freight charges. They continued to charge on the basis of a stevedoring charge of 11d. a man-hour.

The Government cannot escape its responsibilities in this matter, and it is idle for Government supporters to talk about the
behaviour of members of the Waterside Workers Federation of Australia when increased shipping freight charges will cost the country another £15,000,000 unless the Government takes preventive action. The Government is in a position to take action, although it has declined, so far, to do so. It has in its hands an instrument that could at least curb the proclivities of private shipping interests in respect of increases of freight rates. That instrument is the Australian Shipping Board. If the Government insisted that that board break loose from the shipping monopolies, and should not be a party to any move to increase rates further, we would soon prevent the recurring increases of freight rates from which this country has suffered in recent years. That instrument is right in the Government's hands but, unfortunately, the history of the Australian Shipping Board during this Government's régime has not been a very happy one in respect of freight rates. The Government cannot escape that responsibility. It was proved at the committee of inquiry, the second edition of whose report we have before us, that at the conference dealing with freights, which was presided over by no less a person than the chairman of the Australian Shipping Board, the board fell into line with whatever freight increases were proposed. The holding of this country to ransom in respect of shipping freights must end somewhere, and unless we are to be completely priced out of world markets—as we shall be if the freight rates for our export goods continue to rise—the Government will have to act before it is too late.

Any one seeking evidence of the attitude of overseas shipping interests to Australia would find it interesting to read the report of the committee of inquiry, which shows how much concern those interests have for the Australian economy and Australia's national welfare. The overseas shipping interests completely refused to supply information requested by the committee about costs and earnings. The Australian shipping companies supplied the necessary information, but the overseas shipping companies adopted an attitude which is described in the report as follows:

The position in respect of requisitions addressed to overseas shipowners was markedly different. The overseas shipping companies after a consider- able delay informed the Committee that they were not prepared to supply voluntarily information requisitioned by the Committee in respect of voyage costs and earnings, annual accounts and related information. It was stated in evidence that the information called for by the Committee from these companies was not available in Australia and this being so there was no means available for the Committee to compel its production.

From the legal point of view, that might be so, and I leave it to members of the legal fraternity to argue the point whether overseas' shipping interests could be made to produce such information. But here we have a case of an outright and forthright refusal, on the part of those interests, to supply information requested by the committee of inquiry. We have heard a lot of criticism of the Waterside Workers Federation, and its effect on costs, and also a lot about profits. Honorable members opposite have attempted to depreciate the allegedly small earning capacity of the shipping interests, but their defence of those interests will not stand up, because it is quite apparent that when some one tries to analyse the operations of the shipping interests in this country it is found almost impossible to ascertain not only what a particular shipping company is, but who runs it. The report showed that the committee attempted to analyse costs and the like, but was not able to obtain the necessary information from private shipping companies in Australia, or from overseas' shipping companies, on matters that would assist it in making a determination. It is odd, indeed, to hear honorable members opposite bewailing the financial condition of Australian shipping companies. I think it should go on record that many of those companies have been in existence for 80 or 100 years, and have made considerable profits out of the shipping industry, and have invested the money they made not only in the shipping industry but also in other ventures. It is impossible to make an accurate assessment of the position, as in many instances they are private companies, and are not independent companies, because they are subsidiaries. Therefore, when honorable members opposite claim that private shipping interests on the Australian coast are having a parlous time, I submit that the record of these companies will not admit of such a conclusion.
I think it is also well to make some reference to the structure of overseas' shipping interests by whose activities our economy is being very badly affected. If members are asking for some action to reduce costs to be taken, surely here is a case where they could demand action to give Australia protection, rather than talk about the Waterside Workers Federation.

I quote from the report of the committee of inquiry a passage under the heading of "Structure of the Australia-United Kingdom-Continental trade". These paragraphs show conclusively that the set-up of the overseas combine is such that it is impossible to analyse it properly. The paragraphs read—

All shipowners engaged in the Australia-United Kingdom-Continental trade are members of the Australia-United Kingdom-Continental Conference. Nominally, there are twenty-two separate operators in this trade. However, when account is taken on the one hand of subsidiary companies (i.e., companies wholly owned by another) and associated companies (i.e., partly owned by another to the point of a direct or indirect controlling interest) and, on the other, of the volume of trade lifted by each operator, it appears that almost all of the trade is in the hands of seven British and five Continental Groups or Lines.

Paragraph 18 goes on to make this pertinent observation—

The evidence shows that wool is the most important single commodity carried in this trade accounting, in 1953-54, for £326m. (approximately 60%) of Australia's total exports of £548m. to countries served by this trade.

As if that were not enough, the report continues—

The evidence also shows that shipowners determine by mutual arrangement the amount of wool which each Line may carry each year.

Talk about the Waterside Workers Federation! The report continues—

Each member of the Conference is given a "wool quota" which it must not exceed without express permission of the Conference. This, in effect, determines the total tonnage of shipping which each Line operates in the trade: and this, in turn, determines the proportion of the total trade carried by each Line.

That is rather an illuminating admission of how overseas trade is carried on—by whom and for whom.

I turn now to the fixation of rates for interstate cargoes. The report states—

On the evidence submitted to us the committee finds that in general the Australian Shipping Board—

I referred to this body earlier—

has been a dominant factor in the fixing of the rates for interstate cargoes, particularly in those trades in which it is itself engaged, and in this sense the Australian Shipping Board, which has been subject to the Minister, has acted as the regulator of interstate freight rates. The rates are as high, but not higher, than the A.S.B. wants or agrees to and the Minister approves. There is no statutory or contractual obligation for the private shipowners to charge rates neither higher nor lower than those required or accepted by the Australian Shipping Board, but in practice they have not done so.

Therefore, the committee of inquiry found, first of all, that a monopoly is operating overseas. The monopoly determines not only the ships which are to carry wool but what their cargoes are to be. The committee of inquiry stated that the Australian Shipping Board was a dominant factor in the fixing of interstate freights. Therefore, if the Government wants to combat this position, it has the answer in its own hands because, allegedly, the Australian Shipping Board is a government instrumentality.

I turn now to the difficulties that the shippers have encountered when trying to ascertain the shipowners' profits. I think that private individuals, the shippers, have had a very raw deal indeed from the shipping combine. The report states—

It is clear that shippers have had to restrict their field of inquiry to the upward movement in cost because shipowners, whilst prepared during 1953 and 1955 negotiations to make available to a third party (the Department of Commerce and Agriculture) on a confidential basis, information related to costs, have not been prepared to make available to shippers or the Department of Commerce and Agriculture information in relation to earnings and profits. The evidence shows that, in general terms, the basis of negotiations in 1953 and 1955 was to regard the year 1951 as a base year with shippers prepared to agree to increases in freight rates demonstrated to be commensurate with increases in costs since that date. The shippers had, of course, no means of ascertaining whether or not the profits being made by shipowners in 1951 were reasonable.

Here, again, we find the shipowners. Apparently, determining the tune. Let me finally, deal with this report as it concerns overseas freights. The report states—

Freight rates in December, 1947, were too low to enable either the Australian Shipping Board or the private shipping companies engaged in
interstate trade to operate their vessels at a profit. With two exceptions, all the major operators, including the Australian Shipping Board, engaged in interstate trade experienced considerable losses on their operations in 1947-48.

I believe that is one of the most fantastic findings that any committee could make in regard to this industry. I have pointed out the structure of the shipping companies and their history. How the committee, in view of its own admissions that it was not permitted to make a thorough investigation into all the ramifications of this industry, could bring forth a finding of that kind, I do not know.

I conclude by recapitulating what I have said. The Opposition does not oppose the bill. We on this side are giving all the facts because we believe that the Minister for Labour and National Service, in his second-reading speech, tried to make it apparent that the only persons who had responsibility in this industry were the waterside workers. I think that I have proved that there are quite a number of bodies other than the waterside workers who have responsibility. Basing my opinions on the conclusions of the committee that has investigated this industry I say that many bodies, particularly the overseas shipping combines, do not come out of the inquiry very well.

The Government has admitted that the raising of the man-hour charge will mean an increase in freight rates. I submit that this is the responsibility of the Government. The Government has demanded that something be done to protect our overseas markets, but it has not been prepared, up to now, to afford protection to Australian industries, particularly primary industries, in this regard. When, in the past, these man-hour charges have been increased the overseas shipping combines have shamelessly exploited the situation. I submit that the Government should prove to this House that a steep jump in man-hour charges is warranted. The Government has not submitted any detailed information as to what it will collect as the result of this increase. It has submitted data to show that the increase will result in an additional expenditure of £1,500,000.

Mr. HOWSON (Fawkner) [10.28].—The purpose of this bill, as was well shown by the Minister for Labour and National Service (Mr. Harold Holt) in his second-reading speech, is to raise the stevedoring charge from 6d. to 1s. 7d. a man-hour, a matter to which reference has been made in detail by the honorable member for East Sydney (Mr. Ward) and the honorable member for Dalley (Mr. O'Connor). The honorable member for Dalley has suggested that this steep increase is too much. I am glad to see that, on this occasion, the Opposition does not propose to vote against this bill, but believes that it should be carried into effect.

From the figures given by the Minister in relation to the various increases that have necessarily been occasioned by the latest awards in this industry, it will be seen that tremendous additional costs have been incurred. The cost of increasing attendance money from 16s. to £1 4s. a day is £368,000 a year. The cost of sick and holiday pay is well over £1,000,000 a year. Taking into account all the reasons for which this increase has been proposed, I cannot see how a charge of less than 1s. 7d. a man-hour could be justified.

I am glad to see that, as a result of these increased charges, the waterside workers of Australia will have increased amenities. They will have sick and holiday pay and there will be greater amenities on the wharfs. I believe, in short, that this is another step towards the decasualization of the industry which, I am sure, is desired by members on both sides of the House. I stated during the debate on the stevedoring industry legislation, which was before the House last June, and I still believe, that the eventual aim of the Government should be to achieve permanent employment for waterside workers. I believe that we should aim to get back once again to a proper form of employer-employee relationship, in which private companies are responsible for the employment of the people who work for them and that there should not be an intermediate board as there is at present.

I am glad to say that we have gone one step further towards attaining this aim. Members of the Opposition have not drawn attention to the interesting fact that the conditions of the waterside workers are now better than those of shipwrights and
other skilled operatives who work alongside them on the wharfs and in the ships. I am surprised that Opposition members have never paid much attention to the need for special margins for skill for people, such as these shipwrights, who spend many years of apprenticeship in learning a trade. It is interesting that though the waterside workers have benefited from the latest increases, the hardship of the skilled operatives is more apparent than ever. No reference to this has been made by Opposition members, who always tend to think only of the unskilled labourer, not the man who is so very much more vital to the industry.

Mr. J. R. Fraser.—Does the honorable member suggest that all wharf labourers are unskilled?

Mr. HOWSON.—I do not. I am merely suggesting that they are not as skilled as are the shipwrights and others who work alongside them in the industry.

This is an appropriate moment to speak also of the significant improvements that have taken place in the industry since the Stevedoring Industry Bill was introduced in June. We have heard of some of these improvements from the honorable member for East Sydney (Mr. Ward), but he did not, when he was speaking about the press and radio pick-up, refer to the large number of waterside workers who have benefited from the introduction of this service in the many ports in which it has been operating since June. It is well known that many welcome the service and say that it should have been introduced years ago.

The system of transfers is also working very satisfactorily. Yet, when the bill was brought down we had a howl from the honorable member for East Sydney to the effect that the new system would be neither acceptable nor workable. In fact, it is bringing a great degree of efficiency to the industry.

Added efficiency has resulted from the use of smaller gangs for beams and hatches. More important than all these, is the effect of the sling load judgment brought down by Mr. Justice Ashburner. The honorable member for East Sydney suggested that the men have to work harder, but His Honour, having investigated the industry in great detail, decided that greater sling loads were possible without increased effort on the part of the men. His Honour suggested that the stevedoring companies were the right people to determine what the sling load should be. They have detailed knowledge of these matters, and since the change there has been no significant increase in the accident rate. Obviously, the sling load judgment is bringing to the industry improved efficiency, which will benefit both employers and employees. I agree that we still have a long way to go, but it is good to see the significant improvements that have taken place in the few months that the legislation has been in operation.

To-night, Opposition members have spent a great deal of time in referring to the findings of the Tait committee on the profits of stevedoring and shipping companies. I shall deal, first, with coastal shipping, and later with overseas interests. The honorable member for East Sydney suggested that coastal shipping and stevedoring profits have been too high. I suggest that, for a number of reasons, they have not been high enough. The honorable member suggested that rebates from stevedoring charges should be included as net profits to the industry, but ignored the fact that these rebates are largely included as part of the proper commission that should be charged by agents and are, therefore, not profits to the industry, but rather moneys that would otherwise have to be raised by a special commission on the part of the shipping agents themselves.

Two paragraphs in the summary of the committee's report ought to be noted. The committee found that, in December, 1947, freight rates were too low to enable either the Australian Shipping Board or the private shipping companies to engage profitably in interstate trade. Again, during the period 1951-52 to 1953-54, most private operators under the Australian Shipping Board made overall profits, but, in 1954-55, private operators suffered substantial losses on the operation of their own vessels, although their charter activities were still profitable.

Mr. Coutts.—How does the honorable member reach that conclusion?

Mr. HOWSON.—These figures are taken out of the Tait committee's report. The
honorable member may not have had time to read it. He might well consult the honorable member for Dalley (Mr. O'Connor).

Mr. Coutts.—Are they the overall figures?

Mr. HOWSON.—Yes. They are a summary of the committee figures. Again, the honorable member for East Sydney suggested that a reasonable profit for the industry was that earned by liners engaged in the trade between the United Kingdom and South Africa. He said that a reasonable return on the estimated replacement cost of the vessels was 5 per cent. per annum, but suggested, at the same time, that the profits of the Australian shipping companies were too high. The summarized findings of the Tait committee gives the average profit of the main operators in the interstate trade. In 1953-54, the year of highest profit, the figure was only 3.3 per cent. of the estimated replacement costs of the vessels. In fact, the highest profits since the war have not nearly been up to what even the honorable member for East Sydney calls a reasonable level. How can he say, then, that the shipping and stevedoring companies are earning huge profits? Their profits have given them no confidence in the future. This is shown by the fact that they have not, hitherto, felt justified in providing new ships for operation on the coast, or new machinery for operation in the stevedoring industry. The average life of a ship is calculated to be 25 years, yet the average age of all ships engaged in the Australian coastal trade is more than 25 years, and the figure is rising annually. There have not been sufficient profits in the industry to enable the shipping companies to buy new ships for operation in these waters. I suggest, therefore, that as the result of the new organization of the shipping and waterfront industries, that flowed from the Government's measures, there is at least good reason for shipping companies to have faith in the future and to provide sufficient ships and machinery in order to increase efficiency and productivity.

We come now to the overseas operators. This subject has been covered at length by the honorable member for Dalley (Mr. O'Connor). He referred to the fact that freight rates are agreed upon by negotiation between the Australian Overseas Transport Association and the Australia-United Kingdom-Continental Conference. This system originated in 1929 and has therefore operated for nearly twenty years, not only under Liberal governments but also under the Scullin, Curtin, and Chifley Labour governments. Honorable members opposite, when they were in government, found that this system was efficient; at any rate, they did nothing to change it, so they must have thought that the arrangement was the best that could be devised at that time. I cannot understand, therefore, how they can grumble about the profits being made as the result of this arrangement as they took no steps to change it when they were in office. However, while admitting that high profits are being made by the overseas shipping companies, I cannot agree that the only way of solving this problem is that which was suggested by the honorable member for East Sydney when he said, "Let us go into the industry and do the job ourselves". The answer to that proposition was given in another part of his speech when he spoke about the chartering of ships operating in coastal waters. The only ships that operated at a profit in coastal waters during many of the post-war years were those which were under charter from overseas interests, and it was proved conclusively that overseas ships can be operated more cheaply than we in Australia can operate ships. However much we tried to compete with overseas interests in the shipping trade between Australia and the United Kingdom and the Continent, we could not do so on anything like a profitable basis. There would be absolutely no chance of this, however much money we invested in ships. I submit that that proposition was advanced by the honorable member for East Sydney without his having given any thought to the manner of putting it into operation. It just is not practicable, because we cannot compete on the same basis with British shipping. Our costs are very much higher than are those of British companies and this was so even under a Labour government. When Labour was operating ships costs were even higher still. Labour could not operate ships as cheaply as it could charter British ships to do the job.
I agree that we need to introduce some competition. I am glad to hear that, for once, honorable members opposite like the word "competition"; it is so unusual for them to do so. As an example of the way in which competition can be brought about, we have seen what happened recently in the East African trade where the Royal Inter-ocean lines have taken over from the Shaw Savill line and vastly increased efficiency on this run has resulted. The South African Government has been able to reach agreement with the United Kingdom shipping lines on a reasonable basis for the estimation of freight rates.

I am informed that delegates from the Australian Overseas Transport Association are now in London, negotiating with overseas shipping interests. Instead of taking the view of the honorable member for East Sydney, I think we should approach this matter from a more practical angle and examine the original agreement made in 1929 in order to determine whether it should be varied. If the freight rates suggested by the United Kingdom firms are too high, possibly some competition could be introduced by negotiating on a separate basis with shipping companies on the continent. I hope that our delegates at present in London will get some assistance from the report that has been issued and will endeavour to find a way of negotiating so that competition can once more be brought into the overseas shipping trade. We should look at the matter in a more constructive way than that which was suggested by the honorable member for East Sydney. In one respect it has been a good thing that there have been profits in overseas shipping because at any rate the companies engaged in that trade have been encouraged to invest in new ships to ply between Australia and the United Kingdom. I understand that within two or three years a new liner will come on the run which will reduce from four weeks to three weeks the passage between Melbourne and London. At any rate, as a result of the profits being earned in the trade, we are enjoying a greater measure of efficiency. Let us hope that similar results will be achieved in this country's coastal trade.

We should examine the whole future of this industry. There is no doubt at all in my mind of the vital importance of all the transport industries in the economic life of Australia. The House should remember the warning given by the Minister in his second-reading speech, when he said that members of the Waterside Workers Federation must realize that their whole future is at stake if they persist in raising the costs in this industry and pricing themselves out of the market. We have only to remember what has happened in the coal industry; because of the cost of operations within the industry and increasing competition from oil the demand for coal is falling. Honorable members may have seen a report in the press only two days ago to the effect that James Patrick and Company Proprietary Limited is discontinuing its shipping service between Brisbane and Sydney because of the decreasing need for shipping on that run and the increasing competition being encountered from rail and road interests. This is surely the writing on the wall for the coastal shipping trade, and employers and employees alike must appreciate the tremendous need now for reducing costs in the industry in order to provide efficient service in competition with other forms of transport.

I am glad to see that the Australian Coastal Shipping Agreement Bill which was introduced last June provided a measure of competition in the coastal shipping trade. We have seen the efficiency that evolves with competition in the civil aviation field. Now we have a chance for a similar form of competition between the Australian Shipping Board and the private shipping companies. Both this new venture in coastal shipping and the new future that is evolving in the stevedoring industry as a result of the measures introduced last June provide, I feel certain, a feeling of confidence in the future of this industry that those engaged in it cannot have enjoyed over the last twenty years. Let us hope that all engaged in this industry will now strive together as a result of these measures to improve the efficiency of these industries and so help to reduce costs and increase productivity throughout the Commonwealth.
Mr. THOMPSON (Port Adelaide) [10.51].—The honorable member for Fawkner (Mr. Howson) spoke about the improvement in the position since the Australian Coastal Shipping Agreement Bill came into force and said that competition would help the shipping industry. I feel that the reason for much of the loss on interstate shipping and for ships having been taken off the runs, has been the very effective competition not from rail but from air traffic. To-day people can board an aeroplane at Melbourne and be in Brisbane in a few hours. They do not take a ship from Melbourne to Brisbane. It will be quite a big problem to encourage those people to go by ship in future. I admit that during the winter months some people take a holiday on a passenger ship, and that has been very profitable for shipping firms. A major cause of the drop in earnings of shipping companies has been the improvement in air services and the fact that a lot of people feel that when they travel by air in winter time they do not run the risk of heavy storms that travellers by sea encounter.

However, I want to deal with the bill that is now before the House. There is not very much in this bill on which one can dwell at length. It consists of half of one page and contains only one clause that really counts. That is clause 3, which reads—

Section five of the Principal Act is amended by omitting the words “Six pence” and inserting in their stead the words “One shilling and sevenpence”.

That is all that the bill purports to do. The Minister for Labour and National Service (Mr. Harold Holt) delivered a concise second-reading speech, as the honorable member for Balaclava (Mr. Joske) mentioned. The Minister dealt entirely with the reason for the increase from 6d. to 1s. 7d. in the man-hour charge on all labour employed in the shipping industry. The Minister was asked at the time to allow the bill to remain on the notice-paper without being discussed until the report of the committee which inquired into the stevedoring industry was presented to the Parliament and members had an opportunity to consider it. Most of the debate on this bill—particularly the speeches of the honorable member for East Sydney (Mr. Ward) and the honorable member for Dalley (Mr. O’Connor)—has been confined to that report. I do not want to speak on the report, or discuss the figures that they have given, but I want to take this opportunity to say a few words about the waterside workers and their views on the position on the waterfront to-day.

The waterside workers have taken great exception to the Stevedoring Industry Act which was passed by this Parliament a few months ago. The honorable member for East Sydney spoke of sling loads and the number of men in the gangs. I should say that the men in the industry are just as incensed to-day at the actions taken by the shipowners as they were when this provision came into force. We know that the increase from 6d. to 1s. 7d. a man-hour, for which this bill provides, will be passed on. There is no doubt about that. We on this side of the House realize that this matter will be considered by the Australian Shipping Board and by others concerned in the shipping industry and they will decide to increase freights. When the honorable member for East Sydney was speaking, the honorable member for Hume (Mr. Anderson) said, “The farmer pays these increased costs”. I say to the honorable member that the farmer may pay a part of them, but the greater part falls on the consumer, not on the farmer alone.

Mr. Anderson.—I said that.

Mr. THOMPSON.—I accept the honorable member’s assurance, but did not hear him say that. This increase will be passed on to the consumer and we must consider, therefore, whether the increase from 6d. to 1s. 7d. is just. I shall not attempt for one moment to prove that it is not sufficient. The honorable member for Dalley gave the figures. He endeavoured to obtain from the last report to which he had access information about the amount that had been paid by the shipowners, and he said that it totalled about £1,000,000 at 6d. a man-hour. He said that if the amount were increased to 1s. 7d., the total would become £3,000,000 a year, and that the increase of £2,000,000 would be added to freight charges. I have no doubt that the full amount of the increase will be added to freights.
The honorable member for Fawkner tried to prove to the House that shipping companies were not making a profit equal to that which the honorable member for East Sydney said they were entitled to make. We can take as certainty that this increase will be added to freight charges and, when it is, the people will have to pay that extra amount.

Let us consider for a moment what the Minister said would be done with the money. He said that attendance money had been increased from 16s. to 24s. an hour and that the cost would be £368,000 a year. I point out to the Minister that the cost of waiting time—or stand-by time, as it is termed—is governed by the efficiency of the shipping companies and the Stevedoring Industry Board. We look to them to see that no huge amount is paid for waiting time. I have previously argued very strongly in this House—and I say it again—that many of these things were brought about by the determination of the Australian Shipping Board and the shipping companies to have increased quotas in the various ports. Some years ago, the Minister for Labour and National Service said in this chamber that increased quotas were necessary. He produced figures which, he said, indicated that although the quota of a certain port was 1,000 men, it should have been 1,300, whilst that of another port should have been 3,500 instead of 3,000. He said that the union had refused to accept new members. We know how the right honorable gentleman climbed down on that occasion. It is a true saying that the proof of the pudding is in the eating. The wisdom or the lack of wisdom of many measures introduced in this place only becomes apparent when they begin to operate.

The House will remember that, at that time, the Minister said that he would take the matter into his own hands and deal with it by means of legislation. In adopting that course, I think he was influenced not by his own judgment but by the views of other members of the Cabinet. He said that the shipping companies would be given the right to engage and register the labour that they needed on the waterfront, instead of engaging it through the Waterside Workers Federation. I remember saying to him at the time that if he attempted to do that he would bring about a situation that would prove very difficult to handle. I was pleased that the attempt was abandoned, and that it was left to the Waterside Workers Federation to fill the quotas. I also remember pointing out that if the quotas were increased unnecessarily, it would result in there being insufficient work for waterside workers to do. I read only a few days ago that in Sydney between 2,000 and 3,000 men were unable to find employment on the wharfs each day and had to depend on the appearance money of £1.4s. The stevedoring industry charge is to be increased from 6d. to 1s. 7d. with the object of providing a stand-by for waterside workers whose services are not required, and the Minister has said that the increase will cost an additional £368,000 a year. But of course even that expenditure will not meet the situation if the trend that is evident in Sydney continues. If large numbers of waterside workers are unable to find employment, they will be apt to say, “We shall get out of the industry.” Should that happen, they will not be available for employment on the waterfront when they are required.

The present state of affairs on the waterfront is not due to action by the waterside workers. That cannot be claimed, even by those who regard the waterside workers as the worst workers that we have, and abuse them from time to time on the ground that they loaf on the job and are not really prepared to work. I do not say, of course, that every honorable member opposite criticizes the waterside workers in that way. I merely say that even those who do make such criticism cannot blame the waterside workers for the fact that work has not been available on the waterfront in Sydney for all the men offering during the last fortnight. We know very well that that state of affairs has been brought about by economic conditions and because the Government, by means of import restrictions, has reduced the number of ships coming to this country. In the district from which I come there are many waterside workers, and I remember warning people there of the possible result of the import restrictions. We all remember what happened in 1952 and 1953, after severe import restrictions had been imposed. Among the first to be affected were the waterside workers, because there were fewer ships coming to Australia. Therefore, I say that economic conditions are to blame for the
fact that large numbers of waterside workers in Sydney are unable to obtain employment each day and are obliged to depend on appearance money. That unhappy condition is due not to a seasonal decline of imports and exports, but to the fact that the Government has allowed our reserves overseas to fall.

I do not wish to make political capital of this matter, but I feel it incumbent on me to state the position as I see it and to try to place responsibility for the difficult position on the waterfront on the shoulders of those who ought to bear it. I say again that, because of its economic policy, this Government is responsible for the large amount of attendance money that will have to be paid in the future. The honorable member for Fawkner said that waterside workers were earning more than shipwrights. I do not know where he obtained that information. He did not produce figures to support it, but I suggest that if he went into any branch office of the Waterside Workers Federation and spoke to the secretary about union membership he would find that numbers of men were resigning every week from the union. If he spoke to men who had spent a lifetime in the stevedoring industry and who know the work involved in loading and unloading ships and handling cargo, he would be told that young men come along, stay for two or three days, and then say, “This is no good to me”, and go to another industry. If the stevedoring industry were the good wicket that the honorable member made it out to be, and if those engaged in it earned more than skilled tradesmen and shipwrights, I suggest that they would not be leaving the industry at such a rate.

Honorable members may remember that, approximately a year ago, Parliament House was thronged with waterside workers from Sydney, Newcastle and other ports. I spoke to some of them in the King’s Hall, and I said, “The best thing you can advocate and for which you should battle is increased attendance money. If you can increase it to £2 a day, the employers and the Stevedoring Industry Board will see to it that there is no great army of waterside workers and that the quotas are not very much greater than those needed to do the job. They will see to it that they do not have to pay huge sums of attendance money”. That would be the most effective brake that could be put on the Stevedoring Industry Board and the shipping companies, because they would appreciate that they had to pay dearly for their mistake in calling for a greater number of men than that required to do the job.

Let us consider the position of waterside workers who to-day cannot obtain employment. Why was an attendance money provision first introduced? I suppose there are many honorable members who do not know the reason for it. The reason was simply this: Years ago, if it appeared that a port would not be busy for a week or so, the waterside workers might take temporary employment elsewhere. If wool sales were being held, for instance, the men might work for a week in the wool stores. If, then, an unexpected number of vessels arrived in the port, there would not be enough men available to work on them. That is why the payment of attendance money was introduced. The waterside workers then had to register and be prepared to work on any day they were called upon, otherwise they would receive no attendance money and would be de-registered. If there are a couple of thousand too many men registered at a port to meet requirements, not only for a day or two but for weeks on end, those men cannot take a temporary job somewhere else. If they do so, they are liable to be de-registered by the port authorities.

The waterside workers in Sydney to-day are very discontented. The position is not quite so bad in my own State of South Australia, but many arguments have occurred there between the shipping companies and the waterside workers concerning the implementation of the provisions of the Ashburner award, of which we have heard so much, and of orders of the Australian Stevedoring Industry Board. The employers may say to men working on a vessel, “We will cut down a gang here; we will take two men off this job, and two men off another job”, and the men then feel that an injustice is being done to them. It does not take much of that kind of treatment to induce the men to say, “We are not going to work under these conditions”. Then the Australian Stevedoring Industry Board uses the persuasive powers that have been given to it by this Government’s legislation, and, as it were, applies sanctions against them. It says to the men, “You
did not work to-day, or you would not work in a certain gang because you said it was short, so we will suspend you for a couple of days". Then the remainder of the men walk off that particular vessel, and within a few days, or even the very next day, the whole port becomes idle for 24 hours so that the men may attend a meeting to discuss the matter. I know that such action does not help the country as a whole. I know that it will also result in increased costs. However, these disputes are caused by imposing upon the men conditions different from those that they have enjoyed for a number of years, and then invoking sanctions if they are not prepared to accept those conditions.

I believe that the reason why, in my own State and my own electorate, a lesser amount is being paid in attendance money is that these hold-ups have occurred. The men receive no pay while the hold-ups are in progress, even though they decide to resume work after they have made the protest that they consider they were entitled to make.

I shall now refer to what the Minister suggested was another cause of the increase in costs. He said—

Secondly, by an award of the Conciliation and Arbitration Commission made quite recently, waterside workers were granted paid sick leave and pay for statutory holidays. . . . It is estimated an amount of the order of £1,078,000 per annum will be payable for sick leave and statutory holidays.

I may say, sir, that these concessions have only recently been extended to waterside workers. I ask honorable members who are employers of labour for how many years have their employees been receiving pay for statutory holidays? How many years is it since they were first allowed sick leave? The waterside workers were not able to obtain these concessions, because they were told, "These matters are taken into consideration when your wage rates are being assessed". The honorable member for Fawkner said that their weekly pay is greater than that of a skilled workman, but he forgets entirely that the waterside workers have never had the advantage of the concessions that I have mentioned, and which have for many years been enjoyed by skilled workmen. I am pleased that these concessions are being extended to waterside workers. Only dur-
to the introduction of a superannuation scheme for the employees of the Australian Stevedoring Industry Board. Those employees are as much entitled to such a scheme as are any other persons in the community, and certainly as much as other persons employed in government or semi-government institutions or organizations.

I wish also to refer to the matter of amenities. We know that certain amenities have been provided for waterside workers. During the war years waterfront canteens were built, and a few shelters were provided, but the standard of amenities generally is far from satisfactory. The board in its report, and the Minister in his speech, referred to the fact that some port authorities had not done all that they should have done in this regard. They said that amenities are not entirely the responsibility of the Australian Stevedoring Industry Board. The port authorities, whether they are called harbour boards, as is the authority in my State, or whether they are known by some other name, have not done all that they should have done. At Port Adelaide a lot of money has been spent on the provision of up-to-date wharfs, but the necessary cranes and similar equipment are not available to enable the loading to be performed as quickly as is desirable. I hope that this equipment will soon be provided.

Mr. BEAZLEY (Fremantle) [11.20].—

Motion (by Mr. Harold Holt) agreed to—

That the question be now put.

Question resolved in the affirmative.

Bill read a second time.

In committee:

The bill.

Mr. BEAZLEY (Fremantle) [11.21].—

Whenever anything connected with the stevedoring industry is debated in this Parliament, the debate falls into the pattern of attacking and justifying the conduct of the waterside workers. This debate has not differed from others in that respect. The speeches made by honorable members opposite, in general, have been hostile to the waterside workers. When we make speeches in this place, it is important to recognize that we have a responsibility to say nothing that will cause an inflammatory situation or worsen industrial relations in a difficult industry such as this.

The measure is a simple one in that all that it proposes is an increase from 6d. to 1s. 7d. of the stevedoring industry charge which is used to finance the rights and privileges of the waterside workers. This is an industry about which we can say several things. First, it is an industry which is being affected and will be affected by automation; secondly, it is an industry which is being affected, and will be affected, by the more scientific designing of ships—I shall make reference to that matter a little later—and thirdly, it is an industry which has been and is being affected by new methods of handling bulk cargoes. It is very sensitive to the state of world trade. It was, for instance, very sensitive to the import restrictions imposed by this Government, which had a considerable effect on employment on the waterfront. It is affected by strikes in other industries. A recent example of that was the shearsers' strike in Queensland.

The structure of the employers' organizations and the employers' diversity of interests introduce factors into this industry which are unknown in other industries. A strike on the Australian waterfront is disastrous for Australian shipping companies. If all the ports of Australia close, the Melbourne Steamship Company and the Adelaide Steamship Company would find that almost 100 per cent. of their business is cut off. Such a strike is disastrous for Australian shipping companies. They have one set of interests and the pressure on them is tremendous. But the overseas shipping companies are in a different position. To them, a strike on the Australian waterfront, although annoying, is not disastrous. About 90 per cent. of their trade is distributed amongst other countries of the world and, therefore, an Australian waterfront strike does not impose on them anything like the pressure that it imposes on the Australian companies. This diversity of interests of the employers has always been a difficult factor.

The industry is subject to seasonal fluctuations. Strikes by waterside workers affect, not only their employers, but, beyond them, the farmers and all the exporting and importing interests. An interesting aspect of the industry is that the overseas companies, which use the labour on our waterfronts, have almost no competition between them. They regulate their freight charges
and their general approach to labour by agreement among themselves. They are not faced with competition from within the Australian economy. When we heard rumours recently that there were to be further increases of the charges made by the overseas shipping companies, the Sydney "Daily Telegraph" published a cartoon. It showed two gentlemen discussing a pirate and one of them was saying, "That is the financial adviser to the overseas shipping companies". I shall not engage in inflammatory attacks on them, but their history shows that they will charge, and do charge, what the traffic will bear. It is not a matter of being driven to do this or that by costs within the Australian economy. They charge what they can get away with.

Mr. Howson.—What are you going to do about it?

Mr. BEAZLEY.—Nothing while we are in Opposition; I can assure the honorable gentleman of that. I think this Government has left a loophole in its shipping legislation. If the honorable gentleman wants to know what I should like to do about it, let me tell him that I would like to promote government-subsidized competition. I should like to see ships built in Australia and flying the Australian flag competing with ships operated by the overseas shipping companies. If that were done, those companies would never again be in a position to charge what the traffic will bear.

This is an industry with a bad tradition. It has an especially bad tradition in the port which I represent. In the now fortunately distant past, there was a good deal of violence on the waterfront, including the use of bayonets. But it is also an industry in which the men acknowledge that there have been enormous improvements of their conditions. I have said before in this chamber that I go down to the waterside workers' pick-up at Fremantle frequently. I have asked honorable members to recognize that when they are dealing with the men in this industry they are not dealing with a race of morons. I have told honorable members of the kind of discussions that one has with the men, of the number of them who are putting their children through universities, of the number of them who are buying their homes, and of their interest in the affairs of the nation. The men acknowledge that their conditions have been improved. A man of 71 years of age who is employed as a hooky-on in Fremantle said to me—he was not referring to a slack season—"Where else, at my age, could I make from £20 to £28 a week, not being a skilled man? There is nothing else, so I stick to the industry". My experience is that since the industry has been decentralized, the men stick to it.

Honorable gentlemen opposite have said a great deal about the efficiency of the waterfront. I have a book entitled "The Bulk Cargoes" which has just come into the Parliamentary Library. It is entirely an employer's publication, produced by experts of the British Iron and Steel Research Association, Cement Marketing Company Limited, the International Cargo-Handling Co-ordination Association, the Petroleum Information Bureau, Timber Development Association Limited, Tate and Lyle Limited and other great firms in England that handle bulk cargoes. Quaintly enough, the compilers have classed Australia and Tasmania as separate nations, but we can forgive them for that. At the back of the book there is an assessment of the situation in every Australian port. Information is given about wharfs, storage bins, berthing facilities, depths of water and other technical matters. Of Adelaide, it is said, "Labour: Members of the Waterside Workers' Federation and casual workers—approximately 1,900". The reference to Albany is, "80-100 men, quality good". It is stated that the labour in Bowen is good, and there is a similar reference to the labour in Brisbane. The reference to labour in Bunbury is, "168 men of Waterside Workers Federation, classed for appropriate service. Quality good". It is stated that the labour at Bundaberg is good. Of Cairns, it is said, "All dock labour handled by shipping companies". It is stated that the labour at Fremantle is good. The reference to labour in Geelong is, "Quota of 375, European". I do not know why it was thought necessary to say that. For Mackay it says "Labour: Adequate, good". For Maryborough, in Queensland, it makes no comment on labour. It lists Maryborough again later—I presume it is the same port—and says, "Labour: Reasonable. 80 to 90 men". For Melbourne it says, "Labour: Adequate...satisfactory". For Newcastle it says that labour is ample and good. For
Port Kembla: it says, "Labour: 700 members of Waterside Workers Federation". For Sydney it says, "Labour: 6,000 men".

Mr. Hamilton.—Good, bad, or indifferent?

Mr. BEAZLEY.—For Townsville it says, "Labour: Available as customary". I think that answers the honorable member. For Whyalla it says, "Labour: Engaged by listing system and notices are required to be exhibited by 3 p.m. each day setting out allocation of all labour required for the following day".

The CHAIRMAN (Mr. Adermann).—Order! The honorable member's time has expired.

Mr. BEAZLEY.—Since no other honorable member has risen I shall take my second period now. I shall conclude these references by referring to the section on Tasmania, which says of Burnie, "Labour: Excellent cranemen". For Hobart it says, "Labour: No information given". One can, of course, put a sinister interpretation on the comment, "No information given". The publishers of this book obtained their information from Australian companies and employers. This is an employers' research publication, and its comments on Australian labour compare more than favorably with the comments made about labour in hundreds of ports throughout the world which are commented on. It does not regard Australia as a country in which labour is inefficient. At least, it did not make such a comment, whereas it did comment on labour in many other places as being completely inefficient and wholly inadequate. I do not think we need draw from a publication such as this, prepared by an international employers' organization which has a clear understanding of the position on the waterfront throughout the world, the conclusion that the legislation which this Parliament has been constantly enacting in an endeavour to bring a sane atmosphere to the waterfront has been unsuccessful. It has not been unsuccessful. As I have had occasion to remark in this chamber previously, the atmosphere on the waterfront has been completely transformed from the atmosphere of embittered relations which was characteristic of the early 1920's. This measure, which will buttress the payment of appearance money and the other benefits which are helping to decasualize the industry, will probably be successful and will probably continue to transform the atmosphere on the waterfront.

I think that when there was in Australia a large corps of unemployed a much higher proportion of young, able-bodied men worked on the wharfs than is the case to-day. The Waterside Workers Federation of Australia, in Fremantle at any rate, has done an honorable thing by bringing a lot of younger men into the industry. When I was first elected to this Parliament in 1945 the average age of waterside workers in Fremantle was 58. Many men engaged in lighter work as "hooley-sons" and the like were in their late 70's and in their 80's. With the demobilization of the forces after World War II. great numbers of young men entered the industry. The overwhelming majority of the waterside workers in Fremantle are returned service-men, and the average age of the men on the waterfront there is lower than was the average years ago. Nevertheless, if one addresses a meeting of, say, factory employees, one is struck by the fact that waterside workers as a body are older than factory workers, who have a different age distribution. I think the waterside workers generally acknowledge that their industry has been transformed and that the bad traditions of the past have gone from it. My conversations with those I know best—those in my own constituency—confirm my belief that they are responsible citizens who consider that they are doing a job for the nation and regard themselves as having a stake in the country.

Something has been said about wages. The honorable member for Fawkner (Mr. Howson) was shocked that waterside workers earned more than some other workers. I was a teacher before I was elected to the Parliament, and a very frequent topic of conversation in staff rooms at schools was the fact that wharf lumpers received a higher hourly rate of pay than was paid to teachers. My answer was always, "Why not?" I never heard of a teacher leaving the teaching profession to work on the wharfs. The job we were doing had its pleasures and compensations which prevented us from looking only to wages as a measure. In any event, the annual earnings of the waterside workers are always levelled down by long periods without work. Taking into account the
periods during which they receive appearance money only, and the vital importance of the work they do for the community, their earnings are not excessively high.

Bill agreed to.

Bill reported without amendment; report adopted.

Bill read a third time.

Sitting suspended from 11.37 p.m. to 12.5 a.m. (Thursday).

Thursday, 1st November, 1956.

AUSTRALIAN SECURITY INTELLIGENCE ORGANIZATION BILL 1956.

Second Reading.

Debate resumed from 24th October (vide page 1747), on motion by Mr. Menzies—

That the bill be now read a second time.

Dr. EVATT (Barton—Leader of the Opposition) [12.6 a.m.].—The view of the Opposition on this legislation can be made clear, and I think that it can be stated fairly briefly. First of all, there must be, in our opinion, Ministerial responsibility in relation to the Australian Security Intelligence Organization. It cannot be allowed to run itself. The Prime Minister (Mr. Menzies) said in his speech that the relationship between the Prime Minister—or himself as the ministerial officer responsible—and the intelligence organization had not been quite worked out. Apparently it has not been worked out, although the Prime Minister has been in office for many years during the infancy of the organization. That has to be done.

I do not believe that the people of Australia would approve of an organization like this unless it were perfectly clear that there was, at any rate, a political officer responsible for it, in a general way, to the Parliament and the people. By that, I do not mean responsible for the detailed working out of all the problems of the organization, or anything of that kind. After all, a very large sum of money is spent on this organization, which has many facets because it brings together organizations under the Department of Defence—for which there is a vote under that department—and we should see that they are properly co-ordinated, and that there is a chance of finding out the broad nature of the organization. That is simply one of the illustrations of the fact that it is necessary to have people in touch with the responsibilities of this organization, not only to the country, but also to those in relation to whom the organization makes reports from time to time. That is completely essential. I think there is full responsibility in that sense in Great Britain, and although discretions, of course, are given to the organization, that is the first point upon which we insist.

Secondly—and I think that this is extremely important also—we are of the opinion that we must have a top level organization of persons skilled in the assessment of information from the point of view of espionage, sabotage and the like. We cannot do without that in the modern world, and the new organization was designed to provide that cadre of experts which could take into consideration reports coming from many quarters—reports which would come, in the normal course of the activities of the organization, from the Department of Defence or the various departments concerned with the armed services, sent for advice and comment. When the Chifley Government formed this organization in 1949 the intention was as I have described.

There are two further aspects of this matter which are of supreme importance. The first is dealt with by this bill. The bill deals with practically nothing else except security from the point of view of the tenure of office of the personnel of the organization. The bill seeks to give their various contracts statutory endorsement. We do not know the terms of the contracts. They should be looked at by the Minister responsible, so that he can assure the House about their nature. They may be contracts having a currency of two years, or twenty years. They may be contracts providing for a salary that is reasonable or for a salary that might be thought to be completely unreasonable. There must be some check on that aspect of the matter, so that the people who are appointed can do their job, and do it effectively.

I think it is completely wrong that these persons should be, in effect, removed from
liability to suspension or dismissal in cases where they have been guilty of misconduct or inefficiency and are no longer really useful to the service. But I also agree that no findings of that kind should be made against persons in the Commonwealth’s service, including the officers of this organization, unless they are based on sound evidence, and I think that for that purpose there should be an appeal body of an appropriate character which would assure them against arbitrary or malevolent action. I think that if that were done a sufficient safeguard would be provided for what is the animating force behind this bill—which is clearly that the people in this service want to be sure that they will have what might be called a statutory or Public Service tenure of office, without the necessary or ordinary discipline of the Public Service. So that, if a case arose in which an officer were negligent or were guilty of misconduct or abuse of office, the responsible Minister could initiate action and, equally, the officer concerned could question that action before an appropriate tribunal. It might be a case of such a kind that the tribunal would have to consider some of the matters without all the charges being heard in public. I express no final opinion on that. One wants to have such proceedings as public as can be arranged consistent with the protection of the national security, and the person who should be able to judge whether the national security is affected in such cases is the responsible Minister, because under the Commonwealth Constitution the sole judges of what affects the national security are, after all, the Ministers of the Crown.

That is the first part of our proposal. I think too much is made of the endorsement of the actual contracts provided for in this bill. That brings me to something else which is as important as the tenure of office of these officers—that is, the protection of the civil liberties of the people against any misfeasance or any negligent mistake. I should like to read, if I may, a few sentences from a leading article which appeared in the “Sydney Morning Herald” on Thursday, 25th October last. The leading article says, inter alia—

The Security Service must be made responsible to some one. The idea of giving it a completely free hand will never be accepted by Australians. That comment relates to the necessity of having not only a spokesman for the organization in this House, for an occasional purpose, but also somebody who would be sufficiently intimate with the situation to be able to assure the House about what was happening in the actual administration of the organization. In this context I am referring to it as though it were a separate department. The article continues—

Yet this is a point which the bill does not appear to clarify. Secondly, although security cannot take or institute any executive action, there is ample evidence to show that its advice has remarkably compelling qualities—so compelling that, unless the action taken on the advice is made subject to appeal, the results may be both dangerous and undesirable.

The problem with all modern intelligence systems in the democracies—and this, after all, really should be an intelligence organization related to security—is how to make the work that they do efficient without endangering the ordinary rights of the ordinary people whose interests may be endangered and who may be defamed and injured in their jobs and otherwise by mistakes made, and, of course, by actions that may occur which may not be mistakes, but which may be worse than mistakes and which would be deserving of punishment if detected. I shall read that again. It says—

Security cannot take or institute any executive action.

That means that it is merely, in principle, an intelligence organization which will advise the departments that can take executive action. But that is not always true. This security service has frequently acted in an executive capacity. It has organized raids in certain cases which have come before the courts. Its officers have been in charge, and that is executive action—police action. But those men were presumed to be intelligence officers who would, in substance, assess the value of what was discovered in certain circumstances. They would assess the value of information which came to them and would not be the people who took the executive action.

This is the gist of the article, which deserves the close attention of the House in order that honorable members may see the solution to the problem—

In actual fact, Security’s advice has in the past been decisive on the granting (or refusal) of a job, or on the issue (or refusal) of a passport, though the persons concerned have never been allowed to know the basis for adverse reports.
That is to say, they did not know of the reports. The reports were not shown to them. The persons concerned in these cases did not even know the imputations made against them. In the early days of the war, before Japan came into it, internment cases before appeals tribunals were not public hearings. The person who appeared for the man who had been detained would say, "My client is not guilty of any disloyal conduct. I want to know what is the conduct charged against my client." In case after case the tribunal said, "I cannot tell you what is alleged. You can prove that you are loyal." It was an absurd anomaly that the government authority held information which was placed before a judge or tribunal without the person concerned knowing about it. One of the first things that the Labour government had to do in 1942, after the war with Japan had commenced, was to pass special national security regulations commanding the tribunal to give the substance of what was alleged against the person so that an answer could be given. I am making the point here that those were in the nature of special tribunals which could affirm a case when a person was actually detained or uphold a case in favour of some modified order. The article states—

These alone are reasons why the bill should be considered with the utmost care.

I think that I have dealt sufficiently with this matter for the moment. The bill will be considered in committee before which specific proposals may be put. I think that I have dealt frankly and clearly with the general position. The Opposition has dealt with the rights of the officers of this service. In our view, before they are dealt with, by way of regrading or dismissal, they are entitled to a proper appeal to an appropriate tribunal so that they would have rights equivalent to any person in the Public Service. I do not deal with the nature of the tribunal. I can understand that it might be a judicial tribunal or a composite tribunal which would include a Public Service member.

The real point of the article to which I have referred is, "What is going to be done to protect the public and what is the system to be devised?". What has happened? The problem is to enable people to secure redress who have been refused certain privileges or rights, or on whom disabilities may have been imposed without their detailed knowledge. How is that trouble to be cured? How is the individual citizen to have his rights protected? He is just as much entitled to protection as the person who is collecting information and putting it in a file. As the "Sydney Morning Herald" correctly stated, those persons have compelling powers behind them. In all sorts of jobs in Australia, both governmental and non-governmental, one finds that the security report is the decisive factor.

Over and over again, honorable members have had cases in which a security report has been adverse or has been interpreted as adverse by a person whom the individual who is adversely affected never meets and the individual has not had an opportunity of stating his case. Because of that, he has lost his job, or has not received promotion, or has not obtained a passport, or has not obtained the immigration recommendation which is the preliminary to naturalization and he has had no remedy whatever.

I think that this is the only country in the world in which that is the position. The procedures in the United States of America have been often condemned because of action having been taken on the basis of hearsay and because of people having been adversely affected for any of a thousand reasons. The word used to describe that particular system or procedure is "McCarthyism". But McCarthyism does give to the person concerned the opportunity of dealing with the charge. It may be thinly founded but, finally, he knows his accuser. It might take months, but the accuser is, at some time, present and the person who might be victimized has, at any rate, a chance of having his day in court. In Australia, nothing of that kind is possible. The security report is not drawn to the attention of the individual. It leaks out at some time in some way so that he knows what is suggested without knowing precisely what the charge is. That is the problem in connexion with security which concerns the security of the ordinary person.

Let me refer to an article in the "London Times" of 6th September which is headed "Security Hearings in the U.S.". It deals with certain cases and points out that a security check was made in the civil service on 2,300,000 employees of the federal
government for the two years ended last March. Then it deals with an estimate that there are 10,000,000 people in the United States of America—civil servants, members of the armed services, employees of private industry engaged on government contracts and others—on whom security reports are made. We could get to a stage at which practically everybody in the community is reporting on his neighbour. These activities could reach great dimensions. These figures suggest that no responsible head of a service could assure himself, or could put his hand on his heart and say of all those people, "I am reasonably certain that justice has been obtained for them". It is impossible under those conditions. There is no guarantee that any individual will get justice if he does not know the substance of the charge against him. There may not even be a charge. There may be only a letter of a defamatory character which has been taken from some file or other source and has become a part of a security file. That may not be brought to the attention of the individual concerned and it may not be used until he is an applicant for promotion, or, perhaps, an applicant for naturalization. What is to be done in these cases? What does the Prime Minister propose to do about it? He is letting it go on.

Some of the cases dealt with in the United States were grotesque. For instance, a typewriter operator in the United States Signal Corps was required to meet charges like these—and I mention them only by way of illustration—

(1) You are closely associated with your father who reportedly . . .

Six allegations of Communist association followed—

(2) Your father and mother were: (a) in 1953 on the mailing list of the Tom Paine School of Social Science in Philadelphia . . . (b) associated with a group of persons who promoted the policies of the Communist party. . . .

Some of these cases appear perfectly ridiculous, but at least one can say in their favour that the accusation was brought to the notice of the person concerned. Nothing like that happens here. In the case I have mentioned the crime was close association with his father and mother, who were on the mailing list of an organization, the Tom Paine School of Social Science, which was not very well liked. We cannot laugh at the United States simply because of that extreme case. In this country there is no procedure by which a person who may be permanently prejudiced in his employment and his social life is made aware of the cause—the security report. He may be an applicant for a position or for a passport, and be rejected because something has been said against him on some occasion by some one whom he does not know, and of whom the inquiring officer knows nothing.

I have quoted from the "Washington Post", a very well-known liberal organ—and by that I mean "liberal" spelt with a small "l"—liberal in the true sense. A cartoon points out that the resources of the security agencies are directed at two groups of people, men accused of association with their mothers and men accused of association with their fathers. That ridiculous exaggeration is not so far removed from some things that have gone on in this country. At least it can be said of the American system that the things of which one is accused are finally brought to one's notice. The absurdity of an accusation can very often be demonstrated if it is brought to light.

What is to happen when this bill becomes law? No one wishes to be dismissed unfairly, and if a case can be made out an appeal should lie to a judicial or semi-judicial tribunal. What about the rights of the ordinary people? The "Sydney Morning Herald" said that in the past the advice of the security service on the granting or refusal of a job or the issue of a passport had been decisive. We must devise a system in which this advice will not be final. Perhaps it will not always be possible to have public hearings, because that may react to the prejudice of all concerned, but an approximation to the truth, at least, could be obtained by appropriate officers who had at heart the interests of the accused. Surely, in any reasonable case, the report that is damaging a man in his employment and social life should be removed from the security file. A judicial officer should be able to say, "It is rubbish and of no value". Such a file ought not to be used again in security. That is our point of view. Many cases of a similar nature in connexion with these departments have been referred to me by honorable members. No doubt, they can be cited at a later stage, for, I understand, the debate is to be adjourned.
The system can be altered only by political action. The security service appoints its own officers and is practically an arbitrary authority. Its advice, though not legally binding, is not refused and influences every branch of public employment. All sorts of things may have to be considered before a man is appointed, but promotion in the Public Service depends, over and over again, on this decisive factor of security. The individual is adversely affected by the secret document which he never sees. The result, in almost every case, is manifest injustice in procedure and, so far as the substance is concerned, undoubted miscarriage of justice. Surely, this procedure can be reviewed in the light of experience.

During the war, as honorable members will recall, in case after case civil rights were involved. The Curtin Government had to deal with this matter of internments in 1942. I can give honorable members an illustration of the type of thing that can happen with a service which has a sense of loyalty to its officers, and is not concerned about public and civil rights. The procedure of internment was to pass a recommendation from the officers of military intelligence to the Minister for the Army. Those recommendations were for detention, restriction or internment. No doubt, some of those cases are still in the files. Occasionally, the Minister for the Army would seek the advice of the Attorney-General's Department. Some of these recommendations were completely outrageous. They were not based on any evidence and were rejected, but, in 1942, no fewer than 7,500 persons were detained on the advice of military intelligence.

At the initiative of Mr. Curtin, the whole of the jurisdiction over internment was taken away from military intelligence and given to a civil organization. The Commissioner of Police for New South Wales was appointed Director-General of Security. Subsequently, the then government appointed a committee to go through all these cases of internment. The committee comprised, as chairman, the honorable member for Melbourne (Mr. Calwell), who is now Deputy Leader of the Opposition. On the committee were, also, two lawyers who are now distinguished judges, and Senator Cooper and Mr. Cutler, who is now an ambassador abroad. Where it was possible, they saw the persons concerned, and, in twelve months, reduced the number from 7,500 to approximately 500. The decisions of the committee were never queried, nor did any of those who were released subsequently offend against security. That means that 7,000 people were needlessly interned, at enormous expense to the community. The percentage of internment among persons of enemy origin was enormously greater than the percentage in countries like Great Britain, which were much closer to the seat of war.

On the whole, the inference was clear that the beautiful recommendations in lovely red ink, which were made by military intelligence as administered in those conditions, and which the Minister had only to sign, were not to be relied upon, and that was a lesson in the value of the written document on which the recommendation was built. Sometimes it was of some value, but very often it was worthless. The same kind of thing is necessarily going on in any security intelligence organization such as this, but this is a time when the matter can be reviewed. We want it reviewed on this occasion by Parliament.

I have stated the view of the Opposition. We want ministerial responsibility in a general sense. I do not mean that we want detailed consideration of every particular activity of the organization, but there must be a supervisory Minister responsible to the Parliament and to the people, because, knowing something of the history of this organization, as I and one or two others assisted in its formation originally in 1949, I estimate that there must be in existence in Australia 250,000 security files to which reference could be made. If that be true, the percentage of files to population in the United States of America would be far less. In those files dealing with persons, there is material which is gleaned from sources which in some instances is reliable and in others is not. This is a cause of grave injustice and dissatisfaction in the community. When public resentment reaches such a level as to attract a leading article in a newspaper of the kind I have mentioned, I think it is fair that the Parliament should treat the matter seriously and solve the problem.
We suggest, not a detailed solution, but a general solution along these lines: First, there must be ministerial responsibility. Secondly, of course, the organization must be retained as an intelligence organization and not as a secret political police force. It is tending to become the latter, as indeed it must do if its operations are kept secret and there is no way of appealing against its recommendations or the contents of its files. It is secret and it is all political. I do not mean that it is party-political, but some persons would regard non-conformity and criticism of institutions as signs of disloyalty or subversion, although others would regard them quite differently. On that matter it is absolutely essential that there should be a system of review. I do not suggest a name for the tribunal. I see the difficulty inherent in its establishment, but we have a great body of what might be called jurisprudence of a type in the United States of America which may be unsatisfactory in many respects—I think it is—but at all events in that country there is a chance of putting a case forward. In this country, there is no such chance. That is what we are fighting for in this connexion.

We must keep a system of intelligence, but it must be free from politics in the sense of there being a secret political police force. That is the danger in our present organization. There have been instances where this body has taken actions which were not merely of an intelligence character, such as organizing prosecutions and raiding premises, not for the purpose of getting evidence in a particular case but for some other purpose. Instances of that kind which have occurred can be cited. Probably they must occur when we have a secret organization. We must introduce appropriate safeguards. The first safeguard should be ministerial responsibility. The second should be the right of an officer to know that he will not be arbitrarily dismissed or suspended but will be given a fair trial or the opportunity to state his case in the event of misconduct on his part being alleged. The third, and most important, safeguard should be the protection of the right of the ordinary person, the man in the street who, having the qualifications and applying for a job, finds that somehow a security veto is applied to him. Under the present system he has not access to the matters alleged against him, and he can do nothing to rebut them. He should have rights which have been defined properly by the Parliament or by regulation. I ask the Minister for Primary Industry (Mr. McMahon), who is at the table representing the Government, to consider these suggestions by the Opposition, because what I have said represents, in general, the Opposition's view. Our attitude is that provisions making appropriate safeguards not having been included in the bill, the bill should not be accepted. Unless radical alterations of the kind I have suggested are made in the legislation, we shall oppose it.

Mr. McMAHON (Lowe—Minister for Primary Industry) [12.40 a.m.].—This must be the biggest damp squib ever attempted to be exploded in this House,

Mr. Cairns interjecting,

Mr. ACTING DEPUTY SPEAKER (Mr. Lawrence).—Order!

Mr. McMAHON.—Those of us who have listened to the threats and fulminations of the right honorable member for Barton (Dr. Evatt) and of his henchman from East Sydney (Mr. Ward) would have expected, at the minimum, that they would have opposed this bill because they had previously indicated their bitter hostility to the security service and to the very able officers who were appointed to it by the Chifley Government. So one would have expected a quite different approach, but instead their approach was perfectly equivocal in this sense: The Leader of the Opposition said, in effect, "We will accept the bill if you will make a couple of amendments ".

Mr. Cairns interjecting,

Mr. ACTING DEPUTY SPEAKER.—Order! If the honorable member for Yarra interjects again, I shall name him.

Mr. McMAHON.—The Leader of the Opposition said, in effect, that if we make some amendments, which are totally unnecessary, the Opposition will accept the bill; otherwise the Opposition will object to it. As I have said, and can only repeat, this is a damp squib of the worst possible kind. In order to ascertain the reason for this approach, do we have to ask very many questions? Why has the right honorable gentleman, instead of coming into this chamber, as on other occasions, and exploding what might have been regarded as the Petrov bomb or the bomb
in relation to the Molotov letter, or making another somewhat injudicious approach to certain judicial proceedings, has come in with what might be called a dull whimper. During the last few days the members of the federal executive of the Australian Labour party have been here and, with an eye to the future, they have obviously said on this occasion, “We shall make the decisions, so therefore toe the line. It is best to say that we believe in security”.

Dr. Evatt.—What a ridiculous idea!

Mr. McMAHON.—I am giving my conclusion, and honorable members opposite know that it is the truth. They can accept it or reject it as they wish.

Dr. Evatt.—You say again that it is the truth, but you repeat the lie.

Mr. McMAHON.—The speech of the Leader of the Opposition must have been a surprise to honorable members on this side and the other side of the House. I, for one, regret that the speech was of such a disappointing quality that the right honorable gentleman’s colleague, the honorable member for Melbourne Ports (Mr. Crean) fell asleep and has not since awakened. My colleague, the honorable member for Mackellar (Mr. Wentworth), a person who can put up with nigh on anything, and who can always be expected to sit through a speech made by the right honorable member for Barton, has not yet awakened. I regret to see that he is not even bothering to listen to what I am saying during the course of this debate.

Mr. Pollard interjecting,

Mr. ACTING DEPUTY SPEAKER.—Order! The honorable member for Lalor will remain quiet.

Mr. McMAHON.—I can see the honorable member for East Sydney girding his loins to get into this debate. Before I touch on the actual suggestions made by the Leader of the Opposition, may I mention the purpose of this bill? First, I shall say something about the security service itself. I think it is wise, if we are to understand the purposes of this debate, that we should first ascertain what the bill is about and what the security service is designed to achieve. What is the purpose of the security service? I think that those persons who are interested in this bill and in security would first look to the definition of “security” contained in clause 2 of the bill. “Security” is there defined as an organization to protect the Commonwealth from acts of espionage, sabotage, or subversion. In other words, this organization has a singular constitution. It is given a charter to deal only with certain specific responsibilities, such as sabotage, subversion or espionage. It has no other functions, and a definition of “security” is contained in clause 2.

What are its functions? What can it do or what can it not do? First of all, may I consider the question of what it cannot do? I think that once we look at the question of what it cannot do, every argument of the Leader of the Opposition turns out to be a fantasy, something he has created in his own mind and with no basis in reality. The Australian Security Intelligence Organization is not a police force. It has no enforcement powers such as a police force has. Therefore, it cannot take any police action which might be designed to affect the civil population for what would be regarded as civil offences. Secondly, it has no executive powers. It cannot take action in the administrative sphere. Its powers are designed only to permit it to collect intelligence and to report to the responsible Minister. Therefore, the bill contains the effective clause that it has no powers of government and no administrative functions of government.

Mr. Ward.—Read clause 15.

Mr. McMAHON.—I have been able to read without my glasses since I went to school. I have had a fairly decent education—not only an education but a decent one.

Mr. Cairns.—The Minister is being grossly unfair.

Mr. ACTING DEPUTY SPEAKER (Mr. Lawrence).—Order! The honorable member for Yarra has been repeatedly warned not to interject, and I name him.

Mr. McMAHON.—I come to the third point—

Mr. ACTING DEPUTY SPEAKER.—Order! I inform the Minister that I have named the honorable member for Yarra.

Dr. Evatt.—May I intervene? Cannot the honorable member for Yarra withdraw his remark?
Mr. ACTING DEPUTY SPEAKER.—
Order! There is no question about intervening at this stage. I have named the honorable member for Yarra.

Dr. Evatt.—May I take a point of order?

Mr. ACTING DEPUTY SPEAKER.—
Order! No, not on that.

Motion (by Mr. McMahon) put—
That the honorable member for Yarra be suspended from the service of the House.

The House divided.

(Mr. Acting Deputy Speaker—Mr. W. R. Lawrence.)

Ayes 54
Nees 32

Majority 22

AYES.

Adermann, C. F.  
Alian, Ian  
Anderson, C. G. W.  
Aston, W. J.  
Bate, Jeff  
Bostock, W. D.  
Browne, K. E.  
Brimblecombe, W. J.  
Buchanan, A. A.  
Cameron, J. Donald  
Chaney, F. C.  
Cleaver, R.  
Cramer, J. O.  
Davidson, C. W.  
Davis, F. J.  
Dean, R. L.  
Downer, A. R.  
Drummond, D. H.  
Erwin, G. D.  
Falles, J.  
Fairhall, A.  
Falkinder, C. W. J.  
Forben, A. J.  
Fox, E. M.  
Fraser, Malcolm  
Frost, G.  
Graham, B. W.  
Haworth, W. C.  
Holt, Harold  
Howson, F.  
Huie, A. S.  
Holt, W. M.  
Joske, P. E.  
Killen, D. J.  
Lindsay, R. W. L.  
Luck, A. W. G.  
Lucock, P. E.  
Mackinnon, E. D.  
McBride, Sir Philip  
McColl, M. L.  
McMahon, W.  
Osborne, P. M.  
Pearce, H. G.  
Roberton, H. S.  
Snedden, B. M.  
Stokes, P. W. C.  
Swartz, R. W. C.  
Tiplon, T.  
Turner, H. B.  
Wentworth, W. C.  
Wheeler, R. E.  
Wilson, K. C.  
Tellers:  
Opperman, H. F.  
Turnbull, W. G.

NOES.

Barnard, L. H.  
Beazley, W. E.  
Bruce, H. A.  
Bryant, G. M.  
Calirac, D.  
Calwell, A. A.  
Cameron, Clyde  
Clarey, P. J.  
Clark, J. J.  
Cope, J. F.  
Costa, D. E.  
Cutts, W. C.  
Crean, F.  
Curtin, J.  
Daly, F. M.  
Evatt, Dr. H. V.  
Griffiths, C. E.  
Haylen, L. C.  
Hill, R. W.  
Johnston, L. R.  
Makin, N. J. O.  
Nicolov, H.  
Minogue, D.  
O'Connor, W. P.  
Peters, E. W.  
Pollard, R. T.  
Russell, E. H. D.  
Thompson, A. V.  
Ward, E. J.  
Whitlam, E. G.  
Tellers:  
Duthie, G. W. A.  
Stewart, F. E.

PAIRS.

Fairbairn, D. E.  
Kent Hughes, W. S.  
McEwen, J.  
Drury, E. N.  
Riordan, W. J. F.  
Chambers, C.  
Watkins, D. O.  
Edmonds, W. F.

Question so resolved in the affirmative.

Mr. ACTING DEPUTY SPEAKER.—
Order! The honorable member for Yarra is suspended from the service of the House until 12.52 on Saturday morning.

Opposition members.—Oh!
The honorable member for Yarra thereupon withdrew from the chamber.

Mr. Calwell.—I rise to order. I submit the honorable member should be suspended until Friday morning, not Saturday morning.

Mr. ACTING DEPUTY SPEAKER.—
I stand corrected. It is Friday morning, not Saturday morning.

Dr. Evatt.—I rise to order. Are you prepared to allow an apology from the honorable member now?

Mr. ACTING DEPUTY SPEAKER.—
No, I am not. The decision of the House has been made and it will stand. I call on the Minister to proceed.

Mr. McMahon.—I had said that there are three things that the security service cannot do. First, the security service has no police functions and no functions of law enforcement in the Commonwealth. Secondly, it has no executive or administrative functions of government and therefore cannot make administrative decisions.

Opposition members interjecting,

Mr. ACTING DEPUTY SPEAKER.—
Order! Others will be accompanying the honorable member for Yarra if they are not careful. The Leader of the Opposition was given a fair hearing and the Minister for Primary Industry will be given a fair hearing. I ask the Minister to proceed.

Mr. McMahon.—The third point I should like to make is that the security service has no jurisdiction relating to civil offences or to police offences committed in any part of the Commonwealth. I make those points clear right at the beginning, because once they are understood it will be realized that there is no substance in any of the suggestions or recommendations made by the Leader of the Opposition.

I turn now to the positive role of the service. I have stated that it is an anti-espionage organization. It has the function of intelligence in discovering organizations in Australia which are created for the purpose of sabotage, or for anti-Australian activities, collating the evidence and submitting it to the proper authorities. I
repeat that it is an intelligence organization only. It has the job of collecting evidence, of collating it, and of presenting it to the proper authorities. It cannot go one step further than the presentation of the evidence to the authorities. That is rather important, because it indicates the way in which this Government and, if I may say so, its predecessor in office, has been prepared to limit the functions of the Commonwealth security service.

Secondly, sir, I wish to make it clear that when this organization was established in the early months of 1949, it was given a charter by the then Prime Minister, the Right Honorable J. B. Chifley. Since that date, there has not been one substantial alteration of the charter of the Australian Security Intelligence Organization. Therefore, we are entitled to claim that the charter given to it, and under which it operates to-day, was satisfactory to the Labour party in 1949. With those facts in mind, I come to the various arguments that were put to the House by the Leader of the Opposition. First, he said that there must be ministerial responsibility. The Government agrees that there must be ministerial responsibility. If honorable members refer to the second-reading speech of the Prime Minister (Mr. Menzies), they will see that he said—

The Attorney-General is the Minister ordinarily responsible for the security service, and he will administer the act. The Director-General, however, has, and has had, from the inauguration of the service in 1949, direct access to the Prime Minister in security matters affecting the Government as a whole.

It will be seen, therefore, that the No. 1 argument of the Leader of the Opposition is unsound. In fact, there is ministerial responsibility. Indeed, there is double responsibility, first to the Attorney-General, the man who should be responsible for the administration of the act; and secondly, in matters that concern the nation and its security as a whole, there is responsibility to the one man who, above all others, is responsible for the security and defence of the country—the Prime Minister himself.

The Leader of the Opposition may have been a little misled by the last paragraph of the speech of the Prime Minister, in which the right honorable gentleman said that the detailed manner in which the control of the Attorney-General shall be exercised will not be specified in the act or regulations. I can see no reason why it should be. I believe that the relationship between the Government, the responsible Minister and the Director-General of Security should be worked out in exactly the same way as the British common law was worked out: That is, as a result of experience and common sense. It is on that basis that the Prime Minister has put it in his speech introducing the bill to the House. That relationship, or the way in which control of the security service by the Minister will work out in practice, will be based upon experience and the common-sense application of commonsense rules. Therefore, we find that there is ministerial responsibility. I regret that the right honorable gentleman should have referred to the fact that the organization spends a large sum of money. So it does, but the expenditure does not matter very much. We are concerned with the security of this country and with making certain that subversive activities, designed to destroy us, or to undermine our defences and our capacity to defend ourselves, are not carried on.

The second point raised by the right honorable gentleman was that although this bill will give statutory standing to the security organization, the Opposition does not know what contracts have been made between the Director-General and the various members of the organization. Again, I say that he could not have read the speech of the Prime Minister in the fashion that normally might be expected of the Leader of the Opposition, nor could he have listened very attentively to the Prime Minister's speech, because the simple fact is that this measure is designed to set out clearly the way in which the terms of employment of these individuals will be arranged. It provides that the Director-General of Security shall have power to enter into agreements on behalf of the Commonwealth. But a most relevant clause provides that the terms and conditions set out in the agreements shall be fixed by a committee consisting of the chairman of the Public Service Board, the Solicitor-General and the Director-General of Security. Through that committee, the terms and conditions of service, including the salaries to be paid, will be kept broadly in line with those that obtain in the Public Service of the Commonwealth.
Mr. Ward.—What about the existing contracts?

Mr. McMAHON.—The honorable member will find that the existing contracts are on exactly similar lines.

Mr. Ward.—How do we know?

Mr. McMAHON.—I am telling the honorable member now, and the matter is also referred to in the Prime Minister’s speech. I say that, in substance, the existing contracts are the same as those that are now being entered into. Therefore, we find that although this bill will give the service statutory standing, the conditions will be those that apply generally throughout the Commonwealth, and subject to approval by the committee to which I have just referred.

The Leader of the Opposition attempted to create the impression that there was some compelling voice in the security service, that it had some power behind the scenes, some power to influence the Government in a way that could be regarded as sinister. Let us examine that matter. I have shown the functions that the service exercises and also those that it does not possess. The simple fact is that it has a role of intelligence and also a role of recommendation. It may speak to a permanent head, but it cannot tell him what he should do. Therefore, it has not a compelling voice. If it cares to make a report to the Minister for Immigration, for instance, concerning an immigration matter, the Minister will look at the report, but he will make up his mind on what the final decision should be. In doing so, one of the matters that he takes into consideration is the report of the Australian Security Intelligence Organization. But if, in his wisdom, he feels that there are good and compelling reasons why he should adopt a different course, which he thinks is just and correct, he is free to do so, and many of us know that that has been done in the past.

Finally, I come to the question whether security is decisive in determining whether or not a person is to obtain a job. I do not need to repeat the position of security in the Commonwealth service. I do not need to repeat that it has no administrative or executive function. It has only the function of collecting intelligence and passing it on to the relevant departments. Therefore, it cannot prevent a person from obtaining a job. The decision whether or
that in the past, by destroying the authority of Communists in this country, they may have destroyed one, two or perhaps a few more political reputations.

Debate (on motion by Mr. Ward) adjourned.

**TARIFF PROPOSALS 1956.**

Customs Tariff (Industries Preservation) Proposal (No. 1).

*In Committee of Ways and Means:*

Consideration resumed from 24th October (vide page 1753), on motion by Mr. Osborne—

That duties of customs be imposed in accordance with the following provisions:—

(1) If the Minister . . . (vide page 1752).

**Mr. CALWELL** (Melbourne) [1.7 a.m.].—The Opposition, very naturally and very properly, does not offer any objection to a bill of this kind. We want to preserve Australian industries. If we have any criticism of the Government, it is that the Government does not preserve Australian industries sufficiently, and is not as active as it might be in fields other than that of imports from other countries intended to be covered by this legislation. I believe that this bill will be of some benefit. The Government does not indicate against whom it is aimed, but it says that it is intended to help the industries of Australia.

I should like the Minister for Air (Mr. Osborne) to give consideration to a few other industries that have been affected by imports, and possibly by the Government’s credit restriction policy, because in a number of industries that have existed in Australia for up to 40 years many men are now being dismissed, for reasons best known to the directors of the companies concerned. The firm of H. V. McKay Massey Harris Proprietary Limited in Melbourne has dismissed, or intends to dismiss, 900 men. This is a very serious matter. I do not know what is the cause of these dismissals, but I should certainly like the Minister to have a look at this matter. I know that aircraft production does not come within the Minister’s province, but I would ask him also to consider that section of industry when he is deciding on methods of preserving Australian industry generally.

As I have said, the Opposition offers no objection to the legislation and will facilitate its passage. Now that the Minister for Labour and National Service (Mr. Harold Holt) benignly nods to me, I should like him to identify his efforts with those of the Minister for Air, who represents the Minister for Customs and Excise in this chamber, in ensuring that quite a number of Australian industries that are seriously threatened for reasons other than those that this bill is designed to circumvent, will also be protected.

Question resolved in the affirmative.

Resolution reported.

Standing Orders suspended; resolution adopted.

Ordered—

That Mr. Osborne and Mr. Harold Holt do prepare and bring in a bill to carry out the foregoing resolution.

**CUSTOMS TARIFF (INDUSTRIES PRESERVATION) BILL 1956.**

Bill presented by Mr. Osborne, and passed through all stages without amendment or debate.

**CUSTOMS TARIFF VALIDATION BILL 1956.**

Second Reading.

Debate resumed (vide page 1962).

**Mr. CALWELL** (Melbourne) [1.13 a.m.].—This bill, as the Minister for Air (Mr. Osborne) explained some time yesterday, is designed to validate several tariff items so that the Government can prorogue the Parliament. The purpose of proroguing the Parliament, I take it, is to enable us to commence a new session next year, and that past custom will be departed from. I understand that there is some constitutional difficulty that prevents the Government from having a new session each year unless it first validates all the customs proposals that are pending before the Parliament.

**Mr. Osborne.**—It is not a constitutional difficulty. It arises under the Customs Act.

**Mr. CALWELL.**—That is what I have said. But under State law a parliamentary session may be held each year without any difficulties or complications, whereas in this Parliament certain things must be done if we wish to hold a session immediately after the preceding session has concluded. The Government may think it desirable to have all the panoply that attaches to these events,
and all these adventitious aids to glory and importance paraded, with the Governor-General making a speech and opening a new session of Parliament and the rest of the ostentatious parade. I do not think it matters at all. Of course, it gives Ministers an opportunity to wear their black cloth coats and striped trousers, and those who want to do so can wear salmon or canary coloured or dove grey waist coats. It is more a parade than anything else. As far as I am concerned I could not care less about those things.

Mr. Haworth.—The honorable member will probably wear one, too.

Mr. CALWELL.—I am too old to be tempted to do such a thing. I would not think of decking myself out in such glory. Solomon in all his glory—and I am looking at the honorable member for Lyne (Mr. Lucock) as I say this—was never decorated like a cabinet minister is on the day that Parliament meets for a new session. I am not a traditionalist or a conventionalist, and I could not care less what people wear, but I cannot see any particular reason why this Parliament should have a new session next year. The Government had very little business this year, and it will have very little to put into the Governor-General’s Speech for next year. The Government brought down a great deal of second-rate legislation. It produced an awful budget, which was the central feature of the session, but the other bills, for the most part, were of such poor quality that they need never have been introduced.

We do not want to oblige the Government because new Ministers like to wear their homburgs and their fine clothes for the first time at the opening of a new session next year, but we will not object to the passage of the bill at this stage. I do not know whether the Minister for Social Services (Mr. Roberton) would be out of order in appearing in his kilts, but I suppose he could wear them to the opening of a new session of Parliament if he wanted to.

With those few remarks, which are intended to be facetious rather than disparaging to the Government, and which are directed against the human foibles of its members, who wish to display themselves to the Governor-General at the opening of a new parliamentary session, the Opposition will allow the bill to pass. Those who want to make a show of it may do so, as far as I am concerned. I prefer the simple things of life.

Question resolved in the affirmative.

Bill read a second time, and reported from committee without amendment or debate; report adopted.

Bill—by leave—read a third time.

Sitting suspended from 1.19 a.m. to 2.15 p.m. (Thursday).

ASSENT TO BILLS.

Assent to the following bills reported:—

Defence Bill 1956.
Air Force Bill 1956.
Distillation Bill 1956.
Wool Products Bounty Act Repeal Bill 1956.
Loan (Housing) Bill 1956.

BILLS RETURNED FROM THE SENATE.

The following bills were returned from the Senate:—

Without amendment—

Loan (War Service Land Settlement) Bill 1956.
Sugar Agreement Bill 1956.

Without requests—

Customs Tariff Bill (No. 4) 1956.
Excise Tariff Bill (No. 3) 1956.

CUSTOMS HOUSE, MELBOURNE.

Reference to Public Works Committee.

Mr. FAIRHALL (Paterson—Minister for the Interior and Minister for Works) [2.16].—by leave—I move—

That, in accordance with the provisions of the Public Works Committee Act 1913-1953, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for investigation and report, namely:—Erection of additions to Customs House, Flinders-street, Melbourne.

The proposal provides for the erection of an annexe at the rear of the existing Customs House on Commonwealth-owned property bounded by William and Market streets on the west and east respectively. The building is urgently required to provide additional accommodation for customs operations. The proposed building will consist of basement, lower ground, ground and three upper floors and will be constructed in reinforced concrete. The estimated cost of the project is £630,000. I table the plans of the proposed building.

Question resolved in the affirmative.
MIDDLE EAST.

Mr. MENZIES.—It may be of help to honorable members if I say that I expect to be able to make a statement on the Middle East position at 8 p.m.

AUSTRALIAN SECURITY INTELLIGENCE ORGANIZATION BILL 1956.

Second Reading.

Debate resumed (vide page 2020).

Mr. WARD (East Sydney) [2.18].—This is a most important bill. It will afford an opportunity to the members of the Opposition to press for replies to many questions that they have directed to the Prime Minister (Mr. Menzies) with respect to the activities of the Australian Security Intelligence Organization during the last few years. Up till now, the Prime Minister has adopted the attitude of refusing to give any information about the activities of the security service, even on such matters as the salaries paid to the Director-General and the Assistant Director-General which could have no bearing on security. In this debate, we shall be able to raise a number of the matters that we believe have not been dealt with satisfactorily by the Government.

Before I proceed with my general remarks, I want to make one or two references to the second-reading speech delivered by the Prime Minister. He tried to make out that this was a simple little piece of legislation, designed merely to establish the security service as a statutory body, so that in the future it will not be dependent, as it is now, on action by the Executive. But the bill is much more important than that. The Prime Minister indicated during his speech that one of the reasons why the Government decided to introduce the measure was that attacks had been made, to use the Prime Minister's words, "on our own security service in the course of the Royal Commission on Espionage". The Prime Minister said also—

The bill does not make any changes in the constitution, organization, or functions of the Australian Security Intelligence Organization.

It is true that the bill will not make any changes in the existing organization, but what the Prime Minister was trying to convey to the Australian public by those words was that there had been no changes of the constitution or organization of the security service since it was established by the Chifley-Labour Government a few years ago, although, as a matter of fact, everybody knows that there have been material changes. The Prime Minister himself admits that some changes have been made because he used the words, "With only minor changes . . . made by myself".

One of the changes which he regards as minor was to take the control of the security service from a civilian and to hand it to an ex-military officer. We believe that that was an important change, because almost everybody in the community knows that when the late Mr. Chifley selected Mr. Justice Reed, a justice of the Supreme Court of South Australia, as the head of the security service, he did so with the deliberate intention that the service would be in the charge of a man renowned in a civil profession, because such a man would have more regard for civil liberties than would a man brought up in a military atmosphere, among people who have little regard for the liberties of the people. So a material change was made.

Then the Prime Minister said in his speech that the organization has no police function. He would like the Australian public to believe that that is so. If that argument is put forward seriously, I ask the Prime Minister, before the debate concludes, to explain to the House and to the Australian people the meaning of clause 15, which states—

The Director-General and officers and employees of the Organization shall be deemed to be Commonwealth officers for the purposes of the Crimes Act 1914-1955.

Does not that clause indicate that, despite what the Prime Minister suggested in his speech, the security service will have functions other than the function of gathering intelligence information? The first question that arises in considering this measure is: Should the security service be continued, having regard to our experience of its operations up to this time? Nobody in the country would object—certainly the Chifley Labour Government did not object to it—to an organization controlled by men who were able to keep themselves free of party political entanglements and whose aim was to gather intelligence information to ensure the security of the country. But has that
been the sole purpose of the security service? As I develop my argument, I shall show that the security service has not been controlled and operated as the Labour government which established it intended. It has developed into a sort of secret police organization—carrying out work for the anti-Labour government of the country and endangering the civil liberties of the people. It is completely the opposite of what we would expect a security service to be in a democratic country.

We have to ask ourselves: Is this an efficient organization from the security viewpoint? We can judge whether it is an efficient organization only by the results it has achieved—how many spies it has caught and how many cases of espionage in the country it has discovered. The Royal Commission on Espionage stated that espionage had occurred in this country. Let us see whether that knowledge came to the notice of the Government as a result of the efficiency of the security service or by mere chance. On 25th October, 1955, the Prime Minister, speaking in this House, said—

Honest Australians will be more easy in their minds to learn from this royal commission report that our security organization has been so effective.

Later in that speech, he said—

It must be obvious to honorable members that, but for the disclosures by Petrov . . . it is reasonable to assume that people like O'Sullivan and Grundeman would still be with the right honorable gentleman—

He was referring to the Leader of the Opposition (Dr. Evatt)—

in this building and . . . that the espionage of the Soviet Embassy would be both operating and, to a large extent, unknown.

If we had an efficient security organization, does the Government suggest that espionage could have been carried on to the extent that the royal commission declared it had been carried on? Unless the Petrovs had disclosed it, according to the Prime Minister's own statement, despite our so-called efficient security service, we should not have known anything about it at all, and it would have continued. Let us examine further what the Prime Minister had to say during this memorable debate on the royal commission's report on the question of how successful the security service was in capturing spies. Referring to the evidence of Miss Bernie, who had been a junior typist on the staff of the Leader of the Opposition, the Prime Minister said—

. . . it was her evidence that showed that Clayton, the king-pin in the Communist party, whom they—

Meaning the Australian Labour party—are now so anxious to defend, was the spy . . . There was no equivocation about it. The Prime Minister declared that Clayton was the king-pin of the Australian Communist party and that he was the spy. He said also—

. . . the commission has found that for many years the Government of the Union of Soviet Socialist Republics . . . had been using its embassy at Canberra as a cloak under which to control and operate espionage organizations in Australia . . . the royal commission found that the only Australians who knowingly assisted in this espionage were Communists.

I am glad to know that from the report of the royal commission. That means that the royal commission had discovered, according to its report, that espionage was being directed from the Russian embassy, and that it was being undertaken solely by Communists, of whom Clayton was the king-pin. He was the spy. Yet not one prosecution was launched as a result of the royal commission's findings or deliberations! Why did the Government not take action? If the Prime Minister was satisfied that Clayton, who, according to the right honorable gentleman, was the king-pin of the Communist party, was the spy, why was a prosecution not launched? The Prime Minister said in reference to prosecutions—

The commission made some particular findings about individuals, though it found that the evidence stopped short of justifying a prosecution under the existing Australian law.

Everybody knows that it was not the law that was deficient. There is any amount of law available to protect this country against espionage. What was lacking was evidence before the royal commission to prove the guilt of any person who appeared before it by establishing that any such person had actually been engaged in espionage. The Government lacked evidence. It knew that if it took legal proceedings in the courts in the normal way it would have to permit cross-examination of its witnesses, because the proceedings would have to be conducted according to the normal and established practices. But it was not prepared to allow its witnesses to be examined in the normal way. Every one knows how
the Petrovs were protected before the royal commission, and how, every time counsel began to elicit damaging disclosures from them about the part in the conspiracy played by the Government, they were protected by the gentlemen who presided over the royal commission. In the ordinary courts of law they would not have received such protection, and the Government was afraid to submit them to proper interrogation in an ordinary court of law.

Let us examine a little further the part played by the Prime Minister in this matter. I remember directing attention in this House during the proceedings before the royal commission to a discrepancy between a statement that had been made by the Prime Minister in this chamber and sworn evidence given by the two senior officers of the security service, who are now to be confirmed in their positions by this bill. If they are to be confirmed in their positions, is it not logical to assume that the Government accepts them both as being truthful and honorable men? If it did not do so it would not wish to confirm their appointments. If they are truthful and honorable men, the Prime Minister must have been lying. What happened? On 13th April, 1954, the Prime Minister, speaking in this chamber, said—

The name of Petrov became known to me for the first time on Sunday, the 11th April.

He went on to say in another statement—

Early in February, 1954, I now learn that the Solicitor-General and the secretary of the Department of External Affairs as individuals were warned of the possibility of a defection.

This warning was given orally by the Director-General and was given to no other people except the Attorney-General and the Minister for External Affairs.

That is a contradictory statement. The right honorable gentleman said first that the Solicitor-General and the Secretary of the Department of External Affairs had been advised. He proceeded—

I was myself told that there was the possibility of a defection, but the identity of the subject was not divulged, nor did I ask for it.

What reasonable person would believe that the Prime Minister spoke the truth? One would imagine that it was quite a common occurrence for a member of the staff of a foreign embassy to defect and to offer to this country what was said to be valuable information. If the Prime Minister were advised that a defection was likely would he not immediately want to know who was likely to defect, and would the Director-General of Security not tell him?

Let us have a look at the evidence given before the royal commission by Brigadier Spry, who was at the time only a colonel. and Mr. Richards, the Deputy Director-General of Security. I remind the House that the Prime Minister had said that he had not heard the name of Petrov until 11th April, 1954. But the senior officers of the security service said that they saw the Prime Minister at the Prime Minister's Lodge on 4th April, 1954, at 5 p.m., by appointment, to report on the defection of Petrov, and were with the right honorable gentleman from 5 p.m. until 6.40 p.m. and that Brigadier Spry produced the Petrov documents, which the Prime Minister studied. But according to the Prime Minister, although they were discussing the defection of Vladimir Petrov, no mention was made of the payment of £5,000 to Petrov by the security service. The right honorable gentleman said that he heard of it for the first time on 9th May, 1954, during the federal general election campaign. Is it not evident to any sensible and intelligent person that the Prime Minister suppressed information which had been made available to him, waiting for a favorable opportunity to use it, either just before or during a general election campaign? If the security service, which was supposed to keep the Leader of the Opposition fully informed on security matters, was a non-political organization, why did it not advise the Leader of the Opposition of what was being done in regard to espionage? The security service withheld the information from the Leader of the Opposition. I do not say that it did so of its own volition. It may have been directed by the Prime Minister to do so. But is it not quite obvious that any security service that claims to be non-political should have refused to accept such a direction?

What are the methods of the security service? If we examine them perhaps we shall ascertain whether Government supporters believe that this organization ought to be condemned. We know that it has agents in various places. There is any amount of evidence to show how it approaches prospective agents. It approached a Mr. Higgins, a lecturer at
the University of Sydney, with a request that he should act as an agent, pim on students and lecturing staff in the university, and supply information. It is on record in a journal called the "Inter-collegian", which is the official journal of the Student Christian Movement in Australia, that the security service attempted to induce clergymen to report on members of their congregations. Can any one imagine anything more outrageous? If the Government cares to have a proper investigation made it will find that what I am saying is true. Mr. McGovern, who is Commonwealth Commissioner of Taxation, was approached by the security service and asked to permit an officer of the service to be stationed in each State office of the Taxation Branch. We know that the security service has agents in the Department of Immigration, and that people have been refused naturalization because it was discovered that they had voted as democrats in their own countries before coming to Australia. Because they had been, not conservatives, but had been merely pale-pinks, as the term might be used in the realm of politics, they were declared by the security service to be security risks. We know that the service has had its pimps and its spies placed in the trade unions, and in the Government departments, and that it is, in fact, a secret police force.

Let us examine one other interesting development. For some time the common practice was for the United States Federal Bureau of Investigation to make contact in Australia, on any matters of common interest, with the Commissioner of Police in New South Wales. But, since Brigadier Spry paid a visit to the United States, it has been arranged that he, the chief of the security service, shall be the sole contact with the Federal Bureau of Investigation. So the police are now brushed aside.

Every member of this Parliament knows that there has been telephone tapping in this country. The honorable member for Hindmarsh (Mr. Clyde Cameron) and I challenged the Minister one evening in the Parliament to proceed with us to the headquarters of the security service, here in Canberra, where we would show him the actual machinery being used for the purpose of tapping telephone conversations in this parliamentary building.

Mr. Clyde Cameron.—We challenged the Government to refer it to the Committee of Privileges.

Mr. WARD.—That is quite true. As the honorable member for Hindmarsh reminds me, we challenged the Government to send the matter to the Committee of Privileges of this Parliament for proper investigation, and the records of the Parliament will show that it was as a result of the use of the Government's majority in this chamber that no proper investigation was made, because the Government dared not have an investigation. There are many former members of the Public Service who worked around this House, and have now retired, who could have told any committee of investigation that there were certain telephones in Parliament House that they deliberately refrained from using, because they were satisfied that conversations over those telephones were being tapped. One honorable member rang a constituent of his, a trade union delegate in Adelaide, and, although the conversation was of a confidential nature, the following morning security officers called on the trade union official and questioned him about what had transpired in his conversation with the member of Parliament.

So we know what is happening. Take the case of a trade union official in the maritime industry who had a telephone conversation with an executive of a shipping company to whom he was friendly disposed. The executive was later quizzed by his own colleagues, in conversation, regarding the conversation that he had had with the trade union official. That shows clearly that somebody had been listening to the conversation, and that somebody had conveyed knowledge of it to the colleagues of that executive in the shipping company.

The security service has dossiers prepared. I would venture the opinion that there is not an honorable member on the Opposition side of this Parliament on whom the security service has not got what is called a secret dossier. I was informed recently that the security service was engaged in the pastime—if it may be so termed—of preparing a list of likely internees in the event of an emergency in this country, and that the list included a number of trade union officials. How can we trust this organization to exercise such great powers in this country when we know
full well that the deputy chief of the security service to-day was the person on whose advice and information, largely, the so-called Australia First supporters were interned during World War II.—an action that aroused so much protest from members of the parties now in office. That shows conclusively that the security service cannot be trusted to exercise those great powers.

The Prime Minister and the Minister for Labour and National Service (Mr. Harold Holt) have both declared that the security service has no executive powers, that it could not prompt the head of a department in regard to the setting up of any particular security measures in his department, or prevent the appointment of any person to the Public Service, or prevent the promotion of persons in the Public Service. What a ridiculous statement to make! Every member of this Parliament knows full well that there is not a Minister sitting on the Government side who would disregard a security report or a security recommendation in regard to an appointment or a promotion. As a result, while the security service is able to have its agents, its pimps, acting on extracts taken from telephone conversations—scrap of conversation taken out of their context—and on that type of information, it is prejudicing many good Australian citizens in respect of normal promotion in employment, or in respect of appointment to the Public Service.

Nobody in this country exercises powers of punishment against whose decision there is not some form of appeal. Why should the security service be in a different position? Why should it be able to damn people on false evidence, without giving them the right of any appeal whatsoever? Therefore, we say that, before the Government proceeds any further with any of its ideas in respect of the security service, it ought to have a proper examination into what has happened since the security service was established in Australia. I was amazed by some of the replies I received from the Prime Minister recently regarding the activities in which some of these security people are engaged. Everybody knows it is said that the Petrovs wrote a book called "Empire of Fear". But we discovered that it was not the Petrovs who wrote that book—that it was written by a member of the security service by the name of Mr. Michael Thwaites. That name was not supplied to me by the Prime Minister, but I am able to say that Mr. Michael Thwaites was the "ghost" writer of that book. Does the Government take responsibility for what appears in the book? The Government washes its hands of it completely. It says that the book is the responsibility of the Petrovs themselves. But who gains financially from the publication of the book? According to the Prime Minister, it is not the department, or the officer whose salary the people and the Government of this country were paying while he was engaged in that particular type of activity. This gentleman came to Canberra on one occasion. I was informed that the purpose of his visit was to attend a conference of members of the Moral Rearmament Movement. When I questioned the Prime Minister about this, he said that it was not a conference that the gentleman had come here to attend, but a film evening. I think that film evening was conducted during the visit to this country of Dr. Buchman. Therefore, we naturally ask what type of security service we have in this country.

Let me deal briefly with some of the security service's agents. I think that honorable members will recollect that they have heard me repeatedly request, in this Parliament, a thorough investigation into the allegations that one of the security officers, by the name of Mr. George Marue, in conjunction with Dr. Bialoguski and Vladimir Petrov, was actually engaged in trafficking in liquor which was wrongly obtained through the Soviet Legation. Has any honorable member ever heard the Prime Minister, or any Minister of this Government, ever declare that Marue was not a security agent? Therefore, we have to accept that he was a security agent. What work does he say he was engaged on, because we have his own sworn evidence in a New South Wales court? He claims that, after having interviewed me in respect of this matter, and after having visited a couple of Sydney newspapers with the idea of having his story published, he was visited by two security officers, who told him that they knew he had been in touch with a federal member, and also that he had submitted his story for publication to two Sydney newspapers. They told
him that he would have to be very sure of his facts, otherwise he could get into trouble. They were trying to intimidate him! But, Mr. Marue still wants an investigation. It is amusing to note that, according to Mr. Marue, of the security service, he supplied the liquor to the service for its Christmas party in 1953. The subject of trafficking in liquor was mentioned before the Royal Commission on Espionage in Australia, but it was never properly investigated.

Now, I want to turn to what Mr. Marue said about the security service itself. Listen to what he thinks of it—and he worked with it. He was one of its agents. He said—

I agreed to help and co-operate with the Australian security organization, and I accepted Fred as liaison—

Fred was the security officer who was sent to interview him. He said—

I knew one man, one phone number and one G.P.O. box number I could send my reports to, that we would not have to meet very often and that we would not have to be seen together. I was very satisfied with that arrangement, but Fred had many problems to solve and he was coming to my office, or meeting me in the city, or at the Cross very often, at least three times a week. I did not like it, because too many people saw us together, as Fred looked like a detective, which he was for many years, and those who saw us together believed that I was working for the Police Department. I regarded our meetings as very careless of Fred and I decided that I must make sure that Fred is a smart man and if I had to work with him, to make sure that I could depend on him and regard him as an experienced intelligence officer. During one of our conversations I found that there were some matters Fred did not like to speak about or to answer my questions. I understood that I was not supposed to know about these matters and that was for me the best opportunity of finding out if Fred understood keeping secrets and how smart he was in preventing me from finding out about some confidential matters like, for instance: Location of the security office in Sydney and Fred's private address; names of the other security officers working in Sydney; who else from New Australians co-operated with security; where they interviewed people, &c.

I realized that I should not know all the above-mentioned matters and nobody should be able to find out any of these particulars if Fred was a really smart man. However, I was very surprised that it was not hard for me to find an answer to every question and I became worried that, one day, I would get in trouble because my friend Fred was, although very friendly, but a very careless man.

He went on—

I was able to photograph him in his car and his office and he did not take any notice that he was followed. After a few days I knew what duty cars security officers were using, where they parked their cars, where they met their informers, and many other important things which I and nobody else should be able to find out. The so-called "secret organization" seemed to me to be a party of a few very nice boys but, unfortunately, without any imagination as to what they should do, how they should behave, and how they should serve their country as security officers.

That is the opinion of one of their agents.

Let me refer to what Mr. Alan Reid, the correspondent of the "Sunday Telegraph", said in regard to his own experience. He said—

In Canberra, Security is remarkably discreet. It stays out of sight and out of the way, probably aware that it might easily step on very important toes. Once this savoured somewhat of comic opera. Apparently, security does not like persons visiting its office head-quarters. Rendezvous are arranged discreetly in remote places.

Mr. SPEAKER (Hon. John McLeay)—

Order! The honorable member's time has expired.

Mr. WARD.—I regret that time will not permit me to continue my speech, but I am sure that the House will agree that the security service has not proved of great value to the Australian community.

Mr. SPEAKER.—Order! The honorable member will resume his seat.

Mr. KILLEN (Moreton) [2.48].—I suppose that, in the last 25 years, there have been isolated instances of the honorable member for East Sydney (Mr. Ward) communicating facts to this House, but I venture to suggest that that phenomenon was not experienced by us this afternoon. I have heard it said that the honorable member for East Sydney is a person of no great note and should be ignored. That is an assertion that I would most vigorously contest. The member for East Sydney is a most singular individual. Of whom else can it be said that he has smeared his way through ten parliaments? The House has listened to a most vituperative and vicious attack on the security service of this country, a service which, whilst having but a brief history, has a most distinguished history and has offered to this country a great measure of real security.

I have said in the past that the honorable member for East Sydney has as much affection for the truth as he has for me but, as that analogy is not clear, may I say now that he as much affection for the truth as he
has obedience to Standing Order 55, and I have yet to see him acknowledge it. I have never listened to so much factitious nonsense in all my life. The honorable member—the description "honorable" has always struck me as being singularly incongruous—this afternoon, as his leader did last night, tried to convey to the House and the country that he was greatly disturbed about civil liberties. I was interested and intrigued to hear him mention the Australia First movement. I do not suppose that there are two other people in this country less competent to talk about civil liberties than the right honorable member for Barton (Dr. Evatt) and the honorable member for East Sydney. The House will recall the occasion during the last war when, on the initiative and on the authority of the right honorable member for Barton, subjects of the King and citizens of this country were kept in gaol without trial and maintained there, and ultimately one of them died. Yet the honorable member for East Sydney has had the colossal hide this afternoon to mention the Australia First movement.

He expressed some concern, as did his leader last night; about what has been described as the absence of ministerial responsibility and control over the security service, so it is interesting to turn back to 1949 when the security service was established. This is what the right honorable member for Barton had to say on that occasion in reply to a question dealing with the activity of the security service—

To all intents and purposes the Director-General of Security is free from ministerial direction. That arrangement is essential in order to maintain maximum internal security which, I have no doubt, all honorable members wish to have preserved.

Dr. Evatt.—Who asked the question?

Mr. KILLEN.—The then honorable member for Wentworth, Sir Eric Harrison. That statement indicates the difference between the opinion of the right honorable member for Barton in 1949 and his opinion in 1956. There is this split personality, this duality of ideas and this move to capitalize on circumstances.

Concerning the conditions under which members of the security service are employed, it is interesting to reflect on what other members of the Australian Labour party have had to say. Here is what the late Mr. Chifley said in reply to a criticism of the security service—

If a request is made for security officers to undertake essential services, the matter will be discussed with the Director-General of Security. As far as I am personally concerned, I do not see that there is anything to be gained by permitting officers who are engaged in very careful personal examinations to be put in the witness box. That would only result in what they are doing becoming general knowledge. Although, at the moment, I am opposed strongly to doing anything of that kind, I shall discuss it with the Director-General of Security.

Dr. Evatt.—Who had asked the question?

Mr. KILLEN.—Mr. Harold Holt had asked a question relating to the activities of the security service. Here is another statement made by the late Mr. Chifley—

I am certain that no gaps will be left in our security measures. As the honorable member knows, it is not unusual to discuss the detailed activities of a security service. Much of the value of such a service lies in the fact that it works quietly. Members of the organization should not be unduly prominent at cocktail parties, but should devote themselves to the tasks allotted to them. I do not propose to divulge details of the staff that will be associated with Mr. Justice Reed, . . .

Yet this afternoon the honorable member for East Sydney demanded, in effect, that all the details of activities of the security service should be made known to the House. I think it is of the utmost importance to the House and the country that the methods employed by the security service and the structure of that organization have not changed since 1949. It still pursues the same modus operandi. It is not a police body as the honorable member for East Sydney has endeavoured to make out. It is an investigating body. Having listened to the vituperative nonsense that has come from the lips of the honorable member for East Sydney, I am convinced that if he and the right honorable member for Barton (Dr. Evatt) were in charge of security in this country the measure of insecurity visited upon us would be very real.

We are faced with the simple truth that in the last ten years the mass betrayals of their country by persons attracted to international communism have exposed the West to the gravest dangers. One has only to recall the betrayals by Klaus Fuchs, Dr. Allan Nunn May and Professor Pontecorvo to realize this. The defection of these three individuals alone meant for the Soviet Union
In the last twenty or 25 years we have seen the gradual, but sure, expansion of the Communist movement throughout the world. The Western world, and the democracies in particular, have come to see the really conspiratorial nature of international communism. I have already alluded to the defection of certain individuals. Unless the majority of people in every democracy—I could not hope to include among those people the honorable member for East Sydney—realize that communism is basically conspiratorial, and that a security service must be vigorously maintained, they will make a grave mistake. One has only to reflect on the training given to members of the international Communist movement who are engaged in conspiratorial work. Honorable members may know something of the operations of the Lenin Institute, where selected individuals from every country in the world spend up to four or five years learning every facet of Marxist-Leninism, and how to apply that training to the peculiar features of their own country. What have we in the Western world as a counter to that form of training? I suggest that we have practically nothing.

Mr. J. R. Fraser.—We have always got the honorable member.

Mr. KILLEN.—That is a matter of opinion. I appreciate the point of view of the honorable member for the Australian Capital Territory (Mr. J. R. Fraser) but on this we may agree to have a mild disagreement. The fact remains that no western democracy has an organization which squares with the Lenin Institute in Moscow.

Mr. Bryant.—What about the Liberal party secretariat?

Mr. KILLEN.—I admit that it is a very virile body, and one reason why this Government is in office and the honorable member for Wills (Mr. Bryant) is on the Opposition benches. The report of the Canadian royal commission of 1946 shows the nature and versatility of Communist agents. The report had this to say—

The efficient functioning of the Comintern organization is further shown by the highly systematized interest of "The Director" in Moscow in each non-Russian agent, and in the recruiting of new agents. Before a new agent could be employed by Col. Zabotin for espionage purposes he had to propose the name, with particulars to Moscow. Moscow would then check independently and, inferentially through one of the other agency systems before approving or withholding approval.

As the Canadian royal commission established, the Comintern had a file on every Communist in the world. Before Colonel Zabotin could appoint an agent the Comintern checked, through one of the other groups operating in Canada, to see if he was of sufficient value, and could be completely trusted.

The member for East Sydney has again charged the commissioners who conducted the Petrov inquiry with being involved in a conspiracy. That is a scandalous assertion, and if any sense of shame could penetrate the pachydermatous hide of the member for East Sydney he would be so ashamed that he would leave this Parliament and not come back for six months. The conclusions reached by the Petrov Royal Commission are based on authentic documents. Does the member for East Sydney insist that the commissioners were liars, perjurers, pimps, and conspirators? The documents before them plainly showed that for many years the Soviet Government had been using its embassy at Canberra as a cloak under which to control and operate espionage in Australia. Does he contest that conclusion, or the conclusion that there is a distinct possibility that other espionage organizations such as that we have called the GRU legal apparatus, and the MVD legal apparatus—which are devoted to all espionage other than military—could still be operating in this country? If the member for East Sydney wants to attack the commissioners an obligation rests upon him to say so in the plainest possible terms instead of resorting to the contemptible form of smearing of which he is so capable. He may smile, but he cannot smile away 25 years of smearing.

He wanted to know why none of the people involved in the Petrov conspiracy were charged, and then endeavoured to show that there was no substance in the
argument that this Parliament did not possess the necessary legal powers. I speak as a layman, but one is entitled to form one's own conclusion and, on all the facts available, it is perfectly clear that Parliament has not power to protect itself against people such as those who were involved in this conspiracy. Therefore, I suggest to the Parliament, and to the Government in particular, that if a prima facie weakness really exists in our treason laws we should apply to the Imperial Parliament, using the requesting power of the Statute of Westminster to ensure that the Treason and Felony Act of the United Kingdom applies to this country also. It is of the utmost importance that the Government should examine that suggestion. The second specific suggestion that I want to make is that there is in the United States of America, an organization or committee called the Un-American Activities Committee, and it is high time that we established an Un-Australian Activities Committee in this country.

Mr. Peters.—The honorable member could be its chairman.

Mr. Killen.—The honorable member for Scullin (Mr. Peters) would not have a ghost of a chance of qualifying for that committee. The activities of the American committee have proved most valuable.

Mr. Webb.—That is McCarthyism!

Mr. Killen.—The honorable member's interjection is typical of most Marxist thinking to-day. If one opposes communism, he is a reactionary, a Catholic-Actionist, a McCarthy-ite, or a ratbag. That is the Marxist line which has successfully penetrated and is now peddled by the honorable member for East Sydney. We oppose that kind of rebellious thought.

Mr. Webb.—You are a fascist ratbag.

Mr. Speaker.—Order! The honorable member for Stirling will withdraw that remark.

Mr. Webb.—I withdraw it.

Mr. Killen.—I believe that it will only be by equipping ourselves with all the weapons to counter that foe that we will be successful, and one of the prime and essential weapons that we require is an understanding of the nature of the enemy that we oppose. Recently, the United States Un-American Activities Committee made an examination of the denigration of the late Marshal Stalin, and issued a most valuable report. It dealt with the attacks made by Mr. Khrushchev on the late Marshal Stalin and stated the various interpretations that could possibly be made. I recommend it to all honorable gentlemen, and even perchance the member for East Sydney may be interested.

Mr. J. R. Fraser.—I rise to order. I ask you, Mr. Speaker: Is it the custom of this House, and is it in fact required by the Standing Orders, that honorable members shall be referred to as "honorable members"?

Mr. Speaker.—"Honorable members" is the correct term. I direct the attention of the honorable member for Moreton to that fact.

Mr. Peters.—He has a lot to learn.

Mr. Speaker.—Order!

Mr. Killen.—Thank you, Mr. Speaker. I recommend that report to the honorable member for East Sydney. The booklet is entitled "The Great Pretence", a title that I believe, also covers his activities. To illustrate the need for the establishment in this country of such a committee, one has only to turn again to the Canadian royal commission's report and to examine the methods used in Canada in the employment of various agents. For example, the commissioners found, as reported in their own words—

Perhaps the most startling single aspect of the entire Fifth Column network is the uncanny success with which the Soviet agents were able to find Canadians who were willing to betray their country and to supply to agents of a foreign power secret information to which they had access in the course of their work, despite oaths of allegiance, of office, and of secrecy which they had taken.

Then the commissioners went on to an examination of what they called the development of ideological motivation. The manner in which this worked is, I suppose, not easily understood by the great majority of people. The commissioners themselves pointed out that it was very difficult to establish exactly the form that it took, but briefly it was along these lines: Members of a particular group would concentrate on one individual, and over a period of time, even though that individual may have been genuinely anti-Communist, they were able
to turn him and persuade him to move towards, and ultimately to embrace, the Communist faith. We have also seen the development in this country, and in other Western countries, of what is now referred to as psycho-politics. The late Mr. Beria, addressing a class of the Lenin Institute, referred to the value of psycho-politics, which is, in essence, merely a refinement of the method used in Canada, the ideological method, where the attack is upon the mind, to destroy the basic fundamental loyalties that a person may have to an ideal or to an institution. Once having achieved that end, of course, half the task has been achieved, and the individual is exposed to the relentless attraction of international communism.

This afternoon I have suggested to the Parliament, and in particular to the Government, two specific suggestions which I trust the Minister at the table will convey to the Government for examination. I recapitulate very briefly. I believe that if the treason laws of this country are not what is required to meet the situation, a serious examination must be made of the proposal to use the requesting power contained in the Statute of Westminster, to ask the Imperial Parliament to say that the treason and felony laws of the United Kingdom apply to this country. My second specific suggestion is for the establishment of an un-Australian activities committee. I believe that it is of the utmost importance that we in this country come to the realization that communism is not a sort of vulgar political force, but that it uses many methods and many means which require great patience and great study to understand. It will only be by addressing ourselves to a systematic and sustained examination of the methods and means of Communists that we will be able to protect this country and ultimately to defeat communism in an ideological sense.

I conclude simply by saying that this bill provides for statutory protection to the Australian Security Intelligence Organization. As I observed when I commenced, this organization has a brief but superb history. It is an organization which has made a notable contribution to the security of this country and to the protection of every individual in this country. It is as much an arm of the defence forces of this country as is the Navy, the Air Force, or the Army. Many of the men employed in it have splendid war records. The honorable member for East Sydney this afternoon chose once again by innuendo to smear the Director-General of Security. The simple truth, of course, is that the Director-General of the Australian Security Intelligence Organization is a man of great character and of great purpose, with a superb war record, and it ill becomes the honorable member for East Sydney, or any other honorable gentlemen in this place, to attack a man who is not in a position to defend himself. I commend this bill to the House, and few things give me more pleasure than being in a position to support it.

Mr. WHITLAM (Werriwa) [3.13].—No speech by the honorable member for Moreton (Mr. Killen), on any subject at all, would be complete which did not commence with an attack on the Leader of the Opposition (Dr. Evatt) and the honorable member for East Sydney (Mr. Ward). His speech, to-day, was in character. I use that term, of course, in a very limited sense. In this afternoon's outburst, which commenced on the lines of the evil tradition which he has managed to establish in his ten or eleven months in this Parliament, he referred to the "Australia First" cases. They were the only specific references that he made. Therefore, to clear away the debris, I shall deal with them first. There were two sets of "Australia First" cases, one in Western Australia, and one in New South Wales. It is an extraordinary thing that the cases in Western Australia were revealed—some persons say provoked—by the present Deputy Director-General of the Australian Security Intelligence Organization. The honorable member for Moreton seeks to blame the Leader of the Opposition, who, at that time, was the Australian Attorney-General, for the internments which then took place. In actual fact, I believe, the right honorable gentleman was then out of this country and in the United States of America. At all events, the incident happened during the term of office of a Labour government, so, perhaps, even his allegation deserves some answer. The procedure followed by the Labour government at that time was to ensure that the four members of the "Australia First" movement who were interned in Western Australia should be brought to trial. They were brought to trial before a
court consisting of the Chief Justice of Western Australia and a jury. Two of them were acquitted and two of them were convicted. They were tried by their peers—a perfectly proper procedure in accordance with British traditions, whatever the hysteria and histrionics of the time. The honorable member for Moreton would have been at home with the hysteria and histrionics of 1942.

I turn now to the other case in New South Wales. I shall speak from recollection and I hope I do no injustice to the present Deputy Director of Security in making the allegation I am about to make. Telegrams were purported to be sent from the Australia First people in Western Australia to persons who had no connexion with them but who bore the same name in New South Wales. The telegrams were never delivered. They were intercepted, and on the basis of the telegrams seventeen people were interned.

The procedure followed by the Labour Government at the time was in due course to appoint a federal judge, now Mr. Justice Clyne, to inquire into the circumstances of their internment. His Honour reported that eight of the seventeen had been wrongly interned and that the Government should pay them certain recommended amounts as compensation. The Government released them, apologized to them in this place and paid—

Mr. Anthony.—It paid them about £300.

Mr. WHITLAM.—The amounts varied between £350 and £700, but in every case the amount paid was the amount recommended by Mr. Justice Clyne. I do not suggest that His Honour's determination of the amount of compensation was deficient or extravagant. He made the recommendation. No objection was taken at the time to his appointment or to his recommendation, and his recommendation was promptly and fully carried out. The fault of the Labour government at the time, if there was a fault, was in acting upon the recommendations of military security. It acted on military security recommendations in New South Wales and on police recommendations, particularly those of Mr. Richards, in Western Australia. I have already mentioned that the Western Australian persons were brought to trial. Surely we do not cavil at the results of the trials! The persons in New South Wales were reported upon by a federal judge, sitting under the National Security (Inquiries) Regulations.

At the time there was a very considerable commotion in this place by Liberal members. They suggested that the Commonwealth had not agreed to one of the New South Wales detainees—his name was mentioned last night, so I can mention it again—Keith Bath, being allowed to proceed in an action for wrongful arrest against the Commonwealth. Objection was taken that the Australian Attorney-General, the present Leader of the Opposition, had acquiesced in the Crown pleading the Statute of Limitations to defeat the claim. The objection was made by many Liberal members of Parliament, and with fair plausibility, that it was not an appropriate plea to be made by the Crown. The astonishing thing is that, when there was a change of government, the plea was not removed; it was persevered with and the honorable and vociferous lawyers in this place, who are now the Prime Minister (Mr. Menzies) and the honorable and learned Minister for Supply (Mr. Beale), and who made such complaints about this scurrvy treatment by the Crown towards a British subject, a subject of the King and an Australian citizen, allowed that treatment to be continued under their régime.

Furthermore, when the security service, which the Labour government had established, was removed from a judicial basis under Mr. Justice Reed, of the Supreme Court of South Australia, to a military basis under the gallant gentleman who is now Brigadier Spry, a deputy was appointed in the person of Mr. Richards. If there was any wrong treatment by the Labour government in having the Western Australian Australia First persons brought to trial, honorable members opposite have approved of it and condoned it by appointing to the second place in the security service the man who was most involved in the Western Australian proceedings and who was widely said at the time to be an agent provocateur. They are also guilty of the same scurrvy treatment towards the New South Wales detainees, if there was scurrvy treatment, by not paying any supplementary compensation to all the men except Keith Bath
and by persevering with this ignoble plea, as it is called, of the Statute of Limitations in regard to Keith Bath.

I have spent more time, probably, than was merited in clearing away the debris spread about by the honorable member for Moreton. I now come, as he never did, to this bill. The sole object of this bill is to give security to the security service. We do not object to that. But we will not support the bill.

Mr. Hamilton.—It sounds like it!

Mr. WHITLAM.—The honorable member, who will be following me, is undoubtedly chagrined—as the previous speaker was and the Minister for Primary Industry (Mr. McMahon) was last night, although probably a better word to use about the Minister is “peeved”—by the fact that Labour's objection to this bill is not as he thought it should be. We will not support this bill for three reasons. The first is that we believe that anybody on the Commonwealth pay roll such as security officers and employees should have all the benefits of any other person who is on the Commonwealth pay roll. Secondly, we believe that no such powerful and influential section of the Commonwealth service should be entirely autonomous or irresponsible. I use the word “irresponsible” in the sense of unaccountable. Thirdly, we believe that all Australians—all subjects of the Queen, all Australian citizens, all British subjects—should have the same right to clear themselves as any one else. Indeed, one would hope they would have the benefit of the same presumption of innocence in regard to the reports of security as they do in regard to every other determination by an executive which can be made in Australia or in any British country.

This is the first time we have ever had in the Australian Parliament a bill dealing with security, and the bill is utterly incomplete. Until the thoroughly British and, one would hope, Australian amendments, for which we have asked, are made, we will not support this bill. I mention in greater detail, first, our claim that the employees and officers of the security service should have all the benefits that anybody else on the Commonwealth pay roll has. The Crown, Commonwealth or State, should be a model employer. It should not be open to the suggestion that an employee can be hired and fired at the whim of the employer, in which we have to acquiesce to a certain extent, and which Government members would propound as a virtue in respect of private enterprise or exploitation. We say that, if a person serves the Crown on the Commonwealth pay roll, he is entitled to certain privileges and rights, and we are anxious that the security service should have them.

It is a very easy amendment to make. The bill already confers on the officers and employees of the security service certain benefits under the Officers' Rights Declaration Act 1928-1953, under the Superannuation Act 1922-1956 and under the Commonwealth Employees' Compensation Act 1930-1954. What we ask is that a similar clause be inserted in the bill providing that they will also have the benefit of the appeal provisions of the Public Service Act. We are now being asked to give statutory sanction to abdication of the rights of the Crown in respect of contracts which have been entered into between the Director-General of Security and the officers and employees under his command. We do not know what conditions are provided in those contracts. They have never been cited or tabled. They have not even been tabled in the Library, so that we do not know what is in them; but it is quite possible that they contain a provision which enables the Director-General, at his unfettered discretion, to sack any of the employees of the organization. If there is such a clause in the contracts, we think that it is an unnecessarily tyrannous one and ought to be expunged. The Crown should not insist on, and this Parliament should not sanction, such exceptions in contracts between itself and its employees. We say that the employees of the security service should have the right, enjoyed by other permanent employees of the Crown, to appeal to an appeal board against wanton or capricious dismissal. In that respect, we are asking not only for security but also for justice for employees of the security service.

The next suggestion we make is that the security service should not be autonomous, unaccountable, or taboo. We think it is intolerable that public moneys should be spent, and that acts should be done, in the name of the Australian Government for which no Minister is responsible.
Mr. Hamilton.—What about the Attorney-General?

Mr. WHITLAM.—The Attorney-General is not a member of this chamber and has not been here for seven years. I thought that the responsible Minister was the Prime Minister. He is in this chamber, but he is singularly uncommunicative on this matter. It is very easy to provoke the Prime Minister, on the occasions when he is in the House, to talk on almost any other subject. He will trol for interjections, but on security matters he is strangely clam-like. He affects not to know and not to care what goes on in the name of security. There have been instances, as was shown so disconcertingly by the honorable member for East Sydney this afternoon, and also on many previous occasions, in which the Prime Minister has, in fact, told stories to this House which were completely at variance with sworn testimony, tested testimony, given in places where those giving it could be compelled to answer. We know that no Minister can be made to answer, even in this place. He can ask for a matter to be put on the notice-paper, and it need not then be answered. It need never be answered. Parliament may be prorogued, and all the dozens of questions on the notice-paper are removed. It is to the credit of the honorable member for East Sydney that he has persevered in placing questions on the notice-paper. He has been the only member of this Parliament with sufficient industry to do so, and he has been undeterred by the Prime Minister’s snubs and smears. He has continued to place on the notice-paper questions concerning the activities of the security service, and he has received in reply most damaging admissions which can give comfort neither to the elected representatives of the people nor to the Australian public.

The honorable member for East Sydney quoted some of those answers this afternoon. The Prime Minister has consistently preserved this facade that security is taboo, that there is a shibboleth about security, and that we must not discuss it lest we reveal its workings and so undermine the defences of the country. It puts an intolerable strain on our good nature and our good faith to go with him as far as he does in this matter. So far as I understand, no honorable member has ever asked for the identity of individual security agents, or for the sources of their information. It is most unsatisfactory that we should always be fobbed off when large sums of money, such as £5,000, have been paid, or when deflections are about to take place, or have already taken place, when the news concerning those matters has been suppressed, or when only half of the story has been told. In this respect, I regret to say that the Prime Minister has been guilty both of suppression of the truth and of suggestion of the false.

I have referred to suppression of information. There was a glaring example of that in the Petrov commission, at which it was revealed that the Prime Minister himself had said to counsel who were appearing to assist the commissioners that they should not reveal, before the election, the fact that £5,000 had been made available to Petrov to compensate him for the emoluments he had lost in leaving the Russian service. That was clear suppression of a vital fact. The right honorable gentleman subsequently affected not to know that the money was in fact ever to be paid. When he knew that it had been paid, he suppressed that fact for political purposes, and it is to the eternal discredit of the two members of the New South Wales bar who appeared before that commission that they acquiesced in that suppression. As a member of the bar, I think I voice the complete shame of other members of it.

Mr. Joske.—Has the honorable member ever brought the matter before the bar committee? No!

Mr. WHITLAM.—I was making no reflection on the Victorian bar, except insofar as the Prime Minister promoted the deception in this matter; but I do confess that two experienced members of the New South Wales bar consented to the suppression of a vital fact which no Crown prosecutor, in a criminal trial, would honorably be able to conceal. These two experienced men acquiesced in concealing it for considerations which were completely dishonorable and unethical.

The third matter about which I want to speak concerns the right of Australian citizens to clear themselves—that is, if we assume that there is any onus on a British subject to clear himself—of charges made against him in security reports. After all, reports by Richards may be just as lethal.
as were the lettres de cachet of Richelieu. The methods of security often have been
compared to those of the Star Chamber, but at least in the Star Chamber the
accused was able to plead before judges. The proceedings were secret, it is true, and
torture and other methods were sometimes employed, but at least it was a court of
sorts, and the accused, if he was so minded, could put up a case. But there is no proce-
dure whatever in Australia by means of which a citizen may clear himself of allega-
tions made by the security service. Such a procedure could easily be provided. In
September, 1942, when the Curtin Government had been in office for just a year,
and when Japanese forces were rapidly approaching Australia, amendments were
made to the National Security (Aliens Control) Regulations to provide that any alien
against whom an order of the various kinds that could be made at that time was made
could come before a justice or judge of a federal court, or of a court of a State or
Territory. I shall read to the House two of the provisions which were made at that
time. The first is—

A person in respect of whom an order is made shall be afforded the earliest practicable oppor-
tunity of making to the Minister representations in writing with respect thereto, and shall be
supplied with a copy of this regulation and of the last preceding regulation.

The second is—

The Chairman of an Aliens Tribunal shall, at the first meeting of the Tribunal at which the
objections of a person in respect of whom an order is made are considered, so far as is com-
patible with securing the public safety or the defence of the Commonwealth, ensure that the
objector is informed of the ground on which the order was made against him.

That is, the person concerned was given a prompt trial and was told what he had to
face. That procedure was adopted in the heat of war, at the time of Australia’s
greatest peril.

Again, this Government, in the legisla-
tion which its supporters usually hesitate to
mention these days, the Communist Party Dissolution Act of 1950, did provide, in
respect of organizations and individuals, that there should be a right to apply to the
High Court or to a Supreme Court to have set aside any of the orders or bans which
could then be made or imposed. Even if such a provision as that were inserted in
this measure, it would constitute a very
great improvement, and it would represent
some approximation of what we would hope
were British standards of jurisprudence.

Mr. Freeth.—What orders or bans could be appealed against? The security service
has no power to make any orders or impose
any bans.

Mr. WHITLAM.—The honorable mem-
er for Forrest appears to be more naive than even I had previously believed.

Mr. Hamilton.—Answer the honorable
member properly, as one legal man to
another.

Mr. WHITLAM.—I treat his interjection
as a serious one, and I shall give him
instances of the matters to which I have
referred. I was coming to them in any
case. I refer to circumstances in which
reports by the security service do, in fact,
have an undoubted effect. First of all,
security reports are made on members of
the Public Service of the Commonwealth.
Secondly, there are reports made about
persons who were born overseas and who
have resided in Australia for five years and
seek to become naturalized. The honor-
able member for Forrest would be in a
better position than most to know of such
cases, because he is a member of the Immi-
geration Advisory Council. Then, there are
reports made by, or to, the Australian
security service, and then passed on to the
Department of Immigration, concerning
persons who have been nominated for entry
to Australia by persons who already live
in this country.

In those three respects, it is true that the
security service has no power to impose a
ban, but its report is a sufficient veto. There
are many people in the Public Service, in
this city, who know quite well that they
will never be able to secure promotion to a
better position in the Public Service, or to
secure a transfer to another position in the
Public Service, for which they would appear
to be eligible, because security reports
adverse to them are in existence. They
never see those reports.

Mr. Freeth.—What the honorable mem-
er overlooks is that they may appeal—

Mr. SPEAKER.—Order! The honorable
member is out of order in interjecting.

Mr. WHITLAM.—I do not mind his
interjections, Mr. Speaker. He is an orderly
member of this chamber, and I am sure that
if he interjects he really desires my answer. I believe the position is that if a person in the Public Service considers himself aggrieved by not having been promoted to a position to which another member of the service has been promoted, he may appeal to an appeal board, which consists of an impartial chairman, a representative of the department concerned, and a representative of the employees’ organization to which the appellant belongs. I am told that the security service may then give the tip-off to the departmental representative that a security matter is involved, and in every case that is sufficient to deprive the appellant of any chance of success. One would at least consider that we should be able to establish in this country some body similar to the loyalty boards which are in existence in the United States of America. There is no question that a person who may possibly be guilty of espionage, sabotage or subversion in Australia should not come here or be naturalized, or should not continue in the service of the Crown in Australia, but it is equally beyond question that any one who is said to be guilty of such offences should have a chance to clear himself. The United States of America has had much experience of these matters, and has established such loyalty boards. Why can we not have them here? We as an opposition will not consent to this bill being passed unless some such practicable provision is made.

We all know, including, surely, the honorable member for Forrest, of many cases of people who appear to be thoroughly good Australian citizens, whose wives and children are in fact naturalized, and who are themselves denied naturalization. They are never allowed to confront their accusers. It may be that this is wise, because it avoids the disclosure of the details of our security apparatus. But such persons are never told of the allegations against them, and they never have an opportunity to be heard in their own defence, as even persons similarly situated during the war were heard. There must again be many people who have been nominated for admission to Australia by people who have proved good Australian citizens, and who are denied entry, not on racial grounds or grounds of health or quota, but on security or character grounds. Here, too, there is no opportunity for the nominee to clear himself, or for the nominator to clear him.

Australia, one would think, is a place to which many people in other parts of the world would like to come, and we should be pleased to allow persons of good character to come here. It is quite wrong that on the report to the security service, based on the word of some delator, they should be denied access to this comparative paradise. We are preserving in Australia the same form of delation that has become a curse in the countries where these people were born. We have been free of it in British countries for many centuries. Let us free ourselves of it now, before this security service goes too far. We should establish justice for Australian citizens in Crown employ and for Australian residents who wish to become Australian citizens, and for persons overseas who apply to emigrate to Australia on the nomination of Australian citizens. If we establish apparatus to ensure that such justice is done, we will not be jeopardizing our country’s security, and we shall not be promoting espionage, sabotage or subversion. We shall merely be persevering with those concepts of British justice that have been established for many centuries, ever since the days of the Star Chamber, and which this bill does nothing to preserve.

This measure is quite rudimentary and incomplete, and we on this side would hope that honorable members on the Government side, without indulging in too much traduc- ing, will deal with the three matters that we have brought up. We suggest that the security service should be responsible to a person who is responsible to the Parliament, that the members of the security service should enjoy principles of justice as well as enjoy security of employment. and that justice should be done to all Australian citizens upon whom they have made adverse reports.

Mr. SPEAKER.—Order! The honorable member’s time has expired.

Mr. HAMILTON (Canning) [3.43].—With the exception, possibly, of the honorable member for Werriwa (Mr. Whitlam); all the Opposition members who have spoken in this debate have obviously used the opportunity provided by the introduction of this legislation to make an attack on the security service, and not on the organization as such, but upon the individuals employed in it. They have awaited
this opportunity for a long time. If one studies the remarks of the Leader of the Opposition (Dr. Evatt) and the honorable member for East Sydney (Mr. Ward) one will find running through their speeches an attack upon, in the main, two men, the Director-General of Security and his assistant. The honorable member for Werriwa adopted the same attitude, to a degree, but only after he had made some substantial contributions. I am surprised, however, at one passage in the speech of the honorable member for Werriwa, in which he made a charge against, to use his own words, two distinguished members of the New South Wales bar. He has kept this charge bottled up within himself ever since the sittings of the Royal Commission on Espionage in Australia, and he has used this chamber as a place to make the charge. On his own admission, or at any rate from his silence on this aspect, it is obvious that he has never made any complaint to the New South Wales Bar Association about the conduct of—and I repeat his words—these two distinguished members of the New South Wales bar. I have had quite a good deal of admiration for the honorable member for Werriwa, but it has become somewhat dimmed this afternoon by the charge that he has made. When he was asked by a legal gentleman from Victoria, by way of interjection, whether he had lodged a complaint, he declined to answer. It ill becomes the honorable member for Werriwa to use the forms of this House to make such a charge. In view of the seriousness of the charge, I trust that he will take the first available opportunity to repeat what he has said here to the New South Wales Bar Council and, if he can, prove his charge to that body. We have heard only one side of the case.

The Leader of the Opposition, the honorable member for Werriwa and the honorable member for East Sydney criticized the Government because this organization has no ministerial head, but the honorable member for Moreton (Mr. Killen) has reminded us that in 1949, the then Attorney-General, who took an active part in the establishment of the organization in that year, said most definitely that the opinion of the Government of the day was that the organization should be completely free.

Mr. Adernann.—Who was the Attorney-General then?

Mr. HAMILTON.—He was none other than the present Leader of the Opposition. This organization was established in 1949 by the Labour Government led by the late Mr. Chifley. Since then, only three changes have been made. A new director-general has been appointed and a regional director has been appointed. I forget for the moment what the other change was. The security organization is functioning now on almost the same lines as it functioned during the régime of the late Mr. Chifley.

I agree with the honorable member for Werriwa that the officers of the organization do not appear to receive the benefits that are enjoyed by other members of the Public Service. In every case, members of the Opposition who have spoken in this debate have attacked, not the organization, but individual members of it. The honorable member for East Sydney said that it was because of the security service that the members of the Australia First movement were interned, but I remind him that there was no security service, as such, in those days. The security service was not established until 1949.

The honorable member for East Sydney said, as did the honorable member for Werriwa, that members of the security organization could damn people and that such people would have no right of appeal. The honorable member for Werriwa mentioned three cases. He said that reports by officers of the security organization could lead to a public servant being denied promotion, but the honorable member knows that if a public servant were refused promotion to a higher position for which he believed that he was fit and capable, he could appeal against that decision. Surely the honorable member does not believe that our democratic system is so defective that a public servant cannot get a fair deal. If a man believed that a report had been made on him which damned his prospects of promotion, he could carry his appeals to the point of having his case raised in this Parliament with a view to clearing his name.

Speakers on behalf of the Labour party criticized the efficiency of the security organization, but we know that its efficiency has been praised, not only by people in this country, including the members of the Royal Commission on Espionage, who spoke highly of its efficiency not very long ago,
but also by people overseas. The charge of inefficiency was a cloak for an attack on the Director-General and his subordinates.

The Leader of the Opposition raised the question of salaries, but he did not dwell on it for very long. If he reads the legislation, he will find that the salaries of officers are to be fixed by the Director-General, in consultation with the Public Service Board. The object of the bill is to give security of tenure to the men employed by the organization. If we want to attract to the service of the organization the best men available—men with the ability required to do the job properly—we must offer them security. They must not be put in the position that they can be dismissed at any time at the will of a Minister of the Crown. This bill is not before its time. I believe that steps should have been taken some years ago to give security of tenure to the members of this organization.

I come back to the question of ministerial control. The Prime Minister has stated that the Attorney-General will administer this legislation, and it is provided that the Director-General shall have free access to the Prime Minister on matters of security. Therefore, on my interpretation of the matter, the organization will come under the administration of the Attorney-General, with the proviso that the Director-General shall have direct and free access to the Prime Minister on matters of security.

The bill will protect members of the organization from the danger of being summarily dismissed for no apparent reason. Some members of the Labour party have advanced the argument that members of the organization will have no right of appeal against dismissal. I fail to see how that could be so, particularly in the case of officers transferred to the organization from the Public Service. Clause 11 provides that officers of the Public Service appointed to the organization shall retain existing and accruing rights. In those circumstances, surely they would have a right of appeal against dismissal.

As the honorable member for Moreton has said, our security organization has a brief but very proud history. The arguments that were advanced by the honorable member for East Sydney to-day and by his leader last night do no credit to public men. I repeat that the present organization is substantially the same as that which was set up by a Labour government in 1949. If we want a security organization that will be able to do the job required of it, the officers of the organization must be given every encouragement to do their jobs as well and as efficiently as possible. They have done that so far. I have no sympathy with the Labour party in its attacks on members of the organization.

When the Royal Commission on Espionage was in progress some time ago, the Leader of the Opposition wanted security officers to be dragged before the commission and forced to disclose certain methods that they had employed. The security organization will never do the job that we want it to do if the officers are dragged before tribunals and, so to speak, put under an X-ray machine. We will not get the type of men we want under such circumstances. I believe that this country needs a security service. We are no longer living in the days when Australia was an outpost of empire. Its geographic situation in the Pacific Ocean makes it a most important country in world affairs, but it is very vulnerable to attack, not so much by force of arms as by espionage and similar activities. Therefore, the security service is essential to our security, and the Government is to be commended for at long last bringing down this bill, which will give to the members of the service some measure of security of employment, because they will not be subject merely to the whims of any one in authority who wishes to get rid of them without any real justification for dismissing them.

I am surprised at some of the comments that have been made by Opposition members. We all know that the honorable member for East Sydney has attempted to belittle, decry and destroy this organization ever since the Petrovs defected. The charges he has made against the Deputy Director-General of Security, who, like me, is a Western Australian, do him no credit. Mr. Richards has done a good job for Australia in security work. He was highly recommended by the Western Australian authorities for the appointment, and he has acquitted himself with great distinction in the Commonwealth organization. I repeat that a measure such as this, which deals with a body like the security service, should not be used as a vehicle for the kind of discussion that we have heard this afternoon.
from the Opposition. On the contrary, it is a measure that should receive the full support of Labour members, who claim that their purpose is to protect and assist the working man. I do not agree entirely with what the honorable member for Werriwa said about the benefits that may be lost by members of the security service, because some of them will retain their existing benefits.

The Opposition does not encourage the Government to amend the bill, but opposes it completely, although it is intended to give to members of the security service security of tenure in their employment and the opportunity to do a good job for the country. It should also enable us to obtain the best brains available for this essential job. We do not want just strong-arm men in this organization. The great variety of tasks that fall to the lot of the service require the exercise of considerable brain-power. The statements made this afternoon by Opposition members have condemned the Australian Labour party, particularly with respect to its oft-made claim that it stands for the protection of the working man. Honorable members opposite oppose this measure, although it makes no alteration in the constitution of the security service, which was established by the Labour government in 1949. Indeed, the Leader of the Opposition himself played a leading part in the establishment of the service, and he said at the time that it should be completely free from ministerial control. But Labour to-day takes a directly contrary view. I repeat, in conclusion, that the purpose of this bill is to give members of the security organization security of tenure in their employment and to enable us to obtain the best available brains for appointment to the service.

Mr. CLYDE CAMERON (Hindmarsh) [4.0].—I oppose the bill for the reasons already stated by my colleagues, who have indicated that the Opposition has no objection to members of the security service being given security of tenure in their employment. However, we say that it is important to make certain, at the same time, that the community has some protection against the security service, and we take particular exception to this measure because it does not afford the community any such protection. The members of the security service should have rights similar to those of members of the police forces of the various States, who have security of tenure in their employment until they attain the age of 60 or 65, as the case may be. But, like the police forces of the States, the security service should be responsible to the community to some degree. Members of the service should not be allowed to break the law ad libitum, but should be answerable to the ordinary courts of justice as is any ordinary member of the community who commits a breach of the law. Members of the security service have no right to behave as pimps and spies towards innocent people. They should not be permitted to perjure themselves in order to damage the interests of people and their families for the rest of their days, and, at the same time, commit even worse crimes themselves without fear of punishment, as has happened in the past.

I repeat that the gravamen of the Opposition's objection to the bill is that it does not afford the community the protection from the security service to which it is entitled. We have no objection to security of tenure in employment for the members of the security service, but this is a free and democratic community and we demand that the cherished British traditions of freedom and fair play shall not be gradually filched from us by the intrusion into our daily lives of an organization akin to the Ogpu and the Gestapo, which ruined the lives of the people of Russia and Germany respectively, just as other organizations ruined the lives of the free people of Spain, those of the people of Italy in the days of Mussolini's dictatorship, and, more recently, the lives of the people of Hungary. Just as the people of Hungary rose in revolt and were prepared to lay down their lives defending themselves against the intrusion of the dreaded secret police, we in Australia may one day be compelled to defend our liberties too, unless the Parliament heeds the warning given by the Leader of the Opposition and other Opposition members and writes into the statutes provision for the protection of the ordinary man as well as of the members of the security service. If it does not take care to afford the community this protection, the Parliament may to-day be setting the seal on the destruction of freedom, liberty, and democracy as we have known them since federation.
It will not pay the Government to sit back placidly thinking that while the security service is there to pimp on its opponents, it has nothing to fear. I warn the Government that the instrument it is creating to-day for its own political advance- ment and protection may one day be used to destroy it utterly. This sort of thing has happened on innumerable occasions throughout the history of mankind. Many times, a Frankenstein monster has risen up and destroyed its creator. The Government may yet fall a victim to a monster of its own creation. There is no guarantee that, if it is so destroyed, its successor will be a democratic, freedom-loving Labour government. It could easily be a government without any belief in democracy, formed by a fascist party, a Communist party, or any other party leaning either to the extreme right or to the extreme left. Such parties, as was stated so admirably in "Fallen Bastions", play the game of democracy only so long as they are not winning. When they have won the last game, they throw away the board on which it was played and play democracy no more. And they will be assisted considerably in their designs in this respect because the instrument that the Government is now creating would be the very instrument which such a party, if it ever came to office, could use to stifle all opposition, from the Liberal party, from the Labour party, or from any other party that believes in those great freedoms.

Mr. Morgan.—They are being placed above the law of the land.

Mr. CLYDE CAMERON.—These people, as the honorable member for Reid has said by interjection, are now being placed above the law itself, above the very Parliament itself, because the Parliament, under this legislation, could not even dismiss an officer of the security service. The service is being given powers that a justice of the High Court does not possess and security of tenure that a justice of the High Court does not enjoy, because even a High Court justice can be dismissed from office by this Parliament if he be proved guilty of misconduct. But this Parliament, the people’s supreme governing body, is to have no power, under this legis- lation, to dismiss a security agent or a security officer who is stifling and trampling on the things we all now hold dear.

Do not let us imagine that these security service officers are all men who are imbued with the desire to serve one political party only, or even to serve only the country of which they are now the employees. Some of them—and there only needs to be some of them for this to be a danger—are men who may be purely professional in their attitude, just as happy to carry out their nefarious work on behalf of a fascist government as they would be to carry it out on behalf of a Labour government against the Liberal party, or on behalf of a Liberal government against the Labour party. Because one thing is certain—that if ever this country is at war against a fascist dictatorship—and such an eventuality could easily emerge, because there are fascist dictatorships already in existence, and these men could create a nucleus in such an event—three-quarters of the present members of the security service would have to be sacked if we wanted to protect ourselves because, whatever may be said for or against them, three-quarters of the members of the service at least can be said to be pro-fascist at the moment.

Mr. Wilson.—Nonsense!

Mr. CLYDE CAMERON.—Not at all. It is certain that most of these people see absolutely nothing wrong with fascist tendencies in the community. They see everything wrong with Communist tendencies, but nothing wrong with fascist tendencies, and I believe that anybody who believes that all he has to do to be a good Australian is to be violently, madly, fanatically anti-Communist, without rhyme or reason, is taking at least the first step towards fascism. In the event of war against Aus- tralia, half of the members of the security service, if not three-quarters as I originally said, would not be fit and proper persons to hold their positions any longer. But, once this legislation becomes law, we will not be able to dismiss them. Remember, this Government does not know to whom it is giving security of tenure when it furnishes the security service with this blank and open cheque. We do not know who are the employees of the security service. We, who are making the decision on this legis- lation to-day, do not know the names of those whom we are putting in security ser- vice employment for life. How, therefore, can we say we are justified in employing them for life? We do not know the names
of the numerous agents employed by the security service, or the nature of the agreements and contracts entered into between the security service and those unnamed agents; but many of the agents to whom we are now asked to give security of tenure may be men who, if we knew their identities, we would rather throw in gaol than employ in the Commonwealth Public Service for the rest of their lives.

Indeed, there is a very real danger here. I say that the Parliament, the Prime Minister, or somebody in authority—and better the Prime Minister than the Parliament, because the Parliament cannot spend its time on such matters—should be in a position to have somebody in the security service answerable to it or him, completely. The Parliament should also have the right to remove a member of the security service from the employ of the Commonwealth in exactly the same way as we now have the right to remove a Communist from employment in the Public Service. We should have the right to have a person who is guilty of misconduct dismissed or suspended from the security service. Certainly, give him the right of appeal because, surely, even a man who is a member of the security service staff with fascist tendencies has the right of appeal. Whether he be fascist or Communist, do not take his right of appeal away. Give him a fair hearing but, for goodness sake, let the Parliament—the people, in other words—retain the right to dismiss one who is guilty of misconduct or proved to be unsuitable for his job in the security service. I believe that there is a very great need for such a precaution.

Men in the security service have, in fact, been guilty of misconduct—serious misconduct. Who will uphold the action of the security agent, Bialoguski, who was receiving £25 a week as an agent of the security service and, during the time that he was so employed, was committing a breach of the laws of this country, in that he was blackmarketing liquor to the extent of over £700 worth sold to one man in a period of three months, to say nothing of the other sales made by him during that period? No action was taken against him. No action taken, mind you, even to prosecute him for his breach of the law! No action was taken even to remove him from the employment of the Commonwealth.

Mr. Curtin.—Why?

Mr. CLYDE CAMERON.—Why? No action was taken against him for the very simple reason that is disclosed by the author of an article which is to be issued in pamphlet form, titled, "Shut your mouth or else", written by George Marue, who tried to have it published in the Press of this country but failed to do so because the newspapers were interviewed by security officers who asked them not to publish it because its contents were too true. But George Marue, I am pleased to say, is now taking steps to have the article published in pamphlet form, so that the people of Australia will be able to see the names of the persons who are involved in the Petrov conspiracy. He is naming the persons, so that if they care to take action against him for libel they may do so. He said in this article, which the newspapers were asked by security not to publish—

A leading member of the Liberal party, the secretary of the Liberal party in Sydney, who was visited by a friend of mine, Mr. C. E. Kleinadel, warned me, that I can have afterwards a very hard life here and he suggested that I should not do it. However, he promised to get in touch with security and to ask them what is their point of view on this matter.

Then he goes on to say that on the next day he was interviewed by security officers. But the point I want to mention in relation to this article is in answer to the honorable member for Kingsford-Smith (Mr. Curtin), who asked, by interjection, why the Government did not prosecute Bialoguski. The reason is clearly shown in George Marue's article titled "Shut your mouth or else". He had a conversation with Bialoguski at a café in King's Cross, which was the rendezvous. This is what Bialoguski said to him, and I quote, because Marue had a tape recorder attached to his wrist of which Bialoguski knew nothing and the conversation was taped—

You have to understand George, that in the Petrov affair and in the job I was doing I knew only top men in the head-quarters of the Security and they also had to do what I wanted, because it was in my hands to make Petrov to stay here and only I could do it. Apart from this, I had to make him stay here before the federal elections and I am to-day the man who helped Menzies to win the elections so easily. When Security sacked me because of your reports—

About black-marketing of liquor—

I went to see Menzies and he ordered to take me back, because Menzies knew that I was doing a good job for him.

There is the answer to the honorable member's interjection. That is a statement that
has been issued by George Manue and is shortly to be published in pamphlet form to give the Prime Minister of this country, if he cares to contravert it, an opportunity of taking the matter into the courts of the land and proving that it is libellous. He will give the secretary of the Liberal party, who is mentioned here, the opportunity of taking action against the man if he wants to prove the publication is libellous; and if the Government takes this matter into the courts of the land where the plaintiff will have the right to call upon members of the security service to go into the witness box and swear on oath in respect of the charges that are levelled against him, there will be an exposition in this country which will stagger every human being in Australia.

We will see that, although we have not realized it, right under our very noses, there has been built up the kind of organization, slowly but surely and secretly, which has made the people of Hungary revolt and the people all over the world loathe the name “secret police”. Now the Parliament is asked to establish the security service not only on a permanent basis but also to take from the Parliament the right even to dismiss an officer of the security service if he is found guilty of the kind of misconduct about which I am talking. Why does not the Government come clean on the question which was asked concerning the security agent who got drunk and broke up his car on the Yass-road? What happened to him? Because he was drinking so heavily, the security service considered him no longer a suitable person to be employed by it, as he would talk too much. The security service was right in that regard, but it then transferred him to the Snowy Mountains Hydro-electric Authority and gave him a house, a car and an extra £100 a year to keep him quiet. But this man was never prosecuted for smashing the Commonwealth car or for drunkenness. He was merely given a better job somewhere else to keep him quiet, and the community has had to pay for it.

Any person who is accused by the secret police of Australia of being guilty of subversive activities ought to be given the same right as a murderer is given. Surely a person who, prima facie, is a law-abiding citizen is entitled to that right. A law-abiding citizen who is falsely accused of being a security risk ought to have the same right as the man accused of murder; because the man accused of murder has the right to demand that he be given the chance to face his accusers in open court, to hear the accusation and to learn by whom the accusation is made and then to plead his defence. But the citizens of this community have not the right that a murderer has in the ordinary civil courts in respect of charges levelled against them by the secret police, yet we are doing nothing in this bill—and this is one of the reasons why I oppose it—to rectify the shortcomings that I have mentioned. Every one will remember the episode when the Prime Minister named in this House a number of union officials who, he said, were Communists during the debate on the Communist Party Dissolution Bill 1951. His statement was based on the information supplied to him no doubt by his security service. It was only possible on that occasion to prove how unreliable the information was because the Prime Minister named the persons and because he named them, he had to come into the House the very next evening and apologize for the fact that among those whom he named were three persons who were not Communists at all. Those three could never have proved their innocence but for the fact that the Prime Minister mentioned their names.

But the security service does not mention the names of the people whom it accuses. It merely supplies the department—if a government department is concerned with their employment—with a secret dossier marked “Top Secret” saying that they are Communists. The departmental head dare not disregard a security accusation that the man is a Communist because he fears that if his judgment happened to prove wrong, and the security report proved to be right, and if it was later discovered that he employed the person against the advice of the security service, his own position could be in jeopardy. But the poor wretch who has his name put in as a security risk, is never told the real reason why he is not given the employment or promotion. No information is given to him. He is merely “cancelled out”. He is told that his application has been considered and that the department regrets that it cannot employ him. The real reason is never given.
I had a case concerning the naturalization of a man who has been in this country for seventeen years. His mother and father have been naturalized. His brothers and sisters have been naturalized. He came to me because his naturalization application had been rejected. I went to the Department of Immigration. I have always said of the Department of Immigration that it is a department which nobody in Australia has any need to fear. If all government departments had the courage of this department to carry out the administration of our laws, we would have nothing to worry about in relation to the security services because, to the eternal credit of the Department of Immigration, it has enough guts to stand on its own feet and work things out for itself. The Department of Immigration told me that this man had been rejected because he was a security risk in the eyes of the security service. The reason given by the security service was that he was a member of the Eureka Youth League in 1949, and that he was a member of the Labour University League in Adelaide some years before that.

All these things were admitted by the man concerned. He had never denied that he had been a member of the Communist party or the Eureka Youth League, but he does deny that he has been a member of the Communist party since 1951. But these people were prepared to hound him right to the grave because in the impetuosity of youth, searching for the truth, he had, for a few brief years, embraced the Communist doctrine and had been courageous enough to come into the open and tell people that he was a Communist. They were told that this man was a Communist because the further proof was that in 1954 he handed out how-to-vote cards for the Communist party at Norwood, which is in the Sturt electorate. As the honorable member for Sturt (Mr. Wilson) knows, in 1954 there was no Communist candidate in Sturt. The only candidates in Sturt were the honorable gentleman himself and the honorable member for Bonython (Mr. Makin). How could he possibly have been handing out cards for the Communist party unless, in the view of the security service, the honorable member for Sturt or the honorable member for Bonython are Communists?

Mr. Wentworth.—Was there a Senate election at the time?

Mr. CLYDE CAMERON.—There was no Senate election in 1954. The Senate election was held in 1953. The security service thus proved by its own report that its report was absolutely false. But if this man had not known me or had not been in a position to come to me and if I had not been in a position to go to the Department of Immigration his name could never have been cleared.

That is but one case. How many hundreds of cases are there in which the person concerned has no member of Parliament to go to and is never told the real reason for the rejection of his application?

I know of a man who wanted to bring his wife here from Hungary. She was 62 years of age. He was told that he was a security risk and that, therefore, he could not bring his wife, although she was not a security risk. I discovered afterwards that he was regarded as a security risk because he had handed out “No” how-to-vote cards in connexion with the Communist Party Dissolution Bill which had been given to him by his breadcarter, Mr. Jack Souter, who was the brother of Mr. Harold Souter, the Australian Council of Trades Unions' secretary. When Mr. Jack Souter had called to deliver bread to this man he had said, “You had better give these to your Hungarian friends. This is how to vote Labour”. Because the man knew that Mr. Souter was president of the Labour party he took the breadcarter's cards and handed them around to his Hungarian friends. That was sufficient to have him branded, in the eyes of the security service, as a security risk.

I had another case of a man in Adelaide who wanted to bring to this country a young nephew of fifteen years of age. His brother was already here. The reason that he was not allowed to bring his nephew was that the security service had said that he was a security risk. I said to this man, “Surely not! At fifteen years of age a man cannot be a security risk”. He said, “Ah, ha! His mother and father are Communists in Italy, they live in Milan. This man is guilty by association with his parents”. I suppose that the security service thought that this fifteen-years-old boy, when he discovered that his mother and
father were Communists, should have walked out of the home, disowned his mother and father because of their political views and thus become eligible for admission to Australia.

As I later discovered, the situation is so fluid in Italy that a municipal employee has to change his politics whenever the municipality changes its politics. This boy's father has been in turn a social democrat, a socialist and a fascist. The father and mother were both members of the Fascist party. In order to keep his job on the council, the father joined the Communist party when the Milan city council went over to the Communist party.

These downy-faced sleuths in the security service—these bright boys—sneak around like private eyes, prepared to pin false charges on to people by perjury and by unsubstantiated accusations. This Parliament should be very careful, therefore, before it introduces this country permanently the kind of thing that I am talking about. It is true that already we have it, but I ask honorable members not to make it permanent. During the war we did not have a security service in the form in which we find it now. Instead, the various branches of the defence services had their own intelligence organizations. The Army, the Navy and the Air Force were working independently but, on occasion, jointly. More people per thousand of the enemy born population were interned in Australia during the war than was the case in any other part of the world. Sixteen per cent. of the total Italian and German born population of Australia was interned as a result of this mad, secret police attitude of the intelligence organizations of the three services. In the United States of America, the figure was under 1 per cent. and in the United Kingdom, which was only 20 miles from the scene of the conflict, it was only 1.4 per cent. How mad can it all become? It is well known that during the war one of the intelligence services, some of whose officers have since transferred to the present security service, recommended to the Government that a high church dignitary in Brisbane should be placed under house arrest because they had a photograph of him giving the fascist salute in 1934 or 1935 to a visiting Italian ship. That is the kind of thing that is developing here. It ought not to be allowed to go on.

It is no longer safe to speak freely in an hotel anywhere near a trades hall in any capital city because at least one of the barmen is likely to be an agent of the security service. It is not safe for a pressman to go into the press gallery here for fear that some one among the pressmen is a security "plant" to watch the other pressmen. It is not safe to leave anything in one's drawer for fear that among the cleaners who walk around in khaki uniform are agents of the security service. This sort of thing is going on in a country which claims to be free, and the bill will make the position even worse. We have reached a situation that is nothing short of dangerous.

I refer now to the charges that I have made before in this Parliament concerning the tapping of private members' telephones by the security service. I believe that even the telephones of Ministers of the Crown are being tapped. This was done in order to find out who was leaking out Cabinet information. It is well known that the press telephones are tapped by the security service so that it may discover, as between one pressman and another, or a pressman and his head office, who is the informant. In one case which is on record the chief of staff of a newspaper sent a teleprinter message to his representative in Canberra seeking verification of a certain story. He was not prepared to print it until he was satisfied of its authenticity. The telephone conversation was put on a tape recorder by the security service. That is a serious situation. I challenge the Government to take those charges into open court, and let the members of the security service go into the box and be cross-examined. Every charge that I have made will be found to be correct.

Mr. ACTING DEPUTY SPEAKER.— Order! The honorable member's time has expired.

Mr. WENTWORTH (Mackellar) [4.30].—I shall not detain the House for very long. It was regrettable that the honorable member for Hindmarsh (Mr. Clyde Cameron) referred time and time again—perhaps inadvertently—to our security service "police". Of course, there is no such thing, and the bill makes this clear in clause 5—

(2.) It is not a function of the Organization to carry out or enforce measures for security.
It is an intelligence organization, and in no sense a secret police body. It is regrettable that the honorable member, perhaps through inadvertence, endeavoured to equate the security service to the secret police of Communist-controlled countries.

The honorable member was guilty of a fundamental error in failing to distinguish between fascism and communism which, basically, are variants of the same tendency. Liberal party and Country party members of this Parliament stand against both those tendencies. I only hope that at some time in the future Opposition members will be able to say that with equal sincerity. One finds running through all their speeches the idea that a thing is all right when it is done in the Communist cause, but all wrong when it is done against the Communist or fascist cause. If one looks back through "Hansard" one finds that Labour has a hatred, not only of the security service, but also of the fact that a security service is operating at all. I often wonder whether that hatred springs from fear.

Mr. Curtin.—Fear of what?

Mr. WENTWORTH.—Fear that you will be found out. We all regret that there are in the world forces of subversion which must be watched by an intelligence service, so we shall know what they are. The Communists have devised a technique of subversion which is, unfortunately, successful when employed against an unsuspecting democracy. It is the function of our intelligence service to see that, through ignorance, we are not victims of that kind of subversion. I should have thought that every well-intentioned member of this House, on either side, would applaud the principle of having an intelligence service of that character. There may even be room for criticism, but we have not heard from Opposition members one word in praise of the general principle—"praise" is not, perhaps, the right word, because we regret the necessity—that a democracy has a right to protect itself against subversion. Countries which do not afford themselves that protection are likely to go down.

Having said that, I want to add that I am not entirely satisfied that the manner in which we are carrying out our function of protection is completely adequate to the situation. I want to suggest one or two things which seem to me to be not alien to the professions of Opposition members. I hope that they will receive Labour's full support. First, I agree that in some cases there is a need for secrecy. I should like to see the ambit of secrecy as narrow as possible. A good deal more could profitably be done in the open. I do not say that this would be in any way inimical to the views of the security service itself as it at present exists, and I have no means of knowing that it would be opposed to it at all. There are some things which can be done in the open. Let us go back to 1916 and 1917 and to what was happening in Russia at that time, because it is relevant. That was when the Communist party, as a tiny minority, seized and kept power and perfected its tyranny over the Russian masses. At that time there was in Russia a security service; in fact, it could be called a security police. It was different from our Australian security service because it went much, much further. It did keep records of movements and secret conversations; it had far more in detail than our security organization could have. I would think, although I know very little about our organization. It is known from the records in regard to Russia of those days that the Czarist secret police was not like our security service. It had fairly detailed records of the movements of the various Communist agents, and of their speeches. It knew everything about those agents except one thing, namely, the methods by which they were operating, because, although this thing in Russia was a subversive conspiracy, it was operating very largely in the field of political propaganda.

If we are to learn a lesson from those times we must realize that there should be out in the open—this should commend itself to honorable members opposite if they have any honesty—a proper machine for the identification of Communist propaganda and its confrontation. The honorable member for Hindmarsh, I think, was trying to make this point, from an opposite motive perhaps, but still it was his point: We should be able to identify openly, not in any secret file, but subject to proper safeguards, the Communist agents concerned. Some of them are known to our security service, I am quite certain, but it is impossible for us to identify them because we just do not have the material. I know there need to be safeguards, but I hope
that it would not be beyond the wit of man to devise some means of identification publicly of these Communist agents so that they could be known and, by their being known, their influence would be very much reduced or eliminated in the community. These people are operating on the propaganda front, the front on which Lenin won in 1918. They are operating here in the Australian community, but they cannot be publicly identified. I think it is a reproach to this Government, to this Parliament, and perhaps to us all, that there does not exist as yet a means of publicly identifying these persons.

Let me give the House one example. I do not want to pretend that it is of earth-shaking significance. I give it because it is something that came to my notice only in the last two or three days. On 27th October there appeared in the "Sydney Morning Herald" a letter written by a man called A. W. Sheppard, who for very many years has been running a line of propaganda which will be very helpful to the Communists. About the 26th October, a letter from a new Australian called Shepanski had been published, saying * * * Sheppard had endeavoured to indoctrinate Shepanski's son into the Eureka Youth League, and that Sheppard would therefore have some connexion with the Communist party.

Mr. Clyde Cameron.—Is this Colonel Sheppard?

Mr. WENTWORTH.—Yes. About the 27th October, Sheppard replied to Shepanski in the columns of the "Sydney Morning Herald" and denied that he had done this to the boy. I have been informed that a statutory declaration has been sworn, to the effect that Sheppard did in fact do this, and so it would seem to be one man's word against a statutory declaration; but is it? If one looks at the file on Sheppard one will see that he is known to the authorities —this is something that has been mentioned in this House—and that he has a long record of lying and misrepresentation. He was put out of the Army, not by this Government, but by the preceding Government. For misrepresenting and lying in regard to various matters, so one can see that it is now a question of weighing one man's word against another; it is a question of weighing a statutory declaration against the word of a man who is known to the authorities to be habitually guilty of misrepresentation. It was not a single instance; there were very many instances. The misrepresentation to which I refer happened under the Labour government, and before I was in Parliament. The action taken in regard to this man was taken by the Labour government. Surely there should be somebody who is capable of stepping in and showing up this man for what he is, so that his Communist connexions would be known; whether or not they are still existing, I do not know, but it is certain that in recent times he has been suggesting a line of propaganda which gives aid and comfort to the Communists. It is only a question of knowing the facts. If the facts were known, the public would be able to make up its mind and the propaganda would be less persuasive. This man, I understand, is connected with a publishing venture. He is connected with a bookshop and is in a position to help to mould public opinion.

I do not put this forward as something which is earth-shaking. It is simply one instance that comes to my mind from something which was published in the columns of the "Sydney Morning Herald" of the last few days, and I think that it shows the need for being able to identify these people publicly. I believe also that it would be a good thing if we had available, not only to honorable members or to the press, but to all people, a list of the published references to these people. I am not asking for a list containing any secret information. I am asking for a list which simply collates the information which has been published in regard to them. I do not ask for any secret documents; I do not suggest that for a moment. All I suggest is that, for the convenience of honorable members, the press and the public, there should be some collation of the material in regard to these Communist associates which has already been published, so that when a person comes before the spotlight of public opinion, it may be known with what causes he has been connected in the past. I mean the things with which he has publicly, not secretly, chosen to identify himself in the past. People could then more correctly evaluate his role under present propaganda.

Mr. Clyde Cameron.—How far back would the honorable member go?
Mr. WENTWORTH.—I should not like to try to answer that question. I think one should go back a considerable way. It may depend on the case. Anything that is relevant should certainly be carried back, if, at any rate, there is some continuous chain of activity. The honorable member mentioned somebody who belonged to a youth league for a week or two and then left. I am not suggesting that that kind of thing is necessarily important. But it is important that the chain should be followed right back when a person is found at the present moment to be associated with Communist activities. I am not suggesting that there should be any collusion of secret files. I am suggesting only that what is known publicly should be collated and that the information should be available. I should think that this proposition would commend itself to honorable members on the other side if they were honest in regard to this matter. When people come out into the open and espouse a line of propaganda which happens to be the Communist line, their previous Communist connexion should be known.

Some people will say that this is witch-hunting. I mention the word “witch-hunting” because it is a Communist smear word. Let the House think for a moment. When we say “witch-hunting”, we mean trying to convict people of imaginary crimes—trying to convict old women of being witches and burning them for something that they did not do. Is communism and Communist subversion imaginary? Everybody knows that this is a method which, in the last 30 years, has succeeded in subjecting nearly one-third of the world’s population to Communist tyranny. Anybody who slightly refers to the endeavour to identify Communists as witch-hunting is himself guilty, perhaps unconsciously, of Communist propaganda. It is a Communist smear word invented to protect the Communists from the one thing that they really fear—public exposure.

Throughout the community to-day Communists are endeavouring to get into organizations such as progress associations and the little local organizations. By controlling them, by assiduity in attendance and by pretending that they are not Communists—butter would not melt in their mouths—they are endeavouring, at those meetings, to worm their way into positions of authority. That has been done in the trade union movement from time to time. Honorable members opposite would know very much more about that than I would. Let them come out and say honestly, in this House, what they know!

There is one other thing in which, I think, the Government has failed. I do not think that we have faced the duty of getting rid of Communists from the Commonwealth Public Service. By Communists I do not mean people with left-wing leanings; I mean members of the Communist party. No authority is contained in the statute to dismiss from the Service known members of the Communist party. I should have thought that the recent royal commission would have sufficiently shown the danger of allowing members of the Communist party—and I use the phrase in its most exact sense—to remain within the Commonwealth Public Service. I believe that we will be failing in our duty if we do not do something about this and do it pretty promptly. It is already very much overdue.

I put forward these ideas, not in any tone of great vehemence, but as constructive suggestions which might be borne in mind, and which should, in principle at any rate, commend themselves to honorable members of the Opposition. First, we should endeavour, where possible, to identity publicly the people who are associated with communism. That must be done with proper safeguards, and I hope that honorable members on the other side will look at this problem constructively, and endeavour to find a means of working out such safeguards. Secondly, I believe that we should remove from the Commonwealth Public Service members of the Communist party. Thirdly, I believe that, if honorable members opposite are sincere in their opposition to communism, they will be, perhaps, not the first, but at least the second, to support the principle of the bill. It may be that there would be differences—there is room for differences—about the method of implementation. Maybe we can think of safeguards which will be acceptable to all honest and sincere people. But do not let us continue to do what we have done—and that is to put off the whole problem indefinitely.

Mr. R. W. HOLT (Darebin) [4.53].—That there is a need for the maintenance of the security service within the nation no one
seriously disputes, and that this need should have been appreciated and, what is more, acted upon by the traditional Labour party in Australia, when in office, is also understandable. Any one with any political acumen knows that the Labour party is the traditional crucible of the freedoms of the people. That has been so with the parties of the left in the centuries before the emergence of what we now know as the traditional Labour party. Equally, it is true to say that the conservative parties of the right have been known, in the past, for their traditional reactionary approach to the subject of civil liberties which have in numerous cases— all too numerous, unfortunately— been curtailed in those essentially selfish interests which the party represents in the councils of the various nations.

It is no uncommon thing, unfortunately, for the individual, or for a mass of individuals, for that reason, to be stripped of their personal freedom in order that the privileges of the few may be maintained. Therefore, we can conclude with equal confidence that when any such action is taken by the Labour party, the essential freedoms and rights of the individual will be protected and that they will be reduced only to the minimum necessary for maintaining that degree of security which defence of our way of life entails. It is not without significance that the Liberal party is now acting in a manner designed to preserve, not the personal freedom of the individual, but the rights and privileges of those few persons who comprise the security service, whose job it is to deprive the mass of the people of their essential personal freedoms and security. The job of security is to deprive people of their essential freedoms, should that be necessary to protect our defence system or our way of life. We admit, of course, that that is an essential function. I do not suppose that, even in a well-run security service, those employed in it take any pleasure in their job. Unfortunately, as I shall indicate later, events have proved that there are bestial men and women who take a sheer sadistic delight in depriving the individual of his freedoms.

We find ourselves confronted to-day with a measure which is designed to protect not the people who are threatened with loss of their personal freedoms, but those who are to do the depriving. Security services the world over employ unsavoury methods, including spying, lying, telephone tapping, impersonation, interception of correspondence, and pitting father against son. The very nature of the duties of the secret service calls for certain qualifications which must be sought by those responsible for selecting the personnel. Despite the numerous incidents of deprivation of individual freedom that we have seen in recent years, I believe that the future is bright, and that our essential freedoms will be not only maintained but also enhanced. But, of course, that involves action of a constructive nature. We just cannot sit back and allow these services to operate without the most stringent supervision that it is possible to exercise. I do not suggest, of course, that the type of action we should take is that suggested by the honorable member for Moreton (Mr. Killen). I sincerely hope that the honorable member was not stating the views of Brigadier Spry when he expressed certain opinions in this House to-day. I am sorry that he is not in the chamber to hear what I am saying, but having seen him in conclave with Brigadier Spry after the Leader of the Opposition (Dr. Evatt) spoke last night, I repeat that I hope that the views of the honorable member for Moreton are not also those of Brigadier Spry. Such a warped approach to a matter of this kind could result only in the direst disaster to our way of life, which we value so highly. I make that statement advisedly. I should not like it to be thought that I am making a personal attack upon the honorable member for Moreton: I am merely attacking his ideas. After all, we can oppose each other's ideas without being personal.

The duties of security officers leave so much room for abuse that serious consideration must be given to this aspect when selecting employees of the service. The qualifications of the chief security officer are most important. As one who has served in numerous capacities on the Army staff, I can say without hesitation that the military approach and the military intellect are totally inadequate for security purposes. Therefore, regardless of the personal qualities of Brigadier Spry, I maintain that a man who has been educated on military lines and has a purely military outlook, and who is quite unsuited to administer the security service. As many of us know,
Army methods involve the complete negation of personal freedom—and rightly so, because that is essential to the function of the Army in war-time. Those honorable members who have had military experience will appreciate that what I say is true. On turning the pages of history, we find that the judiciary has cradled our liberties and essential freedoms, as instance by the battles between Chief Justice Coke and Sir Francis Bacon in the seventeenth century.

The greatest battles for the preservation of personal freedoms have been fought by the judiciary, and that is why, in the past, we have stressed the need for an independent judiciary, rather than the kind of judiciary that exists, for instance, in South Africa to-day. The preservation of the independence of the judiciary is the only way in which we can resist the encroachments that are made from time to time upon personal freedoms by the executive or the government of the day. When the Labour party introduced legislation to establish a security service in 1948, it appreciated that fact, just as it does to-day. Indeed, since the supervision of Mr. Justice Reed and others has been removed from the service, the need for such responsible control has become most apparent. There is a need for impartial, dispassionate and objective control, and for the intellect of a man with a philosophic approach, rather than that of a man with a purely militaristic approach. We all know that the military staff officer loves to deal with files, to place on them red tabs marked "urgent", "top secret", or "emergency operations", although most of them should be placed in the "self-answering" tray and left there. That is the difference between the approach of the military mind and that of the legal or judicial mind.

I suggest that many of the criticisms which we on this side of the chamber level at the security service, and which this bill does nothing to answer, arise from lack of supervision of the service. That is the main ground on which the Opposition bases its objection to the bill. Another ground of criticism, of course, is the abuse of the system that we have seen. Because of inadequate supervision, selection of the wrong type of employee, and the absence of adequate safeguards, we have witnessed character assassination and the deprivation, without redress, of the livelihood of individuals. Although we have a so-called democratic system in this country, encroachments by the executive, or the government of the day, upon individual freedoms are only too apparent. This legislation contains no safety valve, no means whereby justice may be done to a man who has been unjustly accused. Even though cleared of the charge, he will not be able to remove the smear. For that reason the Australian Labour party opposes the bill. We say that until the Government provides a system of appeals so that an individual may not be wrongfully deprived of his freedom or, what is more important, of his honour, the measure will be opposed. It just cannot succeed.

My argument is strengthened by a study of a test case that came before the Supreme Court of America in May last, the decision on which had the effect of limiting the application of loyalty tests, and the activities generally of the Federal Bureau of Investigation. In commenting upon this matter, President Eisenhower made the following remarks, which are reported in the "Christian Science Monitor", of 16th May, 1956—

In this country if some one dislikes you or accuses you he must come up in front. He cannot assassinate you or your character from behind without suffering the penalties of an outraged citizenry. If we are going to be proud that we are Americans, there must be no weakening of the codes by which we have lived, as, for example, the right to meet your accuser face to face, your right to speak your mind and be respected.

The case in question concerned Dr. John Peters, who was employed in the American Public Service in what was known as a non-sensitive job. Despite the fact that he was accused on sixteen different counts, and that not one of his accusers was present at any of the loyalty tests that were applied, or before the loyalty review board of the American Civil Service, he eventually cleared himself to the satisfaction of all concerned, but not to the satisfaction of his employer. His employer said, in effect, "You have been cleared, we admit, but for security reasons we must insist on your dismissal". That was the situation that developed, and the nine black-robed gentlemen of the Supreme Court of the United States of America upheld his appeal for reinstatement. That is the kind of happening that the Australian Labour party has
in mind when it objects to this bill in its present form. There must be provision for appeal.

This trend that I am now discussing culminated in what we know as McCarthyism. The cult of McCarthyism was finally carried to such extremes that overseas State Department representatives of America were instructed to destroy any books in the overseas offices of the State Department that were regarded as subversive. Even the story of Robin Hood was banned in America, because it was supposed to be subversive and capable of undermining the morale of young children. So we find that, because of the perverse distortions of warped, sadistic minds, there are these reactionary, contradictory and non-British activities. McCarthyism had its effect, also, upon the American diplomatic service. In 1947, an American diplomat in China was asked by a correspondent why he did not write anything about the Eighth Route Army, and he replied, “It is all right for me to damn and denounce the corruptness of the régime of Chiang Kai-shek, but, knowing how things are back home, I dare not say anything about the Eighth Route Army that may be construed as being in favour of it, or I may lose my job”. The American diplomatic service operated on that basis, because the cult of McCarthyism, which culminated in abuses by the Federal Bureau of Investigation, a body that is more or less equivalent to our security service, prevented American diplomatic representatives from making honest and factual reports. We know that the leaders of a nation base their judgment upon such reports when formulating national policy, and the policy to be adopted with regard to foreign countries.

This aspect of the matter has also been stressed in an excellent article in the "Adelaide News" of Tuesday, 31st May, 1955, which reads—

Two distinguished and responsible American political correspondents last week filed from Washington a report which is being studied with interest in Canberra. The report was written by the brothers Joseph and Stewart Alsop. It deals with the security curtain which, they say, increasingly ensnares U.S. governmental activity. The brothers Alsop claim that in the persuasive name of "security" the American Government is depriving the American people of much information essential for the formation of proper political judgments.

I stress that last point by repeating it—

The American Government is depriving the American people of much information essential for the formation of proper political judgments.

That is exactly what the security service, as set up by the present Government, is doing to-day. In fact, when one considers the examples given earlier to-day by the honorable member for East Sydney (Mr. Ward), one finds that many people, who would make excellent Australian citizens, are being deprived of an opportunity to come here because an arbitrary decision is made which affects the possibility of their enjoying a contented future.

When a system such as is developing in Australia is allowed to operate, amazing results can flow from testimony given by professional perjurers. In this respect I refer to a man named Harvey Matusow, who is a self-styled and self-confessed professional perjurer in the United States of America. The "Christian Science Monitor" of 5th March, 1955, when referring to a congressional inquiry before which Mr. Matusow was indicted, said—

This is the hearing to determine whether short, youthful, glib-talking Harvey Matusow is telling the truth now when he says he was really a perpetual and habitual liar while serving as an eager government witness in the past few years, when charging some 245 persons with communism or Communist associations.

Matusow, incidentally, testified against Professor Owen Lattimore. Rowland Sawyer, in an article in the "Christian Science Monitor" of 11th February, 1955, said—

I know personally of a government official who was charged with being a security risk, and his case finally turned upon whether or not he had written a letter to Dr. Owen Lattimore beginning, "Dear Owen", or "Dear Dr. Lattimore". However, he was able to locate the letter which proved he had begun, "Dear Dr. Lattimore", and so this individual was cleared as a security risk.

He was cleansed of a smear cast by Matusow, who admitted that he had made false charges in 245 cases. The article in the "Christian Science Monitor" to which I have referred continues—

The paradox of Harvey Matusow, who says he is a liar and that many will not believe him—

Mr. Matusow testified 25 times before assorted security agencies and official inquiries, pointing his finger at scores of organizations and individuals, some of whom were convicted largely
through his testimony. Now 28 years old, Mr. Matusow says he lied, and one more reason arises for an investigation of the Government security system.

The Labour party says that, before it is too late and before further abuses occur under the system now operating in Australia, we should provide in the bill for further safeguards. If that and other amendments were included, we should support the bill.

The selection of the people to do this work is important. We do not want a repetition of what occurred in the Petrov inquiry, when evidence was given by a Miss A.—I know her name, but I shall not mention it now, for obvious reasons—a woman who had left a mental asylum not long previously. Where Miss A. is now, we do not know. Is that the type of person who is to be employed by the Australian security service? When men are threatened with deprivation, not only of their freedom, but of their very livelihoods by tactics of smear, smear and character assassination, without hope of redress, the selection of personnel for this organization is very important. The task should be entrusted only to a person of the highest intellect and character. To ensure that our freedom will be protected, the head of the security service should be a justice—a member of the judiciary independent of parliamentary control—and there should be a system of appeals to an independent tribunal that could not be influenced by the Executive. Although I disagree with what the honorable member for Moreton has said, I hope that I should be the first to defend his right to say it, if that were necessary.

The honorable member for Mackellar wants open identification of Communists. I agree that that could be necessary. But is he concerned only with the subversive activities of Communists? Surely there are equally bad and equally heinous activities by fascists. There appears to be at least as great a need to watch the activities of fascists as of Communists. The honorable member for Mackellar suggests that tribunals be established only for branding Communists. He has not defined what he would regard as Communist activities, but I suspect that his definition of a Communist is any one who disagrees with his political philosophy.

Mr. Pearce.—What is the honorable member’s definition of a fascist?

Mr. R. W. HOLT.—I shall refrain from making personal reflection on the honorable member. I believe that fascism and communism are both characterized by absolutism. Under fascism and communism something is imposed from the top down. That is the antithesis of democracy which is a welling up of the will of the people and an acceptance of the idea that the State exists for the service of the people.

What does the honorable member for Moreton suggest should be the course of action open to a man who is wrongfully indicted, wrongfully exposed to public contempt and wrongfully deprived of his means of livelihood? A great number of actions would be brought in the courts for damages for defamation of character, libel and slander, if the experience of the security service so far, with its underhand charges or charges made under the cloak—

Mr. Joske.—What about charges such as that which was made this afternoon under the cover of parliamentary privilege?

Mr. R. W. HOLT.—If the honorable member is in the habit of doing that, I cannot help it, and accept him as an authority on such abuses.

Mr. Joske.—You know perfectly well what I am referring to.

Mr. R. W. HOLT.—On the safeguards necessary to prevent abuse of the system of open identification, the honorable member for Mackellar was silent. The Opposition says that the bill is no good, because adequate safeguards are not provided. We say also that it is not good to have in charge of the security service the military mind trained in the denial of civil and individual rights and freedom.

Mr. MORGAN (Reid) [5.23].—Mr. Speaker—

Motion (by Mr. Harold Holt) put—

That the question be now put.

The House divided.

(Mr. Acting Deputy Speaker—Mr. W. R. Lawrence.)

Ayes . . . . . . 55
Noes . . . . . . 31

Majority . . . . 24
AYES.

Adermann, C. F.  
Allan, Ian  
Anderson, C. G. W.  
Aston, W. J.  
Beale, Howard  
Bland, F. A.  
Bostock, W. D.  
Bowden G. J.  
Brimblecombe, W. J.  
Buchanan, A. A.  
Cameron, Dr. Donald  
Chaney, F. C.  
Cleaver, R.  
Cramer, J. O.  
Davidson, C. W.  
Dean, A. J.  
Dean, R. L.  
Downer, A. R.  
Drummond, D. H.  
Erwin, G. D.  
Fadden, Sir Arthur  
Failes, L. J.  
Falkinder, C. W. J.  
Fairhall, A.  
Forbes, A. J.  
Freeth, G.  
Graham, B. W.  
Hamilton, E. W.  
Haslock, P. M.  
Hawlock, W. C.  
Holt, Harold  
Howson, P.  
Huine, A. S.  
Jack, W. M.  
Joske, P. E.  
Kent Hughes, W. S.  
Killen, D. J.  
Lindsay, R. W. L.  
Lucas, A. W. G.  
Mackinnon, E. D.  
McBride, Sir Philip  
McColm, M. L.  
Osborne, F. M.  
Pearce, H. G.  
Robertson, H. S.  
Snedden, B. M.  
Stokes, P. W. C.  
Swartz, R. W. C.  
Towleyn, T. F.  
Turner, H. B.  
Wentworth, W. C.  
Wilson, K. C.  
Opperman, H. F.  
Turnbull, W. G.  

NOES.

Barnard, L. H.  
Bruce, H. A.  
Bryant, G. M.  
Calwell, A. A.  
Cameron, Clyde  
Clarey, P. J.  
Clark, J. J.  
Cope, J.  
Costa, D. E.  
Coutts, W. C.  
Craen, E.  
Curtin, D. J.  
Galvin, P.  
Harrison, B. James  
Haylen, L. C.  
Holt, R. W.  
Johnson, L. R.  
Kearney, V. D.  
Makin, N. J. O.  
Mitouge, D.  
Morgan, C. A. A.  
O'Connor, J. F.  
Peters, E. W.  
Pollard, R. F.  
Russell, E. H. D.  
Thompson, A. V.  
Ward, E. J.  
Wheeler, R. C.  
Whitlam, E. G.  

Tellers:
Griffiths, C. E.  
Luchetti, A. S.  

PAIRS.

Evatt, Dr. H. V.  
Riordan, W. J. F.  
Lawson, George  
Bird, A. C.  
James, R.  
Johnson, H. V.  
McIvor, W. J.  
Edmonds, W. F.  
Chambers, C.  
Webb, H.  
Watkins, D. O.  

(Mr. Acting Deputy Speaker—Mr. W. R. Lawrence.)

AYES.

Adermann, C. F.  
Allan, Ian  
Anderson, C. G. W.  
Aston, W. J.  
Beale, Howard  
Bland, F. A.  
Bostock, W. D.  
Bowden G. J.  
Brimblecombe, W. J.  
Buchanan, A. A.  
Cameron, Dr. Donald  
Chaney, F. C.  
Cleaver, R.  
Cramer, J. O.  
Davidson, C. W.  
Dean, A. J.  
Dean, R. L.  
Downer, A. R.  
Drummond, D. H.  
Erwin, G. D.  
Fadden, Sir Arthur  
Failes, L. J.  
Falkinder, C. W. J.  
Fairhall, A.  
Forbes, A. J.  
Freeth, G.  
Graham, B. W.  
Hamilton, E. W.  
Haslock, P. M.  
Hawlock, W. C.  
Holt, Harold  
Howson, P.  
Huine, A. S.  
Jack, W. M.  
Joske, P. E.  
Kent Hughes, W. S.  
Killen, D. J.  
Lindsay, R. W. L.  
Lucas, A. W. G.  
Mackinnon, E. D.  
McBride, Sir Philip  
McColm, M. L.  
Osborne, F. M.  
Pearce, H. G.  
Robertson, H. S.  
Snedden, B. M.  
Stokes, P. W. C.  
Swartz, R. W. C.  
Towleyn, T. F.  
Turner, H. B.  
Wentworth, W. C.  
Wilson, K. C.  
Opperman, H. F.  
Turnbull, W. G.  

Mr. Acting Deputy Speaker.—Order! The honorable member for Mitchell (Mr. Wheeler) moved from the Opposition front bench to his own seat after I had appointed the tellers.

Mr. Wheeler.—With great respect, sir, you had not finished appointing the tellers when I moved.

Mr. Acting Deputy Speaker.—Order! The honorable member must return to where he was sitting when the tellers were appointed.

Question so resolved in the affirmative.

Question put—
That the bill be now read a second time.

The House divided.

In division:

Mr. Acting Deputy Speaker.—Order! The honorable member for Mitchell (Mr. Wheeler) moved from the Opposition front bench to his own seat after I had appointed the tellers.

Mr. Wheeler.—With great respect, sir, you had not finished appointing the tellers when I moved.

Mr. Acting Deputy Speaker.—Order! The honorable member must return to where he was sitting when the tellers were appointed.

Question so resolved in the affirmative.

Bill read a second time.

Mr. Wheeler.—I rise to make a personal explanation, Mr. Acting Deputy Speaker. While you are in your present mood of determination I do not want to run the risk of being escorted from the chamber. But I should like to canvass your ruling that, having been on the opposite side of the chamber while the division was in preparation, I had to remain on that side of the chamber and be counted there. My personal
explanation is that, in the spirit of the approaching festive season, I was engrossed in happy conversation with the honorable member for Melbourne (Mr. Calwell), who is Deputy Leader of the Opposition, and that, in deference to your ruling, when I attempted to cross the floor to my own side of the chamber, I went back to my position with the honorable member for Melbourne. The technical point I wish to raise is that I believe that I was at liberty to cross at that stage to my own side of the chamber, because you had not then completed naming the tellers. However, as I say, in deference to your wishes, I returned to the Opposition side and was counted there. I ask you now, Mr. Acting Deputy Speaker, was I not at liberty to join my own side, in view of the fact that you had not completed the naming of the tellers?

Mr. ACTING DEPUTY SPEAKER.—The honorable member for Mitchell is making a personal explanation, and that is the only part of his speech that I shall accept. He is not in a position to canvass my ruling.

In committee:

Clauses 1 to 6—by leave—taken together and agreed to.

Clause 7 (Employment of officers and employees).

Mr. WARD (East Sydney) [5.38].—This clause deals with the appointment of officers to the security service and also, I take it, with the employment of agents, because it refers to temporary employees and casual employees of the organization, and I suppose that that would mean agents. The debate on this clause, therefore, appears to be the appropriate occasion on which to raise the question of whether the Petrovs are now to be regarded as permanent, casual or temporary employees of the security service. It is also the occasion on which to ask what work the Petrovs are now engaged on. I think that we ought to have some information on that, because there appears to be some screen of silence thrown over this particular matter.

The Prime Minister (Mr. Menzies) and the Government refuse to give any information on it beyond stating that the Petrovs are employed by the Government, and that they are still giving valuable information to the Commonwealth and the free world. as the Prime Minister put it. What I should like to know is: Was it not one of the conditions on which the Petrovs were given political asylum in this country that they were to make available to the Commonwealth all the information that they possessed? Now, surely they did not have so much of it that it has taken them two years to give to the Commonwealth the information which, I understand, we bought from them for the sum of £5,000. Are the Petrovs continually to be the responsibility of this country, and of the community and the taxpayers, because surely it is a rather extraordinary situation that exists? The security service has provided the Petrovs, I understand, with some sort of lavish accommodation. There are guards to be paid. It gave them a "ghost" writer when they were writing a book from which, I understand, the Petrovs alone, according to the Prime Minister's answer to a question I asked him, will benefit financially. The Prime Minister said that Vladimir Petrov was not receiving a wage. I do not know whether he is to get a further payment on top of the £5,000 already received because, according to other information that we have been able to glean from the Prime Minister, the receipt given by Vladimir Petrov was not marked "Final payment". Further than that, according to the evidence given by Petrov before the royal commission, Petrov regards the £5,000 as part payment only. So evidently he is expecting to receive more.

Mrs. Petrov gets a living allowance, a clothing allowance and so forth, and is provided with accommodation. I think that we ought to be told how long this arrangement is to continue. To give some idea of the fact that this matter goes a little further than was indicated by the information supplied by the Prime Minister, when I wanted to know what amount of money was involved in making a member of the security service available to assist these people in writing a book I was told that it was impossible to dissect and get at the actual cost of maintaining the Petrovs in this country because the salaries of guards had to be taken into account. Now there is another factor to be taken into account, because I understand that one of the guards has met with an accident. I understand that Vladimir
Petrov was cleaning a sporting rifle and, evidently, jumped up suddenly—I do not know whether because of some alarm or noi—and that one of the guards in this incident was struck and had to receive treatment in Yaralla repatriation hospital.

Mr. Harold Holt.—I do not know what this has to do with the question before us.

Mr. WARD.—It has something to do with the employment of agents. I want to know whether the Petrovs are employed under this particular provision in the legislation. I want to know whether, if their services are to continue, they will be regarded as temporary or casual employees, or are to become permanent officers of the Commonwealth Public Service or of the Australian Security Intelligence Organization. I should like to know whether, in return for their defection, the taxpayers of this country are to keep them on the public pay-roll indefinitely. I think that that is a reasonable request to make. Further than that, I believe that the purpose of providing guards is not solely with the idea that these people may expect some violence from some people. I have been informed that Vladimir Petrov is addicted to drink, and goes on carousals occasionally—

The CHAIRMAN (Mr. Adermann).—Order! That has nothing to do with the clause.

Mr. WARD.—Are these the type of people we are to have in our security service? I strongly object to their employment. I have no objection to the Commonwealth's taking whatever measures it thinks necessary to protect any person in the community whom it might deem to be threatened with violence from any quarter, but the Government is doing much more than that, because the Prime Minister told us that the Petrovs were still employees of the Government. If they are still employees of the Government we are entitled to ask the Minister for Labour and National Service (Mr. Harold Holt), who is now in charge of the committee, what work they are engaged on. Are they doing anything beyond writing books and enjoying themselves at the expense of the Australian community? Surely no reasonable member of this House accepts the suggestion that it has taken the Petrovs two years to divulge all that they knew when they left the Soviet Legation! I understood that before the appointment of the royal commission all the documents and other material that they possessed had been handed over to the security service and examined and sifted. What is this information that has taken them two years to hand over and how much longer is the present arrangement to continue?

Mr. MAKIN (Bonython) [5.45].—I feel that I can express the thoughts of many people in this country regarding these people who are known as the "Petrovs". Originally, they were associated with the secret service and performed work, if not espionage, on behalf of the Soviet. These people are alleged to have renounced their country, and they have been befriended by Australia. Questions have been asked, not only in regard to the magnificent gift of £5,000 that was made to them, but as to whether these people really have sincerely renounced their loyalty to the country of their birth which they served with continued fidelity and constant effort. Are these people not likely to be a "plant" upon the Australian community? Surely these people have had an excellent opportunity of getting to know something of the inside of our security system.

The CHAIRMAN.—Order! Clause 7 deals with the employment of officers and employees and I will not allow a general canvass of the characteristics of certain individuals.

Mr. MAKIN.—With deference to your ruling, Mr. Chairman, I point out that these people are still being paid by the Commonwealth. Mrs. Petrov is still receiving expenses.

Mr. Wentworth.—How does the honorable member know that?

Mr. MAKIN.—That information is given in the answer to a question which was asked recently in this House. We are entitled to ask what service has been given in return for these moneys. We are entitled to inquire as to the genuineness of the service that has been given and whether it is possible for these people to communicate matters concerning the intelligence service of this country to a foreign power. These people who are now regarded as agents of our intelligence system and who are alleged to be giving information
to that service are quite capable of delivering much information, ultimately, to those whom they previously served. That being so, I feel that we have given these people an excellent opportunity, by employing them in our intelligence service, to secure far more information than they could otherwise have attained. It might be a grave danger to the security of this country.

Mr. WARD (East Sydney) [5.48].—Are we not to have any reply from the Minister for Labour and National Service (Mr. Harold Holt) to the questions that have been asked by members of the Opposition? The honorable member for Bonython (Mr. Makin) has introduced a very important point into the debate. Is this service to be so secret that not even the members of this Parliament can be told whom it is employing, the methods that it is adopting, and the agents who will come within the category of temporary or permanent employees? I think that the Minister either does not know anything about the subject-matter or is treating this Parliament with complete contempt.

Let us consider what could be the situation in regard to agents. I have already stated that a lecturer at the Sydney University was asked to inform on members of the teaching staff at that institution. I also read a passage from a church journal to show that members of the clergy had been asked to inform on members of their congregation. Surely that will not be permitted to continue in this country under this type of legislation.

It is necessary to be very careful in the employment of temporary or casual employees. The gentleman whom I quoted and named during the second-reading debate showed how easy it was, because of the type of people who are employed in the security service, to get information which could be of importance to the enemies of this country.

Are we so naive as to believe that these people who had been employed in the secret service of another country, as the honorable member for Bonython pointed out, might not decide to sell the information which they obtained as members of the secret service either to their former government or the government of some other country?

Let us look at the matter realistically. These people bargained with the Commonwealth security service. From the evidence given before the royal commission, it is quite clear that they were bargaining with the security service in order to extract the greatest payment that they could for any information that they were able to hand over.

The CHAIRMAN.—Order! We are getting too wide of the clause.

Mr. WARD.—I do not know that we are.

Mr. Harold Holt.—If the honorable member will resume his seat, I shall give him some information.

Mr. WARD.—Provided that the Minister gives me an undertaking that he will supply me with the information that the honorable member for Bonython and I have been seeking, I shall consider his proposition. But I am afraid, knowing the Minister—

Motion (by Mr. Harold Holt) proposed—

That the question be now put.

Mr. Curtin.—Black mark!

The CHAIRMAN.—Order! The honorable member will withdraw that remark.

Mr. Curtin.—I withdraw the remark "black mark".

Mr. L. F. Johnson.—Bushranger!

The CHAIRMAN.—Who used the word "bushranger"?

Mr. L. F. Johnson.—I did.

The CHAIRMAN.—Order! The honorable member will withdraw that remark.

Mr. L. F. Johnson.—I withdraw it.

The CHAIRMAN.—If any one defies the Chair in that way again I shall name him. I will not allow that type of remark to be thrown about the chamber.

Question put—

That the question be now put.

The committee divided.

(The Chairman—Mr. C. F. Adermann.)

Ayes . . . . . . 53
Noes . . . . . 32

Majority . . . . 21
AYES.

Allan, Ian
Anderson, C. G. W.
Aston, W. J.
Beale, Howard
Bland, F. A.
Bowden, G. J.
Buchanan, A. A.
Cameron, Dr. Donald
Chaney, P. C.
Cheesaw, R.
Cramer, J. O.
Davidson, C. W.
Davis, F. R.
Dean, L.
Downer, A. R.
Drummond, D. H.
Erickson, G. D.
Fadden, Sir Arthur
Falkes, L. J.
Falkhali, A.
Falkinder, C. W. J.
Forbes, A. J.
Freeth, G.
Graham, B. W.
Hamilton, L. W.
Hasluck, P. M.
Haworth, W. C.
Holt, Harold
Howson, P.
Hulme, A. S.
Jack, W. M.
Joske, P. E.
Kent Hughes, W. S.
Kilien, D. J.
Lindsay, R. W. L.
Luck, A. W. G.
Mackinnon, R. D.
McBride, Sir Philip
McColm, M. L.
Osborne, F. M.
Pearce, H. G.
Peake, R. H. S.
Stokes, B. M.
Swartz, W. C.
Timson, T. F.
Townley, A. G.
Turner, H. B.
Wentworth, W. C.
Wilson, K. C.

Tellers:
Opperman, H. F.
Turnbull, W. G.

NOES.

Barnard, L. H.
Bruce, H. A.
Bryant, G. M.
Calwell, A. A.
Cameron, Clyde
Clarey, P.
Clark, J. J.
Cope, N.
Costa, D. E.
Couatts, W. C.
Craw, P.
Curtin, D. J.
Galvin, P.
Griffiths, C. E.
Harrison, E. James
Haylen, L. C.
Holt, R. W.
Johnson, J. R.
Keating, V. D.
Makin, N. J. O.
Minogue, D.
Monckton, C. A. A.
O'Conner, W. F.
Peters, E. W.
Polkinton, R.
Russell, A. H. D.
Thompson, A. V.
Webb, C. H.
Whitlam, E. G.

Tellers:
Duthie, G. W. A.
Luchetti, A. S.

PAIRS.

Menzies, R. G.
Fairbairn, D. E.
McEwen, J.
Casey, R. D.
Drury, E. N.
Brand, W. A.
Page, Sir Earle
Wight, B. M.
Fraser, Malcolm
McMahon, W.

Evatt, Dr. H. V.
Riordan, W. J. F.
Lawson, George
Bird, A. C.
James, R.
Johnson, H. V.
McDermott, H. J.
Edmonds, W. P.
Chambers, C.
Watkins, D. O.

Question so resolved in the affirmative.

Clause agreed to.

Remainder of the bill—by leave—taken as a whole and agreed to.

Bill reported without amendment; report adopted.

Third Reading.

Motion (by Mr. Harold Holt)—by leave—proposed—

That the bill be now read a third time.

Question put. The committee divided.

(The Chairman—Mr. C. F. Adernann.)

Ayes .......... 54
Noes .......... 32

Majority .......... 22

AYES.

Adernann, C. F.
Allan, Ian
Anderson, C. G. W.
Aston, W. J.
Beale, Howard
Bland, F. A.
Bowden, G. J.
Buchanan, A. A.
Cameron, Dr. Donald
Chaney, P. C.
Cheesaw, R.
Cramer, J. O.
Davidson, C. W.
Davis, F. R.
Dean, L.
Downer, A. R.
Drummond, D. H.
Erwin, G. D.
Fadden, Sir Arthur
Falkes, L. J.
Falkinder, C. W. J.
Forbes, A. J.
Freeth, G.
Graham, B. W.
Hamilton, L. W.
Hasluck, P. M.
Haworth, W. C.

Holt, Harold
Howson, P.
Hulme, A. S.
Jack, W. M.
Joske, P. E.
Kent Hughes, W. S.
Kilien, D. J.
Lindsay, R. W. L.
Luck, A. W. G.
Mackinnon, R. D.
McBride, Sir Philip
McColm, M. L.
Osborne, F. M.
Pearce, H. G.
Peake, R. H. S.
Stokes, B. M.
Swartz, W. C.
Tinmon, T. F.
Townley, A. G.
Turner, H. B.
Wentworth, W. C.
Wilson, K. C.

Tellers:
Opperman, H. F.
Turnbull, W. G.

NOES.

Barnard, L. H.
Bruce, H. A.
Bryant, G. M.
Calwell, A. A.
Cameron, Clyde
Clarey, P.
Clark, J. J.
Cope, N.
Costa, D. E.
Couatts, W. C.
Craw, P.
Curtin, D. J.
Galvin, P.
Griffiths, C. E.
Harrison, E. James
Haylen, L. C.
Holt, R. W.
Johnson, J. R.

Kearney, D.
Luchetti, A. S.
Makin, N. J. O.
Minogue, D.
Monckton, C. A. A.
O'Conner, W. F.
Peters, E. W.
Polkinton, R.
Russell, A. H. D.
Thompson, A. V.
Webb, C. H.
Whitlam, E. G.

Tellers:
Duthie, G. W. A.
Luchetti, A. S.

PAIRS.

Menzies, R. G.
Fairbairn, D. E.
McEwen, J.
Casey, R. D.
Drury, E. N.
Brand, W. A.
Page, Sir Earle
Wight, B. M.
Fraser, Malcolm
McMahon, W.

Evatt, Dr. H. V.
Riordan, W. J. F.
Lawson, George
Bird, A. C.
James, R.
Johnson, H. V.
McDermott, H. J.
Edmonds, W. P.
Chambers, C.
Watkins, D. O.

Question so resolved in the affirmative.

Bill read a third time.

Sitting suspended from 6.3 to 8 p.m.

MIDDLE EAST.

Mr. MENZIES (Kooyong—Prime Minister)—by leave—The facts in relation to the Middle East are not as yet completely clear, though events are obviously developing very rapidly. The movement of Israeli troops across the Egyptian frontier occurred only a few days ago, but it was preceded by events going back over some years. Twelve days ago the Israeli Prime Minister made a speech in which he discussed the charges made against Israel of conducting forays across her frontiers. He countered this by saying that Israel had a perfect right to self-defence to seek redress for attacks
made inside her own frontiers. He complained that the United Nations authorities had shown a tendency to transform the armistice agreements into unilateral obligations by Israel to the United Nations and to ignore breaches of them by the Arab States. He said that the helplessness of the United Nations regarding Israel's passage through the Suez Canal had been obvious for years. There can be little doubt that around the Israeli frontiers the faults have by no means been all on one side.

The plain fact is that Israel exists in a state of international tension. Egypt still claimed months ago to be technically at war with Israel and has, in fact, throughout used that as the justification for her exclusion of Israeli ships from the canal. Following upon his recent coup in respect of the Suez Canal, the Egyptian President has increasingly felt that he can defy the great and interested nations. It is well known that he has established military contacts with Syria and has been actively developing his own position by propaganda in the states east of Jordan.

It is not my intention at the present time to examine whether the Israeli invasion of Egypt falls within either the letter or the spirit of the relevant agreements. But it seems to be only just to point out that the geographical and political situation of Israel is such as to give the Israeli people the greatest feeling of apprehension. However, when the invasion occurred, Egypt, as was to be expected, put in train military measures to repel it. Within a relatively few hours it therefore became clear that, if the invasion were resolutely pursued and resolutely resisted, there would, almost inevitably, be fighting over and around the Suez Canal with, quite probably, a complete interruption of traffic, loss of ships and lives, and a high degree of danger that the canal itself might be effectively closed for a long time. In this state of affairs, the matter was promptly taken to the Security Council. What happened there is fairly well known but I will briefly recall it.

When it first became known to us that the Security Council was meeting urgently, our instructions to our representative on the council, Dr. Walker, were that before any resolution was passed the council should satisfy itself about the facts which, at that time, were, in Canberra, completely obscure; we pointed out to him that judgment by the Security Council should not be too hasty and should follow a quick ascertainment of the facts rather than precede it. The council had placed before it by the representative of the United States a resolution in the following terms:—

Security Council noting that the armed forces of Israel have penetrated deeply into Egyptian Territory in violation of the Armistice Agreement between Egypt and Israel, expressing its grave concern at this violation of Armistice Agreement.

1) Calls upon Israel and Egypt immediately to cease fire.

2) Calls upon Israel immediately to withdraw its armed forces behind established Armistice lines.

3) Calls upon all members, (a) to refrain from use of force or threat of force in the area in any manner inconsistent with the purposes of the United Nations, (b) to assist the United Nations in ensuring integrity of Armistice Agreements, (c) to refrain from giving any military, economic or financial assistance to Israel so long as it has not complied with this resolution.

4) Requests the Secretary General to keep the Security Council informed in compliance with this resolution and to make whatever recommendations he deems appropriate for the maintenance of international peace and security in the area by implementation of this and prior resolution.

It will be seen that this resolution called upon Israel to withdraw its armed forces behind certain armistice lines, called upon all members to refrain from the use of force or threat of force, and to refrain from giving any military, economic or financial assistance to Israel so long as it had not complied with the resolution. Great Britain and France voted against this resolution, being plainly of opinion that it was aimed at imposing disabilities upon Israel, and Israel only. The Australian representative abstained from voting, for, by the time the terms of the resolution reached us, it was too late to add to the instructions already given and, in any event, the investigation of the facts asked for by Dr. Walker had not occurred. His abstention was, therefore, the sensible and proper course. Subsequently, the Soviet Union proposed a resolution in the following terms:—

Security Council noting that the armed forces of Israel have penetrated deeply into Egyptian Territory in violation of the Armistice Agreement between Egypt and Israel, expressing its grave concern at this violation of Armistice Agreement.

1) Calls upon Egypt and Israel immediately to cease fire.
(2) Calls upon Israel immediately to withdraw its armed forces behind established Armistice lines.

(3) Requests the Secretary-General to keep the Security Council informed in compliance with this resolution and to make whatever recommendations he deems appropriate for the maintenance of international peace and security in the area by implementation of this and prior resolution.

It will be observed by honorable members that that differed in quite a material way from the earlier proposal. The Soviet's proposal was voted for by Dr. Walker, since it appeared to embody acceptable general principles, but it was, having regard to the developments which were then occurring, voted against by Great Britain and France, with the United States abstaining.

The disability attending the Security Council's deliberations is not so much that there were vetoes, since these are to be expected in cases where international tension is high and where the permanent members do not find themselves all on one side. But it is, in our opinion, a great misfortune that differences of view should have occurred between Great Britain and France on the one hand and the United States on the other. Such differences, which proceed from honest divergences upon matters of judgment, can easily be fanned into bitterness by intemperate statements by observers in both continents.

We have, in these circumstances, heard with pleasure the statement made this morning by President Eisenhower. True, in that statement he has clearly maintained the American view that force in the Middle East is both unwise and improper. But he went on to say that what he had said on that point was in no way to minimize American friendship for Great Britain and France, and American determination to maintain that friendship. He added, no doubt with lively recollection of the events in August and September, that Great Britain and France have been subject to repeated provocation.

To return to the narrative, we were early yesterday morning advised from our Acting High Commissioner in London that the United Kingdom had in mind calling upon both Israel and Egypt to cease fighting and to withdraw their forces from the neighbourhood of the Canal. At 1 p.m. yesterday, we were advised that the matter was under most urgent consideration by the United Kingdom Cabinet. At 1.30, we learned that Great Britain and France had delivered what was in effect an ultimatum to both Egypt and Israel calling for an answer within twelve hours.

The terms of that ultimatum required that both sides should stop all fighting immediately and withdraw their forces to a distance of ten miles from the Suez Canal. Furthermore, in order to separate the belligerents and guarantee freedom of transit through the Canal, the Egyptian Government was asked to agree that Anglo-French forces should move temporarily into key positions at Port Said, Ismailia and Suez.

Immediately thereafter, we learned that Egypt had rejected the ultimatum, though Israel was prepared to act upon it if Egypt was also agreeable. It is, as yet, not clear what military operations have been instituted by Great Britain and France, but the House will be informed of any developments in the course of the evening and indeed, having regard to the nature of this matter, we propose that when the House adjourns to-night, it should adjourn until Thursday of next week so that a further report may then be made to it.

I now proceed to say something about two questions which will present themselves to the minds of honorable members in relation to the actions of Great Britain and France.

First, is the United Kingdom at fault in not having engaged in a pre-consultation with the other British Commonwealth countries? Our answer to this question is that she was not at fault at all. The circumstances were those of great emergency. Hostile armed forces were rapidly approaching each other, and extensive combat was imminent. As I have said, in that combat vital interests in the passage of the canal were quite likely to suffer the most serious damage. The canal is an international waterway with a guaranteed freedom of passage for the ships of all nations; but that guarantee would cease to have much value if the canal itself were put out of action by becoming part of a theatre of active war. There was literally no time to be lost if any action was to be taken to keep the combatants out of the canal area, and afford it proper protection.
Effective consultation—and I say “effective” because a mere “form of consultation” would have been quite useless—would plainly have occupied considerable time and the urgent position might have fallen into irretrievable disaster. In our opinion, therefore, Great Britain, whose canal and other Middle East economic interests are so vast, was correct in proceeding upon her own judgment and accepting her own responsibility. We are not living in an academic world. The normal processes of consultation should always be followed wherever possible, but there are instances like the present one in which events move too fast for normal processes.

The second great question that arises is as to the propriety of the action taken by Great Britain and France. Upon this point the Government of Australia believes that the action was proper. It had already been demonstrated, in the case of the Israeli ships, that a resolution passed by the Security Council and condemning Egypt can be set at nought in the absence of strong executive action. Israel has also ignored some United Nations views. It was quite clear that the procedures of the Security Council were such that even assuming that some resolution could be carried, the canal would have been involved in war long before any United Nations’ action could become effective. Great Britain and France, therefore, decided that they would, so to speak, “hold the pass”. Their purpose, as they plainly state, was to have the Israeli and Egyptian forces withdrawn from the canal for a distance of 10 miles on either side so that the operation of the canal would not be menaced. Their action, so considered, was a police action taken in a state of great emergency and was in fact calculated to keep the combatants apart and to enable counsels of moderation thereafter to prevail.

We see nothing sinister in all this. On the contrary, it seems to us to be quite realistic and to pay due regard to the moving and inexorable facts of life.

As I have said, it is a great misfortune that there should have arisen public differences between those great democracies whose friendly co-operation is so vital to us all and any breach between whom can give satisfaction only to the Communist powers in their continuing “cold” war.

I have myself within the last 24 hours or less urged upon British and American leaders that consultations should speedily occur on a high level, in order to reconcile any differences of opinion and produce a result satisfactory to all. I have a profound respect for the efforts made by both President Eisenhower and Mr. Dulles to keep the peace of the world. Mr. ’Dulles has, in particular, been the subject, in my opinion, of a great deal of hostile but uninformed criticism. But I would like to urge with all humility that our friends in America should understand the pressure of events upon both Great Britain and France, and the true nature of the action taken by them; action which, if both resolute and prompt, may well be the only means now existing for preventing a general conflagration in the Middle East.

I could perhaps sum this aspect of the matter up by saying that the Anglo-French action represents an emergency measure by two of the great democratic powers. Their object is not to make war but to prevent war by separating two belligerents.

They are not seeking territorial advantage or subjugation of peoples, but are aiming to assure to the whole world the treaty rights of continued free access to the international waterway by protecting its installations, the ships that use them, and the people who travel in those ships. They are not seeking to impose an arbitrary settlement in the Egypt-Israel dispute, but to discharge a limited function which will enable a settlement to be reached.

They have made it clear that they are not seeking to maintain forces permanently in Egypt, but will withdraw them as soon as the immediate purpose has been achieved. They are not seeking to usurp the right of the Security Council to attempt to settle the Egypt-Israel dispute but are determined to ensure that when choosing a method of settlement the Security Council will not have to face the fact of the prior destruction or dislocation of the Suez Canal. Above all there is, as I believe, no desire to involve or confuse a settlement of the dispute about the operation of the Suez Canal with other Middle East disputes, but to prevent that involvement.

The practical effect of allowing hostilities between Egypt and Israel to develop over the Canal would be that, in future, efforts...
to obtain agreement on the vitally important Suez Canal question would be disastrously affected by the efforts of the present belligerents to use their military position as a factor in the settlement of a problem in which these considerations would be entirely out of place.

I remind the House that all the negotiations with Egypt about the canal have been designed to produce a peaceful settlement giving effective guarantees of a non-political administration of the canal. It would be tragic if this great matter became obscured.

I advise the House, if I may, against hasty judgments on the facts which are, as yet, not all clear. Notwithstanding the elaborate provisions made by the Security Council for observers, there has as yet been no report from these observers—

Mr. Bryant.—They have not been told.

Mr. MENZIES.—These observers happen to be on the spot. There has, as yet, been no report from them, and there is still much room for doubt as to the precise nature of any aggression and the identity of the people responsible.

In this statement, I am indicating the views of the Australian Government. We have not been asked to make any commitments ourselves nor have we made any. But I hope and believe that Australia will never be unwilling to offer its opinion upon a matter which so vitally concerns the United Kingdom and all those countries of the British Commonwealth to whom the Suez Canal is of very great economic importance.

May I remind the House that it is still open to Egypt, as Sir Anthony Eden has made clear, to end the present military operations by accepting the proposition that, like Israel, it should withdraw its troops for 10 miles from the canal so that great international and human interests will not be subordinated to what might, under other circumstances and in another place, be regarded as a purely local dispute.

Dr. EVATT (Barton—Leader of the Opposition)—by leave—The House and the country expected the Prime Minister (Mr. Menzies) to state Australia's policy clearly and definitely, and to indicate the basis on which that policy was established; but not a word did the right honorable gentleman say on those vital matters. He said that he noted with pleasure—that was his word—the remarks of the President of the United States of America. President Eisenhower, whom the Prime Minister quoted, has said, as the right honorable gentleman pointed out, that the use of force in the Middle East is both unwise and improper. Clearly it is unwise because it is a wrongful act from the point of view of expediency and wisdom, and it is improper because, as the President made it clear, it is contrary to the Charter of the United Nations. Obviously it is. The Prime Minister said that he was pleased with the President's statement—and I share his pleasure—that this difference of opinion between the United States and the United Kingdom will not extend to other matters. But we are not dealing with other matters. We are dealing with the issue of an ultimatum by the governments of the United Kingdom and France, directed nominally against Egypt and Israel, but really against Egypt only. Was it right that that should be done? What kind of a policy has this Government on foreign affairs?

The Prime Minister has said that he is pleased with that remark of President Eisenhower. Apparently, he does not mind the fact that Australia was not even consulted by the United Kingdom Government, despite the interests of this country in the Middle East, which the Prime Minister emphasized so eloquently only a few weeks ago when speaking of the Suez Canal dispute. At that time, he said that we must act in concert with the United Kingdom. Now, he does not worry about that. He goes even further and says that the action of the United Kingdom in issuing this ultimatum was right. President Eisenhower says it was wrong.

It was not only the British Commonwealth of Nations that was not consulted. President Eisenhower first read of this ultimatum in the newspapers of his own country, although there was ample time to notify him beforehand. As a matter of fact, the Prime Minister read to the House only yesterday a statement made by the Prime Minister of Great Britain in the House of Commons, in the course of which it was pointed out that there had been consultation on the Middle East situation early this week, either on Monday or Tuesday, or
perhaps on Sunday night, between the United States, Great Britain and France. Was it not contemplated then that an ultimatum might issue? It is clear from Sir Anthony Eden's statement that the United Kingdom Ambassador, early in the week, went to the Government of Israel at Tel Aviv and discussed the fact that mobilization of the armed forces of Israel was then going on. Against which power were those forces to be directed? That was one of the matters in which the United Kingdom Ambassador was interested, and he obtained an assurance from the Government of Israel that they were not to be directed against the State of Jordan, which, of course, is the back door of Israel. That was telling the ambassador, in the plainest terms, that mobilization was directed against the other country with which Israel had been at war, namely Egypt, and that Egypt would be attacked. Are not those matters that should have been discussed with the United States?

That, in itself, is not the whole point. A country might, in certain circumstances of emergency, act on its own initiative, even without notice to other countries. But in this instance there was daily contact between the representatives of the three great powers—not only between the European representatives in the respective capitals, but also at the very seat of the United Nations. But other countries were not informed. I say they were not informed because Britain and France did not want them to know of it until action had been taken. That is the whole essence of the matter. It was to be an ultimatum delivered nominally to Israel and Egypt, but really directed at Egypt, and on this occasion, which must be a fairly rare occasion, no one can say that any one in the security council has suggested that Egypt was an aggressor. How could Egypt be an aggressor? This operation meant motorized forces travelling through the desert, aiming straight at which objective? It was not an attack upon Egypt in the ordinary sense; it was a race to get to the Suez Canal zone. It is quite obvious that the fighting that took place was incidental to the object of the Israeli forces to get to the canal zone, and to get there as soon as possible.

Immediately their arrival in the canal zone an ultimatum is issued to the effect that both countries must withdraw their forces to a distance of 10 miles from the canal. Just consider the absurdity of the position and apply a little common sense to it. Israeli forces are 100 miles inside Egyptian territory, actually on the eastern banks of the canal. Egyptian forces are there or thereabouts, defending their own territory, and, in the words of Sir Anthony Eden, there had been a deep and a sudden penetration of Egyptian territory. Then comes this brilliant scheme! Whose mind thought of such a scheme? The forces of Israel are attacking Egypt at a crucial point in the Egyptian defence system, and the genius who contrived the ultimatum says, "Would you mind going back 10 miles on each side?" If the Israeli forces went back 10 miles, they would still be 90 miles inside the territory of the country they were invading. But, of course, Egypt was in a different position. Move Egyptian forces back 10 miles and they are away from the canal which they must defend, and they are caught in that position. Then the ultimatum says, "Unless you both agree to do this, we will come in with armed forces and occupy the whole of the canal zone, including the 20-mile wide strip bordering the canal, and, in addition, we will occupy Ismailia, Suez and Port Said." Was there ever such a transparent device employed previously in international affairs? What was the real object?

Government supporters interjecting.

Mr. SPEAKER.—Order! Honorable members must remain silent.

Dr. EVATT.—That is the background of the situation. A map is before me on the table, and honorable members should consult it when it is suggested that the offer made by Britain and France was reasonable. I know, or I think I know, why Britain and France did not let too many other countries know of their intended action. What would the great General Eisenhower have said about it? He would have said, "It is monstrous. I could not stand for such a proposition. I could not occupy the position of President of the United States and endorse it. How can I, if Egypt is being attacked, compel the people who are defending their own country to move back 10 miles?" For what purpose is it suggested that they should move back 10 miles? It is simply to allow the British and French forces to occupy the canal zone,
and to return to the position from which Great Britain withdrew voluntarily a few years ago.

The situation is truly amazing. The Prime Minister talks about the true facts of life. Well, here is an illustration of them. The Prime Minister prepared his statement, of course, before recent events had been reported in this country, but one of those events is this: It is not merely an intangible ultimatum that is being carried into effect; force is being used. Individuals, if only a few people, according to the evening press, have been killed by bombs which come from British or French sources. Those are the facts of life. Is not the life of an innocent Egyptian bystander just as important to the Prime Minister and his family as the life of any man in the world?

Government supporters interjecting,

Mr. SPEAKER.—Order! I remind the House that the Prime Minister was heard in silence, and I ask honorable members to pay the same respect to the Leader of the Opposition.

Dr. EVATT.—I say that certain events are happening, and innocent people are being killed because of the action of the British and French governments. It is disgraceful to think that this should occur without the authority of the United Nations.

Can any one forget the extraordinary speech that the Prime Minister made a few weeks ago? He enunciated a new theory about the use of force in international affairs, and there would have been no need for Sir Anthony Eden to consult the Prime Minister of Australia in order to ascertain his views, because he would already have learnt of them from the speech that the Prime Minister made recently. The right honorable gentleman has postulated the theory that you can use force without the authority of the United Nations if you think it is right that it should be used. That is what the Prime Minister said in connexion with the Suez Canal dispute. That is an absolutely intolerable and illegal doctrine, and no one who has any experience of the United Nations Charter or its working would put forward such a proposition. It cannot be defended. Military force can be used only with the authorization of the United Nations, or in self-defence in the case of armed attack against one's nation. In no other case is it permitted. The views put forward by the Prime Minister on that matter were, with great respect, those of a person who had not studied the history of the United Nations and was not very conversant with its charter.

Government supporters interjecting,

Mr. SPEAKER.—Order!

Dr. EVATT.—Those who laugh simply show a like ignorance of the history and the Charter of the United Nations. I suggest that they might read the terms of the Charter. It would be an interesting exercise for them.

Mr. Wight interjecting,

Mr. SPEAKER.—Order! The honorable member for Lilley will cease interjecting.

Dr. EVATT.—I point out that the result of this intervention, which the Prime Minister says is for the protection of Egypt and has been undertaken so that Egyptians may be protected from aggression, is that Egyptians are suffering and dying at the hands of the forces of Great Britain or France. That is one anomaly.

Mr. Howson.—The right honorable gentleman has no proof of that yet.

Dr. EVATT.—Of course, I have. It has been announced in to-night's newspapers.

Mr. Howson interjecting,

Mr. SPEAKER.—Order! The honorable member for Fawkner must remain silent.

Dr. EVATT.—Mr. Speaker, what kind of people are we dealing with in this House? Is it that they do not want to hear a case that they do not like? I ask them to listen to it, because there are others who wish to hear the views of the Australian Labour party.

Government supporters interjecting,

Mr. SPEAKER.—Order! If honorable members do not refrain from interjecting I shall name them. I ask for order.

Dr. EVATT.—The inference to be drawn from the action of Great Britain and France is clear and plain. This matter has been discussed, of course, by four of the greatest authorities on international affairs in the United States, including Mr. Reston, the world's greatest authority on the subject. He has gone deeply into this matter, and he speaks of the whole thing being engineered from the beginning. It is unnecessary to discuss that aspect of it. It
is quite plain that Great Britain and France knew that the trouble would extend to the Suez Canal, and, knowing that, what was their purpose in issuing the ultimatum? The object was to regain military possession of the canal zone.

I return now to a consideration of the views put forward by the Prime Minister a few weeks ago. In the opinion of those on this side of the House who have studied the matter, and their colleagues outside the Parliament who have discussed it, the object of Great Britain and France was to regain military possession of the canal zone, as one move in the settlement of the Suez Canal dispute. There is no explanation of their action otherwise. It cannot be explained on any other hypothesis. But let us see what that means. It means that force is being used for a perfectly illegitimate purpose, and that the Security Council, with its varied membership, was right in its condemnation of the action. Even the representative of Australia, Dr. Walker, unembarrassed by instructions either from the Prime Minister or the Minister for External Affairs (Mr. Casey) voted in favour of a declaration ordering the Israeli forces to go back to their own country, 100 miles away, and in favour of a resolution which directed Great Britain and France not to take part in this affair, but to let it go to the United Nations. Dr. Walker was not criticized by the Prime Minister for his vote. Well, that resolution was vetoed. Of course, most people think—quite wrongly—that the veto ends the matter. It does not end the matter. People look upon the use of a veto as a disastrous thing, but it is only part of the procedure. The matter may then be taken to the General Assembly of the United Nations, and the majority of the Security Council has decided to refer this dispute to the judgment of the whole body of the membership of the United Nations, which will deal with it.

Mr. Menzies.—What do you mean by "deal with it"? They cannot do anything.

Dr. EVATT.—Do you want to cross-examine me?

Mr. Menzies.—I should love to. Give me a chance. What a splendid ideal!

Dr. EVATT.—The Prime Minister, apparently, would like to cross-examine me, but there are many questions that I should like to ask him first. He is very good at asking questions, but he will not answer them. When I asked him yesterday afternoon whether there had been consultation with the British Government, why did not he say that he did not know of this matter until then? He did not say that yesterday, which was the time he should have said it. What is his explanation of that? That is a question, but I do not want him to make another speech now.

Mr. Falkinder interjecting.

Mr. SPEAKER.—Order! The honorable member for Franklin will apologize to the Chair for interjecting.

Mr. Falkinder.—I apologize, sir.

Dr. EVATT.—It seems to me that we must look at the position in the light of this Government’s policy. It is this Government with which we are dealing. What is its policy? Dr. Walker voted in favour of condemnation of the ultimatum and the enforcement action thereafter. We on this side of the House assert that enforcement action is contrary to the Charter of the United Nations. President Eisenhower takes the same view. I submit that it is the view which is correct. Does the Prime Minister contradict that view? There is another question. No answer is given to it. I take it that we shall have to wait and see. The Prime Minister certainly contradicted that view a few weeks ago. In our opinion, the action taken by Great Britain and France was wrong from the point of view of the duties cast upon members of the United Nations. That kind of thing amounts to aggressive action, which must come before the United Nations for judgment. If a veto is exercised in one tribunal, the matter must go to the other tribunal, where there is no veto.

The view that I want to put may be summed up in this way! There was a certain situation in Egypt, the main points of which have been described. If Britain and France had desired to have the matter composed, they could have brought it before the United Nations immediately, but they did not do so. Why did they decide to act on their own account? The United States is vitally interested in the Middle East, and Australia and a lot of other Commonwealth countries are equally interested. But the facts were kept back from those countries. They should
not have been kept back. The object, of course, was to try to present those countries with an accomplished fact within a certain time. Troops would have been back in the canal zone and that would have been a position of strategic importance. For what purpose would it have been of importance to the two countries concerned? Was it seriously suggested then, and is it seriously suggested now, that shipping in the canal was in danger? Has there been an incident? Is there a report of a ship being interfered with in its ordinary progress through the canal? There is not a single scrap of evidence of that, but the apparent ground of the action was that shipping might be endangered. Presumably, the Egyptian forces would be able to protect shipping, but there is no evidence at all that shipping has been interfered with or delayed. So that reason has got to go by the board.

The situation is of such a nature that no one, I think, can fairly defend the action taken. We in this country want to find out what the policy of this Government is. Is it going to issue a direction to the Australian representatives in New York that they are to support the action of Great Britain, against which a vote has been recorded, as I have explained? Is Dr. Walker to remain the Australian representative in New York; or is the Minister for External Affairs (Mr. Casey) to deal with the matter?

Mr. Menzies.—If you are really interested—

Dr. EVATT.—I am very interested.

Mr. Menzies.—If you are really interested, I can tell you that Dr. Walker's instructions in the General Assembly will consist of my statement to-night.

Dr. EVATT.—He will find some difficulty in fathoming it.

Mr. Menzies.—He is a very intelligent man.

Dr. EVATT.—He must be, if he can understand that statement. If he reads the statement of the Prime Minister that he views with pleasure the statement of the President of the United States of America, who says that the action taken was improper, he will have to balance one view against the other. If the Prime Minister runs the Government entirely, he will instruct Dr. Walker how to vote.

The party that I represent, having considered this matter, expresses its strong condemnation of the threats of military force contained in the ultimatum addressed by Great Britain and France, nominally to Egypt and Israel, but, in fact, in substance and in truth, only to Egypt. Israel said that it would keep its troops 10 miles from the canal as long as Egypt did likewise. That shows that the ultimatum was not genuine and that it was not regarded as genuine. That withdrawal would not settle the dispute. The Security Council of the United Nations took a view different from that taken by Great Britain and France. Those countries did not suggest at the United Nations that the order by the Security Council was wrong insofar as it directed the Israeli forces to retire behind their armistice line.

Our opinion is that the real object of the ultimatum was to obtain effective possession and military occupation of the Suez Canal zone. It is admitted that that is Egyptian territory and that Egypt has sovereignty over it. British forces withdrew from the canal zone some years ago. In our view, the object of the ultimatum was to get military possession of the canal zone. The only view consistent with the known facts is that the intention of Great Britain and France is, by force, to make it obligatory for Egypt to agree to the proposals made by the Menzies committee during the negotiations that took place a few weeks ago. Those negotiations failed. The Prime Minister said subsequently that the use of force was still possible, and it is extraordinary that threats of force and actual force were used by the nations concerned within four or five weeks of that statement.

We repudiate and disaffirm the principles stated by the Prime Minister in his speech on that occasion, in which he expressed the bald view, the good old rule, or the simple plan that they should take who have the power and that they should keep who can. That is the rule of the nineteenth century—the policy of the gunboat diplomat. You go in and try to get what you want. If the people concerned are not acquiescent and do not recognize your superiority, you use armed force. I tell him that in the opinion of the people of this country that doctrine ought to be dead. I tell him, too,
that on the legal conception of the United Nations Charter that doctrine cannot be justified.

Let me add one thing. Any treaty that is inconsistent with the provisions of the Charter of the United Nations must give way to the charter, which is the overriding, supreme law in international affairs. It is useless to go back to old precedents, which are discounted by the modern approach to international problems. The view we take is that force can be used only if the United Nations authorizes its use, either through the Security Council or the General Assembly, or in self-defence against armed attack. Those are the only occasions when the use of force is permitted, and they are occasions which are interpreted pretty broadly. No one will say that the force used by Great Britain and France against Egypt was used in self-defence against attack by Egypt. No one will put forward such a fantastic view. Therefore, as the United Nations did not authorize, and, in fact, condemned that use of force, it is plainly exposed as a naked exercise of military power. It cannot last. It cannot be successful. The peoples of the world in general, and, in particular, the peoples of Europe who are great friends of these countries, have condemned it.

Mr. Wight.—What, Hungary?

Mr. SPEAKER.—Order! I name the honorable member for Lilley.

Dr. EVATT.—I should prefer no action to be taken——

Mr. SPEAKER.—Order! I warned the honorable member for Lilley previously.

Motion (by Mr. Menzies) agreed to——

That the honorable member for Lilley be suspended from the service of the House.

Mr. SPEAKER.—The honorable member for Lilley is suspended from the service of the House.

The honorable member for Lilley thereupon withdrew from the chamber.

Dr. EVATT.—The Prime Minister of Denmark criticized this action in very clear terms, according to to-day's Melbourne "Herald". It was criticized also by the Italian Cabinet, and by the Swedish Foreign Minister, who said that Great Britain and France had usurped the role of the United Nations and resorted to methods which were not provided for in the United Nations Charter. An influential Dutch evening newspaper also criticized what had been done, and the "News Chronicle" and other leading newspapers in Great Britain, including the "Manchester Guardian", also criticized it.

I say that the action taken by Great Britain and France will not succeed. The shocking thing is that the Prime Minister, on behalf of the Government, and presumably of the Australian people, welcomes what has been done. This Government, after having hesitated and supported the action of the majority of the members of the United Nations Security Council, now turns in the opposite direction. It is setting an example which, I submit, will be resented by the Australian people. I believe that the proper course is to discuss this matter in the United Nations General Assembly and to see whether Great Britain and France can be persuaded to withdraw their operation of force, which is directed against Egypt. That would be a courageous thing to expect them to do, but it should be done. I consider that, if the governments of Australia and other countries such as Canada and New Zealand were not consulted, they should now bring all their persuasive powers to bear on Great Britain and France, not for the purpose of attacking and discounting the United Nations, but for the purpose of supporting it when vital clauses of the Charter are under consideration. On this occasion the security council represents all types of countries so far as their internal politics are concerned. The council has eleven members—five permanent and six non-permanent—and in the decisive votes only two nations supported the action taken by Great Britain and France. That indicates a great probability that the overwhelming majority of the members of the United Nations would not support the action of Great Britain and France.

I think it is important, Mr. Speaker, to state that the views I am putting forward are in substance also the views of the British Labour party, and, I believe, of similar parties throughout the world which may be considering this position. We request that the present disastrous situation be reconsidered as soon as possible, either by the security council or, now that it has been referred to the General Assembly, by that assembly, in order to achieve a cessation of hostilities. I tell the Prime Minister on behalf of the Opposition and the Labour
movement throughout Australia that we shall oppose any attempt by the Menzies Government to involve Australia in what may in truth be described as a Suez Canal war. How can it be otherwise described? How absurd it is that Great Britain and France are entering the canal zone to prevent damage from being done by either Israel or Egypt to some imaginary ships carrying valuable cargoes! Israel has indicated its willingness to retire, but Egypt cannot abandon its own territory and sovereignty. The demand that it should do so is the most humiliating ultimatum ever put to any country in the history of diplomacy so far as I know.

We have heard a few observations from the Prime Minister this evening, but he has not dealt with the real issues: First, was the action of Great Britain and France lawful under the United Nations Charter? Second, was it prudent? Thirdly, were Australia and other nations consulted? I gather that the Prime Minister says that none of them were. Apparently he was not consulted. Was the Minister for External Affairs consulted? The Minister made a statement over the radio to-day to the effect that he was fully informed of the situation throughout the passage of events, and that he had kept the Australian Government informed. Was not any information about the proposed ultimatum obtained from him? Are we not entitled to know that? I hope that complete freedom of opinion in the matter we are discussing will not be interfered with. On this point I want to mention that commentator who was about to express his views on the ultimatum and the situation in the United Nations in an Australian Broadcasting Commission broadcast to-day was not permitted to read several sentences of the script of his proposed broadcast, and he therefore refused to make the broadcast. So we have censorship in this matter in Australian Broadcasting Commission broadcasts.

Mr. Menzies.—Tell us the name of the commentator?

Dr. EVATT.—I have no doubt that the right honorable gentleman has been fully informed about the incident.

Mr. Menzies.—He is your friend.

Dr. EVATT.—He is not a friend of mine.

Mr. SPEAKER.—Order! I ask the House to come to order.

Dr. EVATT.—Let it be perfectly well understood in this House that the people of Australia will take all proper and constitutional steps to oppose the completion of the action that has been initiated by Britain and France. It is an action which in effect amounts to an act of aggression. It was condemned by seven out of eleven members of the United Nations Security Council, and I believe that it is opposed to the feeling and conscience of the great majority of the people of Australia.

**BILLS RETURNED FROM THE SENATE.**

The following bills were returned from the Senate:

Without amendment—

Home Nursing Subsidy Bill 1956.
Loans Securities Bill 1956.
States Grants (Special Financial Assistance) Bill 1956.
Supplementary Appropriation (Works and Services) Bill 1955-56.
Cocos (Keeling) Islands Bill 1956.
Northern Territory (Administration) Bill (No. 2) 1956.

Without requests—

Supplementary Appropriation Bill 1955-56.

**LAND TAX ABOLITION BILL 1956.**

Second Reading.

Debate resumed from 24th October (vide page 1749), on motion by Sir Arthur Fadden—

That the bill be now read a second time.

Mr. PETERS (Scullin) [8.57].—This bill strikes the last blow in relation to a federal land tax, and it affords a final opportunity for us to consider the effect of federal land tax legislation upon this country. The federal law, of course, has already been repealed. This bill merely provides for the collection of outstanding moneys due under the land tax legislation, which was introduced in 1910 by a Labour government, in order to compel the subdivision of large landed estates in the interest of closer settlement, to prevent the further growth of land monopoly, and to obtain for the Commonwealth some of the unearned increment in land values. Land taxation, of course, was one of the major economic measures which influenced the development of this country. The land tax legislation probably did more to promote progress in this country than has been done by any other legislation since federation.
Prior to 1910 land monopoly and land aggregation were the order of the day. Vast numbers of people congregated in the cities and fewer and fewer people were being settled on the land. In order to cure that position the Labour government imposed a land tax. During the first three years of the operation of that tax more land went under the plough than had gone under the plough during the previous 30 years. Vast numbers of people went on the land. In a period of a few years the land subdivided in the interest of closer settlement increased by areas valued at £117,000,000. That was the value of land utilized for the purpose of establishing new rural settlements under that legislation. Unfortunately, World War I. broke out, and as a result of that war the Labour government was put out of office. The Bruce-Page Government ultimately gained office and, during the period that the present right honorable member for Cowper (Sir Earle Page) was the "Tragic Treasurer" of this country, he allowed the holders of land to refrain from paying land tax. The tax due on Crown leaseshold, and not collected, during the period of office of the Bruce-Page Government, amounted to £836,000. On Crown leaseshold the amount of tax assessed and not paid during the period of office of that government, from 1924 to 1929, amounted to £162,000. The amount of tax due and not paid on freehold land amounted to £210,000. Thus, tax amounting to more than £1,000,000 had been in arrears for a period of five years.

First, the then government did not collect the land tax, then it whistled away the effectiveness of the tax. It reduced the tax by 10 per cent. The tax, as imposed by the Labour government, provided for the exemption of farms of an unimproved value of less than £5,000. That meant that a farm worth approximately between £10,000 and £15,000 was not subject to land tax. The owners of farms immediately above that value paid a small rate of tax, the rate increasing with the area of the farm and its value. Then the government of the day reduced the tax by another 10 per cent. Time passed, and the Lyons Government, another anti-Labour government, came into office. It also reduced the land tax by 10 per cent. The result was that this whistling away of the land tax was to destroy the effectiveness of the tax. Then into power came the Menzies-Fadden Government. It did not say to the people of this country, "We are out to abolish the land tax". No! It reduced the rate of land tax by 10 per cent. After the Labour government had imposed land tax, so evident to the people of this country were its vast advantages, so obvious was it that--it was leading to the cutting up of big areas of land and helping to populate the rural areas, that not even a tory government dared to go to the electors and say, "If we are returned we will abolish the land tax". No! Tory governments did not abolish it. As I have said, it permitted the taxation authorities to leave the tax uncollected. Then it reduced the tax by 10 per cent. and again by another 10 per cent. Then the present Government came into power, and brought down legislation to reduce the tax by a further 10 per cent. In order to meet the conditions that then existed, it also increased the exemption to cover farms to a value of approximately £8,270. That meant that only a farm worth in the vicinity of £30,000 or more would be subject to federal land tax. When the Government was reducing the tax it did not indicate its intention to abolish the tax. Not at all! It led the people and this Parliament to believe that its object was merely, on the one hand, to reduce the tax, and on the other hand to increase the exemption. Then a year or two went by and the Government abolished the tax. Now, under this legislation, the Government is driving, as it were, the final nail into the coffin of the land tax.

If the Government does not intend to impose a land tax for the purpose of preventing land monopoly and breaking up big estates in this country, what weapon does it propose to use for that purpose? Land aggregation has been going on ever since the whistling away of the land tax commenced, so that to-day there are 20,000 to 30,000 fewer farms in Australia than there were in 1939, and there are 34,000 fewer people in rural occupations than there were in 1939 whilst, at the same time, there are 2,000,000 more people in Australia now than there were in 1939. Those statements, those figures, of course, are unchallenged, and unchallengeable. They are the facts and figures given by the Minister for Primary Industry (Mr. McMahon) and the Minister for the Interior (Mr. Fairhall).
So I say to honorable members opposite that if the Government they support is sincere in its advocacy of increasing the rate of development in this land, and in particular of increasing the productive capacity of the rural districts, and sincere in its professed desire to increase our exports—because the only Australian exports of importance are primary products—then it must increase the area of land that goes under the plough. In order to achieve these objects the Government must take action that will result in the subdivision of the big areas that are not being used to their full productive capacity. Now that it has abolished land tax, by what means does it propose to achieve that objective? Apparently it has no contribution to make to the solution of that problem.

Mr. Davis.—It has made a greater contribution in seven years than you could make in a lifetime.

Mr. ACTING DEPUTY SPEAKER (Mr. Freeth).—Order!

Mr. PETERS.—I could not understand the honorable gentleman's confused comment, which was something to the effect that somebody had paid more in seven years than I have paid in my lifetime. But I am not talking about what I paid. I am talking about the necessity to settle people on the land in this country, and I am saying that the Government is negligent. I have stated previously that when, in 1945, the war came to an end, 36,000 ex-service men applied to be settled on the land, and that eleven years after the end of the war there are settled on the land only between 7,000 to 9,000 of those intending soldier settlers. The statements that I make that settlement on the land is essential are statements that are made by members of the present Government when they are out in the industrial and rural areas. They say those things. They give lip service to the principles of decentralization and closer settlement; but they do no more than give lip service to it. While they give lip service to this principle, they create the very conditions that produce greater monopolies and land aggregations.

I have here some figures that may be of interest, not only to members of this House, but also to members of the community generally. In 1927, the New South Wales Government Statistician estimated that the area of all land within a radius of 12 miles of railways in the wheat belt in New South Wales was approximately 35,000,000 acres. Of that area, 25,000,000 acres comprised alienated land, of which approximately half was suitable for cultivation. That is to say, approximately 12,000,000 acres were considered suitable for cultivation, but only approximately 3,500,000 acres were cropped annually. Allowing for fallow, the area under cultivation generally was in the vicinity of 5,000,000 acres. That position which existed in 1927 exists to-day.

The position that existed in New South Wales exists in Victoria. People in Victoria have only to travel from Mallacoota to the border of South Australia to realize the vast areas that have been only partly used. In a partial survey of one centre of Victoria in the western district which was recently completed by State authorities, they came to the conclusion that if the owners of 700,000 acres of land were left with approximately 100,000 acres of it, and 600,000 acres were made available for soldier settlement or closer settlement, those who were left with the 100,000 acres would be able to contribute as much production as they were previously contributing. That position operates throughout the length and breadth of Australia. It is the outstanding problem for which a solution is needed.

The sum of £7,000,000 a year was being collected by the Government as land tax until it abolished that tax. It now does not collect anything by way of land tax. As has been pointed out, a big proportion of that tax came from city areas. I believe in the taxation of land in city areas. I believe that emporiums such as the Myer Emporium, big insurance companies and great banking institutions that occupy vast areas in our cities should pay a land tax. The value of their properties has been increased, not because they are operating on them, but because they are surrounded by 1,000,000 people whose avocations and industry have produced a considerable appreciation of land values. So it is but fair to the community which creates the value of the land that the community should get a proportion of that value back in taxation. That is the ethical and moral ground upon which a land tax is based. That is the justification for a land tax upon very valuable lands within city areas—lands which are
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rapidly increasing in value, as I have said, as a result of the activities of the community.

Outside the cities, of course, an important problem faces the governments of this country. That problem is the settlement of people upon the land. It is most undesirable that all the people who have come to this country from Great Britain, northern Europe and southern Europe should occupy positions only in the already overgrown cities. That is so, not merely from the point of view of the individuals who come here, but also from the point of view of creating national wealth and providing food for the increasing population of Australia. The course that I have advocated is desirable for the purpose of increasing our exports and is also desirable on defence grounds.

I remember reading, during World War II., when the forces of Hitler were fighting against the forces of Russia, that Maurice Hindus stated that the recuperative power of Russia—the power of Russia to resist the pressure of Hitler—was due to the fact that Russia had no heart at which to strike. In this nation of Australia we have not merely one heart. We have Sydney, Melbourne, Adelaide, Perth, Brisbane, Hobart, Launceston and a few other centres. A dozen bombs dropped on those areas would destroy a vast percentage of the population of this country and render inactive the war potential and industries of Australia. If our population were more scattered, if more people were on farm lands throughout the length and breadth of this country, then in the hinterland of this country would be growing cities greater than the cities of Ballarat and Bendigo and Sale in Victoria. These would be scattered throughout the length and breadth of this country. Many bigger cities would contain industries which would supply the adjacent rural population with manufactured goods.

These are the things for which Australians fight. These are the things in which we of the Labour party believe. We believe in a greater Australia. We believe in an Australia the wealth of which would be allocated more evenly than it is to-day. We of the Labour party are opposed to monopolies in any shape or form but we believe that the worst and the greatest monopoly in this country is the land monopoly. I have had private discussions with members of the Australian Country party in the course of which they have been terrified and have become almost pallid with indignation at the collectivization of land in Russia.

Mr. Turnbull.—I should say so.

Mr. Peters.—We have the equivalent of collectivization in this country in the form of a land monopoly which is daily growing worse. Those people who allegedly represent the country areas throughout Australia are complacent. No voice is raised in protest. Nobody says that there is anything wrong with the fact that 2,000,000 or 3,000,000 people should come to Australia over approximately ten years and that most of them have settled in the large cities.

I remember, as most honorable members remember, that when the immigration policy was being initiated, we were told that immigrants were needed in order to supply labour to the farms. Our authorities in Italy, Britain, Germany and elsewhere were asked to select people who were capable of rural work. We wanted men with rural experience to help rural development that is so necessary in Australia. Only a minute fraction of those who have come to this country in the last ten years have been placed upon farms. However, during the same period a great many Australians have left the land to enter industrial occupations in the cities. There are to-day 34,000 fewer permanent farm workers than there were in 1939. That means that if 34,000 migrants have gone upon the land about 64,000 Australians must have left it.

I expect that certain honorable members will say, “We see tractors everywhere. Machinery has meant that fewer people are needed.” But mechanization should not have resulted in our having 20,000 or 30,000 fewer farms than we had in 1939. If our population had remained at the 1939 level one might have expected, with mechanization, fewer people on the land, but the population has increased by 2,000,000 or 3,000,000—almost 33½ per cent. Employment should be available on the land for a substantial proportion of the additional population. However, it is not, and the Government is doing nothing about it.
The Government should call a meeting of State land settlement authorities. They should conduct a survey in order to find out what land is being used to 50 per cent. of its productive capacity, what land is being used to 75 per cent. of its productive capacity, and what land, suitable for settlement, is still being held by the Crown. The Government should then ask, "What should be done to encourage people to go on the land? Are our resumption laws satisfactory? Should we adopt taxation as a means of putting people on the land?" In France in the days gone by, when land was falling into fewer and fewer hands, it was made mandatory upon the holder not to leave his land to one son but to divide it between all the male members of his family, so that there would be more and more farmers. Other countries, including the United States of America, have adopted what is known as "anti-land speculation" policies. Land aggregation and monopoly can be overcome in a number of ways. The first step is to summon State land authorities so that this most important problem can be solved, or methods put in train to ensure that aggregation will be reduced to a minimum, that a greater proportion of the people will be placed upon the land, and that there will be a removal of the present unbalance in regard to population and industry between the country and the metropolitan areas.

Mr. ADERMANN (Fisher) [9.25].—We have just heard a city man, without any practical experience of the land, attempting to cure the ills of the country districts. He has been beating the air, because the federal land tax was abolished in 1953. The measure before us merely terminates the need for any one buying land to inquire whether any moneys are outstanding. However, I assume, Mr. Acting Deputy Speaker, that you will permit me to answer some of the statements that the honorable member for Scullin (Mr. Peters) has made. Though he has beaten the air, and has not been helped by his inexperience, he has at least told us that if ever the Labour party regains the Treasury benches it will reimpose this penalty tax upon those who are producing badly needed commodities at the present time.

For the information of the honorable member I will explain what a land tax really is. It is an iniquitous tax because it is applied whether a man is making a profit or not. Secondly, it amounts to a tax on tools of trade, which is very wrong. Thirdly, it is a sectional tax. This is especially so in Queensland. I am not so cognizant of the position in the other States, but most of the land held in Queensland is under perpetual lease, which is not subject to taxation. Why, then, tax the few who have had sufficient initiative to buy their own land. The honorable member says that if we tax the land we shall get more farmers. I suggest that it will drive more farmers off the land. He said, further, that 32,000 farmers had gone to the city. That has happened because of the better returns offered elsewhere.

The White Paper reveals that the income of the primary producers is becoming less and less whilst the income of every other section of the community is rising. I am a primary producer and can say that our income is less and our costs have gone up. The honorable member tells us to send people out to the farms, but what did Labour do in Queensland and New South Wales when this Government removed the land tax? The governments of those States reimposed it and increased fares and freights—another factor that is helping to drive people off the land. Naturally, those people say, "If we can get £20 or £25 in the city we will go there. We never earn that much on the land." Twenty-eight per cent. of the price of primary products represents transport costs, which are made up of road taxes and road and rail freights between the farms and the capital cities.

The honorable member for Scullin suggests that the imposition of a land tax will result in greater production. I am afraid that he is very confused, and does not know what he is talking about. I am probably speaking outside the scope of this bill when I suggest that if other industries stabilized their costs in order to compensate the primary producer for his reduced income, we should probably persuade more people to go on the land. As a consequence, also, we might get a more stabilized economy.

The honorable member for Scullin also referred to collectivism in Russia. I do not wish to misquote him, but I understood him to suggest that, by having monopolies, we are developing that kind of community. Collectivism has been tried by the Queensland Government. Everybody knows of
the Peak Downs experiment, under which farms were purchased in central Queensland. The result of the experiment was that the Government, over four or five years’ operations, lost £1,500,000 of the taxpayers’ money and then had to sell the property back to individuals. That is what collectivism does. The project was a complete failure. There must be individual initiative and practical experience in working the land. The honorable member is entirely wrong. I know that the intention is to avoid delaying the passage of this measure, but I want to assure the honorable member that the re-imposition of land tax would have the effect of reducing the numbers of land-holders and producers, instead of increasing them. If the policy of the Australian Labour party is to reimpose federal land tax, in Queensland and New South Wales at least—I do not know what the other States are doing—double land tax will be imposed on properties. The effect will then be the reverse of getting more men interested in achieving the production which is so much needed. As from 80 per cent. to 90 per cent. of our overseas exports are obtained from primary production, we must give primary producers every encouragement to try to reduce costs, and we must give them a sufficient area of land to make it worthwhile for them to buy tractors and machinery. Some of the smaller men who have not been able to compete or meet the labour costs involved in production have had to sell out to men who are able to buy sufficient extra land to enable them to install machinery and work their properties more economically and so produce more cheaply. That is the practical approach to the matter. We are receiving less income from primary production because costs are being heaped upon the producers in the form of increased freights, extra taxes, and higher labour costs, which they cannot pass on as a charge against the goods they produce. In addition, they face world export markets, which unfortunately for our economy and for the primary producers, tend to be on the downward grade. We have to accept a lower rate of remuneration, coupled with increased costs. Therefore, as a Government we stand for the abolition of land tax. We will never re-impose it because of its sectional and penalizing effect upon those persons who are doing such a good job for the country.

Mr. TURNBULL (Mallee) [9.33].—I do not want to prolong the debate, but I desire to make a few remarks. The honorable member for Fisher (Mr. Adermann) has fully explained the objects of the bill, which are very simple, but the honorable member for Scullin (Mr. Peters) made the debate so wide in its scope that his remarks need some reply. The honorable member for Fisher need have no doubt at all about Labour’s attitude on the reimposition of land tax.

Mr. Bryant.—Hear, hear!

Mr. TURNBULL.—“Hear, hear!” says an honorable member opposite. In the debate on the measure which abolished land tax some years ago, the honorable member for Melbourne (Mr. Calwell), who is the Deputy Leader of the Opposition, the honorable member for Darling (Mr. Clark), and the honorable member for Hindmarsh (Mr. Clyde Cameron) said that the only fault that they found with land tax prior to its abolition was that it was not high enough. If we wanted any more evidence of that, we need only have listened to the speech made by the Labour representative who discussed the bill to-night. He made one or two remarks which are very enlightening. He said that Labour is against all monopolies of any kind. I thought that my interjection was fairly appropriate when I asked, “What about the banking legislation, when the Chifley Government tried to make a monopoly of banking in this country?” Surely to goodness it is known that Labour was not against such a monopoly as that! Has Labour changed its attitude? Is it now against a monopoly of banking? Has it gone right away from the policy of the late Mr. Chifley when he introduced his bill to nationalize banking? If Labour has not changed its attitude, the honorable member for Scullin was quite wrong in saying that it is against any form of monopoly. We know that that suggestion is not right. The contents of the honorable member’s speeches are generally accurate. He is a friend of mine, but I think he has been misguided in his enthusiasm and perhaps he did not intend to convey an untruth. Nevertheless, the facts prove that he was incorrect on this subject.

He started by saying that land tax, if re-applied, would make more people settle on the land. I doubt very much whether that would be so, for the same reasons as
have been stated by the honorable member for Fisher. That policy was tried in the past and it did not make more people go on to the land. If there are some people in Australia—and doubtless there are—who have large areas of land which are not being fully used, they are, on the whole, remarkably wealthy people, otherwise they could not possibly afford to have that land not fully productive. That is a logical conclusion. The position is, therefore, that they could not be forced by taxation to sell that land without the tax adversely affecting others. The honorable member for Scullin worked slowly round to his real point. First, he said that the imposition of land tax would result in greater settlement on the land, and decentralization of population from certain cities which he mentioned. I think that that contention is altogether wrong. He gradually worked round until he got to the point of saying that a meeting of all authorities, State and Federal, should be called. What was the idea that he had in view? It was not the idea of taxing. With Labour the main objective is forcible acquisition, which Labour favours in relation to soldier settlement in New South Wales, and which Labour includes in its policy and it would adopt the course advocated to-night by the honorable member for Scullin.

The problem of fewer workers on the land to-day has been discussed so often in this House that I should think that you, Mr. Acting Deputy Speaker, would advise me not to engage in tedious repetition if I were to dwell on it too much. Let me say only that there is not the slightest doubt in the world, as I have pointed out even in this sessional period, that with the bulk handling of wheat and other commodities, tractors, and other big machinery, much more can be produced with fewer men. The surplus labour should then be available for other avenues of industry, which should be for the benefit of this country. I do not want to go into detail. I do not think for one moment that there is anything in the arguments advanced by the honorable member for Scullin. I can assure him, as the honorable member for Fisher said truly, that the Australian Country party stands definitely opposed to any re-imposition of land tax, the only effect of which would be to hinder primary production in this country.

Mr. COSTA (Banks) [9.38].—I did not intend to speak, but I think that members of the Australian Country party should have given a fuller explanation of this matter. They did not mention that tax is imposed only upon land which is worth more than £10,000. The intention of the Australian Labour party in imposing this tax was to break up big estates. Labour does not believe that one person should hold land to the value of £100,000, which, if divided into proper proportions, with £10,000 lots, would give a very reasonable living to ten families, instead of a luxury living to only one family. That was the reason for the original imposition by the Australian Labour party of this tax. The tax is graduated, starting at a very low figure in the first £1 above £10,000, working up to larger amounts on more valuable holdings, so as to make it impossible for any one person to hold too much land. I thought it was advisable to give an explanation of the act that has been passed in New South Wales. Its provisions are not as bad as members of the Australian Country party represent them to be, because the tax applies only to properties worth more than £10,000.

Question resolved in the affirmative.

Bill read a second time, and reported from committee without amendment or debate; report adopted.

Bill—by leave—read a third time.

REPATRIATION (FAR EAST STRATEGIC RESERVE) BILL 1956.

Second Reading.

Debate resumed from 30th October (vide page 1912), on motion by Dr. Donald Cameron—

That the bill be now read a second time.

Mr. HAYLEN (Parkes) [9.41].—I understand from the Minister that there is a series of bills consequential on the Repatriation (Far East Strategic Reserve) Bill 1956. Those bills are the Broadcasting and Television Bill (No. 3) 1956, Commonwealth Employees' Compensation Bill 1956, Estate Duty Assessment Bill 1956, National Health Bill (No. 2) 1956, Re-Establishment and Employment Bill 1956, Repatriation Bill (No. 2) 1956, and Social Services Bill (No. 2) 1956. We may regard these as cognate measures and the second-reading debate on the Repatriation (Far East
Strategic Reserve) Bill will cover the second-reading debate on the other bills. We wish to make an exception of the War Service Homes Bill 1956, as we wish to move an amendment on that bill.

Mr. Harold Holt.—The War Service Homes Bill could be left to be debated in committee.

Mr. HAYLEN.—That would be all right.

Mr. ACTING DEPUTY SPEAKER.—Order! The House has already decided that these bills, with the exception of the War Service Homes Bill, shall be regarded as cognate measures.

Mr. Harold Holt.—We do not wish to disturb that decision.

Mr. HAYLEN.—The Repatriation (Far East Strategic Reserve) Bill, in the simplest terms, is a bill to provide pensions for servicemen who are at present in Malaya. The Opposition gives full support to the plan to provide pensions for servicemen in Malaya, as a principle. However, the first part of the bill raises a doubt as to the intention of the Government in relation to pensions. How extensive are they? Are the full benefits of the Repatriation Act and all the facilities of the Repatriation Department to be available or are these pensions to be sub-edited versions for men who are serving with the strategic forces in Malaya? The Minister should elaborate the first paragraph of his second-reading speech. He said—

Stated briefly, the purpose of this bill is to provide for a scheme of pensions and other associated repatriation benefits in respect of members of the Australian forces who are serving in Malaya as part of, or in connexion with, the British Commonwealth Far East Strategic Reserve, and who suffer an incapacity or die during or as a result of that service.

A question immediately arises. I am sure the Minister will answer it, although I feel that the answer is contained in the phraseology of the passage I read. The question is: Is this a pension which has been very harshly sub-edited and will the pension apply only to the man on active service, his injury or death on active service and the care of his dependants? The huge field of after-care and the field in which a right to a pension can be sustained by the machinery of repatriation are apparently eliminated. Is that true?

Dr. Donald Cameron.—No, that is not right.

Mr. HAYLEN.—That appears to be the position. However, the Minister assures me that all the machinery of repatriation does not stop, although that was suggested by the Minister in his second-reading speech when he used the words—

. . . . and who suffer an incapacity or die during or as a result of that service.

We know that a serviceman who has been injured is entitled to a pension, as are his dependants if he dies. But what is the position of a man who has served in Malaya, and who, on his return home, develops a sickness which he believes to be due to his service? Is he to be allowed all the facilities of repatriation?

Dr. Donald Cameron.—The same thing applies.

Mr. HAYLEN.—I understood that was not so. I am grateful to the Minister for his explanation, because we can now give more general support to the bill. Later in his second-reading speech the Minister seemed to indicate that the men who served in Malaya would receive treatment different from that accorded to those who served in, say, World War I. or World War II. The Minister said—

The provisions of the Repatriation Act were designed to meet the conditions of service in a full-scale war where most of the serving members of the forces were volunteers who had volunteered to serve in connexion with that particular war only.

The suggestion of different treatment arises now—

The circumstances under which the members of the forces dealt with in this bill are serving are entirely different.

Having arrived at that conclusion, we believe that we should seek substantial alterations to the bill. It is quite true that in both cases the men volunteered to serve. One is a member of the Permanent Forces and the other is a volunteer in World War I. or World War II. But there is no need to draw a sharp distinction. This is a strategic reserve. The men are actually on active service. They go into the jungles of Malaya to seek the terrorists. Although the difference may exist in the opinion of the draftsman, the difference in hazard is not so great as to warrant differential treatment.
I now cite a further passage from the Minister's second-reading speech and it is vital in the opinion of Opposition members and seems to indicate that a reservation is made as to the pensions that can be granted and under what circumstances. The Minister said—

Accordingly, the provision of sub-sections (3) and (4) of section 37 of the Repatriation Act, which gave to members who had served in a theatre of war, an entitlement for pulmonary tuberculosis not attributable to their war service, are not being extended in respect of service with the strategic reserve.

The maximum repatriation benefits are not being extended to the men who serve in Malaya. It had been found impossible, as honorable members who are closely associated with the committees set up from time to time to re-frame the Repatriation Act are aware, to prove when tuberculosis was contracted. That is apparent from recommendations that have been made. The same applies to cancer. As a layman, I should think it must be extremely difficult for medical experts and referees to decide at what stage of a serviceman's existence he had contracted either tuberculosis or cancer. It was proved to be completely impossible to fix the proof and it was decided that all those who had been on active service and who contracted tuberculosis would be classified as totally and permanently incapacitated pensioners. It was not decided to do that in respect of cancer.

I want to say here that we, as an Opposition, opposed the use of the strategic force in Malaya on political grounds. But we yield no place to any section of the House in our support for their rights as servicemen. I believe that all honorable members, whether or not they are ex-servicemen, will be a little alarmed to find that the decision on tuberculosis, to which I have referred, will not apply to men serving in Malaya. I know that the Minister will say that, if the serviceman contracts tuberculosis while he is in the strategic forces or in the Permanent Forces, he will receive a pension. But suppose he retires. No claim would be acceptable because the disease was not apparent while he was on service. That seems to be at complete variance with the hard-won decision in relation to persons who contracted tuberculosis on service, or after leaving the services, when it was impossible to discover whether or not the disease was due to war service. I thought that it would be almost certain that the Government would consider this question of the contraction of tuberculosis during or after service as a "must" in regard to service in the tropics, because statistics I have examined indicate that the incidence of tuberculosis in Malaya and other tropical countries is extremely high. The Minister for Health (Dr. Donald Cameron), who is himself a medical man, will know that the Lady Templer Hospital is a great tuberculosis hospital in Malaya, and that it is bigger and better than any tuberculosis hospital we have in this country. He will know, too, that the incidence of tuberculosis amongst the native population is very high. Surely he appreciates that, although these servicemen of ours in Malaya are fit men, prolonged service in Malaya may make them prone to tubercular infection. In the circumstances, therefore, I cannot understand why this aspect, of all aspects, should have been eliminated, and for that reason I intend to move an amendment, at the committee stage, with a view to having this matter rectified. I ask all honorable members to consider the matter on a non-party basis. There is no cheer-chasing in this, and no attempt to gain party political advantage.

When I read the Minister's second-reading speech, I was amazed to find that that aspect had been excluded. I was also amazed, in relation to another bill that is at present before the Parliament, to find that there was discrimination against the servicemen serving in Malaya in respect of war service homes, although the Standing Orders preclude me from discussing that matter at this stage. Those two matters, however, have forced me to the conclusion that the repatriation authorities do not want to be loaded with any more difficult cases. They do not want to have another 3,000 or 4,000 applications in which the onus of proof must be fought through the repatriation tribunals. It looks like a pretty cowardly get-out, and none of us in this House should permit it.

Dr. Donald Cameron.—If pensions are granted, the onus of proof does not come into the matter.

Mr. HAYLEN.—But there might be an onus of proof in other cases. I accept the Minister's correction that if pensions
are granted, the onus of proof does not operate. I cannot see why this distinction should apply. The position regarding tuberculosis pensions is clear, according to the Minister's own statement, but for some reason or other, that position will not apply to servicemen who have served in Malaya. There must be something seriously wrong with the Minister's thinking, and perhaps in his reply he will tell us why that decision has been made.

Other points in the bill will be dealt with by other honorable members on this side of the House, notably in regard to men serving on warships, and their participation in forays or raids. The anomalous position concerning their compensation for injury— not repatriation, but government compensation—will be dealt with by the honorable member for the Australian Capital Territory (Mr. J. R. Fraser), who will analyse the matter fully. I wish to refer again to the seriousness of the remark of the Minister concerning section 37. In the first place, the Minister has informed me that I am in error in thinking that there is to be sub-editing, as it were, of pension rights of persons who have left the services. Perhaps he has not grasped fully what I mean. The Minister, in the opening paragraph of his speech, stated that the provision applied to men who were wounded in the services, or who died in the services and, by natural corollary, to their dependants. Does that also mean that all of the repatriation benefits and procedures apply to them after they have left the services? Will the Minister say that that is right?

Dr. Donald Cameron.—Yes.

Mr. HAYLEN.—I do not think it is. I think that, at this stage, the Government has decided that only those men wounded in action, or injured in some way that is declared pensionable before they leave the strategic reserve forces, will be entitled to pensions, in addition to the dependants of those killed in action, or who die as a result of accidents during their service as members of the strategic reserve forces. If the Minister can prove otherwise, I shall be delighted.

Dr. Donald Cameron.—I shall deal with this point when I reply.

Mr. HAYLEN.—I thank the Minister for that assurance. The next matter to which I should like him to reply is the serious question of the incidence of tuberculosis and what happens in relation to servicemen from Malaya who contract the disease. These servicemen in Malaya have a strenuous task to perform over a long period of time—the Air Force longer than the Army—and we should consider the conditions under which they are campaigning. We should consider, also, how many of them are likely to contract tuberculosis. I have here a report of the medical department of the Federation of Malaya, compiled by Dr. R. E. Anderson, the Director of Medical Services in Malaya. I shall not weary the House with the details of it, but the gist of it appears to be that tuberculosis is considered to be one of the most serious problems of Malaya, as it is of many other countries, and that the country's equipment for dealing with the disease is not good. The report states that the incidence of tuberculosis in Malaya is alarming; so much so, that 3,000 beds are available in hospitals throughout the country for treatment. Recently, the Lady Templer Hospital for tuberculosis was established on the outskirts of Kuala Lumpur.

I again point out to the Minister that these men serving in Malaya, in a theatre of war where tropical conditions of extreme heat and humidity prevail, encounter all the factors that make it possible to contract tuberculosis. Yet, for some strange reason, they are completely removed from the terms of section 37 which would protect their pension rights after discharge. Who knows the reason for that? I certainly do not. Perhaps the Minister, who is a medical man, may be able to tell me at what stage tuberculosis develops sufficiently to be detected and capable of proper diagnosis and treatment. If the disease has been contracted in the jungles of Malaya and the serviceman concerned is discharged from the strategic forces and resumes his own way of life in Australia before he becomes aware of this disaster, surely it is a negation of all repatriation principles to exclude him from the operation of section 37. As I say, for that reason I intend to move the necessary amendment when the bill reaches the committee stage.

I want an assurance from the Minister that servicemen, after they have done their stint of service in Malaya and are back in civvy street and still capable of applying
for and obtaining a pension, are entitled to full benefits under the Repatriation Act as it stands to-day.

Dr. Donald Cameron.—I give the honorable member that assurance.

Mr. HAYLEN.—I doubt whether that is so. I maintain that the proscription of servicemen who contract tuberculosis after leaving the Malayan forces is not at all fair and represents sub-editing of the Repatriation Act, in my view to save some people a lot of trouble. That should not be so. Common humanity demands that there should be a follow-through in respect of these ex-servicemen just as thorough and as painstaking as there is in relation to other ex-servicemen. We on this side of the House look with disfavour on the curtailment of the right to have an assessment, to have an inquiry, and to have an application for pension considered with reasonable despatch, as is now possible under the Repatriation Act.

Dr. Donald Cameron.—The same rights apply.

Mr. HAYLEN.—Except that, by removing them from the operation of section 37, the Government is making it impossible for them to get a pension, as of right, if they contract tuberculosis. As the act stands, if an ex-serviceman who has been in a theatre of war contracts tuberculosis he is entitled to a pension, and the same provision should apply to servicemen of the Malayan theatre. When other honorable members have dealt with certain aspects of the bill, I shall ask the Minister whether he can give a satisfactory reply to my queries, and if his answer is not satisfactory, we shall take the matter a stage further by moving amendments as we go along.

Mr. CHANEY (Perth) [10.0].—I thought, when I heard the second-reading speech of the Minister for Health (Dr. Donald Cameron), that it was fairly plain that the matters that appear to worry the honorable member for Parkes (Mr. Haylen) just do not exist. I cannot see any difference between the provisions of this bill, as they will apply to persons who serve in a strategic reserve, and those of the act that applies to a person who served in World War II.

It must have been a most difficult task to frame a piece of legislation providing repatriation benefits appropriate to the kind of service that is being carried out by Australia’s armed forces to-day, because, for the first time in this post-war period, we have been asked to supply, and have supplied, garrison forces in various parts of the world. The conditions of service of the members of those garrison forces vary greatly, in intensity and in danger; they range from dangerous and hazardous occupations to the kind of occupation that constitutes rather a pleasant tour for the serviceman concerned. I know that it will be alleged that I believe the men fighting the terrorists in the jungles of Malaya are enjoying a Cook’s tour. Nothing is further from my mind. But if a garrison force is employed in some part of the world where no risk is involved, and there are no unpleasant conditions from the point of view of health, the members of that garrison force should obviously not enjoy the benefits of the Repatriation Act.

Mr. Barnard.—What about the garrison forces in World War II?

Mr. CHANEY.—The honorable member is talking about a world war, and, as I said earlier, we have to adapt our thinking to a brand new set of conditions in Australian history.

Mr. J. R. Fraser.—Death is just as permanent in a little war.

Mr. CHANEY.—I realize that. The Minister said in his second-reading speech that the servicemen engaged in anti-terrorist operations in Malaya have been exposed to an additional operational risk. I venture to say that the men who have been taking part in those operations have taken risks as great as, if not greater than, those experienced by any servicemen in World War II, and they have been engaged in a kind of warfare that was totally unknown to Australians before they took part in these operations. It is to the credit of the Australian troops that they have acquitted themselves well in the task that they have undertaken.

Mr. Duthie.—What about the 8th Division?

Mr. CHANEY.—I do not want to enter upon a discussion of the relative merits of the 8th, 9th, or any other division, but I suggest that if the honorable member for Wilmot (Mr. Duthie) will spend portion of his vacation taking part in a few of these anti-terrorist patrols, he will come back here without a hair on his head and with
his face as white as the paper on these tables. In fact, I am afraid he would have to be brought back here, because he would die of absolute fright. Those remarks apply not only to the honorable member for Wilmot, but to many other people who imagine that the troops in Malaya are on easy street.

Mr. Duthie—I did not say that.

Mr. CHANEY.—The honorable member should be more careful* when he makes these remarks. I have had a full report from a person who spent some time in Malaya, and who also fought in the desert and in the islands during the last world war, and who has assured me that the conditions in that war are in no way comparable with those in Malaya with the kind of warfare that is being indulged in there.

Opposition members interjecting.

Mr. ACTING DEPUTY SPEAKER.—Order! The honorable member for Perth must be allowed to continue his speech without interruption. He has answered several interjections already, and I have not reprimanded the interjectors, but I suggest that honorable members refrain from interjecting further.

Mr. CHANEY.—The truth hurts some people. I said previously that it is most difficult for a government to design repatriation legislations for a special set of conditions.

Mr. Haylen.—The honorable member was the first to suggest that the servicemen are on a Cook's tour, and now he is attacking the Opposition on that aspect of the matter.

Mr. CHANEY.—At least my speech must be of interest to the honorable member for Parkes. I repeat, however, that it is difficult to adapt legislation that was designed to cover the conditions of full-scale service in a major war, to the needs of members serving in a peace-time strategic reserve, when their future role is not quite certain. It is obvious that some legislation must be designed as a replacement for the Commonwealth Employees' Compensation Act. When a man undertakes risks that are beyond the normal risks he would be asked to take in civilian life, we must make some special allowance to cover him in case he suffers a disability as a result of that service. I have often thought, in fact, that some persons who serve in Australia could be included among those who receive the benefits of the Repatriation Act. As I think I have said previously in a debate on repatriation matters, I have never felt that a man who flies an aircraft once a fortnight in the reserve squadrons of the Royal Australian Air Force is undertaking risks that would normally be taken by civilians in their everyday occupations. If a man flies modern high-speed aircraft, even if only once every two weeks, he must be taking far greater risks than he would if he spent his week-ends at home.

I believe that the men who train in their spare time to keep up the strength of the Royal Australian Air Force reserve should be given some special consideration. I remind honorable members of two fatalities that have occurred within the last eighteen months. A citizen Air Force pilot was killed in Western Australia and another one was killed quite recently in night exercises at Darwin. Both of those men had young families who suffered a great deal of hardship because they could receive benefits only under the Commonwealth Employees' Compensation Act. I believe that any person in the services to-day who is asked to take abnormal risks should be given some sort of special consideration.

I think it is clear that the full resources of the Repatriation Department, normally available to a serviceman from either world war, are available to those who serve in the Strategic Reserve if they can prove that their disabilities were caused or aggravated by their service, regardless of whether that proof is given while the man is serving, or after his discharge, or after his return to Australia. The bill states quite plainly that the serviceman will have available to him the resources of the Repatriation Department, that he may appeal to the commission, and that he may appeal then to the tribunal. He is, therefore, completely covered, not only during his service, but, if he serves under the terms of this bill in the Strategic Reserve, for the rest of his life.

The honorable member for Parkes intimated that an amendment would be moved in regard to the provision dealing with automatic acceptance of tuberculosis in men
who had served in the Strategic Reserve. It is extremely difficult to contend that one may take the figure showing the incidence of tuberculosis generally in Malaya and assume that the rate will be as high, or anywhere near as high, as that among persons who serve in the strategic reserve. A large proportion of the Malayan people probably suffer from malnutrition, and live under conditions favorable to the spread of tuberculosis. The men in the strategic reserve, however, are medically fit, and are the best specimens of manhood that Australia can supply. Except when they are engaged in anti-terrorist operations, they would live under conditions that the medical section of the service would ensure were not conducive to the development of tuberculosis. Even if a man contracts the disease after his service, I imagine that he still would be able to approach the commission, through the various channels mentioned earlier, and have an opportunity to prove that his condition was aggravated or caused by his service. A man who spent his nights waiting in the jungle during anti-terrorist operations would probably be able to present a good case to any tribunal to prove that his condition had been aggravated by his service.

I notice that service pensions have been omitted from the legislation. The only admission that the Government has made that war service has an ill effect on all people in a like manner is its acceptance of the fact that a service pension should be paid at the age of 60 years, instead of at the age of 65 years, as in the case of an age pension. That is a frank admission that, on the average, service in a theatre of war overseas will cut five years from the life of a man. At least, that is how I interpret the matter. The provisions of Division 5 of Part 3 of the principal act are not being extended by this measure and, accordingly, service pensions will not be payable in respect of service in Malaya. I agree with that because, as I said before, we are faced with the difficulty of applying a set of provisions to a situation that is new in Australia's history. However, I believe that the general provisions of the legislation represents a generous gesture, not by the Government or the Opposition, but by the country generally to men who are rendering service in peace-time under extremely hazardous conditions in many cases.

I notice, too, that one of the bills proposes, in effect, a re-enactment of the Re-establishment and Re-Employment Act for this purpose. I never believed that that act was capable of achieving what was intended. I always had the feeling that about 80 per cent. of the act was made null and void by section 27 (5) (a). For years I have been of the opinion that that provision defeated the purposes of the act. The relevant words are—

Nothing in this section shall—

(a) apply in relation to the engagement for employment by any employer of a person who is already employed by him.

In many cases when a man appealed to a court to preserve his rights under the Re-establishment and Re-Employment Act, he was told that the act did not apply to him because, under section 27 (5) (a), he was regarded as appealing, in effect, against the failure of his employer to promote him. I do not think that cases of that kind will occur to a substantial degree among members of the Far East Strategic Reserve. The numbers concerned are not so great, and most of the men concerned are members of the permanent forces. They did not, as many men did in 1939-45, leave their civilian occupations, join a service and go away to a war. So the ill effects of that provision will not be so great as previously, but I repeat that it has been, so to speak, a killer in many of the cases brought before the courts since the 1939-45 war.

The honorable member for Parkes stated that members of the naval forces would not be covered by this legislation. I think the position is that members of the naval forces will be covered while they are based on Singapore Island or on Malaya itself, but that members of the crews of sea-going ships will not be covered. That is anomalous. If a member of the Army or of the Air Force were injured while on a ship travelling from, say, Fremantle, Darwin or Sydney to Malaya, he would be covered automatically by the legislation then, as well as on a voyage home, but a seaman employed on a ship of war would not be so covered. I should like to hear the Minister explain why naval personnel will not be covered.

If the strategic force ever includes an aircraft carrier, I hope that air-crews operating from the carrier will come within the provisions of the legislation. Over the land, they would be operating under the
same conditions as air-crews of the Royal Australian Air Force. In addition, they would have the hazardous task of flying from and landing on the deck of an aircraft carrier. I know that my friend from Fawkner treats that lightly, but I hope that I shall never be subjected to it myself. If air-crews operating from aircraft carriers will not be covered by the legislation, I hope that, in view of the tasks they are asked to perform, provision will be made for them.

The legislation will serve the purpose of clearing the minds of men serving in Malaya and Singapore of a doubt that has been troubling them. The morale of the troops has been adversely affected by the doubt in their minds whether they were covered by the repatriation legislation. The strange situation existed that although some of the men in a patrol were covered by the repatriation legislation, others were not covered. Crews of aircraft found that some of them were covered by the repatriation legislation, because they had arrived in Malaya prior to a certain date, but that others were not so covered. This bill will create uniformity in that respect and, to that extent, will give a boost to the morale of the troops.

The honorable member for Parkes has said that we should not treat these matters as political issues and that we owe to the men serving in the Far East Strategic Reserve a duty to ensure that they shall receive the benefits to which they are entitled. The Minister, by bringing down these bills, has done a very good service to men who are doing something for Australia which we have never asked our troops to do before.

Mr. COSTA (Banks) [10.17].—The Opposition supports this bill insofar as it will extend certain benefits to members of the Australian forces serving in the Far East Strategic Reserve and to members of the permanent forces. When the bills have been passed, the members of those forces will be brought within the provisions of the Repatriation Act, at any rate partially. It is clear that there will not be extended to them all of the benefits that are extended to men who served in World War I. and World War II. Those men who do not qualify even for partial benefits will come within the provisions of the Commonwealth Employees' Compensation Act.

The Labour party believes that these measures do not go far enough. At the appropriate time, I shall support the amendment relating to tuberculosis that will be moved by the honorable member for Parkes (Mr. Haylen). All of the men serving with or in connexion with the Far East Strategic Reserve are members of the permanent forces. The Minister for Repatriation (Senator Cooper), in his second-reading speech, said that in the case of the Strategic Reserve its members had, in their anti-bandit operations in Malaya, been exposed to an additional operational risk, and, although the risk was not so great as it was in either of the two world wars, or in Korea, the Government felt that it merited the provision of a scheme of pensions based on that for war pensions under the Repatriation Act.

It is to be applied according to the degree of risk. The honorable member for Perth (Mr. Chaney) has said that big risks are involved in jungle patrolling or the jungle fighting that could occur, but no risk is involved when performing duties in barracks. The provisions of sub-section (3.) and sub-section (4.) of section 37 of the Repatriation Act, which gave to members of the forces who had served in a theatre of war an entitlement to a pension in respect of pulmonary tuberculosis not attributable to their war service, are not being extended to cover service with the Strategic Reserve. The Opposition is not satisfied with that. Incapacity or death from tuberculosis will be pensionable if it is attributable to service in Malaya, of course. If a serviceman develops tuberculosis at any time, it must be proved that it was due to his service in Malaya. The Minister for Repatriation explained that the onus-of-proof section will not apply completely, and I am afraid that where there is not a complete and automatic entitlement to these benefits disputes may arise, and that, as occurs under the Repatriation Act, a lot of people who we think should be entitled to benefits will be deprived of them.

I consider that service in Malaya is just as hazardous to health as is service in any other theatre of war. Disease is much more prevalent in tropical areas, and therefore there are greater health risks in Malaya. There is no intensive shooting war at the moment, but one never knows when such a war may develop. It could develop
very quickly, as has happened in the past on occasions. Therefore, Australian servicemen in Malaya are subjected to grave risks, and they should receive benefits equal to those given to servicemen who have served in other theatres of war. The honorable member for Perth agreed with the Government that the service pension should not apply to men serving in the Malayan theatre. I think it should, because, as I have pointed out, they are subject to a great many health risks and hazards. As honorable members know, the service pension applies to what is known as the "burnt-out digger", who is entitled to receive the age pension at 60 instead of 65. I think servicemen who have served in Malaya should be able to obtain that benefit if they fall in need of it.

I turn now to the benefits for total and permanent incapacity due to tuberculosis. Under the Repatriation Act returned servicemen of World War I. and World War II. who suffer from tuberculosis which was contracted on service, or which is attributable to service, receive a full total and permanent incapacity pension, which is considerably greater than the tuberculosis pension. A single serviceman who is totally and permanently incapacitated with tuberculosis receives £9 10s. a week under the Repatriation Act, whereas a man who served in Malaya will receive only £6 2s. 6d. a week, subject to a means test. No means test is applicable to the pension paid under the Repatriation Act. The pension for a married man disabled by service in Malaya compares a little more favorably with that paid under the Repatriation Act. Under the Repatriation Act a serviceman who is totally and permanently incapacitated by tuberculosis, and who supports a wife and one child, receives £12 7s. a week, whereas a similarly disabled man whose disability is due to service in Malaya, and who supports a wife and one child, will receive £10 2s. 6d. a week, subject to a means test. There is another difference also. If the progress of the disease is arrested and infection of others by contagion is no longer likely, a disabled serviceman returned from service in Malaya is placed in the category of an invalid pensioner and his pension of £6 2s. 6d. a week is reduced. These restrictive conditions applicable to men whose disabilities are attributable to service in Malaya are inequitable. They should be accorded treatment similar to that given under the Repatriation Act.

The proposed amendment of the Commonwealth Employees' Compensation Act will be unfair to servicemen. When the Government amends measures such as this from time to time it should look at the overall picture. The rates of compensation payable under the act at present are not very liberal, since a man who supports a wife and one child is entitled to only £8 10s. a week. The act should at all times maintain the status of the family, and it should be reviewed in order to give to totally and permanently incapacitated men a total benefit equivalent to the award wage they received at the time they became incapacitated. Statistics show that in the last six years approximately £90,000,000 has been paid in premiums under the Commonwealth Employees' Compensation Act, but only about £50,000,000 has been paid out in benefits.

Mr. ACTING DEPUTY SPEAKER.—Order! The honorable member is getting a little wide of the provisions of the bills now being discussed.

Mr. COSTA.—I am just pointing out that the benefits provided for men who have the misfortune to suffer disability on service in Malaya are inadequate. Now that they are under consideration, the opportunity should be taken to bring them up to date and make good the loss of purchasing power owing to the decline of the value of the £1.

Mr. J. R. FRASER (Australian Capital Territory) [10.28].—I wish to direct my remarks to the Repatriation (Far East Strategic Reserve) Bill 1956, and in particular to the definitions in clause 3, because the payment of the benefits depends on the definitions. The definition of "Malayan service" reads—

"Malayan service" means, in relation to a member of the Forces, the service of the member, after the commencement of this Act, while—

(a) a member of, or attached to, a body, unit or detachment of the Naval, Military or Air Forces at a time when it was allotted for duty in Malaya as part of, or in association with, the Australian Contingent, British Commonwealth Far East Strategic Reserve; or

(b) allotted for duty in Malaya, in connection with the Far East Strategic Reserve, with any Naval,
Military or Air Forces of a part of the Queen's dominions other than the Commonwealth, but does not include service as a member of the Naval Forces in the complement of a sea-going vessel.

The honorable member for Perth (Mr. Chaney) made some reference to that definition, and to the exclusion of naval personnel who are members of the complements of sea-going vessels. I think it is quite clear that the definitions contained in paragraphs (a) and (b) under "Malayan service" cover naval personnel who may be attached to shore establishments in Malaya, or to land forces serving in the area. But I believe the exclusion of ships' complements operates, or could operate, unfairly in respect of members who will be sharing equally the risks taken by members of other forces in these areas. It may be true that, if a naval vessel is simply cruising up and down the coast bombarding shore establishments, or participating in the bombardment of rebel or terrorist areas, the bulk of the ship's complement may not be exposed to the danger that will be attendant on participation in operations on the land, where contact with the enemy is more direct, and where the danger of injury or death is greater. But there is always, of course, the likelihood of an attack developing, either from the air, or from the sea, or of shore batteries replying to the bombardment from the sea. The men engaged on the ships in such circumstances should be eligible for the benefits that are to be provided by this measure.

It may be, also, that the word "complement", as used by the Parliamentary Draftsman, has a different meaning from that of the word as used in the naval sense. I believe that the Navy's use of the word applies to the whole ship's company, whether members of the company are ashore on patrols or landing parties, or on board, irrespective of the interpretations given in paragraphs (a) and (b). The ship's complement, in the naval sense, means every member of the ship's company while his name remains on the ship's books, and a man's name may remain on the ship's books while he is actually ashore with a landing party, or on patrol taking part, on equal terms, with members of the Army, in a fight. It seems to me that if the provisions of the bill are to be extended to cover Army and Air Force personnel who are not directly combatants as are those who are taking part in actual operations against terrorists, then they should be extended similarly to those members of the Navy. It is true that, so far as I can see, the provisions of the bill extend to members of the medical corps, to personnel at base head-quarters and to others who do not, in the normal course of events, come into contact with an enemy, but who are, of course, subject to any reprisal that may be taken, either by bombardment on land or from the air. I believe that the serving members in the categories I have mentioned should be covered by the bill, and I should like the Minister for Health (Dr. Donald Cameron) to explain to the House when he is replying to the debate, the reason for the specific exclusion of ships' companies or ships' complements from the entitlements which flow from that definition of "Malayan service". If the facts are as I have outlined, I believe that the Minister should suggest that the measure be amended to include men serving in the sea-going ships of the Navy with the others who are to benefit from the measure. I believe that these men are as entitled to eligibility as the normal non-combatant members of both the Army and the Air Force.

I take it that I am in order, Mr. Acting Deputy Speaker, in referring in this debate to the provisions of the War Service Homes Bill, which is being taken in the group of eight bills?

Mr. ACTING DEPUTY SPEAKER (Mr. Lawrence).—No. I take it that this bill is being discussed separately.

Mr. J. R. FRASER.—I understood that the second-reading debates were to be concurrent, but that the debates in committee were to be separate. However, if the position is otherwise, that concludes my remarks on the present measure, except that I wish to say that I hope that the Minister will deal, in his reply, with the problem that I have mentioned, because I know that it is causing concern, not only to serving members of the Navy, but also to officials and members of the Ex-Naval Men's Association, whose duty it is to look after the interests of former members of the naval service. It may be that, if those men are not to be covered by the provisions of the Repatriation Act, they will become a charge on that association.
Mr. POLLARD (Lalor) [10.35].—When the Minister for Health (Dr. Donald Cameron) introduced this measure, I felt that the House would have for its consideration something worthy of the title of the bill. However, on examination we find that, far from providing adequately for men who are serving in Malaya, or are part and parcel of the strategic reserve, there is to be exercised a very substantial degree of differentiation between the benefits available to the men who served in World War I. or World War II., or even in Korea, and those available under this measure. In those circumstances, I suggest that it would appear that, whilst the Repatriation Commission was probably willing to have introduced a straightforward bill to amend the Repatriation Act, in all probability the heavy hand of the Treasury descended on the commission and, instead of getting a straightforward amending bill, we have a completely new and separate bill to deal with a specific portion of our forces serving in Malaya, making separate provisions in respect of the eligibility of ex-members of those forces for benefits—provisions completely separate from those covering all other men who served in any hostilities overseas. Surely there is something seriously amiss. After all, not a very large number of men is involved. It has been said that the menaces, the dangers, the hazards to which they are exposed, or will be exposed, are not comparable with the hazards faced by the men who took part in World War I. or World War II. Irrespective of which branch of the services any section of men may have served in during the world wars, it is part truism that a very substantial number of the men engaged in any war, or who will be engaged in any coming war, were never or will never be, subjected to the risk of experiencing any real hardship as a result of their service. Why, therefore, in regard to those forces, of which probably only an infinitesimal portion will experience any real danger, should we apply a separate act, and exclude from benefits those men who are serving under what the Government pleases to term rather different and perhaps less dangerous circumstances? I think it is admitted that men going on patrol operations and making contact with bandits are subjected to an equal degree of danger as men engaged in any other war operations. Yet on no other occasion when the Government has amended repatriation provisions has it ever said to this Parliament, “We know that men who served in certain categories in World War I. and World War II. were never in any real danger, and because of that we shall apply some limitation in respect of the men in those categories.” In the words of the honorable member for Perth (Mr. Chaney), the Government said “Well, you know, a few of these men have been on patrol,” and then decided to bring down a limiting act. There is no provision in the bill regarding eligibility in respect of tuberculosis, in the same sense as there is in the Repatriation Act, covering the men engaged in any other war, whether they served at head-quarters in the field or in some section of an operational unit, or in any comparatively safer position than men in the front line served in. There is discretion in the act covering World War I. or World War II. to deal with that problem.

Is it said that, because in this war only a few men would actually be in a hazardous position, even they should be deprived of eligibility that is now enjoyed by the men of World War I. and World War II.? The eligibility of those men for repatriation benefits in respect of tuberculosis was only won in this Parliament after a battle extending over nearly 30 years. Is this Parliament going to decide that at this juncture, when the Government ought to be doing the right thing, it shall not do it so that there will take place for the next 25 years a battle to give the same eligibility in respect of tuberculosis to men who serve in these particular units? It is absurd. It savours of the niggling of the Treasury. It savours of some cheese-sparing policy to save a few pounds. Such a policy, in view of agitations, delays, appeals and further attempts to amend the law, would not ultimately save the nation anything.

The men who suffer from tuberculosis, whether they be civilians or not, are a charge on the nation, and by giving a few of these people eligibility for tuberculosis pensions, as it was given to the men of the two preceding wars, the Government might incur a little extra cost but at least it will effect an indirect saving to the nation in the ultimate advantage that would
accrued. I suggest that if the right thing had been done in regard to these men the Government would have introduced a bill entitled “A Bill to Amend the Repatriation Act” and would have provided that all the benefits which apply under the existing repatriation legislation would have been made available to these men without any qualification whatsoever.

The Minister for Health, in his second-reading speech, said that these men belong to our Permanent Forces. He said that they have enlisted in a defence organization and therefore they, in effect, are not in the same category as men who are volunteers. They are not in the same category as were men who fought in the wars that preceded these operations. I remind the Parliament that in World War I. and World II., some personnel were in the Permanent Forces—a small number I admit—but the repatriation legislation does not exclude from the benefits of the Repatriation Act men who served in World War I. or World War II. and who were, at the time that hostilities broke out, members of His Majesty’s defence forces in Australia. Why this discrimination?

Another criticism which I ask the Minister to consider is that under the terms of this bill regulations may be made to confer certain benefits on members of the forces who may suffer certain disabilities as the result of their services in those forces. What does that mean? Does that indicate that the regulations that will be gazetted to deal with these men will be less generous than the regulations now operating to cover all the men who served in World War I. and World War II.? What sort of policy will that be? It will give rise to a chaotic position in administration; a waste of time in administration; officers running around with files, and working out to what extent some regulation applies to a World War I. man, or a World War II. man, and to what extent a similar regulation under this bill applies to a man who served in Malaya or in the strategic forces in some area outside Australia. The whole thing is absurd. It is a cheeseparing, miserable attempt, in the guise of a benefit, to apply to this particular body of men a limited eligibility should they unfortunately need to seek assistance as a result of their service in this operation. Those are my main criticisms.

In addition, I point out another example of cheeseparing. Some of these men cannot have seen shot or shell, although they are eligible to be called upon for active service, but the Government says, “We will not make you eligible for service pensions. You will not be eligible in the same way as men of World War I. or World War II. for service pensions.”. Why? These men have gone to Malaya. They are available to go to any other theatre of operation. They are no different in any way from the men who served in Korea, Egypt, France or any other theatre of war. Yet the Government says, “We will not make them eligible for a service pension”. Why? Is it contended that the strain on a man of a nervous disposition who serves on the island of Penang, is less than the nervous strain on a man who served at base headquarters in France or Egypt in either of the two world wars? I cannot see that that is so. The man who has never been called upon to do actual fighting under the circumstances now operating in Malaya and has not suffered actual injury may return to Australia after having been on Penang for a couple of years and become a neurotic. He may become a mental wreck—a case of shell shock although he has never “seen” a shell fired. That was the experience in World I. and World War II. But more men were involved in World War I. and World War II., and they wielded a greater political pressure than the men affected by this bill. The returned soldiers’ league was very active, as it still is, on behalf of the men of World War I. and World War II. Because of the vast numbers of men in those wars and the consequent great influence that they could exercise, the returned soldiers’ league was able to prevail upon governments to give a better entitlement to the men who served in the two world wars. There was no proof that men suffered any war disability, but it gave to them eligibility for a service pension.

Mr. Cleaver.—It is still there.

Mr. POLLARD.—I invite the honorable member to show me that it is available under this bill. In this measure there is no provision for men who have served in Malaya or in areas adjacent to Malaya as members of the strategic reserve to receive a service pension at the age of 60. Is that correct?
Mr. Cleaver.—Yes.

Mr. POLLARD,—Very well. But I cannot allow the honorable member to put me off my main theme. That state of affairs to which I have referred is disgraceful. It will rebound on governments in the future. These men will undoubtedly support political agitation. The returned soldiers' league will be pleased to take up their case for them. The Government will have to go to its draftsman. There will be conferences with the Treasury. There will be talks in Cabinet. The Government will be fiddling and messing around twenty years hence with a view to giving eligibility to these great fellows who served in Malaya and the territories adjacent to Malaya. I am glad to know that the honorable member for Perth has admitted that no eligibility is provided under this bill. I want to know in what respect the cases of many men in this force in Malaya differs from those of many men who were in the forces during World War I. and World War II. Can you tell me?

Mr. SPEAKER (Hon. John McLeay).—Order! The honorable member will address the Chair.

Mr. POLLARD.—I know that when the honorable member spoke he overlooked this factor. He overlooked the fact that the regulations will be of an entirely different character. Their application to the men in these forces will be more limited than is the case under the regulations under the Repatriation Act applying to the men of the other wars. That was overlooked by the honorable member. Government supporters are guilty of a certain carelessness regarding the welfare of these men that does them no credit, especially when we remember the boast that there are more returned soldiers on the Government side than there are on the Opposition side. That does not matter twopence. The only thing that matters is whether there are enough honorable members to ensure that members of the strategic reserve will enjoy the same benefits upon retirement as do ex-servicemen of World War I. and World War II. We must see that justice is done. Why should there be all this shilly-shallying about something that, in the ultimate, will not save one penny piece for Australia?

I can do no more than appeal to the good judgment of the Minister. He looks at me sympathetically, but I doubt very much whether he will do anything practical. He is bound by Cabinet decision and is indeed fortunate to escape pressure from members of his party, who have apparently let this bill slip through without giving it the mature consideration that it deserves. I ask the Minister to reconsider the bill at a later stage and, even though it may involve additional drafting, ensure that the conditions extended to members of the strategic reserve are the same as those that have been extended to men who served in World War I. and World War II. I do not think that the Government can get away from the need to observe that principle. I hope that what I have said has made some impression upon the Government. I do not think that its supporters are unsympathetic to my plea. I can see that the honorable member for Bowman (Mr. McColm) agrees with me heartily, and I hope that he will support my viewpoint. Why does the Government indulge in this cheese-paring policy? I often think that when we try to save a few pounds we often incur, in the end, expenditure greater than the amount we had set out to save.

Dr. DONALD CAMERON (Oxley—Minister for Health) [10.53].—in reply—

I promised the honorable member for Parkes (Mr. Haylen) that I would answer some questions that he asked on this subject but, first, I would point out the difference between the purpose of this bill and that of the main Repatriation Act, which was intended to apply to different forces in different circumstances. The forces affected by the series of bills before us are not in the same category as those for whom the Repatriation Act was designed. That is why their treatment is different. The members of the strategic reserve are permanent soldiers, serving under definite conditions of enlistment. The servicemen for whom the Repatriation Act was designed were volunteers, not professional soldiers.

Mr. Pollard.—They were not all volunteers.

Dr. DONALD CAMERON.—Almost all of them were. These professional soldiers are engaged under specific conditions, for specific service. They have undertaken to
give whatever service may be required of them as members of the Permanent Forces. However, it is not a question of restricting their entitlement. They will be able to obtain their full entitlement, but because some are allocated to special duties with the strategic reserve in Malaya this bill confers upon them an additional series of benefits. That is the crux of the whole situation. These additional benefits have been modelled on the Repatriation Act. I think that that answers most of the general criticisms of this bill.

The honorable member for Parkes wanted to know whether ex-servicemen could, when applying for these benefits, employ the same mechanisms that other ex-servicemen employ—the boards, tribunals and so on under the Repatriation Act. The answer is: "Exactly the same." The pensions and benefits they will receive are modelled on those under the Repatriation Act. They will be administered by the Repatriation Commission and application may be made in the same way as at present.

Mr. Pollard.—The benefits are modelled on those in the Repatriation Act, but they are not necessarily the same.

Dr. DONALD CAMERON.—I began by explaining that though the whole of the Repatriation Act is not to apply, a great many of its provisions have been added to the ordinary entitlement of the professional soldier.

Mr. Haylen.—The Minister is raising a very great question. These men enlisted thinking that they would have full repatriation benefits.

Dr. DONALD CAMERON.—They did not enlist specifically for service in Malaya, but as permanent soldiers, under the terms and conditions laid down for their enlistment. Because they have been given special duties they are now being afforded extra benefits.

The honorable member for Parkes asked whether tuberculosis would be regarded as an automatic entitlement. The answer is that it will not be automatic, and will be treated just as would any other disability that may have been acquired on service. The onus of proof will apply. An application can be made for tuberculosis or any other disability to be regarded as attributable to war service, whether it becomes evident during service or after. However, an application is required, not as the honorable member has suggested, in order to save trouble. We would save a great deal more trouble if we granted automatic entitlement. Nor is it a matter of saving money, but rather of applying appropriate conditions in a set of circumstances different from those which obtained for servicemen in the two world wars.

It is not a question of whether the risks of the service are greater or less. They are different. That is why the Government has adopted this attitude. We have here a body of permanent servicemen who are serving under the conditions of their engagement. Some of them are undertaking an additional operational risk, and for them additional benefits are being provided.

The honorable member for the Australian Capital Territory (Mr. J. R. Fraser) asked whether this legislation would apply to sailors serving on warships. They are not regarded as being subjected to additional operational risks. They are subjected to the risks of the service for which they engage, and therefore their conditions are in accordance with the terms of their enlistment. The honorable member said that there might be a reply from air, shore batteries or sea, to their bombardment. That will not happen because the Malayan terrorists do not possess the resources to retaliate in that way. I do not think that it is necessary for me to say much more. I have answered the specific questions asked of me and have outlined, in general, the reasons for this legislation.

Question resolved in the affirmative.

Bill read a second time.

In committee:

Clauses 1 to 6—by leave—taken together.

Mr. J. R. FRASER (Australian Capital Territory) [11.1].—I want to refer once again to the definition which excludes specifically naval personnel who are members of ships' complements, and I should like the Minister, in this discussion in committee, to give in greater detail the reason for the exclusion of those men from the benefits that flow from this act. I point again to the wording of the bill, "complement of a sea-going vessel". I again remind the Minister that men who are members of a ship's company, who are
the complement of that ship, may be landed ashore; they may go as a landing party or they may even go on patrol. While their names remain on the ship's books, they are still members of the complement of that ship, although they would in such circumstances be incurring all the dangers attendant upon patrols in jungle areas, if they became involved in landing parties. This provision could be so interpreted as to mean that they were still members of the complement of a sea-going vessel and they could be deprived of benefits. I think that the wording of the section requires more attention than the Minister has given to it.

Dr. DONALD CAMERON (Oxley—Minister for Health) [11.2].—The honorable member may set his mind at rest. If these persons engage in operations after being disembarked, as he suggests, they are eligible for the additional benefits set out, but they are restricted, while they are acting in the complement of the vessel, that to say, in the vessel.

Mr. J. R. Fraser.—Even if the vessel is shelled?

Dr. DONALD CAMERON.—In these operations, the vessel is not shelled. The point of the whole thing is in relation to circumstances where there is an additional operational risk, that is to say, a risk additional to the risks involved in normal military service. The whole purpose of this series of bills is to provide benefits for risks additional to those involved in normal military service. When some service additional to normal military service is performed, the men become eligible for benefits.

Clauses agreed to.

Clause 7—

"(1.) Subject to this Act, the provisions of Divisions 1 to 4 (inclusive) of Part III. (other than section twenty-four, sub-sections (3.) and (4.) of section thirty-seven and sections forty-two."

Mr. HAYLEN (Parkes) [11.3].—I move—

That the following words be omitted:—"sub-sections (3.) and (4.) of section thirty-seven and".

Reference was made by the Minister to the fact that these men in the strategic force would not be automatically entitled to a pension if they contracted tuberculosis. I tried to make out a case to the Minister. He used the terms "special hazard" and "operational hazard" which enabled me to make the case. The statistics available are fairly extensive, but at the same time they are rather limited because they deal with sections of the population that are not all-embracing, but include only those persons who come under the care of the various departments as a result of contracting tuberculosis in the tropics. The reason for the amendment will be dealt with by the honorable member for Bass (Mr. Barnard), as well as by me. There is plenty of evidence to suggest that it is a pretty fair assumption that these men are subjected to a hazard which is persistent for a great length of time during service in the tropics. The Minister says that after all they are permanent soldiers. We have created in this country a sort of Tommy Atkins. He goes to places where we have our little forays or where we want to present ourselves in strength or get good headlines in the press, but nothing belongs to him. Yet we read advertisements in the newspapers saying that generous pension and repatriation benefits are available, and asking, "Would not you like to feel like a man and fight for your country?" The propaganda is terrific, and the rewards provided in this new piece of legislation are too trifling not to be challenged. The Minister was reasonable. He has explained certain provisions to my satisfaction. Although the wording was rather ambiguous, the provision for eligibility for pensions appears to be quite all right. But on a question that is quite specific, there is no chance of automatic entitlement for a tuberculosis sufferer. It appears to me that in the kind of country, campaign and climate in which these men serve, there is a very big risk that these men will contract tuberculosis. This is substantiated by the reports of the director of medical services in Malaya. Strategic forces might be used by the United Nations Organization and its various agencies throughout the world. If permanent forces, or strategic forces, are employed, they will in most cases be operating in the tropics. It is not suggested, even by the honorable member for Mackellar (Mr. Wentworth) that we will have a war with the people of Antarctica or the Penguin Islands. Seriously, the Minister, as a medical officer, should consider the responsibility of the Parliament in relation to pensions, and it would be very useful and wise to reconsider the matter. As the Minister said, a lot of book work is involved if we give entitlement under the Repatriation Act. I leave the
matter there. Other honorable members will stress the point, because we are taking the matter seriously and we will press it to a vote.

Mr. BARNARD (Bass) [11.7].—I rise to support briefly the honorable member for Parkes (Mr. Haylen) in moving this amendment. I, like many other honorable members who have preceded me, ask, “What consideration has been given to those men who are now serving in Malaya?” In this instance, the Government has failed in its responsibility towards these men. I find it difficult to understand the Government’s attitude, particularly in relation to an area where there is a high incidence of tuberculosis. I cannot understand the attitude of a government which says that an ex-serviceman who serves in an area where there is a high degree of tuberculosis is not entitled to the same consideration as was extended to those servicemen who were engaged in service overseas during either World War I. or World War II. Much has been said in this debate about those who served in operational areas and those who served in non-operational areas. It has been said on numerous occasions that war service is possibly 5 per cent. risk and 95 per cent. boredom. In World War II. many servicemen in non-operational areas were entitled to this consideration which the Government is not prepared to extend to those men who are now serving in Malaya. Why discriminate between men who served in a non-operational area in World War II. and those who are now serving in Malaya? The latter are serving in a country which has a high incidence of tuberculosis. After all, they were prepared to go there. I disagree entirely with the contention of the Minister for Health (Dr. Donald Cameron) that all of those persons who are now serving in Malaya went there because they were members of the Permanent Forces. That may be true, but we all know that many of those who are now serving in Malaya volunteered for that service. They went from other operational areas in Australia to join the battalion now serving in Malaya. If that is so, then these men, who are, after all, volunteers, are entitled to the same consideration as that which would be extended to any other serviceman serving in a non-operational area.

I have not the medical knowledge of the Minister for Health, who introduced this measure, but, in my limited knowledge, this disease is one that can possibly be in evidence for some years and yet possibly not show to any great degree. A man who has tuberculosis may be suffering a disability which is not immediately apparent. If that is so, I suggest to the Minister that a serviceman could contract the disease in Malaya and that it would not be apparent until some time after he returned to Australia. Having established that he has the disease, he has to appeal before all the tribunals that every ex-serviceman who has a disability has to approach. We know that any ex-serviceman who has contracted this disease is immediately granted a tuberculosis pension by the Repatriation Department. He should not have to wait to appear before the tribunals to establish his eligibility for that pension. He should be granted a pension immediately. I believe that most members would agree with the contention which has been submitted by the honorable member for Parkes. If a serviceman as a consequence of his service in Malaya contracts tuberculosis, then he should be entitled immediately to the same consideration as that extended to ex-servicemen of both World War I. and World War II. That is only fair and reasonable.

I suggest that amongst ex-servicemen to-day there is a high degree of tuberculosis. The last report of the Repatriation Commission indicates that that is so. It shows that during 1954-55 a total of 1,480 tuberculosis patients were admitted to Concord Hospital. At Heidelberg, the total was 513; at Greenslopes, 413; at Springbank, 147; at Hollywood, 226, and at Hobart, 139. That indicates quite plainly to me that this disease may not always be evident until some years after the member has received his discharge. If that is so, I repeat that those who serve in Malaya are entitled to the same consideration as that extended to those who served in the two world wars.

Dr. DONALD CAMERON (Oxley—Minister for Health) [11.14].—The amendment is not acceptable to the Government for the reasons I have already given in explaining the purpose of the bill. The policy is not to apply all the provisions of the Repatriation Act to these servicemen.
I have already explained that. The policy is that benefits for members should stem from an incapacity which is due to their operational service with the strategic reserve in Malaya or Singapore. That is the whole crux of the situation. As I pointed out before, the members of this force are professional servicemen engaged on specific terms. We are applying extra benefits to those who undergo certain risks in connection with a specific service. The moment they come from the strategic reserve to service in some other area, they cease to come under the provisions of this bill.

It is probably true, as the honorable member for Parkes (Mr. Haylen) and the honorable member for Bass (Mr. Barnard) said, that the incidence of tuberculosis is high in the area in which these men are serving. That makes it easier, not more difficult, for them to have tuberculosis, if they contract it, recognized as a war disability. They can always apply to have it recognized as a war disability, even if it becomes evident after service, and they have, in accordance with the usual machinery, the benefit of the doubt and the onus of proof conditions. If, as the honorable members have said, tuberculosis is especially prevalent in the country in which they have been serving, the likelihood of them having their condition acknowledged as due to war service becomes all the greater. We do not consider that the provision imposes a hardship on members of the strategic reserve. As I pointed out before, what we are doing is not to apply the Repatriation Act holus-bolus but, for men with a specific engagement, to grant additional benefits. We are modelling the provisions on the Repatriation Act, though they are not wholly the same. Therefore, the Government does not accept the amendment.

Mr. POLLARD (Lalor) [11.16].—All that the Minister for Health (Dr. Donald Cameron) has said is very naive. He has told us that this force is raised on specific terms for specific purposes. But the troops raised to serve in World War I. and World War II. were also raised on specific terms for specific purposes. The fact remains that, as the years went on, certain anomalies became apparent, and it was decided that it would be advantageous and just to make more generous the terms on which they originally enlisted. Those more generous terms were approved by this Parliament.

Is there any reason in this age of enlightenment why we should not do the same for these men in the strategic reserve as we did for other men who were engaged on specific terms and for specific purposes?

Let us look at the reasons given by the Minister for not accepting the amendment moved by my colleague, the honorable member for Parkes (Mr. Haylen). The Minister admitted that there was a high incidence of tuberculosis in the areas in which these troops are already serving. But the Minister qualified that by saying, “If it is true”. He said, “I think it is true”. He added that the men would possibly not experience much difficulty in having their claims accepted. If that is so, why not grant these rights without any more equivocation and give those men the eligibility that has already been given to men who served in other wars? The whole thing is self-explanatory. The Minister says that because tuberculosis is prevalent in these areas, a man will probably get a pension, but on the other hand he may not. A good deal depends on the medical officer and on other circumstances. The Minister said that this is an infectious area.

Dr. Donald Cameron.—The honorable member should not put words into my mouth.

Mr. POLLARD.—I do not want to do that, but I think the Minister realizes that what has been said by my colleague is correct. It is an infectious area. It is a tropical area in which hygiene and sanitation are not notably good. Men are away from home and their vitality is lowered in a tropical atmosphere. Their conditions are different from those under which they hoped they would serve when they joined the Permanent Forces. Most of these men, like many of us, believed that World War II. would end all wars. No doubt some of them decided to join the Permanent Forces believing that they would probably never be called upon for active service and would serve within the confines of Australia. Then the Malayan situation blew up and they were called upon to serve in Malaya. They thought when they enlisted in the Permanent Forces that the conditions of service would be of a certain kind, but they found subsequently that the conditions of service were altogether different. Surely the Minister does not propose to take advantage of that. Surely he will yield a point in the interests of simplification of
administration and to assist the people concerned, particularly as the point would be so easy for him to concede.

Question put—
That the words proposed to be omitted (Mr. Haylen's amendment) stand part of the clause.

The committee divided.
(The Chairman—Mr. C. F. Adermann.)

Ayes .... 49
Nocs .... 27

Majority .... 22

AYES.

Allan, Ian ... Holt, Harold
Anderson, C. G. W. ... Howson, P.
Aston, W. J. ... Hulme, A. S.
Bostock, W. D. ... Jack, W. M.
Bowden, G. J. ... Joske, P. E.
Brimblecombe, W. J. ... Kent Hughes, W. S.
Buchanan, A. A. ... Killen, D. J.
Cameron, Dr. Donald ... Lindsay, R. W. L.
Chaney, F. C. ... Luck, A. W. G.
Cleaver, R. ... Macklinnon, E. D.
Cramer, J. O. ... McBride, Sir Phillip
Davidson, C. W. ... Osborne, F. M.
Davis, F. J. ... Pearce, H. G.
Dean, R. L. ... Robertson, H. S.
Downer, A. R. ... Sneeden, B. M.
Drummond, D. H. ... Stokes, P. W. C.
Erwin, G. D. ... Swartz, R. W. C.
Falle, L. J. ... Timson, T. F.
Fairhall, A. ... Turner, H. B.
Forbes, A. J. ... Wentworth, W. C.
Freeth, G. ... Wheeler, R. C.
Graham, B. W. ... Wilson, K. C.
Hamilton, L. W. ... Tellers:
Hastie, P. M. ... Opperman, H. F.
Haworth, W. C. ... Turnbull, W. G.

NOES.

Barnard, L. H. ... Johnson, L. R.
Beasley, K. E. ... Kearney, V. D.
Bryant, G. M. ... Makin, N. J. O.
Callwell, A. A. ... Miseague, D.
Cameron, Clyde ... O'Connor, W. P.
Clarey, P. J. ... Peters, E. W.
Cope, J. V. ... Pullard, R. T.
Costa, D. E. ... Thompson, A. V.
Courtis, W. C. ... Ward, E. J.
Curtin, D. J. ... Webb, C. H.
Griffiths, C. E. ... Whitlam, E. G.
Harrison, E. James ... Tellers:
Haylen, L. C. ... Duthie, G. W. A.
Holt, R. W. ... Luchetti, A. S.

PAIRS.

Menzies, R. G. ... Evans, Dr. H. V.
Fairhall, D. E. ... Rorrian, W. J. F.
McEwen, J. ... Lawson, George
Casey, R. G. ... Bird, A. C.
Drury, E. N. ... James, B.
Brand, W. A. ... Johnson, H. V.
Page, Sir Earle ... McIvor, H. J.
Fraser, Malcolm ... Chaytor, C.
McMahon, W. ... Watkins, D. O.

Question so resolved in the affirmative.
Amendment negatived.

Clause agreed to.
Remainder of bill—by leave—taken as a whole and agreed to.

Bill reported without amendment; report adopted.

Bill—by leave—read a third time.

COMMONWEALTH EMPLOYEES' COMPENSATION BILL 1956.

Second Reading.

Debate resumed from 30th October (vide page 1911), on motion by Dr. Donald Cameron—

That the bill be now read a second time.

Question resolved in the affirmative.

Bill read a second time, and reported from committee without amendment or debate; report adopted.

Bill—by leave—read a third time.

ESTATE DUTY ASSESSMENT BILL 1956.

Second Reading.

Debate resumed from 30th October (vide page 1911), on motion by Dr. Donald Cameron—

That the bill be now read a second time.

Question resolved in the affirmative.

Bill read a second time, and reported from committee without amendment or debate; report adopted.

Bill—by leave—read a third time.

NATIONAL HEALTH BILL (No. 2) 1956.

Second Reading.

Debate resumed from 30th October (vide page 1911), on motion by Dr. Donald Cameron—

That the bill be now read a second time.

Question resolved in the affirmative.

Bill read a second time, and reported from committee without amendment or debate; report adopted.

Bill—by leave—read a third time.

RE-ESTABLISHMENT AND EMPLOYMENT BILL 1956.

Second Reading.

Debate resumed from 30th October (vide page 1911), on motion by Dr. Donald Cameron—

That the bill be now read a second time.

Question resolved in the affirmative.

Bill read a second time, and reported from committee without amendment or debate; report adopted.

Bill—by leave—read a third time.
REPATRIATION BILL (No. 2) 1956.

Second Reading.

Debate resumed from 30th October (vide page 111), on motion by Dr. Donald Cameron—

That the bill be now read a second time.

Question resolved in the affirmative.

Bill read a second time, and reported from committee without amendment or debate; report adopted.

Bill—by leave—read a third time.

SOCIAL SERVICES BILL (No. 2) 1956.

Second Reading.

Debate resumed from 30th October (vide page 111), on motion by Dr. Donald Cameron—

That the bill be now read a second time.

Question resolved in the affirmative.

Bill read a second time, and reported from committee without amendment or debate; report adopted.

Bill—by leave—read a third time.

Sitting suspended from 11.35 p.m. to 12.5 a.m. (Friday).

Friday, 2nd November, 1956.

INCOME TAX AND SOCIAL SERVICES CONTRIBUTION ASSESSMENT BILL (No. 3) 1956.

Bill returned from the Senate with amendments.

In committee (Consideration of Senate's amendments):

Clause 4—

(1.) Section twenty-three of the Principal Act is amended—

(a) by inserting after paragraph (ea) the following paragraph:

Senate's amendment No. 2—

After clause 21 insert the following new clause:

"21A. Section two hundred and sixty-five a of the Principal Act is amended—

(a) by omitting from sub-section (3.) the words 'Australian Soldiers Repatriation Act 1920-1943' and inserting in their stead the words 'Repatriation Act 1920-1956 or under the Repatriation (Far East Strategic Reserve) Act 1956'; and

(b) by omitting from sub-section (4.) all the words to and including the words 'that Act' and inserting in their stead the words 'Any decision of an authority constituted under the Repatriation Act 1920-1956 on any question affecting the right of any dependants of a deceased member of the Forces to a pension under that Act or under the Repatriation (Far East Strategic Reserve) Act 1956'".

Dr. DONALD CAMERON (Oxley—Minister for Health) [12.6 a.m.].—I move—

That the amendments be agreed to.

When I introduced the Repatriation (Far East Strategic Reserve) Bill and associated measures, I indicated that consequential amendments of the Income Tax and Social Services Contribution Assessment Act would be introduced separately. These are the amendments now proposed. Clause 4 (aa) refers to paragraph (k) of section 23 of the Assessment Act, which exempts from income tax pensions and attendants' allowances paid, and payments of a like nature made, under the Repatriation Act 1920-1956, or under the Seamen's War Pensions Allowances Act 1940-1953. The purpose of the repeal of paragraph (k) and the insertion in its stead of the new paragraph (k) is to ensure that the exemption will extend to pensions that may become payable under the Repatriation (Far East Strategic Reserve) Act when that act comes into operation.

Section 265a of the Assessment Act, which is proposed to be amended by clause 21A, is designed for application in those cases of deceased members of the Defence Force where the tax instalments are insufficient to meet the tax owing on the pay and allowances of the deceased member. The broad effect of the section is to remit the amount of tax remaining unpaid after all available tax instalments have been credited. This form of relief is available
in all cases where the circumstances of service of the deceased member and the circumstances of his death are such that his dependants would qualify for pensions under the Repatriation Act. The effect of the amendments now proposed in clause 21A will be to extend eligibility for the remission to cases qualifying for pensions under the Repatriation (Far East Strategic Reserve) Act.

Question resolved in the affirmative.
Resolution reported; report adopted.

**BILLS RETURNED FROM THE SENATE.**

The following bills were returned from the Senate, without amendment—

- Tractor Bounty Bill (No. 2) 1956.
- States Grants Bill 1956.
- Conciliation and Arbitration Bill (No. 2) 1956.
- Public Service and Arbitration Bill (No. 2) 1956.
- Aluminium Industry Bill 1956.

**WAR SERVICE HOMES BILL 1956. Second Reading.**

Debate resumed from 30th October (vide page 1912), on motion by Mr. Roberton—

That the bill be now read a second time.

Mr. BARNARD (Bass) [12.10 a.m.].—The Opposition approves of this measure. We congratulate the Minister for Social Services (Mr. Roberton), first, because the bill will adjust several anomalies that have been apparent for some years in the administration of the war service homes legislation, and secondly, because it will extend the operation of the legislation—and that is in conformity with the policy of the Labour party.

It is proposed that there shall be extended to Australian troops now serving in Malaya the benefits under the War Service Homes Act now enjoyed by servicemen of World War I. and World War II. In addition, provision is made for certain people who served in World War II., but who hitherto have not been eligible for benefits under the War Service Homes Act. I refer to the crews of certain transport ships who served in theatres of war, and to people who served in hospital ships and as canteen workers on naval vessels. It can be said in all sincerity that if provision is made under the war service homes legislation for members of the gun crew of a ship who served in a theatre of war, similar provision should be made for people who performed other duties on the ship. One passage in the Minister's second-reading speech caused me some concern. He said—

The amendment provides that eligibility for war service homes will be available to those who become entitled to a repatriation benefit in consequence of an incapacity, or to their dependants in case of death.

My first reaction to that statement was that the entitlement would be enjoyed only by those who became eligible for a repatriation benefit, or to their dependants in case of death. We feel that the benefits of the legislation should be extended to all service personnel serving in Malaya, not only to a specific group. Perhaps the Minister will clear that matter up later.

Since the legislation will extend the benefits of the war service homes legislation to certain personnel now serving in Malaya; and also to other people by virtue of their service during World War II., I believe that I should state the present position. The extension of these benefits will mean that many more people will become entitled to the consideration that has been extended so far only to servicemen of the two world wars. Normally, the war service homes legislation is regarded as being above party politics, but I believe that some things ought to be said, and I shall not hesitate to say them.

Unfortunately, there is a tendency to make comparisons. My studies of the "Hansard" reports of debates on the war service homes legislation have shown me that very frequently comparisons are made of the achievements of various governments. Ex-servicemen are very much concerned about the waiting period for assistance, which in recent years has increased from twelve months to two years, and, in some instances, to three years. Ex-servicemen, of course, are not concerned about what was achieved by previous governments. I have served in only two parliaments, and I am not concerned about the achievements of previous governments, whether non-Labour or otherwise.

Ex-servicemen know that 556 war service homes were provided in 1945-46, the immediate post-war year. As labour and materials became more readily available the figure progressively increased, and by
1948-49 a total of 6,287 homes had been provided for ex-service men under the provisions of the principal act. Ex-service men know also that in that financial year £16,200,000 was allocated to war service homes. In 1954-55 the present Government increased the allocation to £30,000,000, at which figure it has remained since. That is almost twice the amount allocated in 1948-49, but I think I should say in passing, Mr. Speaker, that in those days the average cost of a home was £1,658, whereas to-day it is £3,173. Therefore, it is apparent that in 1948-49 £16,200,000 would provide the same number of homes as can be built for £30,000,000 to-day.

Mr. Aston.—That is not true.

Mr. BARNARD.—The honorable member is entitled to dispute the matter if he wishes. I contend that the War Service Homes Division is falling further behind in the provision of homes for ex-service men, as is clearly indicated by the increase of the waiting period for assistance. I said only a few moments ago that less than three years ago the waiting period was twelve months, whereas to-day it is two years, and, in many instances, three years.

I suggest that the number of homes provided in recent years substantiates my statement that the funds allocated by the present Government are not sufficient to prevent the War Service Homes Division from falling further behind in the provision of homes for ex-service men. In 1953-54, 12,399 homes were provided. The number increased to 12,788 in 1954-55, and declined to only 11,803 in 1955-56. It is obvious that the number of new homes being provided for applicants by the division is now declining steadily. In 1953-54, 24,951 applications for assistance were received, and, as I have said, 12,399 homes were provided. Twelve thousand five hundred and fifty-two applications were not dealt with in that financial year and were carried over into the financial year 1954-55. In 1955-56, 22,131 applications were received by the division, and only 11,803 homes were provided. So 10,328 applications were carried over into 1956-57. As I have said, in 1953-54, 24,951 applications were received. The number increased to 28,931 in 1954-55. I have heard it said in this House on occasions that the number of applications has increased because the scheme is so popular. I concede at once that it is popular, but I emphasize that, under the administration of the present Government, it is rapidly losing its popularity. In 1955-56, only 22,131 applications were received.

Unless the Government is prepared to increase the allocation of funds, the War Service Homes Division will continue to fall further behind in its task of providing homes for ex-service men. It is true that from 1945 to 1949 man-power and materials were in short supply. This naturally had a considerable influence over the number of homes constructed, but no one would suggest that there is any shortage of either man-power or materials at the present time. One of the principal factors contributing to the increase of unemployment in Tasmania is the lack of work in the building industry. This is a matter to which the Government should direct its attention. The 22,131 applications for assistance received by the War Service Homes Division in 1955-56 constitute a sound reason why the Government should increase the allocation of funds, which has remained unchanged during the last three financial years.

The maximum advance is at present £2,750, at which figure it has stood for the last two financial years. I have already indicated that the average cost of a home is now £3,173. So an applicant must put down a deposit of £423, or approximately 12 per cent. of the capital cost. I know from representations that have been made to me that it is becoming increasingly difficult for those who are fortunate enough to be offered an advance for the purchase of a home to find the necessary deposit. I suggest that the maximum advance be increased immediately in order to reduce the deposit required to no more than 10 per cent. of the capital cost. Nobody should expect ex-service men to put down more than £300 as a deposit on a home. I understand that when the principal act was introduced it was suggested that ex-service men, by virtue of their service, were not in a position to enjoy the same advantages as were available to people who did not serve abroad in the forces in World War I. or World War II. If that is so, surely we ought not to expect those people to provide a deposit of more than 10 per cent. I think that in Australia to-day it is not possible for a young family man on a moderate income to find the
present deposit, which exceeds 12 per cent. So I suggest to the House, for the consideration of the Minister at least, that the Government ought to raise the maximum advance from £2,750 to at least £3,000. That, I believe, would be in conformity with the opinions that have been expressed in recent months by the Returned Sailors, Soldiers and Airmen's Imperial League of Australia.

Recently, I received some information about the war service homes position in Tasmania. I regard the figures that were supplied to me as really alarming. I asked the Minister a series of questions in respect of this matter. The first question concerned the number of war service homes built and occupied under the group system in Tasmania in the financial year 1955-56. The Minister's reply indicated that the number of group homes built and occupied in Tasmania during that year was only 47. My next question referred to the number of group homes now under construction in the City of Launceston and the City of Hobart. The Minister's reply indicated that to-day only seven such homes are being constructed in Hobart and that not one is being constructed in Launceston. I further asked the Minister how many homes will be completed in each of those areas during 1956-57. The Minister has informed me that it is expected that sixteen group homes and 65 individual homes will be completed in Hobart, and four group homes and seventeen individual homes in Launceston during 1956-57. In Tasmania there are now 325 Tasmanian applicants awaiting assistance under either the group home or the individual home programme. I estimate that one-third of those applications would be from Launceston, and with the total number of homes to be completed this year in Launceston standing at 21, it will take at least five years before the last of these applications can receive attention. I suggest that the figures that I have given to the House indicate quite clearly the unsatisfactory position that exists in regard to war service homes throughout Australia, because I have no doubt that what applies to Tasmania applies equally to other States.

Mr. Duthie.—Tell the Government what the Returned Sailors, Soldiers and Airmen's Imperial League of Australia congress said in Sydney.

Mr. BARNARD.—I have already indicated to the House that vigorous protests have been received from ex-servicemen's organizations, not only in recent months but over a period of two years or more. They have pointed out time and time again that the concern of the applicant for a war service home at the moment is the waiting period, which has been extended by this Government from slightly more than twelve months to two years, and in some instances to even longer. We ought to be entitled to expect a more reasonable waiting period because of the conditions that now exist throughout the country. I have already indicated that there was a time when we could not hope to keep pace with the number of applications being received from ex-servicemen, but to-day, when there is no shortage of materials or man-power, it ought to be possible for the Government to honour its obligations by providing for these people the homes they urgently require.

I have dealt briefly with the situation because I think it is important, now that we are extending the provisions to cover people who are serving in Malaya, that we on this side indicate to the House the position that we can expect to arise in this country unless the amount made available for war service homes is increased substantially. After all, it is all very well to extend to the men serving in Malaya the privileges accorded men who fought in World War I. and World War II., but surely if we extend these privileges to them we ought to make homes available to them without their having to wait for three years or more. I believe that the Minister, in introducing this measure, has made a genuine attempt to remove some of the anomalies of the act which affect the ex-servicemen to whom I have referred, and we give him full credit for that; but I believe that the Government ought to consider immediately the points I have made, particularly in respect of increasing the amount the Commonwealth now makes available. I ask the Minister personally to urge on Cabinet the importance of reducing the waiting period to a more reasonable length.

Mr. McCOLM (Bowman) [12.31 a.m.].—It gives me great pleasure to speak on this bill to-night, because it is some years since I have been able to support a war service measure brought in by the Government. That does not mean to say that I am not completely in agreement with the
Government's existing policy in respect of war service homes, but I propose to restrict myself to the bill, with the exception of one suggestion I should like to make. I believe that consideration should be given to providing war service homes assistance to people who live in outlying areas and who, at present, may be debarred, under section 24 of the act, if I remember rightly, from assistance on the grounds that the position in which they wish to build a home, or the property on which they wish to build it, does not make the venture an economic proposition, in that some possible future financial risk for the War Service Homes Division is involved. I believe it is unjust that an ex-serviceman who lives in outback parts of the country or even in a comparatively remote area should be debarred from war service homes assistance on the ground that he wants to build in a remote area, because, after all, many of the men who joined the services and fought, and are eligible for war service homes assistance, came from such remote areas. I think that some serious consideration should be given to making some form of insurance available in the future to provide a coverage for the War Service Homes Division against loss. Thereby, I think, we would be able to assist those men I have mentioned, who richly deserve assistance.

As I have said, I am very pleased to be supporting this bill because, as the honorable member for Bass (Mr. Barnard) has mentioned, the bill seeks to correct a number of anomalies that apply to seamen. I remember an unfortunate case of men who were canteen assistants on H.M.A.S. "Perth" which, as honorable members will recall, was sunk by enemy action. Because these men were civilians, and despite the fact that they manned action stations when the ship went into action, they were debarred from any form of repatriation benefits. The only benefit they could get was workers' compensation. This bill will help to remove anomalies of that kind. The Minister might well look into some other anomalies which affect merchant seamen who served during the war. The position has been that, provided they obtained a certificate stating that they had served in certain ships in certain areas at certain times, they were eligible to benefit under the Re-establishment and Employment Act. But the sole authority able to provide these men with a certificate to make them eligible to benefit under that act went out of existence in 1952. Any eligible seaman who did not apply for a certificate before then is now debarred from assistance to which, in my opinion, he is justly entitled.

The amendment to be moved to clause 3 is a good one. I am very pleased that the Government has decided upon it. Had the clause remained as it was, a number of anomalies and some considerable problems would have been created for the future. We would have seen a position in which a man would have won a high decoration for fighting the enemy and if he had not been wounded, or even if he had been wounded but not sufficiently to receive a pension, he would not have been eligible for a war service home. The honorable and gallant gentleman from Lilley (Mr. Wight), who unfortunately, in the course of duty, is not in this House to-night, said the other day that a man could fight and get a decoration but not be eligible for a war service home, but somebody could sit in a chair, and get haemorrhoids, and get a 5 per cent. pension, and be eligible for a war service home. That would have been a fantastic situation. I regret that the honorable member for Lilley is not here to put that case himself. I know that he intended to talk on this measure but, unfortunately, you, sir, decided that he should not.

I think it is most important that the vital principle of war service homes assistance will be retained with the proposed amendment. In the past, a man has become eligible for a war service home by virtue of the fact that he was on active service in a certain place at a certain time. The provision which is to be deleted would have done away with that principle. The amendment will retain it. From time to time, now, the Governor-General will be able to proclaim an area in which fighting has taken place as an operational area, and every man who has been in that area will then become eligible. I commend the Government for its decision to amend that provision. I should like to express the thanks of those members of the Government members ex-servicemen's committee
who spoke with the Minister for National Development (Senator Spooner) on this matter. We had a lengthy discussion with him, and on their behalf I should like to thank the Minister for the hearing that he gave us and for the decision that he recommended and which is being implemented.

Mr. J. R. Fraser (Australian Capital Territory) [12.38 a.m.]—I think that the suggestions made by the honorable member for Bowman (Mr. McColm) and those of the honorable member for Bass (Mr. Barnard) deserve the commendation of the House and the consideration of the Minister for Social Services (Mr. Roberton). It is customary when a war service homes measure is before the House for members on either side to claim, "We built so many war service homes", and for members on the other side to claim, "We built more than that number." But the plain fact is that after the end of a war a government does not receive many demands for the provision of housing for ex-members of the forces. I think it is perfectly true to say that in the years immediately following the two major wars, building materials and man-power were not readily available. But those years were the years in which the ex-serviceman was returning to civilian life and had not established himself in his civilian occupation and civilian way of life. So I think that the demand for war service homes comes, not in the several years immediately following the cessation of a war, but in the years after that period. The responsibility falls upon whatever government is in power at the time to see that the needs of the ex-servicemen in this regard are reasonably met.

Also, claims are made concerning sums of money that are made available, year by year, for the provision of war service homes. Sometimes the claims are made in terms of the number of homes provided, and at other times in terms of the sums of money that have been made available. I think that we should have in mind that, in the main, we are providing money and that it has been provided on terms, repayable over a period of years. The money that is so spent is not money lost to the community. It is not money lost to the revenue of the Commonwealth, because immediately the home is completed that money starts to come back to the Government. I believe that there should be some way of recognizing that return as an offset against the expenditure each year. But the government has many pockets, and what goes out from one may flow back into a different pocket.

Clause 3 of the bill sets out the conditions under which financial assistance towards the purchase or building of a home may be made available to men who have served in a particular sphere of operations. Those conditions—and this easing of conditions—I commend; but I regret to find that the overriding consideration is retained in this measure as it is retained in the principal act itself. That is that, having complied with all the other conditions, the ex-serviceman is required to satisfy the Director that he is married or is about to marry. I make the plea to this House that I have made on previous occasions—

Mr. Whitlam.—As a bachelor?

Mr. J. R. Fraser.—I have established my eligibility for war service homes assistance and I am in the process of building a home. But I make this plea to the House as I have on previous occasions.

There are many single men or women who served in the various branches of the services, who do not desire to marry after their return to civilian life but who do desire to have a place of their own in which to live. The provisions of the War Service Homes Act are, in the main, financial provisions only. It is an enactment which only enables the Government to make money available to ex-service men or women to purchase a home. It makes provision, also, for that money to be repaid over a period of years. I can see no reason why that money should not be made available to a single man or woman who has given service to the country in time of war. The single man or woman who served in time of war served as well—with equal vigour—as the married man. And, of course, the single man was a cheaper serviceman. He did not cost the Government quite as much to maintain either during or after the war.

I recall to the House the service given by the nursing services in each branch of the fighting forces—the Navy, the Army and the Air Force. Amongst those women there are many who prefer to live single lives but do desire a place of their own in which to live. I believe that they are just as entitled
as anybody else who served, to the financial assistance which this Government will provide under the measure that we are discussing. I suggest to the Minister for Social Services that consideration should be given to that aspect of the matter. I do not think it would involve the Government in a great deal of financial outlay. I do not know why it is necessary to retain that restriction that the applicant must satisfy the Director either that he is married or is about to marry. It might be that such a restriction would be necessary if we were living in times of shortage of money or building materials or building labour. But I think the conditions that obtain to-day would permit the Government to provide finance in these circumstances. I do not think the number of applicants in this category would be very great, and I believe that the Government would be doing the just and right thing if it made that provision. I can see no reason why it should not be made.

Mr. SNEDDEN (Bruce) [12.45 a.m.]—I welcome the bill and wish to be associated with the remarks of the honorable member for Bowman (Mr. McColm). I regard the measure as correcting anomalies which have occurred in the field of eligibility. I do not agree that there has been a system of priorities and that the lower priorities are now being brought in. I feel, rather, that the principle of eligibility is well established and that it is now a matter of bringing in people who have been omitted. I appeal to the Government to extend, at some time in the future, the field of eligibility to include widows of militia men who died during the war. I do not believe that there are many such people, but some widows who receive repatriation pensions are not eligible for war service homes because their husbands did not volunteer for overseas service.

In the case that I have in mind, the husband was killed by enemy action in Darwin. His wife receives a widow’s pension, but is not entitled to a war service home. If the soldier had not been killed in Darwin it is likely that he would have proceeded with his unit to New Guinea and that his wife would have become eligible for a war service home. I feel that that is an anomaly. It has been suggested that the reason for not correcting it is that it may open up a wide field of eligibility, and that the purpose of the War Service Homes Act is to provide a house for people who actually served outside Australia, or volunteered so to do. I point out that, under clause 3 (b), the definition of “eligible persons” is being amended to include any person who—

. . . was employed under agreement as master, officer or seaman, or under indenture as apprentice, in sea-going service—

(i) on a ship engaged in trading between a port of a State or Territory of the Commonwealth and any other port, whether a port of a State or Territory of the Commonwealth or not;

In other words, a seaman on a ship plying between Fremantle and Sydney would be eligible for a war service home, but the widow of a militia man killed in Australia, though receiving a full repatriation pension is not eligible. I suggest to the Minister that, when the matter of war service homes eligibility comes up for consideration again, this anomaly might well be corrected.

Mr. WHITLAM (Werriwa) [12.48 a.m.].—The bill extends the eligibility of various persons who have served in the forces, or in a war zone, for assistance under the War Service Homes Act. In recent years there has been an extension of such eligibility to men and women who have served in Korea and Malaya. My colleagues and I agree with the proposed extension of eligibility to persons who served at sea or with the strategic reserve. It may be that before very long we shall have to make another extension for the benefit of Australian troops to go to assist the Motherland to repel assaults upon them by Egyptians, on Egyptian soil.

It is unfortunately necessary to point out that, hand in hand with these extensions of eligibility, have gone restrictions of availability. More and more people have become eligible for assistance, but the kind of assistance made available has become less and less. I would think that the persons, especially those in the strategic reserve, who are now to become eligible, are no more deserving, either on the basis of need or of heroism—if that is to be the yardstick—than are many persons who have for years following service in World War II. awaited assistance from the division. I agree with the honorable member for Bruce (Mr. Snedden), who has urged further eligibility.
Anomalies under the War Service Homes Act will continue as long as the Commonwealth restricts its opportunity under the Constitution, and its obligation incurred in successive wars, to make money available for the housing of persons who have served in the forces. We have always voluntarily imposed upon ourselves this limitation to persons who have served outside Australia's shores, but, as various honorable members have pointed out, just as much risk was involved—if that is to be the criterion—and certainly as much interruption to one's civilian rights, in much of the service in Australia, or in Australian waters. There was even more risk than is involved in service with the strategic reserve. However, one does not caval at the present extension of eligibility. We applaud it and think that it should go still further in future years.

One must still lament the fact that the availability of advances under the act has not kept pace with the increase in eligibility. I do not imagine that I can refer at this stage to the financial appropriations for war service housing, but I may say that I was disappointed, as I am sure was the honorable member for Bowman and other honorable members, that the judiciously planted suggestions that there would be an increase in the allocation for war service homes from £30,000,000 to £35,000,000 were not fulfilled. I plead guilty to having addressed honorable members in my budget speech on the basis that that would come about. In common with many other people in the community, I had been misled.

To illustrate the restrictions that have been imposed upon availability, let me refer to section 20 of the act, which is being amended by this bill. That section sets out the classes of advances which can be made, but states that they are also subject to the direction of the Minister as to matters of general policy. Two of the six classes of advance have been very gravely restricted. I refer, in particular, to advances for the purchase of a dwelling-house, together with the land upon which it is erected. That has now been limited to a house in which the applicant is not already living.

Secondly, I refer to the sixth ground—the advance to discharge any mortgage, charge, or encumbrance already existing on a holding. In effect, that has been repealed by ministerial fiat. One sees that, by administrative action, and by the pegging of the actual advances to the division, the availability of homes is being constantly decreased. That was well illustrated by the figures which the honorable member for Bass (Mr. Barnard) produced in opening the debate for the Opposition this evening. He pointed out that there was now a record number of unsatisfied applications, and that when we entered upon this financial year 24,655 people were awaiting advances. One could expect that almost as many fresh applications would be lodged during this financial year, yet the degree to which we are fulfilling the need is constantly lessening. As one could see from the Director's report, which we received six weeks ago, last year 11,803 homes were provided and in the previous year 12,788 were provided. That is in keeping with the general trend which has been followed under this Government. Until this Government came into office, more houses were being provided, and more applicants assisted under the War Service Homes Act in every successive year. In the first year of office of this Government, 15,579 applicants were assisted. Last year, the number assisted had declined to 13,524. We thus are faced with the position of a record demand, an increasing demand, but a diminishing supply. In making these increased eligibility provisions in the present act, we are still not being frank with the persons who will become eligible. We are selling them, and the 25,000 waiting applicants, just another pup. We have not frankly told the people who will be added to the list of those who are eligible, first, that if they already own a house they are not eligible for assistance under the act, even if the house which they already own is in a locality which is no longer convenient to them or if the house is not big enough for them.

Mr. Chaney.—That does not debar them.

Mr. WHITLAM.—In fact, it does. If the house is not big enough, they can get an advance to increase its size.

Mr. Chaney.—The possession of property does not debar an applicant.

Mr. WHITLAM.—The possession of a house does debar him. The honorable member for Bowman (Mr. McColm) agrees

R.—[83]
with me. He is quietly correcting the honorable member for Perth (Mr. Chaney) on that point, but the latter need not apologize. The second matter in respect of which we are not frank is that we do not tell the persons who now become eligible that if they are already paying off a house they are not eligible for an advance under the act, because of ministerial directions—not by the Minister for Social Services, nor his predecessor in the administration of war service homes legislation; it was that one's predecessor who was guilty. The only criticism one makes is that this Minister's predecessor, this Minister and this Minister's successor have continued the policy, because we have had four Ministers in two years administering this department, and very naturally, after the criticism which we annually level at it, the jurisdiction over it has been removed to another place. Because of that change in policy, no one now can discharge a mortgage on a house which he is already occupying and on which he is already paying off a mortgage.

Thirdly, we do not tell the applicants who now become eligible that if they want an advance to purchase a house their application to purchase it will not be dealt with until fifteen months have elapsed. In fact, the period is longer in New South Wales. So those persons who are eligible now, even if they can find the difference between £2,750 which is, and has been since 1951, the maximum advance permitted, and the cost of the house, will not in fact get the advance to purchase the house this financial year. In fact, they will not get it until the last quarter of the next financial year. We do not tell them that.

Fourthly, we do not tell them that if they receive an advance to purchase or build a house and go into occupation of that house, and then, later, in the course of their duties, are posted to another district in circumstances where they cannot continue to occupy the house, they are no longer eligible for another advance. This is a decision which was made by the Minister for Social Services, and which has been confirmed by his successor in another place. If an applicant to the War Service Homes Division finds that because of his duties, because he is a member of the Parliament or of the reserve forces, or something like that, he has to live elsewhere, he may keep his house if he likes, even if he cannot live in it. He may let it, but if he sells it he has to repay the advance he received from the War Service Homes Division, and he then cannot get another advance from the division, even for the amount which he still owed on the first house or for the period for which he still owed it. In that fourth direction, we do not tell the persons who now become eligible that further limitation on the advantages which have been imposed by successive Ministers.

Fifthly, we do not tell the persons who now become eligible that if, while they are waiting for their advance to build a house to come through, they find a place which will suit them perfectly well, and which they can buy, the period which they have already waited for a building advance goes by the board, and that they then have to make a fresh application to buy a house and wait fifteen months before that application comes to fruition. It is true enough that the division will, if it thinks the project is one upon which it will make an advance in due course, give permission to raise money in the meantime. As the Returned Sailors, Soldiers and Airmen's Imperial League of Australia says in a passage which I shall soon be citing, the applicant can raise money at a price.

Mr. E. James Harrison.—Seventeen per cent.

Mr. WHITLAM.—In some cases, that is right. I retain sufficient acquaintance with the law to know that, these days, a favourite form of lending with solicitors and the only form of mortgage lending is on interim finance to war service homes applicants. It is the most fruitful and secure form of mortgage lending. The lender is certain to get his money back, and, in the meantime, he gets a handsome interest rate upon it.

We do not tell these persons, who are now becoming applicants, that if they find an existing place which will suit them for purchase better than the place for which they are awaiting an advance to build, they will go to the bottom of the waiting-list once again, and, unless they can raise interim finance from another source, they can, as far as the division is concerned, lose the attractive proposition which will suit them. That is, ex-servicemen are virtually being deprived of one of the advantages which, from 1918 onwards, succeeding parliaments and governments have always promised to them.
We do not frankly tell the applicants who now become eligible under this amending act that, if they are awaiting an advance to build a house, and are then given permission to raise temporary finance, they must then make a separate application for assistance under the act, and the time that they have already waited for the advance to build, even if it is nearly fifteen months, goes by the board. They are told that they can get interim finance, that they can build a house, and then, when the house is completed they can make a fresh application which will be regarded as an application for an advance to buy an existing property, and they will then have that application dealt with in a further fifteen months. We have not told any of these applicants the various devices for rationing war service homes finance in recent years. I must praise the ingenuity of successive Ministers, even if I cannot praise the generosity of the Government of which in this respect they are the mouthpieces. I suppose that I can, without exaggeration, refer to the Minister for Social Services as a mouthpiece, even if we cannot always readily understand him.

Mr. Haylen.—I thought that he was a sporran.

Mr. Whitlam.—No, I will not go behind that. These various devices have resulted in a fobbing off of ex-servicemen.

Mr. Harold Holt.—Does the honorable member want an extension of time? Is this a lecture?

Mr. Whitlam.—The right honorable gentleman served in Darwin for two weeks, I understand. He is not eligible for assistance under the act.

Mr. Harold Holt.—To whom are you referring?

Mr. Whitlam.—And it was before the Japanese came into the war.

Mr. Harold Holt.—To whom are you referring?

Mr. Whitlam.—You, sir, who interjected.

Mr. Harold Holt.—Thank you. Are you an ex-serviceman yourself?

Mr. Whitlam.—Yes, I am. I do not advertise the fact.

Mr. Speaker.—Order! This is not in order. I call on the honorable member for Werriwa to proceed.

Mr. Harold Holt.—We are equally gallant, I gather.

Mr. Whitlam.—One does not need to advertise these facts, but I happen to have been a successful applicant for a war service home some years ago, but an unsuccessful applicant recently for a second advance necessitated by last year’s electoral redistribution. After these gallant exchanges, may I refer once again to the extent of the delays which have been introduced to fob off the ex-serviceman? The period for fobbing off is now of a record duration. In no State is the period which the applicant has to wait before he receives an advance to purchase an existing property less than fifteen months; in New South Wales it is twenty months. An application for an advance to build a home is not dealt with until fifteen months have expired, or in New South Wales twenty months, and then the period of processing commences. The period of processing has become longer. It used to be three or four months; it is now, I believe, on an average, six months. When the processing is completed, this process of exhaustion, the house can commence. When the first certificate comes in from the architect, the first portion of the advance is made available. That is, where the division has been asked to make an advance to an eligible Australian soldier, as defined in the act, to build a house for himself, the division never in any circumstances makes any portion of that advance available until two years have elapsed from the date the application was lodged. Fifteen months elapse before it is processed, an average of six months before the processing is completed and then an indefinite period before the first architect’s certificate comes in.

Mr. E. James Harrison.—And then only in respect of the amount that is fixed.

Mr. Whitlam.—That is so. If the house takes two years to build, the final instalment does not go through until four years after the application was lodged. If it takes a year to build, which is more usual, then the final instalment of the advance is made available three years after the application was lodged. If one comments on the record of the War Service
Homes Division in recent years, one would summarize by referring to the record waiting period, the record waiting list and the record amount of repayments. The sum of those three items is a frustration on the part of ex-servicemen and failure on the part of the Government.

The position was well summed up by the acting deputy director of the division in Brisbane when addressing the annual congress of the returned servicemen's league in Queensland last May. I am relieved that the gentleman's appointment was later made permanent. He said—

The war service homes applications backlog was growing steadily worse.

At February 23, his last available figures, there were 23,401 outstanding applications for homes.

That was 1,250 less than there were at the end of the financial year—

Throughout Australia there had been 29,000 war service applications last year, much to the surprise of the Ministry.

Only £30,000,000 had been made available in the past financial year, though the pending applications would take £54,000,000, but cancellations were expected to reduce the cost of the backlog homes to about £30,000,000.

Some of the delay of up to 15 months in finalizing applications was inevitable, but one of the biggest obstacles was lack of finance.

The gentleman said that in Queensland the position was so acute that from September, 1955, to March of this year he had not had any money for home building for ex-soldiers except a handful of emergency cases. He had not been able to let a contract in that time. Little wonder that the honorable member for Bowman (Mr. McColl) has found it difficult to contain himself and that the honorable member for Petrie (Mr. Hulme) has found it impossible to do so.

I conclude by reading from the report of the federal president of the returned servicemen's league of Australia to the annual federal congress of the league meeting in Sydney last week.

Mr. Duthie.—Read it slowly.

Mr. WHITLAM.—Yes, it will sink in all the better if I do so. The federal president said—

Federal Executive and Congress has discussed the seriousness of the problem on several occasions. The conclusion reached is that the only solution to the vexed question is the allocation of additional finance to have new homes built and existing homes purchased in the shortest possible time. The League wants to see men walk into their homes and not be pushed in in wheel chairs.

Years ago the League recommended that the Division's annual allocation be stepped up to £35,000,000. Had that course been followed many men now on the waiting list would have been in occupation of war service homes.

I add that in those circumstances the persons who will become eligible for assistance under this amending bill would also have been able to move into their homes in reasonable time.

Mr. ANDERSON (Hume) [1.12 a.m.]—

I do not propose to detain or to bore the House very long. I have listened to the honorable member for Werriwa (Mr. Whitlam) on many occasions when he has made speeches in which he has attempted to damage the Government. He stands up with a legal detachment and produces cutting remarks on every bill that contains any money element. He spoke now on the War Service Homes Bill. The theme of his speech was the Government's niggardly approach to this very serious problem. He asserted that more money should be made available, and suggested an additional £5,000,000. I recall that recently he spoke on the Loan (War Service Land Settlement) Bill. Honorable members will recall how caustic he waxed when he attacked the Government on the miserable amount of money it made available for that purpose. I forget the exact amount he wanted then, but it was at least £20,000,000.

I have a list of the occasions on which this honorable gentleman, with his caustic wit, has attacked the Government. I remind honorable members how he waxed on the subject of the Northern Territory. He wanted millions of pounds for the development of the Northern Territory. On every occasion this honorable member makes exactly the same speech, demanding more money. How easy it is to damage the Government, with complete and utter irresponsibility! I could go on for half an hour citing occasions on which the honorable member has made this sort of speech. He spoke on shipbuilding and on many other matters. I do not propose to detain or to bore the House much longer. However, I feel that when the House is kept to this late hour honorable gentlemen should try to introduce some sense into the debate.
I submit that the honorable gentleman has detained this House for half an hour, being very clever but serving no purpose at all.

Mr. ROBERTON (Riverina—Minister for Social Services) [1.14 a.m.].—in reply—
I should have thought that at this early hour of the morning honorable members would confine themselves to the four corners of the bill that is under discussion. I am grateful to the honorable member for Bowman (Mr. McColm) and the honorable member for Bruce (Mr. Snedden) because they confined themselves to the four corners of the bill. Other honorable members reserved the right—and I suppose they had a right—to discuss the entire terms of war service homes in the broadest possible aspects, except, of course, the honorable member for Hume (Mr. Anderson), who referred only to what the honorable member for Werriwa (Mr. Whitlam) had to say.

I had intended to confine my remarks in reply to the reference by the honorable member for Bass (Mr. Barnard) to the waiting period. But the honorable member for Werriwa gave the honorable member for Bass, if he were listening, the information that perhaps he should have had and that no doubt he now has. The waiting period for the purchase of a home is fifteen months. The waiting period for the building of a home in all States except New South Wales is fourteen months, and in New South Wales it is twenty months. Every applicant for a war service home is informed of the waiting period as soon as his application has been investigated and approved.

It is a remarkable thing—and honorable members should take this into consideration when they apply themselves to a study of the War Service Homes Act—that because of the popularity of the scheme under this Government, the number of applications has increased substantially during the last seven years. However, whether the applications number 20,000, 25,000 or 30,000 a year, honorable members should appreciate that there is a considerable wastage throughout the year, and that that has always been the case. Withdrawals of applications for war service homes subsequent to World War I; for example, were as high as 50 per cent. That is to say, 50 per cent. of the applicants either withdrew their applications when they were about to get an allotment, or had their applications refused for a variety of technical reasons. Similarly, subsequent to World War II., the withdrawals have been no less than 42 per cent.; so that the impressive number of applicants who are considered to be waiting for homes from time to time must be viewed in relation to these traditional wastages, if I may so describe them.

The honorable member for the Australian Capital Territory (Mr. J. R. Fraser), who is no longer in the chamber, was worried about the restriction that is imposed by virtue of the fact that applicants have to satisfy the Director that they are married, or about to be married. That, of course, is a condition that was introduced into the act to give a degree of merit priority to married persons and those about to be married, and so far as I am in a position to judge, a priority of that kind is entirely justified. So long as I can exert any influence in the Government, that priority will remain while there is a homeless married ex-serviceman. I am indebted to the honorable members for Bowman (Mr. McColm) and Bruce (Mr. Snedden) for their gracious references to the Minister in charge of war service homes. I have no doubt that he will be greatly interested in what they had to say. Both honorable gentlemen are members of the Government members ex-servicemen's committee which, of course, has examined this question very closely, as it has examined all questions which affect ex-servicemen and ex-service-women. Its advice has always been available to the Government.

I conclude with a brief reference to the remarks of the honorable member for Werriwa (Mr. Whitlam). He had a number of complaints, of the kind that one expects from him when he addresses himself to a bill of this description, but only two of them were of any importance or value either to the House or to the people interested in the provision of war service homes. The first complaint concerned the policy in relation to section 20 of the act, which provides in paragraph (f) for assistance to be given to discharge mortgages on old homes, a facility that was discontinued as long ago as December, 1951. The honorable member's second complaint concerned the discontinuance, for the time being—for which I myself accept full personal responsibility—of favorable consideration being given to
second applications for assistance under the War Service Homes Act. The discontinuance of assistance for the discharge of mortgages on old homes was rendered necessary because of the number of applications from people who were without homes, and because the primary purpose of the act was to provide homes, or to build homes, and not to discharge mortgages.

If the division decided to renew the practice of discharging mortgages, it could happen that a large proportion of the resources that are available to the division would be used for that purpose. In my opinion, and I am sure it is also the opinion of the Government, it would be nothing short of a stark tragedy if 25 per cent., 50 per cent. or perhaps 75 per cent. of the resources available to the division were used to discharge mortgages, to the prejudice of people waiting for homes to be built or to be purchased. Precisely the same arguments apply in respect of second applications. Those who have had successful first applications naturally appreciate the value of their homes. In some instances—I do not say in all instances—their cupidity is excited and they find it a very profitable business to submit a second application, but the granting of second applications prejudices the chances of those who have been waiting patiently for years for favorable consideration of their first applications. So, again, as long as I can exert influence in this matter, no serious consideration will be given to second applications, except in cases of extreme urgency, until first applications have been dealt with satisfactorily.

This bill confines itself to broadening the scope of the act so that the number of persons eligible may be increased, and at this early hour of the morning I leave the measure to the good sense of the House.

Question resolved in the affirmative.
Bill read a second time.

In committee:
Clauses 1 and 2—by leave—taken together and agreed to.

Clause 3—
Section four of the Principal Act is amended—
(d) by omitting from sub-section (2.) all the words after the words "by virtue of this sub-section" and inserting in their stead the words—
"unless—
(d) that person or a dependant of that person is, . . . .

Mr. ROBERTON (Riverina—Minister for Social Services) [1.23 a.m.].—I move—
That paragraph (d) be omitted with a view to inserting the following paragraph in place thereof—
"(d) that person, not being a person to whom the last preceding paragraph applies, served, after the commencement of the Repatriation (Far East Strategic Reserve) Act 1956, in an area prescribed to be, or to have been, an operational area for the purposes of this paragraph.'".

The committee will appreciate that this bill was introduced in another place. That fact afforded an opportunity for the Minister in charge of war service homes, and those members of the Government interested in this question, to review the purposes of the bill. It became obvious that the provision to confine eligibility for war service homes to members of the strategic reserve who become entitled to repatriation benefits was too restrictive to cover the particular circumstances, and the proposed amendment is designed to widen the scope of the bill. The amendment provides that eligibility will be determined on the simple basis of service in an operational area during the period that the area is prescribed by the Governor-General as an operational area. This amendment liberalizes the eligibility provisions to the degree that qualifies members who serve in a prescribed operational area without regard to entitlement for repatriation benefits and, I am sure, will meet with the approval of every member of the House.

Amendment agreed to.

Clause, as amended, agreed to.

Remainder of bill—by leave—taken as a whole and agreed to.

Bill reported with an amendment.
Bill—by leave—read a third time.

COMMONWEALTH RAILWAYS BILL 1956.
Second Reading.

Debate resumed from 30th October (vide page 1914), on motion by Mr. Cramer—
That the bill be now read a second time.

Mr. E. JAMES HARRISON (Blaxland) [1.27 a.m.].—This is not the first occasion on which I have signed on at 1.30 in the morning, and I have frequently seen sleepy
people behind an engine, but I have never seen any more sleepy than some of the honorable members that I see before me to-night.

Mr. Haworth.—They will be sleeper after listening to the honorable member.

Mr. E. JAMES HARRISON.—My friend says that honorable members will become sleeper, but I suggest that if this House had any regard for the economics of the transport industry in Australia it would take a special interest in this measure, because, first, it makes provision for the closing of a railway, which is something almost novel in the history of Australian railway operations. The proposal is even more novel when we consider that the line is being closed in order to make way for a new railway.

Mr. Pearce.—In Queensland the railways are merely to be shut down.

Mr. E. JAMES HARRISON.—That is remarkable. If the same attitude were adopted towards the transport problems of Mount Isa as has been adopted towards the problems of Leigh Creek, the transport difficulties of Mount Isa and Townsville would be eliminated in the same way as those that affect Leigh Creek and the power-houses in South Australia have been eliminated.

I want to make only one or two observations on this bill. The provision of the proposed 160 miles of standard-gauge railway gives point to some of the remarks made in this chamber during the past few weeks about the value of standardizing rail gauges in Australia. This 160 miles of railway provides a classic example of what rail services can do if properly administered. I believe that the Commonwealth Railways Commissioner and his staff stand high in the esteem of any of the Australian people who understand what is being done with regard to rail transport. It must be remembered that all the Commonwealth Railways lines start from small centres and finish at small centres. They run, for instance, from Port Augusta to Kalgoorlie, or northwards through South Australia to Alice Springs. Nevertheless, the Commonwealth Railways is the only government transport system in Australia, with the exception of Trans-Australia Airlines, that has shown a profit on its operations. For that reason we should examine this legislation closely and not lightly pass it, even though it is being considered in the early hours of the morning.

Mr. Bowden.—I am glad that the honorable member recognizes that fact.

Mr. E. JAMES HARRISON.—I recognize it, but I think that every one of us should take these facts into account when we are considering a measure such as this.

Nearly 17 per cent. of the Australian work force is employed in transport industries, and about 30 per cent. of our total capital is invested in transport industries. Therefore, any honorable member who does not sit up and take some notice when transport costs are being discussed has no regard for the future of Australia. In the United States of America about 10 per cent. of total capital invested is employed in the transport industry, and in Canada the figure is 9 per cent., but in Australia it is 30 per cent. Nearly 17 per cent. of our available man-power is used in transport services that cater for 9,000,000 people, more than half of whom are settled in five capital cities that are up to 3,000 miles apart.

This bill illustrates what can be done with an efficient railway service. The Commissioner's report reveals that when the 3-ft. 6-in. gauge line is replaced by a line of 4-ft. 8½-in. gauge, the loads that may be hauled on the line, by two diesel-electric locomotives, will increase from a maximum of 660 tons to 5,500 tons, although the same man-power will control the carriage of this extra tonnage.

The bill emphasizes the fact that we must adopt a more progressive approach to our transport problems. Between 1950 and 1954 the deficits on railway systems in Australia amounted to the huge sum of about £80,000,000. It is of no use to say that they are State railways, because it is obvious that no country can stand idly by and watch millions going down the drain in that way. For that reason we should seriously consider this measure and see what is to happen as the result of the replacement of the present railway by a line of standard gauge. The Commonwealth Railways organization is paying its way, and it is doing so in circumstances of which this House should take notice, because our Australian Constitution provides that no preference shall be given to any one State, or to any one particular operation in a
State, by any Commonwealth undertaking. Nevertheless, there is an agreement between the Commonwealth and South Australia to the effect that, although the normal haulage rate on the Commonwealth Railway lines is the lowest in Australia, being only about 2d. a ton-mile, the Commonwealth Railways are required to haul coal for 160 miles at 11s. 6d. a ton. I hesitate to use the word "collusion" in this connexion, but this low rate has been agreed upon. If the Commonwealth Railways are required to haul coal for the South Australian Electricity Trust over a distance of 160 miles for 11s. 6d. a ton, although the trust should be required to pay 33s. a ton, there would appear to be no reason why the Commonwealth should not subsidize to the same degree every ton of coal hauled from the western coal-fields of New South Wales to the Bunnerong power station in Sydney. If the New South Wales Government were given the degree of consideration that is given to the South Australian Government, the charge made for electricity in New South Wales could be reduced. In Western Australia, coal is being hauled over a distance of approximately 160 miles for 42s. a ton. Surely that State, too, should be treated as favorably by the Commonwealth as South Australia. I maintain that the Commonwealth Railways organization is just as entitled as is Trans-Australia Airlines or any other Commonwealth organization to be paid the full commercial rates for the work that it does.

The Commonwealth Railways, in accordance with a long-term plan that was adopted five or six years ago, indulged in what might have been regarded then as an elaborate change-over from steam locomotives to diesel-electric locomotives. The value of the new locomotives has been proved beyond doubt. A recent report of the Australian Transport Advisory Council reveals that labour accounts for 66% per cent. of all rail transport costs in Australia—that is, 13s. 4d. in the £1. But the Commonwealth Railways, as a result of the change-over from steam locomotives to diesel-electric locomotives and the greater efficiency flowing therefrom, has reduced its labour cost to 8s. 8d. in the £1. This Commonwealth organization, using modern equipment and diesel-electric locomotives, has been able to reduce the labour component of its costs by one-half. This year, instead of making a loss, it made a profit of 6s. 8d. in the £1, which broadly speaking, represents the difference between the cost of steam operation and the cost of diesel-electric operation.

Therefore, I suggest to the Government that the time has arrived when it should assist the States to install modern railway equipment. Some honorable members opposite are yawning and saying that they would like to go home. If they are not interested in the debate, there is nothing to prevent them from going home now, but it is unfortunate that some members of the Government parties are not sufficiently interested in the national economy to pay, even at this hour, some attention to a debate which should direct the attention of the Parliament to the need to do something about transport costs. If this Government does not do something to reduce transport costs, which at present account for 30 per cent. of our domestic expenditure, another government will do so.

There is another point that I want to make. In 1949, the earnings of the Commonwealth Railways per train mile were 20s. 3½d. and working expenses per train mile were 23s. 3d. In that year, the Commonwealth Railways were down to the extent of about 3s. a train mile. That was the year immediately preceding the introduction of diesel-electric locomotives. It is interesting to note that the Commonwealth Railways organization is the only organization in Australia that has not increased its charges since 1951. Despite the fact that it has made no increases of charges since 1951, its costs per train mile rose only slightly between 1949 and 1956—from 23s. 3d. to 27s. 10½d. On the other side of the picture, earnings per train mile rose from 20s. 3½d. to 44s. 1½d. In other words, this great service has doubled its income as the result of the modernization of its equipment.

If the States could be provided by this Government with the necessary capital to enable them to purchase modern railway equipment of the kind used by the Commonwealth Railways organization, the whole of the capital would be repaid in two and a half years. The results of the operations of American railways show that that is so.

Mr. Hulme.—But the railways in America are not run by State governments.
Mr. E. JAMES HARRISON.—This is not a question of the States against the Commonwealth. It is a question of common sense applied to transport operations. I suggest to the Government that an analysis be made of the results of the diesel-electrification of the Commonwealth Railways system with a view to re-organizing railway systems throughout Australia on the same basis. If that were done, our expenditure on transport would be reduced from the present level of 30 per cent. of domestic expenditure and a worthwhile contribution would be made to the fight against inflation.

Mr. WENTWORTH (Mackellar). [1.45 a.m.].—I share the regret of the honorable member for Blaxland (Mr. E. James Harrison) that this bill has come before the House at such a late hour when honorable members are not really able to pay sufficient attention to the important principles involved in it, which, I believe, warrant the careful attention of the House. I shall be very brief. I want first to mention the short length of railway which is being closed and the new line that will replace it. This change will increase the importance of Marree, and the Government should be thinking in terms of developing an important transfer point at that centre, which will be the junction of the 3-ft. 6-in. line and the new 4-ft. 8½-in. line. In addition, it will be the point at which road traffic down the Birdsville track from the Queensland Channel country will reach the nearest point in the Australian railways system. This will tend to make Marree the terminal point for a most important road traffic, and therefore the Commonwealth Railways should be thinking in terms of developing a large and highly efficient transfer point at Marree.

The second point I should like to mention is that the new railway cannot become fully efficient until it is linked with the main standard-gauge system. The new length of line is itself of standard gauge, but it will not be possible to travel to Adelaide without a break of gauge unless the line from Port Pirie to Adelaide is converted to standard gauge. The break of gauge presents a problem in terms of the movement of cattle to the Adelaide market from the interior. There is also a considerable trade across the border into New South Wales which at present entails a large number of transfers, all of which hinder the proper flow of traffic. This could be overcome if the line from Broken Hill to Port Pirie were converted to standard gauge. This trade between South Australia and New South Wales is becoming increasingly important with the development of big mineral deposits in central Australia and the Northern Territory, particularly at Tennant Creek. The minerals obtained in these areas earn much foreign exchange and provide a great deal of revenue, and it is to be hoped that the Commonwealth will think in terms of reducing production costs and providing the most efficient transport system possible by eliminating the transfers necessitated by the break of gauge.

These are important matters, although, they are perhaps of less importance than the other matters mentioned by the honorable member for Blaxland, in respect of most of which I find myself substantially in agreement with him. Diesel-electric locomotives will pay for themselves, and it would be prudent for the Government to make available to the States in some form the capital funds needed to purchase them. This capital expenditure would be self-balancing over a very short period. After only a year or two in service the diesel-electric locomotives would pay for themselves. The House will remember that some time ago I suggested that we should have a revolving fund for the purchase of diesel-electric locomotives into which the profits from the operation of locomotives of this type could be paid so that more of them could be purchased. In this way, as the honorable member for Blaxland has rightly said, the whole of our railways system could be converted to diesel-electric traction.

The last point I should like to make is that it is well worth while to construct new lines to high standards. It would not be possible to take trains of 5,500 tons gross weight over the new line between Stirling North and Brachina, as the Commonwealth Railways Commissioner proposes to do, if the line had not been constructed to very high standards. I do not believe that the day of the railway is done. It may be that for the short haul and the small haul it is done, and I think that is why the railway mentioned in this bill is to be closed, and quite rightly. But for long and heavy hauls railways can perform a valuable
function which cannot be performed nearly as efficiently by road transport. We must rationalize our transport system, perhaps by closing railways, as on this occasion, where they carry purely local traffic, and we should at the same time develop our main trunk lines to high standards in order to give the people proper transport services.

Question resolved in the affirmative.

Bill read a second time.

In committee:

The bill.

Mr. BRYANT (Wills) [1.50 a.m.]—I want to mention briefly what I consider to be the dangerous provisions of proposed new section 68B of the principal act, which reads—

(1) The Governor-General may, if he is satisfied that a railway is no longer required, authorize the closing of that railway.

(2) Notice of an authorization under the last preceding sub-section shall be published in the "Gazette" and the Commissioner may close the railway accordingly.

I do not think the bill should contain such a provision, which will permit the closing of a railway and the dismantling and disposal of buildings and equipment without reference to the Parliament. This provision is typical of the present Government's methods of treating government property, and I think it is bad.

Bill agreed to.

Bill reported without amendment; report adopted.

Bill—by leave—read a third time.

PRINTING COMMITTEE.

Mr. DEAN.—As Chairman, I present the fifth report of the Printing Committee.

Report read by the Clerk, and—by leave—adopted.

BILLS RETURNED FROM THE SENATE.

The following bills were returned from the Senate:—

Without amendment—

Land Tax Abolition Bill 1956.

Customs Tariff (Industries Preservation) Bill 1956.

Without requests—

Stevedoring Industry Charge Bill 1956.

Customs Tariff Validation Bill 1956.

DAY AND HOUR OF MEETING.

Motion (by Mr. Harold Holt) agreed to—

That the House, at its rising, adjourn to Thursday next, at 2.30 p.m.

ADJOURNMENT.

The Parliament—Middle East.

Motion (by Mr. Harold Holt) proposed—

That the House do now adjourn.

Mr. WARD (East Sydney) [1.54 a.m.]—In view of the gravity of the international situation, the Parliament should meet again before Thursday next. A great deal could happen between now and then. I can see no reason why the Parliament should not meet again early next week. In any case, the Government is not bound to call the Parliament together even on Thursday next.

Mr. Harold Holt.—Would the honorable member like it to meet on Monday?

Mr. WARD.—Monday would be much better than Thursday. If the position is as grave as the Government has indicated, the Parliament should meet much earlier than Thursday next.

My main purpose in rising to address the House at this hour is to put on record a most important decision with respect to the present international situation that has been arrived at by a number of religious orders. This decision whole-heartedly supports the attitude adopted by the Labour Opposition in this Parliament and in the United Kingdom Parliament. The decision which they have made is expressed in the following words:—

We appeal to the Australian Government and Parliament to urge forthwith the Governments of the United Kingdom and France to bring the hostilities commenced on Egyptian territory immediately to an end and to allow the whole Suez Canal situation to be dealt with by the United Nations.

This is in accord with the Labour Opposition's decision. The gentlemen who made that statement on behalf of their various churches are as follows:—Bishop E. H. Burgmann, Church of England; Reverend Hector Harrison, Presbyterian; Reverend Dr. George Wheen, Methodist; Reverend Alan Farr, Congregational; Reverend F. P. McMaster, Baptist; Reverend Dr. J. J. Stolz, United Evangelical Lutheran; and Reverend G. R. Stirling, Church of Christ.

Honorable members can see that that is quite an imposing array of important
gentlemen who support the Labour Opposition's view. I hope that in view of what these gentlemen have had to say, the Government will reconsider its attitude to the whole situation, and recognize that the Labour Opposition has adopted the correct line, which is meeting with the approval of the community. I hope that the Government will amend its attitude to conform with public opinion in Australia.

Question resolved in the affirmative.

House adjourned at 1.56 a.m. (Friday).

ANSWERS TO QUESTIONS.

The following answers to questions were circulated:—

Taxation.

Mr. Bryant asked the Treasurer, upon notice:—

1. Has his attention been drawn to writs issued by a director and a reporter of a Sydney newspaper against a director of another Sydney newspaper and the associated company, and to the counter writs issued by the latter director and his company against the former director and his company?

2. Will all the expenses of all the parties to this litigation be regarded as allowable deductions for taxation purposes, irrespective of who wins or loses when the matters come to court?

Sir Arthur Fadden.—The answers to the honorable member's questions are as follows:—

1. Yes.

2. Any claims that may be made for the allowance of the expenses as income tax deductions would be determined by the taxation authorities. Observation of section 16 of the Income Tax and Social Services Contribution Assessment Act requires that the Commissioner of Taxation and his officers shall maintain secrecy concerning the affairs of taxpayers and, in these circumstances, a decision on any claim for deduction of the expenses of litigation would not be disclosed, except to the taxpayer concerned.

Newsprint.

Mr. Galvin asked the Minister acting for the Minister for Trade, upon notice:—

1. Has Mr. Frank Packer, or any of the companies with which he is associated, been granted a licence for the importation of newsprint in excess of the entitlement fixed by the Department of Trade and Customs to operate from the 1st October, 1955; if so, why?

2. Has Mr. Frank Packer, or any of the companies with which he is associated, been granted a restoration in whole or in part of the cut on imports of mechanical printing paper fixed by the Department of Trade and Customs to operate from 1st October, 1955; if so, why?

3. Has an agreement been reached to give effect to either or both of these grants?

4. What alterations have been made in the total permissible imports of newsprint and mechanical printing paper for the publications of the companies with which Mr. Packer is associated since the imports from 1st October, 1955, were fixed?

Mr. McMahon.—The answers to the honorable member's questions are as follows:—

1. No.

2. An upward adjustment was made quite recently in the allocation to Consolidated Press Limited for imports of mechanical printing paper. This course was taken following the examination of applications by the company and on the merits of the case presented. The adjustment had been recommended earlier by the Department of Trade and Customs previously responsible for licensing.

3. The company has been advised of the decision.

4. None, other than the adjustment I have already mentioned.

Western Australian Timber.

Mr. Webb asked the Minister for Trade, upon notice:—

1. Is the sale of Western Australian timbers overseas being restricted so that the Commonwealth and South Australia will have sufficient railway sleepers?

2. Are licences being granted to import timber from dollar and sterling areas for purposes for which Western Australian timbers is suitable?

3. Is it a fact that huge stacks of timber are being accumulated and some saw-mills are being closed down, whilst others are reducing output, and that, as a result, men are losing jobs?

4. If the position is as stated, will he take steps to ensure that Western Australian timber is used to the fullest extent, or, alternatively, that restrictions on the overseas sale of this timber are lifted?

Mr. McMahon.—The answers to the honorable member's questions are as follows:—

1. No control is exercised by the Department of Trade on the export of timber. I am advised by my colleague, the Minister for the Interior, however, that a control is maintained on the export of timber from Australia according to the varying needs of the different States. I understand that, as far as Western Australia is concerned, the control is purely nominal, except in the case of railway sleepers. Western Australian saw-millers hold orders for the supply of the essential requirements in railway sleepers of the Western Australian, South Australian and Commonwealth railways, and control of the export of railway sleepers from Western Australia has to be maintained in order to ensure that independent buying agencies from overseas do not deplete the available production to the extent that the essential requirements of these railway systems cannot
be met. I am informed, however, that despite the export control, approval has already been given to the export, during 1956-57, of about one-third of the estimated production of railway sleepers in Western Australia.

2. The productive capacity of the Australian timber industry falls short of the level of requirements for this very essential commodity, and the honorable member will appreciate that it is necessary to supplement local supplies with imported timber.

3. It has been brought to my notice that the Western Australian timber industry is experiencing some difficulty in disposing of its timber.

4. With regard to limitations on the export of local timber, I have already stated my understanding of the position on these controls. As far as timber imports are concerned, the availability of local supplies is taken into account for the purpose of conserving overseas exchange in determining the permissible level of imports. It is not possible, however, to give the Australian timber industry any direct protection through the administration of import licensing.

Woomera Rocket Range.

Mr. Makin asked the Minister for Supply, upon notice—

1. What area of land which was formerly the central aboriginal reserve has been taken over for the purposes of the rocket range?

2. Have mining rights been granted in this area; if so, what number of licences have been granted?

3. Will he make available a list of the persons or company of persons who are interested in mining operations in the area?

Mr. Beale.—The answers to the honorable member’s questions are as follows:—

1. No area of land involving the central aboriginal reserve has been taken over for the purposes of a rocket range. However, the south-eastern portion of the central aboriginal reserve falls within an area proclaimed a prohibited area under the Defence (Special Undertakings) Act. Our operation of this prohibition controls only the entry of white people into the area and does not restrict the movement of aborigines. Before any tests are conducted at Maralinga which might involve the area in question, an extensive search is conducted to locate aborigines. Also, two native affairs officers of the Department of Supply are in constant supervision of the welfare of natives in both Woomera and Maralinga range areas.

2 and 3. Do not concern the Commonwealth, and are matters entirely within the jurisdiction of the State of South Australia.

Aircraft Inspection Directorate.

Mr. Bryant asked the Minister for Air, upon notice—

1. What is required of a temporary employee in the Aircraft Inspection Directorate before he can obtain permanency?

2. Has the directorate at any time suggested to employees that they would be able to obtain permanency?

3. How many personnel in Melbourne are employed in (a) a permanent capacity, and (b) a temporary capacity?

4. How many temporary employees who have applied for permanency in the last four years have been refused and are still employed in the directorate?

5. What are the usual grounds for the refusal to grant permanency?

Mr. Osborne.—The answers to the honorable member’s questions are as follows:—

1. Appointments in the Aeronautical Inspection Directorate are governed by the number of permanent vacancies which may occur from time to time. Provided they are within the prescribed age limits temporary employees as well as all other applicants are required to possess an apprenticeship or equivalent trade training or other qualifications dependent on the grade of the position. In view of the limited number of permanent vacancies which occur selection is on a highly competitive basis and is dependent upon the relative efficiency and technical capacity of temporary employees in comparison to other applicants.

2. Temporary employees have been advised that consideration will be given to their applications for appointment to permanent vacancies, along with any others which may be received.

3. The number of inspection staff employed in the Melbourne area is—(a) permanent, 64; (b) temporary, 53. Of the number in (b) seven are in the process of being appointed to permanent vacancies.

4. Twenty-three temporary employees currently serving in the Melbourne area and who are eligible for appointment to permanent positions on the inspection staff have been unsuccessful in their applications during the last four years.

5. The usual ground for the non-selection of temporary employees to permanent vacancies, other than age or medical incapacity is superior efficiency and technical ability of the successful applicant in the particular inspection field, due regard being given to the preference clauses of the Public Service Act in relation to permanent officers of the Commonwealth Public Service, and the preference clauses of the Re-establishment and Employment Act in relation to ex-servicemen.

Air Force Dwellings at Williamtown.

Mr. Griffiths asked the Minister for Air, upon notice—

1. How many Air Force dwellings at Williamtown, New South Wales, are occupied by Royal Australian Air Force personnel?

2. To what ranks are Air Force dwellings allotted?

3. How many servicemen of each rank occupy homes at Williamtown?

4. What is the value of each dwelling?
5. Are water, sewerage, sanitary or hire rates paid in respect of these dwellings? If so, by whom are they paid?

6. Who pays the lighting and heating costs in each instance?

7. What is the amount of weekly rent paid by each occupier?

8. Are the cottages furnished at the date of letting or are they unfurnished?

9. How is the rental computed in each instance?

10. Are any other Commonwealth-owned dwellings occupied by Air Force servicemen near Newcastle?

11. If so, what is the weekly rent paid, and what is the value of these residences?

Mr. Osborne.—The answers to the honorable member's questions are as follows:

1. Of a total of 47 houses, 39 are occupied by Royal Australian Air Force personnel; five by Army, one by Navy, one by Royal Air Force and one by United States Air Force. The latter eight personnel are on duty with the Royal Australian Air Force at Williamtown.

2. Air Force dwellings are allotted to all ranks.

3. Williamtown houses are occupied by the following ranks (Royal Australian Air Force only):—Wing commander, two; squadron leader, six; flight lieutenant, six; flying officer, six; warrant officer, three; flight sergeant, three; sergeant, four; corporal, four; leading aircraftman, five.

4. The cost of the dwellings is from £3,260 to £6,400 per unit. A recent valuation has not been made.

5. Water and sewerage are provided as part of the base supply, and such services are paid for by the Commonwealth. Shire rates are not paid on Commonwealth properties, but ex gratia payments may be made in respect of residences in lieu of rates, if claimed. No such claim has been made in respect of Williamtown.

6. The tenants of the dwellings pay for lighting and heating charges.

7. The weekly rent varies between £1 6s. 3d. and £5 19s. depending on the type of house and the rank of the occupant.

8. The houses are unfurnished, but, generally, holland blinds and linoleum to the kitchen, bathroom, toilet and laundry are provided.

9. The rental charged is the economic rental or 15 per cent. of the member's pay, whichever is the lesser. The economic rental is based on the cost of construction and estimated life of the dwelling.

10. There are twenty Riley Neweum houses at Hoogal which the Royal Australian Air Force has under permissive occupancy from the Department of the Interior. Fourteen of them are occupied by airmen based at Williamtown and six by personnel from Rathmines.

11. Rental of these houses is £2 9s. a week. The cost of construction was approximately £4,000 a unit, but an up-to-date valuation has not been made.

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Shipbuilding.

Mr. Swartz asked the Minister representing the Minister for Shipping and Transport, upon notice—

1. Are many ships under construction for operation on the Australian coast by the present shipping companies?

2. How many of these vessels are being constructed (a) in Australia and (b) overseas, and what types of ships are involved in the expansion programmes?

Mr. Townley.—The Minister for Shipping and Transport has furnished the following replies:

1. Twenty vessels are on order for use on the Australian coast, by private shipping companies, the Broken Hill Proprietary Company Limited and the Western Australian State Shipping Service.

2. Of these vessels three are being built in Australia and seventeen overseas. The types of vessels involved are five bulk ore carriers, two bulk sugar carriers, ten general cargo vessels, one passenger/cargo vessel and two auxiliary ketches. In addition the Commonwealth Government has ten vessels on order in Australia consisting of six bulk ore carriers, two colliers and two bulk grain/general cargo vessels and has announced its intention of placing an order for a vehicular/passenger ferry and has called tenders for the construction of a further two bulk ore carriers.

Newcastle Airport.

Mr. Griffith asked the Minister representing the Minister for Civil Aviation, upon notice—

1. What progress has been made in the acquisition of land at Hexham for the building of an airport for Newcastle?

2. Has any firm offer been made to the owners of the land; if so, what was the amount offered?

3. Is the Royal Newcastle Aero Club to be accommodated at Hexham?

4. If not, has any approach been made for land at Blacksmiths, near Swansea, for a site?

Mr. Townley.—The following replies have been made available by the Minister for Civil Aviation:

1. All land at Hexham is included in the 1956-57 programme and is being negotiated by the Department of Interior at the present time.

2. A firm offer of £9,000 was made for the land required. The owner now wishes to sell a larger area and has offered the lot at a higher figure. This offer is under consideration.

3. When the aerodrome at Hexham is developed the aero club could presumably be accommodated there if they so desire.

4. The Commonwealth has taken no steps to procure land at Blacksmiths, near Swansea, for an aerodrome site.
Liquor on Civil Planes.

Mr. Duthie asked the Minister representing the Minister for Civil Aviation, upon notice—

1. Are women and children often inconvenienced in passenger planes by the conduct of other passengers who are under the influence of liquor?
2. Have air pilots and officers had to leave the flight deck in order to control a passenger who was under the influence of liquor?
3. Is it a fact that air hostesses, against their inclinations, have to act as barmaids on passenger planes?
4. Has his attention been drawn to the resolution of the Hobart Temperance Alliance urging the discontinuance of the serving of liquor on planes in view of its hazard to air travel?

Mr. Townley.—The Minister for Civil Aviation has furnished the following replies to the honorable member’s questions:

1. No. Earlier this year my department conducted a thorough investigation of this matter and also obtained reports from airline operators and the Pilots and Air Hostesses Associations. This investigation established that the operators exercise very strict control over the sale of liquor to passengers, and instruct their staff that liquor must not be served to any passenger who appears to be even slightly under the influence of alcohol. In addition, no person who appears to be under the influence of alcohol is permitted to embark. The airline companies and the Pilots and Air Hostesses Associations were unanimous in their advice that because of the strict control over serving of liquor in aircraft there is little likelihood of inconvenience to passengers.

2. No. The very rare cases in which a crew member has had to control a passenger were not attributable to service of liquor during flight. While it is an offence for a passenger to enter an aircraft in a state of intoxication, it will be appreciated that despite vigilance of airline employees the condition of a passenger may not become apparent until after commencement of a flight.

3. Hostesses are aware of the nature of their duties prior to accepting employment and it can, therefore, be assumed that they have no objection to serving liquor. In any case it is inaccurate and misleading to suggest that air hostesses act as barmaids.

4. No. But my attention has been drawn to a similar resolution of the Women’s Christian Temperance Union of Tasmania. Crew members are prohibited by law from consuming alcoholic beverages in the twelve hours preceding flight, and it is an offence for a passenger to enter an aircraft when in a state of intoxication. The quantity of liquor served to passengers during flight is strictly controlled by all airlines and I am satisfied that there is no evidence that the serving of liquor on planes constitutes a hazard to air travel.

Gold Passes.

Mr. E. James Harrison asked the Minister for the Interior, upon notice—

1. How many Ministers and other members of the present Parliament, showing ex-Ministers separately, retain the gold pass?
2. How many ex-members of the Parliament hold a gold pass?
3. Can he state (a) whether members of all State Parliaments enjoy free travel on interstate railways, including the Commonwealth railways, through the medium of a gold pass; (b) whether book passes are issued to the wives of all members of State Parliaments which entitled them to free travel on interstate and Commonwealth railway; and (c) how many State public servants and officers of State instrumentalities hold gold passes for interstate travel, including travel on Commonwealth railways?
4. By how much each year does the Commonwealth railways revenue benefit as the result of the gold passes held in the groupings referred to, and on what basis is payment made?

Mr. Fairhall.—The answers to the honorable member’s questions are as follows:

1. Thirty-four senators and members of the present Parliament are in possession of a life gold pass issued by the Commonwealth. This number comprises thirteen Ministers, twenty ex-Ministers and the private member.
2. Twenty-two ex-members of Parliament hold a life gold pass.
3. No.
4. Holders of life gold passes issued by the Commonwealth Governments are entitled to travel on the Commonwealth railways, but the amount paid by the Commonwealth Government for the pass covers only unlimited travel over the State railway systems. Where the holder travels on the Commonwealth railways the Commissioner claims the cost of the actual journey undertaken from the Department of the Interior. The amount of revenue obtained by the Commonwealth Railways from this particular travel is not readily available.

Mr. E. James Harrison asked the Minister for the Interior, upon notice—

1. Is any payment made to State transport departments or to Commonwealth Railways in respect of gold passes held by (a) Ministers or other members of this Parliament and (b) ex-members of this Parliament?
2. If so, how much is involved, and to what authorities is the payment made?

Mr. Fairhall.—The answers to the honorable member’s questions are as follows:

1. Yes.
2. £160 per annum in respect of each life gold pass. This amount is distributed between the States as follows:

<table>
<thead>
<tr>
<th>State</th>
<th>£</th>
<th>s.</th>
<th>d.</th>
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</thead>
<tbody>
<tr>
<td>New South Wales</td>
<td>68</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Victoria</td>
<td>68</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>South Australia</td>
<td>68</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Queensland</td>
<td>68</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Western Australia</td>
<td>68</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Tasmania</td>
<td>68</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>
These amounts cover travel only over the State transport systems. Should the holder of a Commonwealth life gold pass travel on the Commonwealth railways a debit is raised by the Commonwealth Railways Commissioner with the Department of the Interior for the actual cost of the journey.

**Charges Against Contract Firm.**

Mr. Ward asked the Minister for Works, upon notice—

1. Is it a fact that 35 serious charges, including one of conspiracy, have been preferred by the Commonwealth against the Sydney firm of builders trading as Messrs. Cody and Willis Proprietary Limited and its principals?
2. To what offences do the other charges relate?
3. When was this matter first brought to notice, and when were investigations first instituted by the Commonwealth?
4. Who conducted the inquiries, and when was a report of their finding submitted to the Government?
5. Is it a fact that the court proceedings have been repeatedly adjourned?
6. On how many occasions has the matter been before the court and adjourned?
7. At whose request and for what reason was the adjournment in each instance granted?
8. What is the present position, and when is it expected that finality will be reached?

**Mr. Fairhall.**—The answers to the honorable member's questions are as follows:—

1. Yes.
2. The other charges are laid under Section 29B of the Crimes Act. There are 32 charges of misrepresentation against Cody and Willis Proprietary Limited, Thomas Edward Cody and Vincent James Morrison and there are three charges of misrepresentation against Thomas Edward Cody and Cody and Willis Proprietary Limited.
3. The matter was first brought to notice in November, 1952, and investigations were commenced immediately.
4. Officers of the Department of Works and of the Commonwealth Investigation Service conducted extensive inquiries and reports were submitted by the Commonwealth Investigation Service from time to time between 6th September, 1954, and 1st August, 1955.
5. 6, 7 and 8. The case now being before the court, it is not proper that I should comment on the proceedings beyond saying that three of the defendants have been committed for trial on one charge and two of them have been committed for trial on two other charges, the remaining charges having been adjourned in the meantime in accordance with the usual practice in such cases.

**Non-official Post Offices.**

Mr. Griffiths asked the Postmaster-General, upon notice—

1. What is the yearly cost to the Postal Department of running non-official post offices at Dudley, Whitebridge and Redhead?
2. What number of staff is employed at each centre?
3. Is there a daily postal delivery service at each centre; if so, is a junior or senior officer employed?
4. What is the rate of pay received by each officer at each post office?
5. Are full postal and telegraph services available at each centre, and is any other service available?

**Mr. Davidson.**—The answers to the honorable member's questions are as follows:—

1. Dudley, £1,254 10s.; Whitebridge, £1.003: Redhead, £1,313.
2. In each case the non-official postmaster is the only departmental employee.
3. Yes. In each case the letter delivery service is arranged by the non-official postmaster who is paid a special allowance mutually agreed upon for this purpose. At Dudley and Redhead the postmaster employs an adult for the letter deliveries and a junior eighteen years of age is employed by the postmaster at Whitebridge.
4. The personal allowance payable to each postmaster is: Dudley, £793; Whitebridge, £568 10s.; Redhead, £787. Other allowances payable, excluding those in respect of letter and telegram delivery services, amount to £162 10s., £147 10s. and £164 respectively. Performance of the letter and telegram deliveries is a private arrangement between the postmaster and the person concerned.
5. Yes, and telephone facilities are also available at each office.

**Decentralization.**

Mr. Luchetti asked the Minister representing the Minister for National Development, upon notice—

1. What has been the movement of population from the country to the capital cities throughout the Commonwealth during the past five years?
2. What has been the net percentage gain of population throughout Australia during the past five years in (a) rural areas (b) urban areas, and (c) capital cities?
3. How many new factories and industries have been commenced throughout the Commonwealth during the past five years, showing separately the numbers in country centres and capital cities?
4. What Government surveys have been made in relation to decentralization during the past five years?
5. What direct votes of Commonwealth funds are made available to country area development throughout Australia?

**Mr. Beale.**—The Minister for National Development has furnished the following replies:—

1 and 2. There are no statistics available regarding the movement or percentage gain of population between urban and rural areas during the past five years. The population at successive censuses
is classified into "divisions of State"—i.e. metropolitan, urban, other urban and rural, but the growth of urbanization and variations in the pattern of the local government system (on which the classification is mainly based) make precise comparisons impossible. The Bureau of Census and Statistics, by making various adjustments to the 1947 figures, has produced the following approximations of population change between 1947 and 1954:—

<table>
<thead>
<tr>
<th></th>
<th>1947.</th>
<th>1954.</th>
<th>Absolute Increase</th>
<th>Percentage Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population in Metropolitan divisions</td>
<td>4,088,000</td>
<td>4,845,000</td>
<td>757,000</td>
<td>18.51</td>
</tr>
<tr>
<td>Population in rest of States and Territories</td>
<td>3,491,000</td>
<td>4,142,000</td>
<td>651,000</td>
<td>18.65</td>
</tr>
</tbody>
</table>

From time to time articles and maps purporting to describe population change in greater detail have appeared in various publications. They should be treated with caution, bearing in mind the limitations of the basic data, which all must use. The Atlas of Australian Resources, which is prepared by my department, gives an indication of population distribution at 1947 and population change between 1933 and 1947 in two maps and their accompanying commentaries, "Population Density and Distribution" and "Population Increase and Decrease". Similar information on the bases of the 1954 Census is being compiled and will be incorporated in a map in this atlas in due course. Copies of the atlas are held in the Parliamentary Library.

3. Information published by the Bureau of Census and Statistics shows the net increase in the number of factories in the Commonwealth over the five years ended 30th July, 1955. In 1949-50 the total number of factories was 41,592, while in 1954-55 the number was 51,056, an overall increase of 9,464 or 22.7 per cent. Factories associated with the processing of industrial metals and the manufacture of machines and conveyances were responsible for the largest increase in this number, having risen by 44 per cent. in the five years since 1949-50. However, statistics showing the breakup of these figures for metropolitan and country areas are not available.

4. Several surveys have been made by Commonwealth authorities in recent years with a view to decentralization and the use of underdeveloped areas. Surveys which have been published from 1951 onwards include—Commonwealth Scientific and Industrial Research Organization: Survey of the Katherine-Darwin Region, Survey of the Townsville-Bowen Region, and Survey of the Barkly Region. In addition the Commonwealth Government has sponsored studies relating to decentralization by various State universities. The State Governments, particularly in New South Wales and Victoria, have also been active in examining resources with a view to decentralization. Publications released since 1951 include—

New South Wales—
Premier's Department—
The New England Region, Preliminary Survey of Resources.
The Upper Hunter Region, Preliminary Survey of Resources.
Newcastle Regional Development Committee—

Victoria—
Central Planning Authority—Resources—Surveys of Upper Goulburn Region, Mallee Region, Loddon Region, and East Gippsland Region.

5. The principal votes of Commonwealth funds which may be regarded as being available for expenditure in country areas are listed below. It is, of course, largely an arbitrary matter as to what is regarded as directly available for country area development.

VOTES OF COMMONWEALTH FUNDS FOR COUNTRY AREA DEVELOPMENT.

<table>
<thead>
<tr>
<th>Vote</th>
<th>1954-55</th>
<th>1955-56</th>
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<tbody>
<tr>
<td>War Service Land Settlement</td>
<td>£4,038,969</td>
<td>£7,621,642</td>
</tr>
<tr>
<td>Railway Standardization (South Australia)</td>
<td>£603,815</td>
<td>£403,791</td>
</tr>
<tr>
<td>Snowy Mountains Hydro-Electric Scheme</td>
<td>£13,200,000</td>
<td>£15,146,000</td>
</tr>
<tr>
<td>Western Australia Comprehensive Water Supply Scheme</td>
<td>£366,223</td>
<td>£681,796</td>
</tr>
<tr>
<td>Commonwealth Aid Roads*</td>
<td>£22,360,507</td>
<td>£27,469,123</td>
</tr>
<tr>
<td>Emergency Wheat Storage</td>
<td>£2,178,362</td>
<td>£3,181,574</td>
</tr>
<tr>
<td>Stirling North to Marree Railway</td>
<td>£2,178,362</td>
<td>£1,825,830</td>
</tr>
<tr>
<td>Encouragement of Meat Production</td>
<td>£260,646</td>
<td>£302,981</td>
</tr>
</tbody>
</table>

* Under the Commonwealth Aid Roads Act of 1954 the States are bound to allocate two-fifths of Commonwealth grants to the construction of rural roads. The figures in the table represent the full grants.
Retrenchment in Commonwealth Establishments.

Mr. E. James Harrison asked the Minister for Defence Production, upon notice—

1. Can the 20 per cent. reduction in staff already effected by the Commonwealth Aircraft Corporation at Lidcombe be regarded as the limit in retrenchment that will take place, now or in the immediate future, at these works?

2. Is it a fact that, in the retrenchment policy being followed at Lidcombe, married men and their wives have been retained in some instances, whilst married men have been retrenched?

3. Is there any possibility that the corporation's organization at Lidcombe will be handed over to private enterprise between now and the 1st July, 1957?

Mr. Beale.—The answers to the honorable member's questions are as follows:

1. No.

2. Lidcombe factory is managed by Commonwealth Aircraft Corporation. The retrenchment policy being followed at Lidcombe by this company does not provide for the retention of married women in preference to married men. The company is not aware of any such case as suggested by the honorable member.

3. There is no such present intention.

Australian Airlines.

Mr. Whitlam asked the Minister representing the Minister for Civil Aviation, upon notice—

1. Has Australian National Airways Proprietary Limited asked Trans-Australia Airlines to confer on the increase in the latter's V/30 services between Melbourne, Sydney and Brisbane?

2. If so, when was the request made?

3. Was an agreement reached?

4. If so, what were its terms?

5. If agreement was not reached, has the matter been referred to the arbitrator appointed under the Civil Aviation Agreement Act 1952?

6. When was it referred to him?

7. What are his terms of reference?

Mr. Townley.—The Minister for Civil Aviation has furnished the following reply:

Under the Civil Aviation Agreement Act Australian National Airways Proprietary Limited wrote to the chairman appointed under the Agreement, Sir John Latham, and expressed the view that Sir John should call the parties together to discuss the Brisbane, Sydney, Melbourne services. I understand, however, that no terms of reference were considered and that to date the question has not been further pursued. It should be appreciated that neither the commission nor the company is under any obligation to disclose details of their discussions with each other, or before the chairman. These discussions involve their commercial activities and are necessarily of a confidential nature.

Oakley Airport, Queensland.

Mr. Swartz asked the Minister representing the Minister for Civil Aviation, upon notice—

1. Have arrangements been finalized for the re-sealing of one runway at Oakley Airport, Queensland?

2. As Butler Air Transport have commenced a service from Oakley to Sydney with a Viscount, can early consideration be given to the re-sealing of the second main runway at this airport to ensure that this type of aircraft can use both runways under all conditions?

3. As the air passenger traffic through Oakley will now increase, can further consideration be given to the sealing at an early date of the road from the entrance to the waiting room?

Mr. Townley.—The Minister for Civil Aviation has furnished the following reply:

1. Funds have been provided for the re-sealing necessary on the 45-degree runway, and work is expected to start within a few days.

2. Consideration will be given to the re-sealing of the second, but it is unlikely that funds will be available to do so during the present financial year.

3. Further consideration is being given to this work, since it may be necessary to co-ordinate it with the re-sealing of the 45-degree runway.

X-ray Institute.

Mr. E. James Harrison asked the Minister for Health, upon notice—

1. Did he receive from the Town Clerk, Bankstown, a letter dated 7th June, 1956, seeking financial assistance for the upkeep of the S. & M. Fox X-ray Institute?

2. If so, has he found ways and means of favorably responding to this urgent request on behalf of an institution that is rendering outstanding national health services to the community?

Dr. Donald Cameron.—The answers to the honorable member's questions are as follows:

1. Yes.
2. A reply was furnished agreeing with the State view that although fixed X-ray units have their place in hospitals, chest clinics and the like, they cannot be regarded as economic propositions when operated in circumstances similar to those applying to the S. and M. Fox Unit. Alternate suggestions were made whereby greatly increased and more economic and effective use could be made of the unit in the national tuberculosis campaign. In this event finance would continue to be made available and the unit could still serve the Bankstown area and no doubt retain its distinguishing name in appreciation of the public spirited action of Mr. and Mrs. Fox.

Pharmaceutical Benefits.

Mr. Whitlam asked the Minister for Health, upon notice—

1. Since the list of general pharmaceutical benefits was first prescribed under the National Health Act 1953, what drugs or medicinal preparations has the Pharmaceutical Benefits Advisory Committee recommended as additions to the list?

2. When was each recommendation made?

3. When was each addition made?

Dr. Donald Cameron.—The National Health Act authorizes the addition of a drug to the list of pharmaceutical benefits only after it has been recommended by the Pharmaceutical Benefits Advisory Committee. There is no requirement that recommendations by the committee must be implemented by either the addition or deletion of a drug as a benefit. Such additions, deletions and variations are matters of policy which are given effect to by statutory rules issued from time to time.