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1901-07-02

HouseofRepresentatives

Mr. Speaker took the chair at 2.30 p.m., and read prayers.

MAKINE BILL

Mr E SOLOMON

asked the Minister of Customs, upon notice -

Whether, in view of the importance of the matter, anything is being done in connexion with the introduction of a Federal Marine Bill, and, if so, when the measure is likely to be introduced.

Minister for Trade and Customs

Mr KINGSTON

- Yes ; official reports have already been called for and receive:), and it is intended that a conference of officers shall be held and the matter further dealt with during recess, with a view to the introduction of legislation next session.

PAPERS

The Clerk, in accordance with Standing Order 312, laid upon the table the following papers -

Permanent Military Forces of Australia - Return to an order of the House, dated 14th June, 1901.

Colonial Ammunition Company - Lease and Copy of Further Agreement with the Victorian Government.

PUBLIC SERVICE BILL

In Committee (consideration resumed from 27th June, vide page 1778):

Clause 53 -

If an officer is allowed to use for the purpose of residence the whole or part of a building belonging to or occupied by the Commonwealth, the Governor-General may direct that a fair and reasonable sum as rent therefor be deducted from such officer's salary, and the amount of such sum shall be fixed by the commissioner or by officers specially or generally appointed for the purpose by the commissioner. In calculating for any purpose the rate of salary of such officer the amount so deducted as rent shall be deemed and taken to be part of his salary.

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Mr CLARKE

- I wish to ask the Minister for Home Affairs to consider' whether he can see his way to allow country postal officials to have their quarters free. In many cases the officials - not only postmasters, but also postmistresses - are actually taking care of Government property, and I think in fixing the rent attaching to the buildings that circumstance should be taken into consideration. I have an amendment which I do not wish to press'; but, at the same time, I would like to know whether the honorable gentleman feels disposed to consider the question, or to entertain an amendment allowing free rent to these officers in certain cases.

Mr. BATCHELOR (South Australia). I wanted to raise the same question. In some of the States practically all the postmasters, from the Deputy Postmaster downwards, are allowed free residence. What I would like to know from the Minister is whether clause 51, under which any officer taken over by the Commonwealth will preserve all his existing and accruing rights, will be construed to cover the use of the buildings for residential purposes. In South Australia the officers have had this right for many years, and, unless that right is continued, there will be a distinct drop in their salaries. I believe the principle of the clause is quite right - that where the use of buildings is allowed free for residential purposes, a fair rent should be allowed for them, in order to place all the officers on the same footing.

Mr A McLEAN

- In Victoria the rent is added to the value of the salary.

Mr BATCHELOR

- In the case of Victoria then there will be no difficulty, but in the case of some other States the rent is not added to the salary : it is entirely apart from the salary. If the privilege is to be taken away from these postmasters, some of their existing rights will be taken away ; and if it is not taken away in some of the States the officers will be having their quarters free while in others they will be paying for them.

Mr Ronald

- What is the practice, in South Australia ?

Mr BATCHELOR

- To give the postmaster .free quarters.

Mr.- Clarke.-r-It is so in all the - small States, I understand.

Mr BATCHELOR

- I do.not.know the conditions, elsewhere, but .that is .the. practice ' in South Australia. I .would .like to know how this clause will read in with clause 51.

Mr O'MALLEY

- I wish to ask the-Minister for Home Affairs if .there could not be a minimum salary provided or some, arrangement made so that women in small towns would not .be .charged- -rent where tho salary was below a certain amount.

Mr SALMON

- I desire to support the suggestion . made by the honorable member for Cowper. In .the past a great deal of hardship .has- occurred to numbers of -public servants who are compelled by regulation .to reside in quarters which have .been provided for them. In many instances the quarters have been totally unsuitable to the requirements of their families, which have had to be divided, the. men being compelled to remain on the premises in order to protect Government property. Sometimes they have had to add, at their own expense, to .the . accommodation provided in .order .that their families might remain. It would bc. a good thing if the Government were to follow the practice adopted by .banking companies and so regulate .transfers and removals as to accord with the accommodation at the disposal of the State. The Government could, on the other hand, do away altogether with charging for rent. If a .man. is compelled by reason of the Government's necessity - as in the case of a postmaster, who- has to protect valuable property - to reside on the premises, he should not be penalised in any shape or' form, but should rather receive more consideration seeing that, in addition to his ordinary duties, he acts as custodian of Government property. I .quite agree with the .latter part of the clause, which provides that in calculating for any purpose the rate of salary, the amount deducted as rent shall be taken into account. We have had cases in Victoria - and I think the honorable member for Gippsland will bear me out - where claims have been made for pensions based on the rate of salary paid in addition to the amount deducted for rent ; although these claims have been resisted by the State. As I said, I. agree with .the latter part of the clause,- but I would .like to see every consideration given to those employes of the State who, for purely departmental- reasons, are compelled to reside in. quarters provided for them in buildings used by the State.

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Mr WATSON

- I do not disagree with the principle of the clause, but I would like to draw the attention of the Minister to a state of affairs that has arisen in New South Wales, under a somewhat similar position, and to ask- him to endeavour to provide against that under the Commonwealth. In New South Wales the rent charged .for the building is liable to fluctuation according to. the salary a man .gets, without any alteration in the accommodation provided. In some cases - say for instance, the case of a school teacher - the.salary has been increased because of .the large attendance at the school, and the Government have promptly mulcted the officer in an extra amount for rent. Tho proper -way would be to fix a fair rent, and a fair rent only, for the accommodation provided for the officer. I would . like the Minister to say whether it would not be possible to definitely provide that .the commissioner, who under the clause .has the fixing of the rent, should be guided by .the .fair rental value of the building, and that there should be no consideration of the salary. In other respects I do not see much objection to the clause. The suggestion of the honorable .member for Cowper would, it seems to me, be awkward insofar as it involves .a comparison between the positions of two officers, one having a residence provided and another not having it. The one who had no residence provided would, while getting the same salary, have to provide a residence for himself and pay rent to a private individual. It. would not be fair to create any such distinction as that, and therefore I think it only proper that the salary and the' rental should be regarded as distinct. Where I disagree with the clause is that there is no provision that the rent charged shall be a fair rent as against the value of the building for residential purposes.

Mr ISAACS

- I should like the Minister to give me one piece of information in regard to this clause. The clause says " If

an officer is allowed to use for the purpose of residence the whole or part " of a Government building, rent shall be charged. Does that mean that only where an officer has a choice and uses the building it has to be charged, or does it extend to cases where he is compelled to use the building? The clause when it comes to be administered may receive either one construction or the other, and we ought to make up our minds at once whether it is to apply universally. If the clause is to apply universally, the word "allowed" may raise some difficulty. It may be said on the one side or the other, that an officer had chosen to use the building, or that the clause ought not to be applied where there was compulsion. The Minister might take a note of the point, and consider whether he intends the clause to apply universally. If he does intend the clause to apply universally, I would suggest that he use other words.

Mr POYNTON

- My reading of the clause is, that it is optional on the part of the Governor-General whether there shall be a charge made. The clause uses the word "may," and I can imagine a number of cases where there ought not to be any charge made. The conditions of service rendered to a State or the Federal Government are such that some consideration should be shown in this connexion. Take the case of lighthouse-keepers.

Mr Watson

- That is .considered in the salary.

Mr POYNTON

- Is it the intention to charge rent in such cases ?

Mr Watson

- Why not give lighthouse-keepers . a good salary, and charge them rent.

Mr POYNTON

-If the Government are going to give a good salary, as the honorable member suggests - a salary sufficient to cover the cost of rent - there is not so much objection to the clause. But if the salaries ' of lighthouse keepers are to remain the same as when the .service was taken over by the Commonwealth, and these men find out afterwards that where residences are provided rent is charged, hardship will be inflicted. That is what we all desire to prevent.

Minister for Home Affairs

Sir WILLIAM LYNE

. - The object of the clause is to have uniformity as far as possible. But I admit the provision may be used in such a manner as to cause hardship in the case of light-house keepers just now referred to. In some States light-house . keepers are charged rent, and in other States they are . not charged. I understand that in New South Wales they are . not charged, while in Victoria they are. There . are cases where postmasters reside in the post-office, possibly pretty good buildings, for which a high rent is charged where really there should be a low rent. The clause is, therefore, made elastic, and not compulsory, the matter being left in the hands of the commissioner. I am not, however, much wedded to this clause.

Mr Isaacs

- The matter is left in the hands" of the Governor-General.

Sir WILLIAM LYNE

- The commissioner and .the Governor-General.

Mr Isaacs

- The commissioner has only to fix the amount.

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Sir WILLIAM LYNE

- The clause reads - " And the- amount of such sum shall, be fixed by the commissioner or by officers specially or generally appointed by the commissioner." The intention is to make the clause elastic, but the words used do not seem to me to be the best. It would be better, if we retain the clause, to substitute the words "If an officer occupies for the purpose of residence," &c., instead of "is allowed to use." The present words might be construed' to mean quite the opposite of what is intended. It does not matter under, what conditions an officer occupies premises ; so long as he resides there, it should be for the commissioner or | the Governor-General to deal with the 1 question of rent. But there is power in the Bill to deal with .this, and I do not care whether or not the clause is left in. In computing the salaries of officers the commissioner, the permanent head, and the Governor-General can take into consideration the residences occupied in Government buildings. I suggest that the clause be altered in the direction I have

just indicated. I think that will meet the case, and then the provision will remain sufficiently elastic to permit of light-house keepers not being charged. But it has to be remembered that in computing pensions some trouble has arisen in the past in considering the question whether the rental ought to be included. We want to get rid of that trouble. We wish to have no doubt about it in the future. That seems to be the only reason for the insertion of this clause. I move -

That the words "is allowed to use," line 1, be omitted with the view to insert the word " occupies " in lieu thereof.

Amendment agreed to.

Mr HUME COOK

- I think that this clause should stand, but I venture to suggest that a slight addition should be made to the last sentence of it. The clause reads -

In calculating for any purpose the rate of salary for any officer the amount so deducted, as rent shall be deemed and taken to be part of his salary.

As has been very properly pointed out by the Minister for Home Affairs, that provision affects the question of gratuities, compensations, or pensions. I therefore intend presently to move -

That the following words be inserted after the word "rent," in line 11, "together with any amount deducted for rations or fuel."

I desire the insertion of these words because quite a number of persons in the permanent force, and light-house keepers and others, would in the natural course of events have a certain sum deducted for rations supplied. In calculating their salaries, they would be placed at a disadvantage compared with others who were not under like conditions.

Sir William Lyne

- I do not think there is any objection to that amendment, because it is only a permissive power.

Mr. WATSON(Bland).- I wish to insert after the word "fixed," in line 7, the words " on the basis of the rental value." My object is to make it clear that the rental fixed shall not fluctuate according to the salary which a man happens to receive, but shall be calculated rather upon the rental value of the building or portion of a building which he occupies. In New South Wales an extremely unsatisfactory state of affairs exists, owing to the fluctuations which occur from time to time through the amount that is charged against the officer's salary for the rental of a building. My proposal seems to me to be a reasonable one. It seems to be a reasonable thing to calculate the sum upon the rental value of the building. I move -

That after the word " fixed," line 7, the words "on the basis of the rental value" be inserted. .

Mr. SALMON(Laanecoorie). - I suggest to the honorable member that he should provide for calculating the amount to be charged against any officer's salary on the basis of the local rental value. Otherwise we might have one rental value applied to the whole of the Commonwealth. If the word " local " were inserted, it would make the meaning perfectly clear.

Mr. WATSON(Bland).- To insert the word " local " seems to me would be mere redundancy. I thought it would be taken for granted that my amendment referred to the local rental value.

Mr. ISAACS(Indi).- I should like to have a clear understanding in regard to this matter. I gathered, from what the Minister for Home Affairs said, that the clause is now to be framed in such a way that it may be made use of in any proper case, but that the Government will take into consideration the circumstances of each particular case, and will not apply a cast-iron rule. I understand that if it is not fair in any particular case to charge any rental at all, no rental will be charged.

Sir William Lyne

- That is the object.

Mr ISAACS

- In other cases where it is thought desirable to charge something, a sum proportionate to the circumstances will be charged 1

Sir William Lyne

- That is the object too.

Mr ISAACS

- I suggest to the honorable member for Bland that he should not seek to insert the words he has proposed, because they may fetter the discretion of the Government and operate very harshly against an officer.

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Sir William Lyne

- May I suggest to the honorable member for Bland that he should insert the words* " not exceeding." Otherwise, though the Government might be disposed to charge a less sum, they would be prevented from so doing.

Mr Watson

- I am quite willing to accept the suggestion of the Minister and to insert the words "not exceeding."

Mr MAHON

- I contend that this amendment is unnecessary and may operate in an embarrassing way in the administration of the Act. If it is considered desirable, then I think that the words " a fair and reasonable sum as rent therefor," in lines 4 and 5, should be omitted. What more elastic power could be given to the Minister than is already conferred by the clause ? If a public servant is occupying a building for residential purposes, and if in the opinion of the Minister he should pay rent therefor, then the Minister has ample opportunity to fix a reasonable sum.

Mr Salmon

- The clause says that the sum shall be fixed by the commissioner.

Mr MAHON

-But behind the commissioner, I presume, the Minister stands. I think the words I have indicated give the commissioner or the Minister ample latitude to do justice in every case that may come before them.

Mr. WATSON(Bland).- With the permission of the committee I should like to withdraw the amendment with a view to insert after the word " therefor," in line -5, the words "not exceeding the fair rental value." It is precisely because the power of fixing the amount to be charged as rental is in the hands of the commissioners in New South Wales that objection has arisen. There has been too great a fluctuation and not enough of system, so that civil servants very properly complain that they do not know where they stand in regard to these rents. We ought to have something definite, it seems to me, so that the Minister or the commissioner should not have an entirely free discretion in regard to this matter.

Mr REID

- I suggest that these words would create further difficulties instead of easing the situation, because there are some premises built on a palatial scale in which an officer is expected to reside, and the insertion of the words proposed by the honorable member for Bland really mean that a fair rental value is to be the basis of the valuation. The words " not exceeding " must be read with the other words in the clause, and must be taken to mean something beyond what the other words by themselves would convey. We have it provided that the rental must be a fair and reasonable sum, and it is now proposed that the terms fair and reasonable should be governed by some other consideration. Therefore, we shall be making the lot of the civil servants heavier than before, because many of them are compelled to live in buildings erected in a princely style, and if they are valued upon their rental value, the servants residing in them will be mulcted in an extremely high rental.

Mr Watson

- A difficulty has arisen under the New South Wales Act owing to the fixing of the rental value so that it fluctuates with the salary received.

Mr REID

- That is an administrative feature which need not be imitated in the Commonwealth. We cannot frame an Act of Parliament that will overtake all such vagaries. I would suggest that the words proposed to be inserted will not have the effect the honorable member intends, but the very opposite.

Amendment negatived.

Amendment by (Mr. Hume Cook) proposed -

That after the word "rent," in line 11, the words "together with any amount deducted for rations or fuel " be inserted.

Mr. WATSON(Bland). - I would like the Minister in charge of the Bill to explain what the position will be if this amendment is carried ; whether these words will have effect only for the purposes of calculating the amount of pension to which an officer is entitled. I am speaking now of the officers taken over from the States.

Sir William Lyne

- The words would be used in calculating the salaries too.

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Mr A McLEAN

- I presume the Minister in charge of the Bill has looked into the meaning of the clause if amended as proposed. In Victoria there has been a great deal of difficulty arising over the question of charging rent for quarters. Before the present practice was put into force, the officers' salaries were based on a lesser amount than would have been the case if they had not been charged rent, and it was found that their pension rights were computed on the amount, of the salary alone, without any consideration being given to the amount charged for rent. When the Public Service Board were appointed, in order to cure this anomaly they added the value of the rent to the salary in most cases - I am told it was not done universally' - in order that both might be taken into consideration in computing an officer's pension or retiring allowance. This was done with the concurrence and at the request of the officers occupying the quarters; but some officers took legal opinion years afterwards, and were told that the Government could not legally charge them rent for quarters which they were compulsorily occupying. They brought actions against the Government, and some of the judges upheld their view, and I believe there is an appeal pending now. It is, therefore, necessary in dealing with this matter to see that justice is done all round.

Mr. HUMECOOK (Bourke).- Quite a number of cases arose in Victoria in which the Government were prepared, in calculating the pensions, to take into consideration the amount charged for rent, but would make no allowance at all for the sum deducted for rations or fuel. Of course, both these items, fuel and rations, and rent, were deducted from the salary, but if the officer had not been living on the Government premises there would have been no deduction on account of rent ; and if he had not received the rations that the Government insisted upon his taking, no deduction would have been made from his salary for rations.

Mr Isaacs

- Is there power under this Bill to make deductions for rations and fuel?

Mr HUME COOK

- I should say so. Under ordinary circumstances, what applied to the service prior to the transfer will apply still, and lest that may be so I think that it ought to be made clear that civil servants are to have an allowance made for any rations or fuel that they may be charged for. I believe that the men in the defence forces and those that are employed at light-houses and so on are now being charged so much for fuel and food in just the same way as before the transfer took place, and if that is so, they ought to be protected by the amendment I now suggest. If it is not so, there is no necessity for the amendment.

Mr. BATCHELOR(South Australia).The Minister in charge of the Bill did not reply to the question I raised as to the existing rights of public servants who now have free quarters, fuel, and light. My point was whether, in the event of - an officer having these privileges free now, on its being intimated to him, under the provision of this clause, that he will have to pay certain rent for the premises he is occupying, the amount so charged will be added to his salary. It seems to me that in no other way can we preserve existing rights, and unless I am assured on this point I shall have to vote against the clause.

Sir WILLIAM LYNE

- I think the position is that the commissioner and the Governor in Council can vary any position that exists at the present time, as far as rent is concerned, after the officers have come under this Bill. I do not see how it could be otherwise, because there would be variations in value almost from day to day.

Mr A McLEAN

- They would take into consideration whether the salary had been increased by the amount charged for quarters or not.

Minister for Home Affairs

Sir WILLIAM LYNE

- Take the case of an officer who was getting £500 a year, and was occupying quarters valued upon a fair rental value at £100 a year. I take it that the commissioner would calculate his salary at £600; but if the value of the premises which the officer is now required to occupy amounts to only £50 a year the salary would be increased to . £550.

Mr A McLEAN

- I think the Government will have power under the clause, with the small amendment the Minister has

made, to do justice all round.

Sir WILLIAM LYNE

- That is what I think would be the effect of the clause ; and seeing that that would be the actual practical result, no injury would be done to any public servant.

Amendment negatived.

Mr. RONALD(Southern Melbourne).It seems to me that some allowance must be made in the case of public servants who are compelled to reside upon Government premises. In so far as the clause would interfere with rights in the case of officers who are now occupying quarters free, we must remember that we have undertaken in the Constitution to conserve all existing rights, and we must see that that is done, if we are to keep faith with the public servants.

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Mr Deakin

- We could not take them away by this Bill if we wanted to.

Clause, as amended, agreed to.

Clause 54 -

Before a person related by blood or marriage to the commissioner or an inspector or a permanent head or chief officer is appointed to or promoted in the public service the commissioner shall submit to the Governor-General a statement in writing showing the relationship of such person to such commissioner inspector permanent head or chief officer.

Regulations may be made prescribing the limits or degrees of relationship within which this section shall apply.

Mr MAHON

- I would suggest that if we are going to impose any restriction upon the commissioner, inspectors, permanent heads, and chief officers, with reference to the appointment of their relations to the service, we should go a little further and prevent the relations of any Minister being appointed until we know the reason why. I therefore move -

That after, the word " to," line 2, the words "any Minister of State or to any person who, during the previous twelve months, has been a Minister of :the State" be inserted.

Mr Mauger

- Should not that apply to Members of Parliament also ?

Mr MAHON

- If all Members of Parliament had the same influence as the honorable member for Melbourne Ports, it would probably be a good thing to extend the provision as he suggests. But we do not all occupy the honorable member's predominant position in this House and in the estimation of all good democrats around those ports, the trade of which he desires to restrict. If honorable members wish to include Members of Parliament- there is nothing to prevent their making; a further amendment: Judging .from the high record attained by Parliaments, in the past, I feel sure that no Member of Parliament will ever' use his position for the purpose of advancing his relations or acquaintances in the service of the Commonwealth.

Mr. BATCHELOR(South Australia.)I am quite as prepared to vote for this amendment as to prevent Ministers of State, as well as the commissioner and chief officers from appointing their relatives. But I do not believe in putting a barrier in the way of the appointment of any person, from the mere fact of his being connected by blood or marriage with any officer. If the officer is not to be trusted he should not be there. We might as reasonably go further and provide that no relative by blood or marriage of any civil servant should be appointed,. The principle of the proposal seems to be the-' assumption that the chief officers, or the men whom we are going, to place in positions in which they are supposed to do justice all around without fear or favour, will be men who will place their own relatives in offices of the service.

Sir Malcolm Mceacharn

- We have had an instance in Victoria.

Mr BATCHELOR

- Then the official . making the appointment was not fit to occupy his position, unless the person so appointed was a fit and proper man. A relative of the commissioner, or-- of an inspector, or chief officer, may be the best person to fill a position. In that case, why should he be debarred ? The whole question of

the appointment of 'relatives depends on whether or not the person appointed is a proper person for the position.

Mr POYNTON

- I should like to ask the Minister how far he thinks that this prohibition of the appointment of blood relations should extend ? It seems to -me that on the fa'ce of it, the provision is a reflection on men' occupying .high positions.

Mr Barton

- The honorable member will see the extent "of the provision in the second part of 'the clause. If we are to include Ministers, we should include Members of Parliament

Mr Tudor

- And why not include all electors ?

Mr POYNTON

- I think the clause should be- expunged from the Bill altogether.

Mr EWING

- I intend to vote against the clause. The more we attempt to amend - such a provision the more difficulties we create. We have already had a reductio ad-absurdum with regard to Members of Parliament and the appointment of ' 'their relatives- to the public service. In the'1 past; whenever nepotism and political influence have been exerted, it has' been done, not by Members of' Parliament for' those related to them in blood, but in behalf of their friends or those who have been useful to them politically. If nepotism were limited to relatives of Members of Parliament, or of Ministers, there would be very little to complain about. As a rule, so far as I am able to judge, the exercise' of this kind of influence comes from a sort of weakness on the part of' Members of Parliament in .assisting, not their own relatives, but their more persistent friends. Appointments are very well safeguarded already by the provisions' relating to the permanent head 'and the commissioner upon whom the responsibility should rest. Inasmuch as we cannot make regulations to deal with every case, I would allow appointment to rest on the particular merits of each case.

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Mr E SOLOMON

- I agree with the honorable member who has just sat down as to the desirability of striking out the clause altogether. Seeing that appointments in the first place are made by the commissioner, and that afterwards, if any difficulty arises, it has to be settled by the Governor-General in Council, I see no need for the clause.

Amendment negatived.

Clause negatived.

Clause 55 -

If an officer appears to the permanent head to be unfit to discharge, or incapable of discharging, the duties of his office efficiently, and such unfitness or incapacity appears to the permanent head likely to be of a permanent character, the commissioner or any inspector may refer the question to a board of inquiry, and, if such board finds that such officer is unfit to discharge, or incapable of discharging, the duties of his office, the Governor-General may, on the recommendation of the commissioner, call upon such officer to retire from the public service ; and every such officer so called upon to retire, shall retire accordingly.

Sir WILLIAM LYNE

- I move-

That after the word "the," line 1, the following words be inserted : - ' ' Commissioner, after a report from the."

The clause will then read -

If an officer appears to the commissioner after a report from the permanent head.

Amendment agreed to.

Sir WILLIAM LYNE

- I propose to move -

That after the word "head," line 1, the words "or otherwise" be inserted.

Mr Isaacs

- What is the meaning of that? Does it mean that the commissioner may act without a report at all ?

Sir WILLIAM LYNE

- The object of the amendment is to enable the commissioner to take action without being bound by the report of the permanent head.

Mr Isaacs

- I would ask the Minister to consider whether the words it is proposed to insert would not create some doubt ?

Minister for External Affairs

Mr BARTON

. - The clause has already been amended, and the insertion of these words appears to be necessary to carry out the amendment in that form. If the Bill is recommitted, the whole difficulty will be got over by inserting the word "commissioner " in place of permanent head.

Sir WILLIAM LYNE

- I have not fully stated the object of this amendment. The clause as amended provides that the report must come from the permanent head. An inspector however may make a report and the commissioner may have to take action on the report of that officer. The amendment will enable him to do so.

Mr. Bruce Smith. - Why not - "permanent head or any inspector?"

Sir WILLIAM LYNE

- Very well ; I will agree to the proposal. I will substitute this amendment -
That after the word "head," line 1, the words "or an inspector " be inserted.

Mr BRUCE SMITH

- I would suggest to the Minister that it is not desirable to repeat the principle contained in the words "be unfit to discharge " or " is incapable of discharging." Those terms mean the same thing, and to insert both is only to unnecessarily lengthen the clause.

Mr Reid

- There may be cases in which both these terms would be necessary.

Mr BRUCE SMITH

- I would point out that the word " efficiently " is used in the clause. Perhaps my honorable friend has overlooked that fact. What is the difference between " unfit to discharge" and "incapable of discharging" the duties of an office?

Amendment agreed to.

Sir LANGDON BONYTHON

- I would ask the Minister for Home affairs what would be the position under this clause of an officer who to-day is efficiently discharging his duties but who is over 65 years of age ?

Sir WILLIAM LYNE

- There will be special provision for cases of that kind in another part of the Bill. If a man over 65 years remained in the service he would come under the provisions of this clause.

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Mr REID

- I would suggest to the Minister that he should consider the propriety of leaving out the words -
And such unfitness or incapacity appears to the permanent head likely to be of a permanent character."
I think these words only embarrass the operation of the clause. The unfitness may not be permanent and yet may make it quite necessary that the officer should be transferred to some other position. As the clause stands there is no alternative. Such officers must go out of the service. It may very often happen that an officer may prove to be unfit to discharge the duties of the position in which he happens to be owing to misfortune, and yet may be capable of rendering good service in some other capacity. I think it would be wise to leave out this question of permanent character, because in the service if it is only incapacity for a year it is sufficiently serious to lead to some alteration.

Sir William Lyne

- I will accept that amendment.

Mr REID

- When these words have been omitted, I will move a consequential amendment, the effect of which will be that it would be in the power of the Governor-General either to retire such an officer or to transfer him to some other position. It might well happen that it would be a most merciful and proper thing to transfer

an officer to some other position. I therefore move -

That the words "and such unfitness or incapacity appears to the permanent head likely to be of a permanent character " be omitted.

Amendment agreed to.

Mr RONALD

- I should like to call attention to the case of certain civil servants who are incapacitated in the exercise of their official duties. Take, for example, the case of telegraph operators. We know that such men are liable to be affected by telegraphic paralysis. They would be quite capable of filling other positions, such as the office of postmaster, and it would be a great hardship to compel them to retire as incapacitated. I think the amendment ought to take the form of providing that where men have been incapacitated owing to the nature of their official duties, but are capable of fulfilling other duties in the service, they shall not be called upon to retire.

Sir WILLIAM LYNE

- I have an amendment here which I propose to move presently in connexion with the clause, which will meet such cases. It provides-

Where any officer has become incapacitated in the discharge of his duties, within the meaning of this section, through the performance of any work in any department, the Governor-General may, on the recommendation of the commissioner, transfer such officer to another department where his services can be utilized.

Mr REID

- I think the consequential amendment I was about to make would cover that case. Carrying out the intention I expressed, I propose to move -

That the word " call," line 1 1 , be omitted, with a view to insert in lieu thereof the words "deal with such officer either by calling."

I think that would meet" all these cases.

Mr EWING

- I suggest that it would be better that the lesser punishment of transference should in the clause precede that of dismissal.

Mr REID

- It is quite immaterial, because justice no doubt will be done according to the facts.

Amendment agreed to.

Mr. REID(East Sydney).- I move-

That the words "or by transferring him to some other position " be inserted after the word "service" line 12.

Attorney-General

Mr DEAKIN

. - I do not think it is necessary to insert these words, nor do I think their addition will make any difference to the measure. The power to transfer from department to department as occasion arises, for any and every cause already exists. It is therefore not necessary that the words should be inserted to meet this special case.

Mr Reid

- I think it makes it clearer.

Mr DEAKIN

- I have no objection, but the addition of the words adds nothing to the powers already provided.

Mr ISAACS

- I think the right honorable and learned leader of the Opposition should add some words to his amendment to provide that it must be a transference to some position which the officer is capable of filling.

Mr Reid

- That is implied, surely. The Governor-General, being assumed to do anything at all, may be assumed to do the right thing.

Mr ISAACS

- I should say so, but as we are laying down rules here, we should take care to make them as perfect as we can.

Mr Reid

- "Some other suitable position"?

Mr ISAACS

-Some other position, the duties of which he is capable of fulfilling. I would also suggest that words should be added which would not leave to the Governor-General the power, at large, to transfer a man over the heads of other persons who are his superiors. Words should be added showing that the position to which a man is being transferred is one in accordance with his class, position, or grade.

Amendment agreed to.

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Mr ISAACS

- After the amendment which has been made, the word "so" in line 12 requires to be altered. I move - That the word "so" line 12, be omitted, with a view to insert in lieu thereof the word "if."

Amendment agreed to.

Clause, as amended, agreed to.

Clause 56.

If an officer is on an indictment or presentment convicted of any offence he shall be deemed to have forfeited his office and shall thereupon cease to perform his duties or receive his salary

If the estate of an officer is sequestrated, either voluntarily or compulsorily, for the benefit of his creditors, such officer shall apply, as soon as he may legally do so, to a Court of Insolvency for a certificate of discharge. If it appears to such court that the applicant: has been guilty of fraud, dishonourable conduct, or extravagance, such court shall direct the clerk of the court thereupon to report the same to the Minister, or permanent head, or chief officer of the department in which such officer is employed'. If such officer does not apply, as aforesaid, for such certificate of discharge, or if he applies -and it- appears from the report that such officer has been guilty of fraud, dishonourable conduct, or extravagance, such officer may be- dismissed from the public service or reduced' to' a lower division class or grade therein -or fined; reprimanded, or otherwise punished by order of the Governor-General.

Mr McCOLL

- Last week the question whether- public servants, who frequently refuse or- neglect to pay their debts, should not- be dealt with in some way, was brought up by the honorable- and learned member for Corio. A division was taken on the amendment moved by that honorable and learned member, and it was negatived. However, members expressed their sympathy with the object sought to be attained, but disagreed with the wording of the proposed amendment, as they deemed it too inquisitorial in- its nature. I have drafted a new- sub-clause to deal with the subject, which could follow after clause 1.

Mr REID

- Perhaps before the honorable member moves his amendment, I may be permitted to make a remark as to sub-clause (1). The object of this sub-clause, I think, we are all in favour of, but cases may arise under it which would require consideration. Of course we associate with indictment and conviction some criminal act, but my right honorable and learned friend knows that it is possible that a man may be convicted for a thing which is not in the nature of a criminal offence. It is a difficulty which might arise, most rarely perhaps, but the matter is one which, I think, ought to be considered. There may be other cases of this class, and I confess- it is difficult to suggest a proper amendment. I shall not propose an amendment, but I simply ask that- the Government will consider the matter; and, if it can be so dealt with, will endeavour to draw a line between acts which are in their nature criminal acts and acts which are not of that nature.

Minister- of External Affairs

Mr BARTON

. - We will consider the matter, and I think the suggestion a good one. My right honorable and learned friend knows that under the law of New South Wales, for instance, and in some of the other States, a man may be convicted of manslaughter, while the offence will be really so trivial that the Judge will, decline to pass sentence. In a case of that kind it would be absurd to talk of taking away a man's livelihood; In some of these cases the offence may really be an accident.

Mr Reid

- A- misfortune.

Mr CROUCH

- When the Acts Interpretation Act was under consideration it was pointed out that the word "indictment" included "information," and that may go further even than the right honorable gentleman has suggested: Mr. McCOLL.(Echuca).- I move-

That the following be inserted- as a new subclause to follow sub-clause 1 : - (2) If any officer shall be sued in any court for debt he shall report the same- to the permanent, head of the department, with a statement of the facts and the -result of the suit. If it shall appear to the permanent head that such officer is in debt through being careless, extravagant, or dishonest, the permanent head shall report the matter to the commissioner, who shall inflict such punishment as in his opinion is deserved.

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Mr MAHON

- I rise to a point of order. I submit that the amendment of the honorable member for Echuca is out of order. When this Bill was being discussed in committee a few nights ago, the honorable and learned member for Corio moved an amendment to the effect that any person who frequently neglected or refused to pay his debts should be liable to dismissal from the public service. -Here is an amendment providing, for exactly the same class of offence. I call attention to Standing Order No. 223, which states that a motion contradictory of a previous decision of the committee shall not be entertained in the same committee.' I therefore submit that this amendment is out of order.

Mr. McCOLL(Echuca).- I hold that the sub-clause is perfectly in order, because while it attempts to deal with the same subject, it proposes to deal with it in an entirely different manner. The words the honorable and learned member for Corio proposed to insert were " of frequently neglecting to pay his debts." I take it this is altogether a different thing. The other amendment provided for a certain amount of inquisitiveness into a man's affairs, while this provides simply that if a man does not pay his debts the matter may be reported to the commissioner, who may inflict such punishment as is deserved.

The CHAIRMAN

- The amendment by the honorable and learned member for Corio, which was negatived, was to insert the words "frequently neglecting to pay his debts ; " and the amendment sought to be made now by the honorable member for Echuca is to insert the new sub-clause which he read. I cannot see that his amendment is contrary to the decision of the committee on the other amendment, and, therefore, I rule that it is in order.

Mr McCOLL

- I see no reason why a provision of this kind should not be put in a Public Service Bill.

Sir William Lyne

- I am prepared to accept it. I think it is a very good one.

Mr BRUCE SMITH

- There is one very dangerous element in this proposed addition. It begins by saying " If any officer shall be sued in any court." A man may be persecuted by all sorts of worthless people simply for the purpose of humiliating him by compelling him to give an account of the circumstances of a quarrel or dispute. If the honorable member would begin his sub-clause with the words, " if any officer shall have a verdict recorded against him in any court for debt," and further down take out the words " and the result of the suit," I would not object.

Mr Reid

- That would be an improvement, I think.

Mr McColl

- I think it would.

Mr PIESSE

- I am not quite sure whether this is the right place to insert this provision. Clause 40, which I hope will be reconsidered, deals with offences of various kinds which, once an officer is charged with them, are made the subject of inquiry by the Board. I would suggest to the honorable member for Echuca - I am in sympathy with his object, although I do not think I can quite agree with the words he has used- that it would be better to allow this matter to be rediscussed on the reconsideration of clause 40.

Mr McColl

- I think this is the proper place.

Mr PIESSE

- I think it would be far better to leave it as other offences by civil servants are left when they are lodged to be inquired into. Too much arbitrary power is here given to an officer, who may or may not take a proper view of the circumstances of the case. I think it would be better to leave this matter, if it is considered an offence at all, to be put in clause 40 on reconsideration.

Mr EWING

-Will the Minister inform the committee whether the salary of a federal officer can be attached ?

Sir William Lyne

- That matter will come on for discussion on another amendment.

Mr EWING

- I think this question hinges on it to a great extent.

Sir William Lyne

- I can inform the honorable member that I have taken advice on that matter, and I find that it cannot be done.

Mr Crouch

- The King cannot be garnish eed.

Sir William Lyne

- That is the information I have obtained.

Mr EWING

-Of course then there is some reason for the clause, otherwise there would be none.

Mr MAUGER

- I do not like this clause at all. I am of the same opinion as the honorable member for Tasmania. I believe the mode adopted by the Government of paying monthly, especially minor servants, is largely the cause of a great deal of the trouble that arises. I am afraid that the lower paid officers would be the greater sufferers under the provision. While I am as anxious as any honorable member can be that public servants should pay their debts, I do not think the amendment in its present form would serve the object which we have in view, and it might operate very harshly.

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Mr ISAACS

- I am sure the honorable member for Echuca wishes to do nothing harsh in the matter, but I feel no doubt that the result of the sub-clause, if passed in its proper form, would be exceedingly harsh. It would be inquisitorial-, and it would be setting up what perhaps is worse than anything else - a new tribunal. Ordinary offences come under clause 40, and there an officer has the right to have a preliminary inquiry - he has the right to be sent to a board, and we hope that there will be a right of representation on that board. But this amendment creates a short and summary method which gives a limited power to a particular individual, the permanent head, to inquire into an unfortunate officer's past life. It has to appear to the permanent head that the man is in debt either by carelessness, extravagance, or dishonesty, which presupposes an inquiry, and then the case has to go before the commissioner who is to have the power to inflict such punishment as is in his opinion deserved, it may be from suspension in one sense to suspension in another sense, from all that appears in the sub-clause. I do put to my honorable friend the desirability of dealing with this matter on the recommitment of clause 40. I think he will then be able to secure recognition of the principle which he wishes to adopt without any inconsistency between the various parts of the Bill.

Sir WILLIAM LYNE

- If the honorable member for Echuca will agree to that suggestion I think it will prevent debate at the present time.

Mr McColl

- I will not agree to it.

Sir WILLIAM LYNE

- The honorable member must be very stubborn. I think there should be a clause something like this inserted, because we all know from practical experience that although the majority of public officers will not do anything that will be reprehensible, there will be cases with which the commissioner and the permanent head should be able to deal. Perhaps this provision is a little too drastic, and if it is proceeded

with now I propose to suggest the omission of certain words near the end, and simply to give power to reprimand, fine, or recommend to the Governor-General for dismissal.

Mr BRUCE SMITH

- Or disrate.

Sir WILLIAM LYNE

- Or disrate. I think the words at the end are too indefinite.

Mr McColl

- I am going to alter the latter words.

Sir WILLIAM LYNE

- At the same time I feel very strongly that there should be a governing power of some kind to check the condition of tilings that has existed to some extent. I was opposed the other night to making it compulsory to dismiss a civil servant when he got into difficulties because it would be too harsh, but I think there should be some power given to try and check as far as possible any duplicity or undue extravagance, as may exist in many cases.

Mr. McCOLL(Echuca). - It seems to me that this sub-clause comes quite as conveniently under clause 56 as it would under clause 40 which deals with dismissals and removals. Sub-clause (2) of clause 56 deals with the question of debt, but it provides what shall be done in the case of a man who becomes insolvent either voluntarily or otherwise. By bringing the proposed sub-clause in before sub-clause (2) we shall deal with the matter at a stage before a man becomes insolvent, and if inserted, the provision might be the means of preventing him from becoming insolvent.

Mr Isaacs

- Will the honorable member observe that sub-clause (2) permits the man to go before a court of law and have the whole thing investigated t

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Mr McCOLL

- This House can do no more worthy thing than set before our public servants, and, through the latter, before the people of the colony, the necessity of paying their debts - that credit is considered undesirable, and debt a disgrace, if incurred through extravagance, recklessness, or dishonesty. In the Bill we are making provision that every man who enters the Government service shall have a living wage, which is supposed to be what a man can live comfortably on, according to his position in life. With a living wage there is no excuse, under ordinary circumstances, for a man getting into debt. Of course there may, in the case of every man, be exceptional circumstances, such as those of sickness, by which a man may be compelled to incur debt against his will ; but if the facts of such cases are made known to the permanent head, he will immediately do justice, and no action whatever will be taken against the officer. I believe the suggested provision would benefit officers and their families, and set a good example to the people of the Commonwealth. It would certainly benefit the tradesmen ; and the honorable member for Corio, who has had great experience in the matter, told us last week of various cases he had known of most glaring dishonesty on the part of public servants in this connexion. This clause is by no means directed to the lower grades of the public service, because extravagance, dishonesty and carelessness generally are found just as much amongst officers in higher positions. In regard to the penalty, I propose to omit in the last line of the proposed new sub-clause the words "in his opinion is deserved," and to insert in lieu thereof "such punishment as may be prescribed."

Mr. ISAACS(Indi).- Will the honorable member for Echuca allow me to make a suggestion that the following words be inserted after the word " suit," line 4 : -

The permanent head may direct an inquiry before a board of inquiry as to whether the officer incurred such debt through recklessness, extravagance, or dishonesty/ and thereupon like proceedings shall be taken as in the case of inquiry into a charge of misconduct, as provided in section 40.

That would give a varied form of punishment according to the nature of the case.

Mr. BRUCESMITH (Parkes).- The machinery which the honorable member is trying to put in motion in this matter is, or may be, too cumbrous to suit the circumstances of the case. A man might be sued for some little domestic account of a few shillings, in the police court, and have a verdict given against him, and the suggestion now being made would involve a large inquiry into the circumstances of that trivial debt.

Mr Isaacs

- Not necessarily..

Mr BRUCE SMITH

- I am going to propose an amendment which I think will be better than the one just suggested. I have already suggested that instead of providing that all this inquiry shall take place when a man is sued - which would put him in the hands of any one who had a dislike for him, or who wanted to persecute or humiliate him - the clause should provide only for cases in which a verdict is recorded against the officer. I would suggest that the provision read as follows : -

If an officer shall have a verdict recorded against him in a court for debt, he shall report the same to the permanent head of the department with a statement of the facts.

The words " and the result of the suit " will come out. My proposal goes on -

If it shall appear to the permanent head that such officer incurred such debt through being careless, extravagant, or dishonest the permanent head shall report the matter to the commissioner, who shall, with the approval of the Governor in Council, deal with such officer as he shall think fit.

That gives the commissioner a wide power in dealing with cases as he thinks fit, but whatever punishment he seeks to inflict must have the approval of the Governor in Council, which means the Minister.

Mr McColl

- I think the first part of the amendment just suggested is desirable, and will really meet all I intended to gain by the sub-clause.

Mr BRUCE SMITH

- I move-

That the amendment be amended by omitting the words " be sued," line 1, with a view to insert in lieu thereof the words "have a verdict recorded against him."

Amendment of the amendment agreed to.

Amendment (by Mr. Bruce Smith) agreed to -

That the amendment be amended by omitting the words "and the result of the suit," line 4,

Mr. ISAACS(Indi). - I move-

That all the words after "facts," line 4, be omitted with a view to insert in lieu thereof the words " the permanent head may, if he think fit, direct an inquiry before the inquiry board as to whether the officer incurred the debt through recklessness, extravagance, or dishonesty', and thereupon like proceedings shall be taken as in the case of inquiry into a charge of misconduct under this Act."

Mr BRUCE SMITH

- As under clause 40.

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Mr ISAACS

- I have not mentioned the clause, because clauses sometimes get transposed, and the number is lost. I much prefer the amendment I have submitted to placing despotic power in the hands of one or two gentlemen, who, however well disposed, would be able to disrate or dismiss an officer. The power given by the clause suggested includes dismissals, disrating, reprimands, and cautions- everything that is in the hands of a board of inquiry. I certainly object to such a power being given in the way proposed, and I shall have to vote against the clause. If a matter is so serious as to merit its being placed in this Bill and being made the subject of inquiry - as to whether a man has incurred a debt recklessly, extravagantly, or dishonestly - it is not too much to say we should have the tribunal fixed . by statute, in which the officer involved may be represented in the way it is intended, before he is branded for life. If it is not a serious matter, it ought not to be in the Bill at all ; but if it is serious, the man has a right to inquiry by a board. If the word " dishonesty " is used, as it is in this clause, no one can say it is a light matter. No one can say that if the commissioner or the permanent head is to decide that an officer has been guilty of dishonesty, it is such a light matter that the officer is not entitled to inquiry by a board. I object to the kind of tribunal suggested, and I shall vote against the clause in its present form.

Mr. McCOLL(Echuca).- I am not a lawyer and I may have possibly put the matter in a wrong light. I will defer to the superior legal wisdom of the honorable and learned member for Indi, and if the Minister and legal members of the House think the proposed amendment in the new clause expresses the gist of what I desire I am prepared to accept it.

Mr. BRUCE SMITH (Parkes). - It seems to me that we are in danger here of using a rather important

tribunal to investigate a very trivial matter. A man might have a verdict recorded against him under very innocent circumstances for a small amount, and yet it is suggested that this tribunal shall in all cases be called upon to investigate. As some of the offences under the clause would be of a very trivial character, I would suggest that there is no reason why we should use a steam hammer to crack a nut, which, after all, is what the honorable member's amendment proposes to do. I would suggest, as a way of getting over the difficulty, that the latter part of the new sub-clause should run in this way -

If it should appear to the permanent head that such officer incurred such debt through being reckless, extravagant, or dishonest, the permanent head shall report to the commissioner, who shall, with the approval of the Governor in Council, either direct an inquiry under section 40, or deal summarily with such officer, as he shall think fit.

It gives the option with the approval of the Governor-General in Council of either dealing summarily with the matter, or of directing that an inquiry shall be held as is provided for in clause 40.

Mr Isaacs

- The power is there.

Mr BRUCE SMITH

- I know that the power is there, but we have to direct attention to it. I want to provide, instead of having to employ a board of inquiry in all cases, a simpler method for dealing with trivial cases. I wish to give the commissioner the option of saying whether he will deal summarily with a case, or whether he will direct that it should be inquired into as is provided for in clause 40. We have to trust the commissioner, and where he deals summarily with a public servant, it may merely mean disrating or the imposition of a fine. There is no need in such trivial cases to call a board of inquiry into existence, probably with a solicitor on either side, and to incur a great deal of expense.

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Mr Isaacs

- In the proposed amendment the permanent head is given the discretion to determine whether or not there should be a board of inquiry.

Mr. REID(East Sydney). - I am sure that we all appreciate the object which the honorable and learned ' member for Parkes has in view. It is a very good one. But I would point out that the more we create special procedure for matters of this sort, the more likely are we to cast upon the authorities under this Act a number of duties and inquiries which may go very far away from the real object of a Public Service Act. It strikes me that clause 40 includes as an offence "disgraceful or improper conduct." No one wishes to enter into the private concerns of public servants, who are entitled to the ordinary privileges enjoyed by other British subjects, except in very gross cases. Many men, -through misfortune or through the extravagance of those for whom they are responsible, may find themselves in the very painful position of being unable to pay their' debts. In such circumstances it may not be a reflection upon their morality or honesty. It is not until such matters rise to the importance of an offence within the meaning of " improper conduct " that 'the authorities of the public service should have anything to do with them. If a man in the management of his private affairs is guilty of what may be called "improper conduct," then I quite admit that he may have to be brought before the authorities u under the Act. But the machinery is already created under which he can be so brought. May I also suggest that punishment is. not the best way of paying debts. We may punish a man, and yet leave his creditors in a worse position than they previously were. The real object of making use of such powers as are proposed to be given under this Bill is that the head of the department, having had an offence brought under his notice by a creditor, or creditors, of a public servant, should use his influence with that public servant to induce him to avoid the penalties that are likely to follow from his being found guilty of improper conduct. The object really is to induce him to make some arrangement with his creditors. I submit to my honorable friend who is in charge of the Bill that he has already provided, under clause 40, for " disgraceful or improper conduct." I think that the honorable gentleman has fully provided for the only sort of case which we ought to provide for, namely, a gross case, and one which reflects on the moral character or honesty of a public officer. All the necessary machinery for dealing with such an offence has been provided. But I think that jurisdiction would rarely have to be exercised, because the object of the department woxild.be to secure a peaceful and satisfactory settlement. I quite appreciate the object of the honorable and learned member for Parkes ; but I think that it is already covered by the wording of the Bill. I think we may. be doing more harm than

good if we go too far in the direction that has been suggested.

Mr. PIESSE(Tasmania).- I still urge the objection which I raised previously.

This clause is headed "Forfeiture of office," and it is altogether out of place to include such a provision as we are now discussing under that heading. On the other hand, the honorable and learned member for Parkes might well introduce this provision in clause 40, which, as has been pointed out, provides all the machinery necessary for dealing with such cases. Sub-clause (2) of clause 40 provides that "any officer charged with the commission of an offence may in the case of minor offences against discipline be reprimanded or cautioned by the chief officer or by any officer prescribed as having power to suspend officers." Further on it is provided that in graver offences the chief officer, if he chooses, may direct an inquiry to be made. That is the right place for the honorable member to introduce the provision which he now proposes.

Mr. CROUCH(Corio). - When this matter came up under clause 40 - although it was pointed out that the amendment -which was then, proposed related, not to dismissals, but only to such powers of reprimanding or of fining an officer as it was thought would meet the offence committed - the committee decided that neglect on the part of a public officer to pay his debts- - which is a weaker form of offence than that suggested to-day - should not be included as an offence. Now, honorable' members are told that we should have inserted this provision in clause 40. There has been such a body of opinion outside in regard to the proposal which the committee rejected the other day, that now a stiffer form of offence is proposed. I think that this provision should have been inserted in clause 40. I shall take every opportunity - if it cannot be introduced here - to secure its insertion in that clause upon its recommittal. We are dealing with a class of officers who are specially protected by law. They have their wages specially protected - because the King cannot be garnisheed - and we should certainly" see that they pay their debts like other people.

Sir WILLIAM LYNE

- I hope after the discussion that has taken place the honorable member will allow the matter to stand over. I shall be quite prepared to reconsider and recommit clause 40 with a view to inserting words that will harmonize better with that clause than the one now being considered. I am not quite sure that clause 40 would not almost meet the case now, but a very few words by way of amendment' would certainly serve the honorable member's purpose.

Mr McCOLL

- As it seems to be generally considered that my object would be better met by amending clause 40, I am quite agreeable to fall in with the suggestion of the Minister.

Amendment, by leave, withdrawn.

Mr WINTER COOKE

- I notice that sub-clause (2) provides that if, in the event of the estate of the deceased officer being sequestrated, it appears to the Court of Insolvency that the applicant has been guilty of fraud, dishonorable conduct, or extravagance, the court shall direct the clerk of the court to report the fact to the Minister or the permanent head or chief officer of the department in which the officer is employed. I should like to know whether we are in a position to pass an Act which will compel an officer of a State court to make a report.

Mr Reid

- I think insolvency matters come within the control of the Commonwealth under section 51 of the Constitution.

Mr DEAKIN

- Possibly the expression in the Bill is a little peremptory. I have no doubt as to our power in the matter, but at the same time it might be better if another expression were used. There is no doubt that the intention of this clause is one that will be readily fallen in with by the court. It gives them an additional opportunity to see that, justice is meted out. The language is taken from a local Act, but I will reconsider the point raised by the honorable member.

Mr PIESSE

- I would suggest that the Minister should consider the desirability of using the word "bankruptcy" instead of "insolvency," as the latter is the term used in some of the States.

Clause agreed to.

Clause 57 (Right of Crown to dismiss any public servant) -

Mr ISAACS

- I do not know whether the Government has considered this clause, but I regard it as most objectionable.

Sir William Lyne

- - I propose to withdraw it.

Clause negatived.

Clause 58 (Fines to be stopped from salary).

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Mr HUME COOK

- This clause provides that the officer who pays the salary of any officer who may be punished by fine shall deduct the amount of the fine from his salary. If the fine should amount to a considerable sum the officer might be deprived of his salary for three or four months, and I would suggest the addition of the words at the end- of the clause " in such sums as may be directed."

Mr Reid

- The penalizing officer would no doubt direct that the fine should be payable by instalments, if the amount were a large one.

Sir William Lyne

- This is a copy of a provision in the New South Wales Act.

Mr HUME COOK

- Does it operate as the leader of the Opposition suggests in that State?

Sir William Lyne

- Yes.

Mr HUME COOK

- That is all I wanted to know, and if that practice is to be followed here I shall be quite satisfied.

Clause agreed to.

Clause 59 -

Unless otherwise directed by the Minister, the chief officer may at such times as may be convenient grant to every officer of his department leave of absence for recreation for any period or periods not exceeding in the whole eighteen days in each year, exclusive of Sundays and holidays, and the Minister in cases of illness or other pressing necessity may grant such extended leave not exceeding twelve months on such terms as may be prescribed.

When the absence of an officer is not occasioned by his employment by the Government on other duties or by leave of absence there shall be deducted from his salary his pay for each day of such absence.

The period of leave of absence for recreation which may be granted to officers of Parliament or to classes of officers stationed in places remote from large centres of settlement or whose duties cannot ordinarily be performed within usual regular hours shall not necessarily be limited to eighteen days, but shall be limited as may be prescribed.

Mr HUME COOK

- This clause and the three following clauses deal with the question of leave of absence and holidays, and it will be seen that there are no less than five different ways in which leave - may be granted. The annual leave may be granted by the chief officer ; sick leave is to be granted by the chief officer, the permanent head and the Minister, and extended sick leave is to be granted by the Governor-General. Leave without pay requires the sanction of the permanent head and the Governor, and furlough requires the permission of the commissioner and the Governor-General. These five methods appear to be rather cumbrous, and I would suggest that the whole of the clauses should be taken into consideration or postponed with a view to some simpler method being devised for dealing with the whole matter. Let us take a case in point. An officer might obtain three weeks' leave of absence, which might be granted by the chief officer as a matter of course. At the end of the three weeks he might find that he could not get back in time, and might want one day's extra leave. This would require the consent of the permanent head and the Governor-General. In the meantime something might happen, such as a sudden illness or a broken leg, and the granting of an additional day's leave would require the consent of the chief officer, the permanent head, and the Minister. I do not see how these cumbrous methods are to be obviated, but I hope the Ministry will take the whole matter into consideration with a view to making some improvement. Either the chief officer or

the permanent head, particularly the latter, might be out of the State, and inaccessible for the purpose of giving the consent required under this clause.

Sir WILLIAM LYNE

- This matter has struck me very much in the same way as it has the honorable member, and I have discussed the matter with the draftsman. The honorable member will, however, take notice that each of these clauses is different, and that the importance of the provisions varies. After thinking the matter out and discussing it, we propose, to adhere to the methods set forth in the Bill, and I do not think any great trouble will arise. I propose to strike

Out the words "permanent head," and substitute "commissioner," because since the Bill was drafted it has been determined to substitute the commissioner for the permanent head in a great many cases.

Mr HUME COOK

- But how would the honorable gentleman get over a difficulty such as I have suggested ; could we not give the chief officer the right to grant additional leave ?

Sir WILLIAM LYNE

- I think that in a simple thing like this it might be arranged between the commissioner and the chief officer, and that no difficulty need be anticipated.

Mr HUME COOK

- But the Bill provides against it.

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Sir WILLIAM LYNE

- The commissioner, if he desired it, could give the chief officer the necessary authority, and I do not think there would be any trouble. My object is to throw as much responsibility as I can on the commissioner, and make him fully answerable to the Governor-General in Council and Parliament. I hope, therefore, that honorable members will allow the clause to pass as it is. If it appears that there is going to be any trouble, or that I can improve the Bill, I shall do so before it is finally passed. I move -

That after the word "Minister," line 1, the words " of his department " be inserted.

It is only a consequential amendment.

Amendment agreed to.

Mr EWING

- I move-

That the words "at such times as may be convenient," line 2, be omitted.

It is obvious that the leave would not be granted at times when it was inconvenient ; but these words seem to cast a serious doubt as to whether the public servant would really be entitled to his holidays or not.

Mr Crouch

- Insert the word "shall" instead of " may."

Mr EWING

-What is the object of those words? Unless there is some underlying purpose that a layman cannot see, they are useless.

Sir William Lyne

- I accept the amendment.

Amendment agreed to.

Amendment(by Sir William Lyne) agreed to-

That the word "the," line 7, be omitted with a view to insert in lieu thereof the word "such."

Mr REID

- Is it intended that without an Executive minute the Minister may grant twelve months' leave of absence ? If so, that is a new provision in Australia, I believe. The almost universal custom when leave is granted for so long a period is that it goes through the Executive Council. The clause says "the Minister in cases of illness or other pressing necessity may grant such extended leave, not exceeding twelve months." That is quite out of harmony with the general scope of such Bills, which places such leave within the power of the Governor-General in Council. It will be more in harmony with the other clauses to make such a provision here. I do not, however, want to raise any difficulty by compelling the Minister to put an application for a small leave of absence before the Governor-General in Council. We might make the clause read " not

exceeding three months," instead of twelve months. That would leave the Minister an elastic power in regard to three months ; and so far as further leave was concerned the matter should go before the Executive Council.

Mr Isaacs

- Will there be power to grant further leave after twelve months?

Mr REID

- After the three months the matter might go before the Governor-General in Council. I move - That the word "twelve," line 9, be omitted with a view to insert in lieu thereof the word " three. "

Mr ISAACS

- There will have to be a fresh provision to enable the three months' leave to be extended if necessary.

Mr CROUCH

- Clause 60 provides for that.

Mr ISAACS

- No; the clause provides, for only occasional illness.

Sir William Lyne

- The leave could be extended to twelve months by the Executive Council.

Mr ISAACS

- I do not see any difficulty whatever about leaving it to the Minister. There were some cases in Victoria where leave was granted to public servants to go to the Transvaal. There have been other cases in which, owing to pressing necessity, of a public nature, extended leave has been granted. I do not see any difference between the Minister and the Executive Council, who are to all intents and purposes the same. If the word twelve were altered to three, some new provision would have to be inserted.

Mr. REID(East Sydney).- Under clause 61, the matter has to go before the Governor-General in Council, even after twenty years' service, when the furlough is a matter of legal right. If that is so, surely a discretionary twelve months' leave of absence should go before the Executive Council. Otherwise we shall be giving the Minister more power than the Governor-General in Council.

Amendment agreed to.

Sir WILLIAM LYNE

- I move-

That after the word "months," line 9, the following words be inserted: - "and the Governor-General in Council may grant leave not exceeding twelve months."

That means that the Minister may grant; leave for three months ; but if the leave is to go on, then the Governor-General may grant a further twelve months' leave.

Mr Isaacs

- That is, fifteen months altogether ?

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Sir WILLIAM LYNE

- Possibly.

Mr. ISAACS(Indi).- May I make a further suggestion ? The Minister will have to transpose some words in the clause to make it read " in case of illness or other pressing necessity such Minister," and so on. Unless the words are transposed the meaning will not be clear.

Sir William Lyne

- If there is any necessity for such amendment I will see that it is made.

Mr Piesse

- Will the regulations govern both cases ?

Mr Deakin

- Such terms as may be prescribed.

Amendment agreed to.

Mr. REID(East Sydney). - I suppose the object of sub-clause (2) is to provide that in cases where an officer is really away without authority he should suffer the loss of his pay for that day.

Mr Deakin

- That is the object.

Mr REID

- I think it would be better to amend the sub-clause so as to provide that -

When the absence of an officer is not sanctioned there shall be deducted from his salary his pay for each day of such absence.

The provision, I suppose, will always be interpreted by the superior officer, but I think it would be safer to use the word "sanctioned" instead of "occasioned." The employment of that word would enable the officer's absence to be sanctioned afterwards if a proper reason were given for it.

Mr. EWING(Richmond).- I would suggest to the Minister that he should omit the words from "occasioned" down to "absence," and insert in lieu thereof the words "for sufficient reason."

Mr. REID(East Sydney).- If that were done, we should raise a hornet's nest over trifles. If the superior officer received an explanation which satisfied him he would sanction the absence. The word "sanctioned" could be used in a retrospective sense, and a deduction would not then be made. If we were to talk of a sufficient reason being given, there would be interminable discussion between the superior officer and the absentee as to whether something was not a sufficient reason. I move -

That the words "occasioned by his employment by the Government on other duties, or by leave of absence," be omitted, with a view to insert in lieu thereof the word "sanctioned."

Mr A McLEAN

- Before the amendment is agreed to, I should like to know whether this sub-clause is governed by the provision contained in sub-clause (2) of clause 61. Under clause 59 an officer's pay may be stopped for unauthorized leave.

What I desire to know is whether the time of his absence will count as part of his period of Service. I find that in sub-clause (2) of clause 61 it is expressly declared that the time during which an officer is on leave shall not be counted. But I rather think that in cases such as those now under discussion it will be. Is this sub-clause governed by subclause (2) of clause 61 ?

Mr Deakin

- It is not.

Mr A McLEAN

- If the period of a man's absence on leave does not count as service, surely the term during which a man is absent without leave should not count.

Attorney-General

Mr DEAKIN

. - In sub-clause (2) of clause 59 it is only proposed to deal with trivial cases - cases in which a man may be absent for odd days. The other provision, to which the honorable member for Gippsland has referred, deals with absence from office for twelve months or more. Of course, if a man absented himself for a time, without leave, he would be dismissed.

Mr PIESSE

- I think the point raised by the honorable member for Gippsland should be fairly considered. As we are now amending clause 59, it may be that there will be fifteen months leave of absence granted, and that ought to be clearly stated. Of course, the leave may be granted upon terms ; but in the other case the officer gets no pay, and he has also to lose his time.

Mr Deakin

- The leave referred to in clause 61 is holiday leave, so to speak. Clause 59 deals with cases of absence owing to illness or to other pressing causes.

Mr CLARKE

- I do not think that the word "sanctioned," suggested by the right honorable and learned member for East Sydney, clearly defines what is desired. I should like to see some expression used which would leave it in the power of the chief officer to deal with cases of illness, such as influenza or epidemics of that kind, which might occasion a man's absence from office. It would be better, I think, to put the provision in sub-clause (2) thus -

Where the absence of an officer is not satisfactorily accounted for to the chief officer of his department - And so on. That would be better than the use of the word "sanctioned."

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Mr Reid

- I know the class of man that is aimed at in this clause. It is a class we need to keep a tight rein over. It refers to the man who is often mysteriously ill.

Mr CLARKE

- If the right honorable and learned member, who has had more experience than I have had in these matters, considers the word "sanctioned" should be used, then I have no objection.

Mr Reid

- Both from my experience practically and as a Minister, I think it would be better.

Amendment agreed to.

Mr MAUGER

- In sub-clause (3), it appears to me that power is taken to extend leave of absence as an equivalent for duties performed in extraordinary circumstances. In a number of the States this power has been very much abused, to the detriment of those employed in minor departments. As a result of the recent festivities, a large number of men who worked many hours overtime are being impelled to take days off - not days that would suit them, but days that suit their departments - as an equivalent for very hard and good work performed overtime. I think this power very much abused. I would ask the Minister what he means by this particular clause, and how he proposes it should be applied. I quite understand that in cases where officers are stationed in remote places it might be useful ; but I do not think it should be applied in the regular way as an equivalent for the payment of overtime.

Mr. REID(East Sydney). - I think there are two unnecessary words in this sub-clause. I move - That the words "classes of," line 18, be omitted. I see the difficulty of expressing what is desired ; but I would suggest to the Minister that the words "stationed in remote places" would be better than the words "remote from large centres of settlement."

Amendment agreed to.

Clause as amended, agreed to.

Clause 60-

Where in case of illness any officer who has received extended leave of absence for twelve months is not so far recovered as to be able to resume his duties, the Governor-General may grant such officer further leave of absence.

No such further leave of absence shall be granted for more than six months in all.

Tor such further leave of absence no salary or allowance shall be paid to such officer.

Mr HUME COOK

- A point worthy of consideration is that an officer may be granted twelve months' leave of absence, and then he may be granted a further six months' leave of absence if he is unfit for duty. If at the end of the eighteen months he is still unfit - what happens ?

Sir WILLIAM LYNE

- I should fancy he leaves his position.

Mr Reid

- Or comes and dies at his post - one or the other.

Sir WILLIAM LYNE

- If at the end of the eighteen months' leave he is not able to go on with his duties he would come under the provisions of the Act and retire from the service, and would get his gratuity or pension, whatever it might be.

Mr HUME COOK

- If that is so I am satisfied.

Clause agreed to.

Clause 61 -

On the application of any officer the Governor-General on the recommendation of the permanent head may grant to him leave of absence without pay for any period not exceeding twelve months.

The period during which any officer is absent on leave granted pursuant to this section shall not for any purpose be included as part of such officer's period of service.

Amendment (by Sir William Lyne) agreed to -

That the words " permanent head, " line 2, be omitted, with a view to insert the word " commissioner."

Amendment agreed to.

Mr REID

- I think the object of sub-clause (2) is a very proper one, referring, as I think it does, to officers who obtain leave for their own convenience, but I suggest to the Government that a case may very well happen where an officer, getting leave for his own convenience, may be in a position to render important services to the Government during such leave.

Sir William Lyne

- Should we not in that case give him special payment?

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Mr REID

- Supposing an officer takes twelve months' leave for his private business, and at the same time during his absence conducts some inquiries for the Government, in reference possibly to important matters, it would be very hard in such a case to deduct the time from his service to the country. He might really be rendering very important service. The case might be met by adding to the sub-clause the words - Unless the Governor-General, on the recommendation of the commissioner, specially directs that such leave shall count as service. That would leave it open to the Governor-General in such a case as I mention not to cut the service off. Such cases often happen under State governments. I have known occasions, and they may happen again, where an officer gets leave on private business, and in the course of that time renders important public service. We should leave it in the power of the Government at any rate to leave his service unbroken in such a case; but the clause, as it stands, leaves the Government no discretion, and he might have to lose a year's service. My suggestion is to meet only exceptional cases, but I think it is worth while to consider it. I will not press it if the Minister does not wish it.

Sir WILLIAM LYNE

- I think there is something in the principle, but still it is giving too large power. I think cases of the kind suggested could be met-

As Honorable Member. - By giving the officer a bonus !

Sir WILLIAM LYNE

- By giving a gratuity, and letting the matter be understood in that way. I have had experience of cases of that sort ; I know officers are very often very anxious to take a trip, and that they can always find something to do.

Mr Reid

- Would the honorable gentleman let them go under those circumstances ?

Sir WILLIAM LYNE

- It is a very difficult thing to refuse them. I think the case referred to might be met in the way I have suggested. If an officer goes away and we wish him to do anything while he is on leave we can give him a gratuity for doing the special work. I do not feel strongly on the subject, but I think the difficulty could be met in the way I suggest.

Mr ISAACS

- I agree with the Minister. I think exceptional cases might be dealt with very well by means of a gratuity. The injustice of making a general rule that time of absence shall count in the service, is evident when we recollect that other officers are standing by their governmental work and doing their duty. It sometimes happens that a man gets leave that he may have an opportunity of bettering his position outside, and if his place is being kept warm until he gets back, he surely cannot object to have other officers who have been serving all the time while he has been on leave progressing while he is standing still in the matter of service. I think the clause provides a fair and just solution of the difficulty.

Clause, as amended, agreed to.

Clause 62 -

When an officer has continued in the public service at least twenty years, or in the case of an officer who attained the age of thirty years before being admitted into the public service, has continued therein for at least ten years, and has not been reduced for misconduct or deprived of leave of absence, the Governor-General may grant to him on the recommendation of the commissioner leave of absence for a period not exceeding twelve months, of which six months may be on full pay and six months may be on half pay ; but for such period of absence such officer shall not be entitled to receive any addition to his rate of pay.

Mr REID

- I point out that the clause does not contemplate a fixed period of leave of absence. It says "not exceeding twelve months," and that is an expression with which the expressions "of which six months may be on full pay, and six months may be on half-pay," will not fit. Why not say "half"?

Sir William Lyne

- Suppose he only takes nine months, he might get six months on full pay and three months on half-pay.

Mr REID

- He would then be in a better position than the man who took twelve months.

Mr Deakin

- It has been the practice, if a man likes to take only six months, to give him full pay, and to give half-pay if he takes any more.

Mr REID

- The expressions used in the clause do not fit. They would fit a twelve months' period exactly, but they will not fit the nine months' period. If we used the expression "half on full pay and half on half-pay," it would fit either case.

Sir William Lyne

- That would not give us what we want.

Mr REID

- I suggest that you should say "half on full pay and half on halfpay."

An Honorable Member. - Does the right honorable gentleman advocate different treatment of different officers of the civil service 1

Mr REID

- I am glad that the honorable member has made that remark, because my honorable friend the Minister must see the injustice of giving one man a more advantageous furlough than another.

An Honorable Member. - Some of them do not want twelve months.

Sir William Lyne

- There is no objection to that. They can take less.

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Mr REID

- My objection is that the expression "six months on full pay and six months on half-pay" does not fit with the fluctuating periods provided for by the clause, and I think it would be better to "say part of which may be on full pay and part on half-pay."

Sir WILLIAM LYNE

- I do not think the suggestion of the right honorable and learned member will meet the case. An officer might take nine months' leave and we might give him four and a half months on full pay and four and a half months on half-pay. We want to give him the right to get six months' holiday if he so desires on full pay and to come back at the end of the time and go to work again on full pay from that moment. But if he wishes to take twelve months' leave he can get either six months on half-pay or any portion of it on half-pay and return to his work on full pay.

Mr Reid

- As the clause stands now, if he takes nine months' leave there is no provision about whether it is on half-pay or full pay, or partly one and partly the other.

Sir WILLIAM LYNE

- Without expressing a legal opinion it seems to me that the clause is sufficiently elastic to allow me to give an officer six months' leave on full pay, and then if he does not wish to be away twelve months to allow him leave for two, three, or five months on half-pay and get him back as quickly as possible.

Mr Isaacs

- Does the honorable member mean that any period up to six months shall be on full pay?

Sir WILLIAM LYNE

- Yes.

Mr Reid

- It does not say that. If the Minister does not see the object of the amendment I do not want to press it; I shall leave it to the Senate.

Sir WILLIAM LYNE

- I am prepared to let the Senate deal with it. I think it is all right as it is. I do not think that where an officer had served twenty years and wanted leave for twelve months or six months, there would be the slightest objection, if he were a good man, to allow him off - in fact, I would look upon it as a claim ; but if he could not afford to stay away twelve months, he could take eight months' leave, of which two would be on half-pay, and come back and resume his full salary. I hope the committee will let the matter rest. I have no doubt that the legal gentlemen in the Senate, if there is any legal disability, will amend the clause with the greatest facility.

Mr POYNTON

-I think the Minister ought to extend his generosity in this respect to Members of Parliament who have served ten years. I think we are overloading the public service in this respect. It may come to be a serious matter later on. Fortunately there only will be a limited number to whom it will apply.

Mr. REID(East Sydney). - I would suggest an amendment which I think would be a useful one. Instead of the words -

And has not been reduced for misconduct or deprived of leave of absence.

would suggest the use of the words -

And has not been punished for misconduct. Because if a man is deprived of leave of absence, he is punished for misconduct.

Mr McCay

- Then a man who has been fined 10s. at the beginning of his service

Mr REID

- The honorable and learned member is quite right. There might be punishment of a very mild character.

Mr. PIESSE (Tasmania). - I think the provision is somewhat liberal. It appears that an officer may in ten years actually work only eight years. The eighteen days' leave, and the days which are given to him, come to 30 days' ordinary holidays, and at the end of ten years, if he was 30 years old when he entered the service, he may get so much leave.

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Mr Deakin

- Not one in a hundred could be in that position.

Clause agreed to.

Clause 63 -

The following days shall be observed as holidays in the public offices, namely : -

First day of January, being Commonwealth Day.

Christmas Day and the following day.

Good Friday and the following Saturday and Monday.

The Anniversary of the Birthday of the Sovereign, and

Any day proclaimed by the Governor-General or required by any Act to be observed in lieu of any of the said days.

Whenever any of the said days falls upon a Sunday, the next following Monday shall be observed as a holiday in the public offices in lieu of such Sunday.

Where by the law of a State any day or part of a day is appointed to be or is proclaimed as a public holiday or bank holiday or half -holiday throughout such State or in any part of such State, such day or half-day shall be observed as a holiday or half-holiday (as the case may be) in the public offices of the Commonwealth throughout such State or in such part of such State (as the case may be).

The Governor-General may also by proclamation at any time appoint in addition to the days hereinbefore named any specified day or specified part of a day to be kept as holiday or a half-holiday in the public offices of the Commonwealth or in any part thereof.

The Minister of a department or the permanent head or chief officer thereof may require such department or any part thereof to be kept open in the public interest for the whole or any portion of a holiday and may require the attendance and services of any officer of such department during any such holiday ; but in that case every such officer may be granted if practicable in lieu thereof a holiday upon such other occasion as shall not interfere with public business.

Mr McCAY

- Perhaps the Attorney-General recollects from his reading the trouble that arose 150 years ago when the new calendar was adopted. I think he is lobbying the civil servants of New Year's Day.

Mr Deakin

-It is turned into Commonwealth Day.

Mr McCAY

- Are we to get up on NewYear's morning and puzzle out whether we are to celebrate the day as citizens of the Commonwealth or as citizens of the State ?

Mr Deakin

- As citizens of the Commonwealth.

Mr McCAY

- In this State the Easter holidays last over four days, for Sunday is always a holiday so far as abstinence from ordinary labour is concerned. It is the only holiday of any length which is granted.

Mr HUME COOK

- Look at sub-clause (4).

Mr McCAY

- I know that under that sub-clause the Governor-General may proclaim other holidays. I wish to ask the Attorney-General whether, as a matter of drafting, the first two words "where by "in sub-clause (3) should not be " where under."

Mr Deakin

- Practically it is " where under " always.

Mr McCAY

- I suggest that it should be altered. It says that every officer may be granted on another occasion a holiday instead of the public holiday on which he was compelled to work. The words " may be granted if practicable" in sub-clause (5) may be interpreted in all sorts of ways by' the permanent head. It practically means that, unless it suits the department, a man will not get a holiday, and very often it will not suit the department that lie shall. Surely the Commonwealth can arrange that an officer shall get these holidays in lieu of public holidays where the state of business compels him to work on those holidays.

Mr HUME COOK

- What is wanted is extra pay for extra service.

Mr McCAY

- -That is what it comes to. If we make a man work on public holidays he ought to be paid extra.

Mr HUME COOK

- I took a note of the very point to which the last speaker has drawn attention. I think the provision in sub-clause (5) is very dangerous, and what he has pointed out is perfectly true. Weeks of leave are due to officers in this State which they will never be able to get. They have been compelled to work on special holidays and even on regular holidays, and they are not allowed extra pay, although it is in the nature of extra service, nor have they been granted substituted holidays. What an officer ought to get is extra pay for this service. It is like Sunday work. What ought to be done is to make the latter part of sub-clause (5) read in this way-

Every such officer shall be granted extra pay for such extra service, or shall be granted a holiday on such other occasions as do not interfere with public business.

I am not wedded to the second proposition, but I am particularly desirous of seeing the first carried. The only satisfactory way to deal with officers is to pay extra money when extra service is required. If that be not done, it may be the means of getting a great deal of work out of the officers without pay, and what has happened in the State of Victoria may happen in the Commonwealth, viz., that weeks of leave may be owing to civil servants who cannot get it. I do not move an amendment, because some other better suggestion may be made.

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Mr MANIFOLD

- .! presume this clause would apply to post-office officials, who form one of the largest departments taken over by the Commonwealth. In Victoria certain holidays are proclaimed, and sometimes the Minister or head of the department may require a number of the staff to remain at work. The practice in Victoria has been to despatch mails on some of these holidays, and the people of Melbourne not only get delivery ,of

their letters, but also of the daily newspapers. The mail, however, is sent up county, where it arrives after 10 o'clock. A certain number of the staff are required at the post-office up till 10 o'clock in the morning, and a certain number have also to attend on the arrivals of the mails at the post-office. The mails sorted at the local office are despatched to the different outlying districts. The people who live in the small towns and villages in those outlying districts generally get their mails delivered from small post-offices, which are very often contract post-offices. The people in the larger towns have their mails sorted at the centres, and as soon as the bags are despatched the post-offices are locked up again, and the people get neither their letters nor their daily papers, if the latter come through the post. The holiday to the employees of the post-office is of no use, seeing that a great number of them have to be at the office up to 10 o'clock in the morning, and others have to attend after 6 p.m. in the evening. It is only a kind of hybrid holiday they get. They cannot leave town, and they would be much better situated if they had a certain amount of holiday added to their annual leave. I am sure the people in country districts would appreciate anything which enabled them to get their letters every day if they attended at the post-office. In the case of Good Friday, there are practically four days running when people in the country districts do not get their newspapers until they are a day old, or do not get their letters unless they are called for before 10 o'clock in the morning.

Amendment (by Sir William Lyne) agreed to -

That after the word "by," line 17, the words "or under" be inserted.-

Mr MAUGER

- The employment of public servants during public holidays without extra pay is a very important question. The system allows holidays to accumulate, or gives the public servants leave at a time when leave is by no means convenient. It is an evil which has crept into the State service of Victoria, and I should be sorry to see it creep into the service of the Commonwealth. Surely if men do public service on public holidays they ought to be paid for it.

Mr EWING

- In order to test the feeling of the committee, I move -

That after the word "business," line 41, the words "or be paid overtime for the time in question " be inserted.

Sir William Lyne

- Would not overtime have to be paid time and a half?

Mr McColl

- Not necessarily.

Sir WILLIAM LYNE

- I would ask honorable members to allow the clause to remain as it is, because there is power by regulation, and without any specific provision, to do what honorable members desire. I am in accord with honorable members, and I will have the matter investigated and see whether there is any necessity for an amendment. I am informed that there is no necessity for an amendment, because we can do what is desired under the Bill, as it stands.

Mr HUME COOK

- Perhaps the Minister will inform us later on ?

Sir WILLIAM LYNE

- Yes.

Mr. EWING(Richmond).- Under the circumstances, I beg leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Mr CRUICKSHANK

- I should like to know how this clause would affect officers in remote districts. I understood from the Attorney-General that they would be covered by clause 59. The object of the clause? so far as I can see, is that officers in remote districts, who have to be in attendance and cannot get the proclaimed holidays, may receive some consideration, and have the time worked added to their ordinary holidays. This, I understand, is provided for in clause 59, but I should like to know that this is perfectly clear.

Mr Deakin

- There is no doubt of it.

Mr ISAACS

- I do not think it is fair to pass over this clause without drawing attention to the scrupulous care with which every contingency is provided for. I find that even in the case of Good Friday and the following Saturday and Monday, it is provided that should Good Friday fall on a Sunday, it is to be observed on the following Monday.

Mr MAHON

- The public servants seem to have a good many champions here to-night, and the public very few.

Sir William Lyne

- The honorable member is one of the public servants' champions.

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Mr MAHON

- I am prepared to do justice to the public servants, and also to the public when occasion requires. The clause provides seven statutory holidays, and then sub-clause (4) goes on to say that the Governor-General may also, by proclamation, at any time appoint in addition to these holidays any specified day or part of a day as a public holiday. Is it not desirable that the number of these public holidays, in any one year, should be limited? Numbers of people in Melbourne and other places with which I am acquainted - Western Australia among the number - are complaining of the unnecessary number of public holidays and the closing of banks and public institutions. In Western Australia these numerous holidays lead to a considerable difficulty in the delivery of letters. People who reside in remote parts of that State, may travel 20 or 30 miles to a post-office only to find that they have to wait three or four days before it is possible to obtain a letter or get a telegram through. I admit that we ought to give public servants every possible latitude, but still the public deserve some little consideration, especially in remote parts of the States, where it may be a matter of life and death, or it may mean the loss of thousands of pounds to a man, to get a telegram through. We should provide that within certain hours on public holidays the post and telegraph offices ought to be open. It would be no hardship to keep one officer on duty, because he could be provided with a holiday at some other time, or be paid double rate for his attendance on those days. I suggest that no more than a certain number of days in any one year should be proclaimed public holidays. It is possible, to have too much of a good thing. In the interests of the public the Minister ought to add to the sub-clause some restriction to the number of holidays to be observed in any one year.

Sir WILLIAM LYNE

- The object of the sub-clause, I take it, is to deal with special cases. I presume that in the other States the same system obtains as prevails in New South Wales. I recognise that applications come in very frequently for holidays, but not for holidays throughout the whole of a State ; and these holidays and half-holidays would not apply to the whole of a State. They would be given in special cases, such as the holding of a show, or of a race meeting, and would not apply to the whole of the Commonwealth. We must have an elastic provision of this kind, otherwise we could not proclaim holidays or half-holidays in the different localities where it is desirable that we should proclaim them. Honorable members, I think, must leave this power to the discretion of the Ministry for the time being. If too many holidays are granted, there will be an outcry, and Parliament has its remedy against the Government. As regards the question of keeping open the telegraph-office, I think there is a great deal in the remarks of the honorable member for Coolgardie, but sub-clause (5) provides that " the Minister of a department, or the permanent head or chief officer thereof, may require such department or any part thereof to be kept open in the public interest for the whole or any portion of a holiday." That provision will meet the honorable member's objection. In all cases I think that the telegraph-office should be open for a certain number of hours each morning or evening, for the despatch of telegrams. That is a matter, however, that is entirely within the discretion of the Minister. With regard to the post-office, the Postmaster-General would have power to order that it should be kept open. When the department is so kept open, the officer who attends there for an hour in the morning, and an hour in the evening will be paid for that time under the provision that is suggested. I think honorable members can allow this clause to remain in its present form. Subclause (4) is taken from the Victorian Act, and sub-clause (5) from the Queensland Act.

Clause, as amended, agreed to.

Clause 64 agreed to.

Clause 65 -

Every officer shall retire immediately on attaining the age of sixty-five years unless he is required, notwithstanding his age to continue to perform his duty in the public service as hereinafter provided and is able and willing so to do.

Amendments (by Mr. Reid) agreed to.

That the word "immediately," line 1, be omitted; and that the words "notwithstanding his age," line 3, be also omitted.

Clause, as amended, agreed to.

Clause 66 -

Notwithstanding that an officer has attained the age of sixty-five years, if the commissioner, from time to time, certifies that in the interests of the Public Service it is desirable that such officer should continue in the performance of the duties of his office, or of any office in the Public Service to which he may be appointed and that such officer is able and willing to do so the Governor-General may direct such officer to continue in the service for such fixed time, not exceeding twelve months, as the Governor-General in each case directs, or during pleasure.

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Mr REID

- There is, I fear, a slight ambiguity in this clause. Provision is here made that "notwithstanding that an officer has attained the age of 65 years, if the commissioner from time to time certifies that in the interests of the public service it is desirable that such officer shall continue in the performance of the duties of his office, or of any office in the public service, to which he may be appointed," the Governor-General may direct such officer to continue in the service. The expression "continue" seems to fit in with "the duties of his office," but does not fit in with "any office of the public service to which he may be appointed."

Amendment (by Sir William Lyne) agreed to -

That the words "from time to time," in line 3, be omitted.

Mr ISAACS

- I am not so sure that the words, "from time to time," ought to be struck out. I am aware that the Acts Interpretation Bill does make a general provision, but if it is the intention of the Government that the term for which an officer who has attained the age of 65 years may be continued in the service may be repeated, I should advise them to retain the words "from time to time;" as it is possible that they may find that those words govern the whole clause.

Sir William Lyne

- They have been struck out now, but I will look into the matter.

Mr ISAACS

- If the Government intend that the twelve months' service may be repeated, I should advise them to insert some words which will give them the power they desire.

Mr Deakin

- Upon my first reading of the clause, I think that the power is there.

Mr ISAACS

- I feel very doubtful about it.

Clause, as amended, agreed to.

Clause 67 -

Notices of all appointments promotions transfers retirements or removals of officers and of all Orders in Council or proclamations under this Act shall be published in the Gazette within twenty-eight days after the making thereof by the Governor-General and every such notice shall be deemed and taken to be conclusive evidence of every such appointment promotion transfer retirement or removal or of such Order in Council or proclamation respectively.

Sir WILLIAM LYNE

- I move-

That after the word " retirements," in line 2, the words " vacation of office" be inserted.

Mr HUME COOK

- I should like to know what is the object of inserting these words. I thought of adding some words providing for the notification of any vacancies that may occur, so that officers may have an opportunity of

applying for such vacancies. But apparently it is the intention of the Government to make promotions first, and to notify such promotions afterwards. I think it is desirable that vacancies should be advertised, so that those in the service who think that they are eligible, may apply for them. But I do not see any such provision within the four corners of this Bill.

Sir WILLIAM LYNE

- I do not think that it is as the honorable member for Bourke anticipates. This clause simply provides for notice being given if an office is vacated. It was represented to me to be an omission, because it was provided that all promotions, transfers, retirements, and removals of officers were to be notified. A vacancy in an office, however, was not included, and I was advised that it should be so included. I understand the honorable member desires that if an office becomes vacant, or a new office is to be created, notice should be given of it, so that applications may be made. I do not think that this would have that effect.

Amendment agreed to.

Amendment (by Sir William Lyne) agreed to.

That after the word "retirement," line 8, the words ' ' vacation of office" be inserted.

Mr ISAACS

- I do not know whether the Government propose to alter the word "conclusive, " or to deal with that portion of the clause in any way. The trouble is that that portion of the clause maybe read as being "conclusive" in point of law and in point of fact with regard to the appointment, promotion, or transfer of an officer. What I want to guard against is that the mere production of the Gazette notice shall not conclude the matter. I have no objection to its being conclusive that a certain thing was purported to be done, or that, in fact, it was done, leaving the legality of it an open question.

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Mr DEAKIN

- I will see that the words "of the fact " are inserted after " evidence."

Clause, as amended, agreed to.

Clause 68 agreed to.

Clause 69-

Nothing in this Act shall authorize the expenditure of any greater sum out of the Consolidated Revenue Fund by way of payment of any salary than is from time to time appropriated by Parliament for the purpose.

No salary or allowance shall be paid to an officer whose appointment or promotion has not been made in the manner provided by this Act.

Where money has been appropriated by Parliament in any year for the salaries of officers in any division, if during the year for which the appropriation has been made any vacancy occurs in such division and is not filled up, the Governor-General may apply the money so appropriated to the payment of any officer in a lower position in the same division.

Payments of money to officers other than for salary or prescribed transfer or travelling allowances or expenses shall be made only under the authority of the Governor-General.

Mr McCAY

- I would, like to draw attention to the wording of subclause (2), which provides that no salary or allowance shall ' be paid to an officer whose appointment or promotion has not been made in the manner provided by the Act. Supposing that an appointment has been made- properly, but that a promotion has been made improperly, is it possible that this provision might prevent an officer from being paid even the salary to which he was entitled before being promoted ?

Mr Deakin

- I will inquire into the matter.

Mr. CRUICKSHANK (Gwydir). - I would like to know whether the provision in sub-clause (4) would cover the case of officers who have allowances made to them in consideration of their being employed in hot climates or in outlying districts 1

Mr HUME COOK

- Clause 71 provides for that.

Mr CRUICKSHANK

- If the provision is made in the Bill I am quite satisfied.

Mr Isaacs

- I would like to know exactly what the first sub-clause means 1 I am not clear about it myself.

Mr DEAKIN

- It is copied from the Queensland and Canadian Acts, "and is aimed at an attempt to increase salaries by a. Ministerial fiat without the authority of Parliament. Parliament fixes the salaries under the Appropriation Act, but a Minister might direct that an officer should receive so much more than he would be properly entitled to under the Appropriation Act. That is what this provision is directed against.

Mr Isaacs

- The Constitution prohibits that.

Mr DEAKIN

- Yes, I should say so.

Mr ISAACS

- Subclause (1) provides that nothing in the Act shall authorize the expenditure of any greater sum out of the consolidated -revenue by way of pay-' ment of any salary than is appropriated by Parliament. Is it possible that this would come into conflict with the other portion of the Bill which provides by schedule what salaries shall be paid.

Mr DEAKIN

- No, the salaries have to be voted by Parliament.

Mr. ISAACS.- Section 83 of the Constitution Act provides -

Nomoney shall be drawn from the Treasury of the Commonwealth except under appropriation made by law.

If the provision in this clause means that only, it is hardly necessary, and if it means more it might conflict with the other portions of the -Bill. Under the provisions of this Bill every officer in the clerical division will have a right to his salary as fixed by the Bill.

Mr Deakin

- When Parliament appropriates it.

Mr ISAACS

- Yes; but if this provision means only what section 83 of the Constitution Act provides for it appears to me unnecessary, and if a court should say that Parliament must have meant something more by-putting in such a provision, it would be a doubtful question how far it might come into conflict with the other portions of the Bill. I would like the Attorney-General to consider the matter.

Mr Deakin

- I will compare it again with section 83.'

Mr REID

- If there were any regulations, or any provisions by law under which there would be any increments by force of law or regulation, what the honorable and learned member for Indi points out would be a matter of importance, because then an officer 'might be deprived of the increments which would otherwise naturally accrue, until the Appropriation Act was passed.

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Sir William Lyne

- The Attorney-General will look into the matter and see what provision requires to be made.

Mr. McCAY(Corinella). - I would remind the Minister that in the Supreme Court of Victoria very recently a question was raised as to how far the Appropriation Act affected salaries purporting to be payable under the Public Service Act, and I would like the Attorney-General to consider the matter, because I think there is a danger of depriving a man of the salary to which he would be properly entitled.

Clause agreed -to.

Clause 70 -

Except with the express permission of the Governor-General, which permission may at any time by Order in Council be withdrawn no officer shall- (a) accept or continue to hold an office in or under the Government of any State or in or under any public or municipal corporation ; or accept or continue to hold or discharge the duties of or be employed in a paid office in connexion with any banking insurance, mining, mercantile or other commercial business, whether, the same be carried on by

any corporation company, firm or individual ; or
engage in or undertake any such business, whether as principal or agent ; or
engage or continue in the private practice of any profession ; or
accept or engage in any employment other than in connexion with the duties of his office or offices under the Commonwealth.

Nothing herein contained shall be deemed to prevent an officer from becoming a member or shareholder only of any incorporated company or of any company or society of persons registered under any Act in any State or elsewhere.

Mr CROUCH

-I would like the Minister to explain why, in sub-clause (b), a limitation is made as to the character of outside work which civil servants shall be prohibited from carrying on. Why should not the prohibition extend to all occupations ?

Mr BATCHELOR

- I desire to hear some reason for inserting sub-clause (a), providing that no officer shall hold an office in or under the Government of any State or in or under any public or municipal corporation. I have in my mind unpaid officers in connexion with public or municipal bodies. A good many Government servants are members of public library boards, boards of management connected with schools of mines, and so on, and it would be a pity to deprive the States of their valuable services in these capacities.

Mr Deakin

- They may occupy such offices " with the express permission of the Governor-General . "

Mr BATCHELOR

- That is no answer to my objection, because at present no express permission is required from the State Ministers in some of the States, at any rate, and the arrangement works very well. In South Australia we go so far as to allow public servants to be members of district councils. The system works very well in the public interest. Both as members of their local governing bodies and also in the discharge of their duties as public servants the officers are able to do good work. The only question is whether acceptance of outside duties interferes with the discharge of the ordinary duties for which public servants are paid. If so, the outside duties should not be accepted, but if not, there seems to be no reason why they should not be.

Mr McCAY

- I will draw the Minister's attention to another point. The desire of the Government is probably to study frugality and save the money of the public service. In paragraph (b) it is provided that a public servant shall not hold any office in connexion with mining or any such business, and paragraph (c) says that the public servant shall not engage in any such business whether as principal or agent ; but subclause (2) authorizes public servants to engage in business in connexion with " any incorporated company." There is a favorite method of losing money in mining communities, namely, by taking an interest in an unregistered mining venture. It seems to me that under this clause public servants would be forbidden to lose money in that way. I do not see any merit in losing money in a registered mining company any more than in an unregistered one. It is a common thing to put money into the development of a piece of land believed to contain minerals - to keep the prospector going for a little while. It is a very laudable object, though the keeping of the prospector going may not be the real desire of the citizen who puts in his money. Under this clause a public servant will be prevented from taking his share in a little unregistered company. Often such a concern is dignified by the name of syndicate, and the members of it pay in their own money. That is engaging in mining business, and public servants spend their money in this way, just as cheerfully as do private individuals.

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Mr REID

- This clause raises a number of rather important questions. In private businesses, which, perhaps, are managed as strictly perhaps as the Government service, no sort of obstacle is thrown in the way of employe's putting their leisure time to some useful purpose. I have no sympathy with paid employes taking paid positions in connexion with outside bodies ; some room should be left for other people in connexion with outside work. But I see no sort of objection to a public servant being encouraged to make use of his private time by connecting himself with useful bodies. I do not wish to speak with any authority

on the point, because I know there are arguments on the other side. My objection to this clause is largely to the number of words it uses for the purpose of providing that no public officer shall engage in outside business of any kind. It would be very much easier to express the meaning in a very few words. We might say simply -

Except with the express permission of the Governor-General, no officer shall undertake or continue in any employment other than that in connexion with the duties of his office or offices under the Commonwealth. The numerous paragraphs of the clause are all intended to express that meaning. If the Government by inserting five paragraphs wish to leave officers free as to certain special occupations the committee ought to know it. But I do not think the Government has any such intention. If the intention really be that no public officer in the Commonwealth service shall continue in any other position whatever without the permission of the Governor-General, a very few words will express the object ; but if by defining these different paragraphs, the Government wish to leave open certain special work for public servants, we should be told so. It would save public officers much anxiety of mind if the clause were merely to provide what I have suggested.

Sir WILLIAM LYNE

- I would point out to the leader of the Opposition that this clause is taken from the Public Service Acts of New South Wales, Victoria, and Queensland, except that I think it is better worded in this Bill than in the New South Wales Act. Every provision in the clause, except the last one, is contained in the New South Wales Public Service Act.

Mr Reid

- I can understand the New South Wales Act, but I can not understand this clause.

Sir WILLIAM LYNE

- The right honorable member will find each of the provisions of the New South Wales Act incorporated here except the last part of the clause.

Mr Deakin

- And that is in the Victorian Act.

Sir WILLIAM LYNE

- These provisions have not been found to work any hardship. That being the case, it is not wise to make a new departure at the present time. If any hardship has arisen, I should like to know of it, but seeing that the clause is almost word for word copied from the three Acts I have mentioned, I do not think it would be wise to alter it.

Mr HIGGINS

- I would suggest an alteration of which I think the leader of the Opposition will see the wisdom. The words suggested by the right honorable member would not cover all the ground. The leader of the Opposition suggests that it should be provided that a public servant shall not engage in " any employment." That would not apply to a professional officer receiving fees for certain practice.

Mr Reid

- Surely it would.

Mr HIGGINS

- I think not. Paragraph (d) specifically provides that a public servant shall not " engage or continue in the private practice of any profession."

Mr Reid

- Would not that be engaging in employment ?

Mr HIGGINS

- I think not.

Mr Reid

- I see the point.

Mr HIGGINS

- It would be better to have paragraph (d) in the Bill. It is not advisable for a man who has to give the King his best service, and is paid for it, to be able to give opinions as an engineer or a lawyer, or to practice as a dentist.

Mr HUME COOK

- Then sub-clause (c) requires attention.

Mr HIGGINS

- In sub-clause (c) the words occur -

Engage in or undertake any such business, whether as principal or agent.

Mr Reid

- That would be employment, surely ?

Mr HIGGINS

- Yes, it might be ; but it might be urged that the restriction was to be read in a narrow sense. It must be employment where the man is the person employed.

Mr Deakin

- A principal may not be strictly in employment.

Mr HIGGINS

- When we say a man must not engage in any employment it may mean that he is not to be the person employed, but that he may be the agent of the person employed and get paid for the work. We ought not to alter what has worked fairly well in the laws of the States, unless we see that there is very good reason for knocking these- provisions out. As for sub-clause (b), I do not understand why the provision against engaging in outside work without permission is restricted to officers who - accept or continue or hold or discharge the duties of or be employed in a paid office in connexion with any banking, insurance, mining, mercantile, or other commercial business.

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Mr Deakin

- That provision is aimed at fees for auditing and matters of that sort.

Mr Reid

- A member of the service could take office as chairman of a bank as long as he was not paid for it. .

Mr HIGGINS

- Why should the provision be restricted to these businesses?

Mr Reid

- I quite agree, with the honorable and learned member, but still he tells us that it has worked very well.

Mr HIGGINS

- It is not in the Victorian Act, is it ?

Mr Deakin

- Yes, I think it is word for word.

Mr HIGGINS

- If there is to be restriction in regard to paid offices' in connexion with banking business, I think there should be restriction in regard to all businesses.

Mr Reid

- No doubt.

Mr HIGGINS

- I think at all events we should pass sub-clauses(c) and (d), and, if anything, make sub-clause (b) a little wider.

Mr ISAACS

- The Attorney-General will perhaps bear in mind that in Victoria there are peculiar provisions as to companies. There are such things as proprietary companies which are to all intents and purposes partnerships under another name. It seems to me that under this provision an officer of the service could become a member of a proprietary company as it is called here - that is, an ordinary trading partnership under another name - and that the clause might be evaded in that way.

Mr Watson

- Does not sub-clause (b) cover any mercantile business ?

Mr ISAACS

- Yes; but sub-clause (2) is an exception to the whole of it. An officer may only be a member or a shareholder of a company, and yet have practically the whole of the business in his own hands.

Mr Deakin

- The honorable and learned member is calling attention to sub-clause (2) ?

Mr ISAACS

- Yes ; that is where the danger and the difficulty occurs. It is among the many difficulties which the Attorney-General will have to look at later on.

Mr Higgins

- What would the honorable and learned member suggest in regard to sub-clause (2) ?

Mr ISAACS

- I should like to see the clause improved.

Mr. REID(East Sydney). - I should like to know more clearly what is the principle of the clause. I am quite agreeable that it should remain as it is, because I see the force of the argument that these provisions have been working in the different States in this form. Are we to understand that the principle is - and perhaps the Attorney-General will tell me what the real object of the clause is - that no public officer shall engage in any employment of any land except with the permission of the Governor-General ?

Mr DEAKIN

- That is it.

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Mr REID

- That being so, I must admit that the clause carries out what is intended.

Clause agreed to.

Clause 71-

The Governor-General may from time to time make alter or repeal regulations for all or any of the following purposes namely : -

for arranging the professional division into classes and the general division into grades, and for determining the limits of salaries to be paid to persons in such classes or grades in the different departments or in any specified department ;

for limiting by lot the number of candidates to be examined at any entrance examination to a number not less than three times the number of persons to be appointed for limiting the ages of candidates, and for fixing the fees payable for entrance examinations, and for registering in the order of merit the names of all persons who have passed ;

for facilitating the employment of women in departments or offices wherein it may be desirable to employ them, and to prescribe rates of salaries or wages for those employed otherwise than in the Clerical Division ;

for constituting in any part of the Commonwealth or for any locality or department in any locality Boards of Inquiry for the purpose of investigating charges against officers for breaches of the provisions of this Act or any regulations thereunder or of being unfit to discharge or incapable of discharging the duties of his office efficiently, or of committing any offence for which an officer may be suspended from duty, and for regulating the procedure of such boards ;

for regulating and fixing for breach of any specified regulation penalties not exceeding fifty pounds, according to the nature and gravity of the offence ;

for regulating and determining the scale or amount to be paid to officers for transfer or travelling allowances or expenses, or for living in or near the tropics or in mountainous localities, or in places where owing to their situation the cost of living is necessarily higher than in large centres of settlement ;

for prescribing the form of register of applicants for temporary employment, and the mode of keeping the same in each State, and also the method of dealing with or punishing persons temporarily employed ;

)for regulating the hours of attendance of officers, and the keeping and signing of records of attendances ;
for regulating the performance of and payment of officers for extra services and the payment of examiners ;

for fixing the amount and nature of the security to be given for the fidelity of officers occupying positions the nature of which in the opinion of the commissioner renders it necessary for such officers to find security for their fidelity ;

for fixing the maximum or minimum age of persons who may be appointed to any particular division or class, or grade, or to any particular office ;

for providing for a notification to the commissioner of every punishment inflicted on any officer by virtue of this Act, and for keeping records thereof ;

prescribing the lowest amount for which the lives of officers shall having regard to their annual salary be

assured ;

for determining the dates times or periods of time at or within which shall be done all things and acts required or permitted by this Act to be done, and in respect of which no dates times or periods of time are specifically provided ; and

generally for the management of the public service and the carrying out of any of the provisions of this Act.

Regulations purporting to be made pursuant to this Act may be made either generally or with respect to any particular case or class of cases, and when made by the Governor-General and published in the Gazette shall have full force and effect ; and such regulations shall be laid as soon as may be before both Houses of Parliament, and be deemed to be within the powers of this Act and shall while in force have effect as if enacted in this Act.

Mr DEAKIN

- In this clause there are certain amendments that will be necessary in fulfilment of undertakings given at different times during the debate.

Mr PIESSE

- I desire to point out that under this clause the Governor-General may from time to time make, alter, or repeal regulations. That is the widest possible way of expressing the power.

Mr Deakin

- I think so. Could the honorable and learned member suggest a wider way ?

Mr PIESSE

- I do not think the power should be so wide as it is in sub-clause (o). Under that sub-clause the Governor-General may make laws for carrying out any of the provisions of the Act.

Mr Deakin

- The provision in sub-clause (o) ought to be put at the beginning of the clause.

Mr PIESSE

- The Attorney-General should cause words to be inserted such as have been used in a similar clause in another Bill, providing that the Governor-General may from time to time make, alter, or repeal regulations " not inconsistent with the provisions of this Act."

Mr Reid

- That is understood.

Mr PIESSE

- It is just as well that the words should be put in. They have already been introduced in another Bill now before Parliament.

Mr DEAKIN

- I do not know if the honorable member would be satisfied, but I should prefer to have the clause amended at the commencement so that it would read -

The Governor-General may make, alter, or repeal regulations for the management of the public service, and the carrying out of any of the provisions of this Act, and more particularly for - and then go on to the sub-clauses.

Mr Reid

- Why not provide -

The Governor-General may, " subject to the provisions of this Act."

Mr DEAKIN

- Could it possibly be claimed that, except subject to the provisions of this Act, the Governor-General had authority. If the right honorable and learned member had no objection, I should be inclined to make the amendment in the positive form instead of in the negative.

Mr Piesse

- The use of the words " management of the public service " may give the Governor-General a great deal of power.

Mr DEAKIN

- The clause refers to the management of the public service under this Act.

Mr Piesse

- I am quite willing to withdraw my proposal in favour of the amendment suggested by the

Attorney-General.

Mr DEAKIN

- I move-

That the words "from time to time," line], be omitted.

Amendment agreed to.

Mr DEAKIN

- I now propose to take the words from sub-clause (o), and to introduce them after the word " regulations " at the commencement of the clause. I move -

That the words " generally for the management of the public service and the carrying out of any of the provisions of this Act, and more particularly," be inserted after the word "regulations," line 2.

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clause (o

Mr HIGGINS

. He says -

The Governor-General may make, alter, or repeal regulations for the management of the public service and the carrying out of any of the provisions of this Act.

I am afraid that if we put in the words " for the management of the public service," the Governor-General will be a kind of supplementary legislator to these Houses. I think it will answer the Attorney-General's purpose if he simply says - " may make, alter, or repeal regulations for the carrying out of any of the provisions of this Act, and in particular for so and so." I think it would be unwise to use the words " for the management of the public service," because that would give a very wide power, and all the Attorney-General wants is to have power to carry out the provisions of the Act, and to provide the necessary details and machinery to make it workable.

Mr DEAKIN

- I accept the honorable and learned member's suggestion. I move -

That the words "for the carrying out of any of the provisions of this Act and in particular " be inserted after the word " regulations " line 2.

Amendment agreed to.

Mr ISAACS

- In other parts of the Bill we have referred to the " wages " of the general division. I think it is necessary that the word should be inserted after the word " salaries " in sub-clause (a). I move -

That the words "and wages" be inserted after the word "salaries" line 7.

Amendment agreed to.

Sir WILLIAM LYNE

- I move-

That the following new sub-clause be inserted to follow sub-clause (a) - "For the conditions under which officers of the clerical and general divisions may be transferred to the professional division."

I made a promise, I think, to the honorable member for South Australia, Mr. Batchelor, to deal with this matter, and I have had this new sub-clause drafted to carry out that promise.

Amendment agreed to.

Sir WILLIAM LYNE

- I move-

That the words "in manner otherwise than " be inserted after the word "limiting," line 1.1.

We have already made a similar amendment in previous clauses of the Bill.

Mr BATCHELOR

- I do not want to go over the whole question again ; but it has been argued pretty strongly that there is no necessity for any limitation at all, and, in order to bring that about, the best way will be to strike out all the words of this sub-clause down to and including the word " and " in line 1 6.

Mr Reid

- If the honorable member wants to test the feeling of the committee, he had better propose to omit the words " for limiting."

Mr BATCHELOR

- I will move the omission of one word, so that the matter may be tested. move -

That the word "limiting," in line 11, be omitted.

The reasons are just these : There is no method that we can adopt that will not cause a considerable amount of dissatisfaction. The preliminary examination will be the best of methods, but I certainly fail to see any necessity for any limitation at all. Let the candidates come along, as many as choose to turn up, and only those who pass will be recognised. They will be registered in the order of merit, and it does not matter in the least whether there are 20, 50, or 100. I think it will be better to throw it quite open, so that there shall be no possibility of any influence being brought to bear at the very inception of a boy's career. The lot system is utterly absurd, and that is being struck out; but no matter what method we adopt, there will be a suspicion of favoritism about it, and as this Bill is specially intended to prevent anything like favoritism, we should throw open entrance to the service to any boys who think they can pass the examination.

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Mr REID

- I may say I rather sympathize with the view the honorable member has expressed. I quite see the inconvenience from an official point of view. We can see that clearly, but it is cured to some extent by the imposition of fees. If the fees are properly fixed there will be no expense to the public, although I admit there will be some inconvenience. I suppose, however, that the commissioners on the question of fees will be prepared to undergo any amount of inconvenience in that direction. I strongly object to the principle of limiting the opportunities of merit. The persons left on the wrong side of the fence may be absolutely the persons who would adorn the public service. This amendment, proposing to insert the words "otherwise than by lot," seems to me a very ingenious way of escaping the difficulties of the argument, because we are left to imagine what heaven-born system will be devised to meet all the emergencies of the occasion. In point of fact, I am sure that my honorable friend, the Minister in charge of the Bill, will find some difficulty in mentioning to us what other plan he proposes to adopt, and what he means by the expression "otherwise than by lot." I would like to hear from the Minister what heaven-born system will be adopted to select promising youths from all who seek admission to the service, from those who had better be thrown on one side as unworthy of notice. I do not propose to speak at any length, but I am absolutely with the honorable member at present. I think we cannot deny the abstract right of any youth to compete in these examinations. No honorable member can get up and say that any youth in this State ought to be debarred from the opportunity of competing for the offices of the Commonwealth, and yet by a vote we shall say so. We shall not get up and say so in so many words, but if we pass this clause we shall say so in a very practical way. We ought not to limit the opportunities of the youth of Australia, especially when they are subject to a fee to cover any trouble or expense which may be incurred. Unless the Minister can point out some method which seems to commend itself to our judgment, do not let us legislate in the dark in this way. We must, to a certain extent, legislate in the dark as to details; but do honorable members think it a detail to determine whether any youth in this continent shall be debarred from the opportunity of going up for the Commonwealth examinations? It is a matter of principle, and the spirit of our Constitution is entirely in the way of throwing open equal opportunities to all. How can we carry out that policy if, first of all, we limit the number; and, secondly, accept this proposal of the Government which is not so good as the other one. The proposal of the Bill was a definite one; we knew what the Government meant. But now we are asked to pass something when the Government themselves do not know what it means, and they will tell honorable members so if they are asked. We are not legislating when we get into this position. If the Government have a reason for this limitation, they ought to let us know what it is for. The subject is important enough. Surely the Attorney-General or the Minister for Home Affairs will let the committee know what proposal they intend to adopt if the lot system is to be abolished, and another manner adopted. Have they any other manner in view? It seems to me that we are getting into a very unsatisfactory way of legislating. Although at first, no doubt, there will be a very large number of candidates, the great difficulty will be at first. It will, I admit, be a serious difficulty to grapple with at first, but it will diminish as time goes on, because those who have paid, and whose names and records are on the official books, need not be allowed to compete again. That will be a much fairer thing than shutting out any man. We might, under that system, shut out a Sir William Lyne, or a Mr. Deakin, and allow in a man like myself - and that would never do. I strongly agree with the honorable member for South Australia, who, I believe, intends to test the feeling of the committee. Unfortunately, I

have not had an opportunity of reading the discussion on this question, and I shall content myself with saying that it does not seem to me that we can accept this alteration, or, indeed the original proposal. At any rate, the Government should tell us what proposal they have in view when they propose to amend the Bill. I think it is a practical suggestion which the Minister might adopt.

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Mr SALMON

- The only valid reason which can be given for limiting the number will be the existence of a roll of applicants who have passed the examination. That system of keeping a roll from year to year is a bad one. I am a believer in frequent examinations being held for all vacancies occurring in the State's service, in order that we may get what this Bill tells us we shall get - a proper recognition of merit. We cannot get a recognition of merit if we have the old system of automatic preferment, because that is virtually what it will mean. Suppose we have 50 vacancies, and we allow 150 to compete at the examination ; and we register them in order of merit, reserving to ourselves the right to fill up any vacancies with the fifty-first and fifty-second, and so on as they stand on the register, and so on ; then we shall be debarring probably a large number of persons outside - those who were not competent by reason of age and other disabilities to compete with the others at the original examination - from having an opportunity when really their turn has come. If the Government intend, as I believe they do, to have frequent examinations, then the necessity for a limitation altogether disappears. I would like to see the limitation eliminated. I shall vote for the amendment.

Sir WILLIAM LYNE

- I find that the regulation under the Public Service Act of New South Wales is as follows : -

The names of all candidates shall be entered in books to be called respectively " the register of candidates for admission to the professional division," and the " register of candidates for admission to the clerical division," in accordance with priority of application. Only candidates whose names are so registered shall be allowed to present themselves for examination. So soon as the maximum number of candidates to be allowed to compete for entrance to a division is reached the register shall be closed for the examination then pending.

It seems to me that under that regulation, according to priority of application, when they get the number that is required it is closed and no one else can apply.

Mr Reid

- Still they all have a show.

Mr McCay

- Those in the town will have a greater chance than those in the country.

Sir WILLIAM LYNE

Provided' that where, owing to- the number of applicants on any particular day or for any other reason, priority of application cannot be applied as a determining principle in regard to the order of entry in a register of candidates the order shall be determined by ballot.

I recognise that it is a very difficult thing to define in what way we shall determine to reject applications. The other night the point was discussed whether there should not be a board appointed to examine into the qualifications of the candidates.

Mr REID

- A board is the last refuge of Parliament in a difficulty.

Sir WILLIAM LYNE

- A preliminary examination, not a detailed examination, as is done, I think, in the Imperial service. But I recognise that it is a most difficult thing if it is not done by lot, and if it is done by lot, as is done under the Public Service Act passed, in New South Wales- at the instance of the leader of the Opposition-

Mr Reid

- Will my honorable friend take the Tariff of New South Wales, as he is talking so much about my Acts ?

Sir WILLIAM LYNE

- No; I did my best to stop the Tariff. I recognise that it is very difficult to deal with these questions of restricting and limiting unless it is done by lot ; and if it is done by lot, it may be very unfair to perhaps better applicants than those selected. Under these circumstances,' I think perhaps it would be better to leave this out for the present, and if we find it is a very difficult task at any time, we can make some

provision, I have no doubt, which on the basis of experience the House will accept.

Amendments, by leave, withdrawn.

Mr. DEAKIN(Attorney-General- Ballarat). - With a view to give effect to what my honorable colleague has said, I move -

That the words "limiting by lot the number of candidates to be examined at any," lines .1 and 2, be omitted.

I shall" subsequently move that the words " to a number not less than three times the number of persons to be appointed, for limiting the age of candidates, and," lines 3 to 6, be omitted.

Mr Crouch

- Does that mean that the Government will be able to do by regulation what the House has decided the Government has no power to do ?

Mr DEAKIN

- No.

Mr. HIGGINS(Northern Melbourne).Does the Attorney-General think that the word "entrance," line 2, should remain? I understand that "the Governor-General will make regulations also for examination for promotion from class .to class. There is no specific power given in this sub-clause, but that power could be given by simply leaving the word "examination" without "entrance." There are examinations for transfer from class to class - transfer from the general to the clerical division, and from the clerical to the professional division.

Mr Deakin

- I think power is given in clause 23.

Mr Isaacs

- And in clause 37.

Mr HIGGINS

- Clause 37 provides that no officer shall be promoted from a class in the professional division or the clerical division to a higher class, or be transferred, unless he has passed such examination as is prescribed.

Mr Deakin

- Look at clause 23.

Mr HIGGINS

- Clause 23 provides that regulations shall be made for the examination from time to time of persons desirous of admission into the public service.

Mr Crouch

- That is for admission. There is not one word about transfer.

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Mr HIGGINS

- If it be necessary to give the Governor-General power;- in clause 71, to make regulations for admission, it will also be necessary to give him power in the same clause to make regulations for promotion or transfer. I only want the clauses to be consistent.

Mr DEAKIN

- I am obliged for the suggestion, and I think it would be an advantage if the word "entrance" were omitted. I ask that the proposed amendment be amended accordingly.

Amendment amended and agreed to.

Amendment (by Mr. Deakin) agreed to-

Thatall the words after "examination," line 13, down to and including " candidates and," line 16, be omitted.

Mr. ISAACS(Indi).- May I direct the attention of the Attorney-General to the fact that if the rest of the sub-clause, as to registering in the order of merit the names of all persons who have passed, is allowed to remain it will apply to every examination.

Mr Deakin

- I leave the word "entrance " in this part of the clause.

Mr ISAACS

-Then after the word " passed," in the last line of the sub-clause, it will be necessary to have the words "

the entrance examinations. "

Mr Deakin

- Very well ; I move -

That after the word " passed," line 20, the words " the entrance examinations" be inserted.

Amendment agreed to.

Amendment (by Sir William Lyne) proposed -

That after the word " examinations " at the end of sub-clause (b) the following words be inserted : - " and of those candidates who having qualified at any such examination may be appointed to fill subsequent vacancies arising within nine months thereof."

Mr. REID(East Sydney).- Let us suppose there are ten vacancies, and that fifteen candidates pass a distinguished examination. In such case do I understand that five who pass a distinguished examination go off the books altogether ?

Mr Deakin

- No, they are kept on the books for nine months.

Mr REID

- But do they go off the books at the end of nine months?

Mr Deakin

- Yes, absolutely.

Mr REID

- That is rather a serious matter. These chances do not come often.

Mr Watson

- They cannot go up for another examination, I suppose ?

Mr Deakin

- Yes, there is nothing to prevent that.

Sir William Lyne

- The point was discussed the other night, when it was decided there must be a limit.

Mr Deakin

- This amendment is to meet the wishes of the committee.

Mr REID

- It seems very hard on those candidates who pay the fee, and perhaps pass a most distinguished examination, and yet are placed in the same position as if they had never presented themselves. I do not like the limit of nine months.

Amendment agreed to.

Mr. HIGGINS(Northern Melbourne).I would direct attention to the fact that sub-clause (c) provides that the Governor-General may make regulations for facilitating the employment of women in departments, and to prescribe rates of salaries or wages for those employed other than in the clerical division. Do the Government propose by this sub-clause to give the Governor-General in Council more power over the salaries and wages of women than he has over the salaries and wages of men ? Is it proposed under this sub-clause to specially give flexibility to the rate of wages to be paid to women for the work which they perform ? In this connexion I may ask whether it is the intention of the Government, by means of the amendment which they carried the other day in regard to the clerical division, to say that women come under the minimum then established of £110. It is already provided that every officer who reaches the age of 21 years shall receive not less than £110. There are two questions which I should like to ask the Minister. The first is whether he intends under this subclause to take special power for the Governor-General in Council to vary the wages given to women.

Sir WILLIAM LYNE

- Will the honorable member permit me ? It is not intended where women are in the general division that they should come under sub-clause (a). In reply to the second question put by the honorable member," I may say that it is intended that women employed shall come under the £110 limit. I had some doubt about the matter, but I took advice upon it this morning and I am informed that women undoubtedly come under the minimum. And it is intended that they should.

Mr Reid

- That is, in the clerical division?

Sir WILLIAM LYNE

- Yes.

Mr Isaacs

- Will the Minister explain the necessity for sub-clause (c) at all?

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Sir WILLIAM LYNE

- When the honorable member for Indi hears the addition that I intend to make to the clause he will be perfectly satisfied. I intend to move -

That the following words be added to subclause (c) : - "and the terms upon which female officers shall be dispensed with upon their marriage. Provided that nothing herein shall be taken to permit of the employment of any married woman except upon the certificate of the commissioner in each case that such employment is desirable."

I do not know whether sub-clause (a), as it is at present worded, technically applies to women. Since the question of the employment of females was debated in this House, we have resolved to go further than the Bill intended in the first instance. I think it would be safer to retain sub-clause (c). I admit that there is grave doubt as to its necessity, but I would not like it to be struck out and afterwards to discover that it would have been wise to retain it.

Mr. ISAACS(Indi). - I wish to direct attention to the fact that sub-clause («) gives power to the Ministry, not for the employment of women in departments, but " for facilitating the employment of women in departments where it is desirable to employ them." Does that provision imply that they are to be given preference over men in various departments ?

Mr CROUCH

- That is the only point in the sub-clause.

Mr ISAACS

- It is the Only point that I can see. If we strike out the word "facilitating," it seems to me that there is no obvious reason for retaining this subclause. It is a very grave matter of policy if it is intended that the Ministry of the day shall give preference to the employment of women. When the word "facilitating" is read in conjunction with the subsequent words "to prescribe rates of salaries or wages," and when we remember that we already have power under sub-clause («) for determining those salaries generally, it looks as if the intention is to employ women wherever the Government have an opportunity for so doing, and to give them lower salaries or wages. That is a policy which the committee have determined shall not be adopted. I ask the Minister for Home Affairs to consider whether he will allow that sub-clause to remain in the Bill at all. We have given power to the authorities to employ men or women as necessity may dictate, and why should we put a special provision in the Bill directed to " facilitating " the employment of women 1 I recognise that the Minister would not like sub-clause (c) to be struck out, and afterwards to find that he had some reason which did not occur to him at the moment for reinserting it. But I ask him to consider whether it is really necessary in the interests of the general community to retain a sub-clause which points to a preference being given to the employment of women at lower rates of pay ?

Mr POYNTON

- I rather agree with the remarks of the honorable and learned member for Indi. I do not see the necessity for the retention of sub-clause (c). The question of the rates of payment can be decided when we reach the last schedule.

Mr Deakin

- Those are the clerical rates.

Mr POYNTON

- I am very pleased to hear it acknowledged that. £110 is to be the minimum salary paid to public servants who have reached the age of 21 years. There is a lot more to be said, however, upon the question as to whether there ought to be any difference made between the position of males and females. What reason is there to provide that the maximum class to which a female can rise should be the fourth class ? If the amendment, which I anticipate I shall be able to carry, is agreed to, there will be no necessity for the particular reference in the last part of this sub-clause to the clerical division.

Amendments (by Sir William Lyne) agreed to -

That in paragraph (c) the words ' ' facilitating the employment of women in departments or offices,

wherein it may be desirable to employ them, and to prescribe " be omitted, with a view to insert in lieu thereof the words " prescribing the."

That in paragraph (u), after the word "division," the following words be inserted, " and the terms upon which the services of female officers may be dispensed with upon their marriage. Provided that nothing herein shall be taken to permit the employment of any married woman, except upon the certificate of the commissioner in each case that such employment is desirable."

Mr KIRWAN

- It seems to me that it might be inferred from the wording of paragraph (/) that the allowances referred to therein should not be paid to public servants living in large centres. But in Western Australia there are towns with from 20,000 to 40,000 inhabitants in which public servants are at present receiving special allowances, and it will be necessary to continue these allowances to them. I move -

That in paragraph (f) the words " higher than in large centres of settlement " be omitted, with a view to insert in lieu thereof the word " high."

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Mr REID

- (East Sydney).- Paragraph (f) contains the words - " Living in or near the tropics. I am. not prepared to say off-hand the exact boundary of the tropics in Australia, but I know that far below it we have weather as hot as is to be experienced anywhere.

Mr Kingston

- Does the right honorable gentleman refer to Sydney?

Mr REID

- No, to Adelaide, and the whole of the country in that part of Australia : and to places like Hay, Bourke, and the Darling. I am sure that it is not the intention not to apply the provisions of the clause to persons living in such places.

Sir William Lyne

- I think the amendment will give sufficient elasticity.

Mr REID

- And I guarantee that if it does not, the Minister will do so himself.

Amendment agreed to.

Mr. PIESSE.(Tasmania). - We have discussed the question of additional allowances, but I do not know that power is given to make regulations for the relief of officers who have served a certain length of time in undesirable localities. I therefore move -

That after the word "settlement," paragraph (f), the following words be inserted, " And providing for the relief and transfer of officers employed in any such locality after having been so employed for the period prescribed for that locality."

Amendment agreed to.

Sir WILLIAM McMILLAN

- I would like to know whether the Minister intends to insert at the beginning of the clause, after " GovernorGeneral," the words " on the recommendation of the commissioner." This would be simply consequential upon the amendments made in previous clauses.

Sir William Lyne

- I do not think that is needed here.

Mr McCAY

- I hope the Minister will not consent to the suggestion, because we are creating an executive to do certain things that we cannot do ourselves.. I have an amendment to propose which is consequential upon amendments made earlier in the Bill. I move -

That in paragraph (g) after the word " State," the words "and the mode of selecting persons therefrom " be inserted.

Amendment agreed to.

Mr HUME COOK

- I think there ought to be an addition made to this clause, and I have already spoken to the Home Secretary about it. It is advisable that all vacancies which are open should be notified in some way, so that all members of the service who are qualified, or who consider that they are entitled to apply, should

have an opportunity of doing so.

Sir William Lyne

- I would ask the honorable member to wait until paragraph (o) is omitted.

Mr. PIESSE(Tasmania).- Paragraph (h) provides that regulations may be made relating to the hours of attendance of officers, and to the keeping and signing of records of attendances. I would suggest that power be taken to record attendances by other methods than signing records, as there are mechanical appliances that might be employed for the purpose. I therefore move -

That the following words be added to paragraph (h) "or prescribing other methods of recording attendances."

Amendment agreed to.

Amendment (by Sir William Lyne) agreed to -

That paragraph (o) be omitted.

Mr. HUMECOOK (Bourke).- I propose to add a new paragraph in place of paragraph (o), providing for notifying all vacancies and promotions.

Mr Reid

- Promotions are already provided for.

Mr HUME COOK

- I move-

That the following new paragraph be inserted : - " (o) For notifying all vacancies, and the method of applying for such vacancies.".

Amendment agreed to.

Mr. PIESSE(Tasmania).- I have given notice of an amendment on the subject of the appointment of advisory boards, but it would probably be better to discuss the question in the form of a new clause rather than to raise it now. I will leave the matter for the present on the understanding that in the event of the proposed new clause being agreed to, clause 71 shall be recommitted in order that power may be taken under it to make the necessary regulations.

Sir William Lyne

- If the honorable member carries his proposed clause that will have to be done.

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Mr PIESSE

- With regard, to the latter part of the clause, which reads -

Regulations purporting to be made pursuant to this Act may be made either generally or with respect to any particular case or class of cases, and when made by the Governor-General, and published in the Gazette, shall have full force and effect -

I would like to ask whether there is any power to make regulations other than that vested in the Governor-General?

Mr Deakin

- I think not

Mr PIESSE

- If not, I would suggest that the words " made by the Governor-General and " are not necessary. In connexion with the publication of the regulations in the Government Gazette, it should be provided that they should have effect from the date of first publication, unless otherwise prescribed. I do not know, however, that we should say that they should have "full force and effect," because that might be construed to have a wider meaning than we intend. Then I suppose that the Minister will modify the provision in the clause that such regulations shall be laid before Parliament " as soon as may be" so as to bring the provision in this clause into accord with what we have done in other parts of the Bill. Further, it may be well to see that the production, of a copy of the Gazette containing a copy of the regulations shall be sufficient evidence of the regulations having been made by the Governor-General. The clause is so drawn that, once a regulation is published, it will have the same effect as if it were a part of the Act itself. I move -

That the words "made by the Governor-General and " be omitted.

Sir WILLIAM LYNE

- I hope the honorable member for Tasmania will not persist in his amendment. The words can do no

harm. I know of no other power which can make the regulations, but in case there be any other power, it would be unwise to expunge the words from the clause when we might afterwards have to reinsert them. Amendment withdrawn.

Mr. ISAACS(Indi).- The last portion of this clause is certainly beyond what we ought to pass. It provides that when the regulations are made by the Governor-General in Council and published in the Government Gazette, they shall have "full force and effect." The Privy Council has, in at least one case, intimated with regard to such words as these, that it is doubtful whether the regulations made can be questioned. I suggest that after the word "shall," the words "if not inconsistent with this Act" be inserted. Then I should suggest striking out the words-1- "and be deemed to be within the powers of this Act, and shall, white in. force, have effect as if. enacted in this Act."

The honorable member for Tasmania, Mr. Piesse, has made a suggestion that we shall carry out what we have already provided in previous parts of the Bill by striking out the words "as soon as may be" and Substituting "seven days," or some period fixed by the Minister. If those alterations are not agreed to, whatever regulations are made and published in the Government Gazette will have the same efficacy as anything in the measure, and will be legal no matter how inconsistent they may be with its provisions.

Mr Crouch

- The clause says regulations "made pursuant to this Act."

Mr ISAACS

- The language used is - "regulations purporting to be made pursuant to this Act." That prevision will cure any want of legality in the regulations, although I do not think that is what is intended.

Mr. McCAY(Corinella). - I think the words "purporting to be" should not be retained in the clause. The Attorney-General will recollect that previous provisions have been altered so as to make it certain that the Governor-General in Council shall not have legislative powers outside the carrying of the measure into effect. I do not know whether the Attorney-General intended to alter the very emphatic words at the end of the clause. The last paragraph should read - "regulations made pursuant to this Act." We do not want to create a second legislative body in connexion with the regulations. As the clause stands it does create such a body. We may assume that any civil servant who complained of any regulation being ultravires of the Act would not go to the Privy Council, and it is not to be supposed that the Governor-General would do so. We do not want a debate in Parliament as to any regulations being ultra vires. I trust that the Minister only wants his attention to be drawn to this matter to have an amendment made.

Mr Reid

- Do you think any words were put into the Bill by chance ?

Mr McCAY

- The Government has shown itself so amenable to kindly suggestions from all sides of the House, that the amendment only has to be suggested to commend itself to the Minister.

Mr Isaacs

- It appears from the mar- . gina! note, that this provision was copied from the New South Wales Act.
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Mr McCAY

- - Our Victorian Tariff does not seem to have kept out many things that we should desire to prevent crossing the border. I would ask the Government to accept the alteration. I move -
That the words "purporting to be," line 9, be omitted.

Sir WILLIAM LYNE

- This is a matter which comes within the purview of the legal members of the committee, but I find that in New South Wales Act the following are the words used : - "All regulations to be made by the board, and any repeal"-

Mr ISAACS

- That is worse.

Mr Reid

- The board is a sensible body in New South Wales.

Sir WILLIAM LYNE

- and any repeal, alteration or amendment of the same, as soon as the same shall have been approved by the Governor and published in the Gazette, shall have full force and effect, and such regulations shall

be laid as soon as may be before both Houses of Parliament.

Mr Reid

- That is very different from this clause.

Sir WILLIAM LYNE

- These words, therefore, are practically those of the New South Wales Act. ,

Mr Reid

- You are raising a controversial point now. We have been quiet for a month. We have been getting on very well lately.

Mr. Bruce Smith. - The words "purporting to be" are not in the New South Wales Act.

Sir WILLIAM LYNE

- They are not, but the latter part of the clause is. The point raised by the honorable and learned member for Indi is that the words "shall have full force and effect " are objectionable, and he proposes to add words which will mean that the regulations are only to have full force and effect if they are not in opposition to the Act itself. That would alter the words as they stand in the New South Wales Act, because there the regulations have full force and effect at once. If the honorable and learned member for Indi is right in his reference to some decision of the Privy Council, trouble would follow if the words referred to were retained, because it might be held that some of the regulations published were not in accordance with the Act, or some portion of it. This, however, is rather a matter for the members of the legal fraternity to deal with.

Mr Isaacs

- We do not want the Governor-General in Council to be able to over rule the provisions of the measure.

Sir WILLIAM LYNE

- No; but at the same time we do not want to invite a conflict and a law case. It may be right to put in the words suggested by the honorable and learned member, but they would create a doubt at once.

Mr Isaacs

- We ought to omit those words ; they are too dangerous.

Sir WILLIAM LYNE

- If we omit those words, the leader of the Opposition must have been wrong to put them in the New South Wales Act.

Mr Reid

- I was tried, found guilty, and executed two years ago. The Government have got hold of my swag.

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Mr Isaacs

- I think the amendment ought to be made.

Mr. REID (East Sydney). - I cannot allow the violent attack which has just been made by the Minister for Home Affairs to pass without a mild observation. There is all the difference in the world between the provisions of the New South Wales Act and this Bill, which seems to be the result of a number of intellects clashing together. The expression used in the clause is " regulations purporting to be made." The object of that clearly was to prevent the courts from inquiring into the question of whether these regulations were made pursuant to this Act or not. Leaving out the words. " purporting to be," the clause would read " regulations made, pursuant to this Act." Then the question of whether they were made pursuant to the provisions of the Act or not would be a question of law, and would be decided by the proper tribunal. In order to make the matter more definite, Ministers have added towards the end of the clause the words " and be deemed to be within the powers of this Act." In other words, these regulations might be absolutely contrary to the vital principles of the legislation, and yet no court could inquire into them. That is absolutely contrary to any principle of legislation which has been adopted in any of the State Parliaments, and I do not think we are likely to allow it in the Commonwealth Legislature. I regret that my honorable friend should have made so many references to New South Wales in this connexion, because, as he knows, New South Wales has set a very admirable example in matters of this kind. I found when my honorable friend came into power that it was hard to keep him in the traces. A large number of objectionable appointments were made. I do not want to go into that matter, however, unless the honorable member desires to challenge me.

Sir William Lyne

- The honorable and learned member looks too amiable for me to challenge him now.

Mr REID

- It would be safer to make these alterations, because although my honorable friends have used language which seems to show that at the moment they intended to take this power, I think now that they are challenged they will abandon their position.

Mr. DEAKIN(Ballarat- Attorney-General). - There is something more to be said for these provisions, strong as they may appear to be, than the right honorable and learned member has indicated. In the first place, this is not a power in regard to which Parliament need feel any alarm. These regulations are to be made by the Executive, and may be unmade by them. The Executive owes its life and holds its power subject entirely to Parliament. Honorable members have spoken of regulations made under this power over-riding an Act of Parliament, but that is a contingency not easily to be contemplated. At all events, if it were possible, it could only be done with the tacit consent, if not with the express consent, of the House.

Mr Piesse

- But it would not be found out for a long time.

Mr DEAKIN

- These provisions would do more to prevent doubts and difficulties in the interpretation of regulations than any others which might be devised . Although my right honorable and learned friend has been unable to discover them in that storehouse of perfect legislation which exists in New South Wales, he might have found a precedent for it in no less an authority than the Parliament of Great Britain. In the Foreign Marriages Act of 1892-

Mr Higgins

- Are not foreign marriages and an internal public service different altogether ?

Mr DEAKIN

- Not in this particular.

Mr Reid

- Is that where the honorable and learned gentleman discovered it?

Mr DEAKIN

- The English Act is of the widest scope, and of the greatest importance. Under it authority is taken to make regulations on a great variety of matters affecting this most vital of all contracts. After a long list - beginning with " A " and going down to " I " - of matters on which regulations may be made, we find this provision in the Foreign Marriages Act -

All regulations purporting to be made in pursuance of this section may be made either generally or with reference to any particular case or class of cases, and shall be published under the authority of Her Majesty's stationery office, and laid before both Houses of Parliament and deemed to be within the powers of this Act, and shall while in force have effect as if enacted by this Act.

Mr Isaacs

- Is that to insure the validity of foreign marriages?

Mr DEAKIN

- Yes. By insuring the validity of the regulations made under the Act in regard to a great many subjects. I do not recognise the slightest difference between the two Acts as regards the position of Parliament. The Executive is subject to Parliament ; the regulations can be challenged in Parliament, and this power can therefore be conferred without any apprehension.

Mr Reid

- But the Tariff is coming on. What chance would there be of getting the most iniquitous regulation upset?

Mr DEAKIN

- I do not want the right honorable and learned member to have a chance. This proposal is to meet people who have no other object except that of seizing a chance to interfere with administration. This may be considered domestic legislation. It relates to the public service, and is thus akin to the domestic affairs covered by the Foreign Marriages Act. If honorable members do not desire to take this step however, we, having laid before them the excellent precedent in English legislation, will at least have the credit of having suggested the shortest and best manner of making regulations.

Mr Reid

- Another backbone goes.

Amendment agreed to.

Amendment (by Sir William Lyne) agreed to -

That the words " as soon as may be," lines 99, 100, be omitted.

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Sir WILLIAM LYNE

- I move-

That the words "and be deemed to be within the powers of this Act, and shall while in force have effect as if enacted in this Act," lines 101 and 104, be omitted with a view to insert in lieu thereof the following - " within seven days of publication of the Gazette, if Parliament is sitting, and if not sitting, then within seven days of the next sitting thereof."

Mr. PIESSE(Tasmania).- I suggest that it would be better to say -

Within seven days of publication in the Gazette, if Parliament is in session and actually sitting, or if Parliament is not in session or not actually sitting, then within seven days after the commencement of the next session or sitting.

Sir WILLIAM LYNE

- I will accept the honorable member's suggestion, and amend my amendment accordingly.

Amendment amended according]]', and agreed to.

Clause, as amended, agreed to.

Postponed clause 29 - '

Any person not more than 60 years of age, who at the establishment of the Commonwealth was the holder of a salaried office not being of a temporary or casual character in the public service of any State, shall be eligible for appointment to the public service of the Commonwealth, .and the provisions of this Act as to the examination of candidates for admission to the public service, and as to appointments on probation, and as to the division or class or. subdivision of class 'to which a person may be appointed, and as to the age of persons who may be appointed shall not apply to any such person.

Sir WILLIAM LYNE

- I propose to move -

That after the word "in," line 4, the words, "any department of " be inserted.

This question was raised in debating another clause, and I promised to extend the provision. I think the amendment will meet the objections raised.

Mr Reid

- It will leave matters exactly as before. "Any department of the public service" cannot be a larger expression than "the public service." '

Sir William McMillan

- You must mention the railways specifically if you want them included.

Sir WILLIAM LYNE

- The object <bf the amendment proposed is, as the honorable member desired, to include the railway service. It might, perhaps, have the same effect if we struck out the word " public," and made it read simply "in the service."

Mr Reid

- I doubt if that would make any difference either. The railways are in the " public service" of the State if they are in the " service " of the State.

Mr POYNTON

- I think we might drop the words " public service " altogether, and insert after the word ".in" the words " the employ of a State Government."

Mr BRUCE SMITH

- Technically, the railway employes are under the commissioner.

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Mr POYNTON

- When I moved my amendment in this clause I had in my mind just the railway service. Since then I have found that there are several other brandies of Government employes who would be excluded, and the object is to give every one of the Government employes who are ' not merely temporarily employed an opportunity of being eligible in case of a selection for the purpose of filling up any appointment that might

have to be made. I am not, of course, wedded to my amendment if any other words can be suggested to effect the purpose in view. I had moved, when we postponed this clause, the insertion of the words " or railways," and that certainly would have covered the objection I raised, but the honorable member for North Sydney referred to some other important branches of employes under the New South Wales Government who would be excluded even though the words " or railways " were inserted. What we want to do is to cover the whole of the employes other than temporary employes, so that every one in the employ of any State may be eligible for the purpose of being selected, if suitable, for a position to be filled. If we do not do that we shall place them at a disadvantage, because they will not be eligible, while under one provision of this Bill a foreigner, and even one who is not naturalized, may be employed. We want to get over this difficulty. I know the Minister in charge of the Bill is anxious to help us, and if only some of the legal members will give us assistance in this important matter, if they will devote as much time to it as they have devoted to some smaller matters, I have no doubt that we shall be able to achieve our purpose.

Sir WILLIAMMCMILLAN (Wentworth). - I advise the honorable members to confine himself to the railway department, leaving the rest to the general provisions of the Bill by which we can go outside the public service, if necessary, to make appointments. I do not see by what means, without a long schedule, we could bring in other departments connected with Government in an indirect way in the different States. I think the best way would be simply to put in a reference to railway employes, and leave the others to the discretion of the commissioner.

Mr. HUMECOOK (Bourke).- We want to begin on this clause first at the words "salaried office," because unless we strike out the word " salaried " the transfers from the services of the States will be very limited indeed. What the honorable member for South Australia, Mr. Poynton, wants, is to get any servant* whether a salaried or a wages man, transferred to the service of the Commonwealth if it chooses to accept him.

SirWilliam Lyne. - The honorable member will break clown the Act if he includes every wages man.

Mr HUME COOK

- Not a single railway man can possibly get in if we leave in the word "salaried" in that connexion, with the exception of a few officers.

Sir William McMillan

- That is not the question we are at now. The question is to get a word to fit in.

Mr HUME COOK

- This precedes what the honorable member has been alluding to, and really governs it.

Mr BRUCE SMITH

- If they can go out of the service they can take a wages man.

Sir William Lyne

- It does not prevent one from taking a wages man.

Mr HUME COOK

- In the Bill a meaning is given to the word " salaried " and to the word " wages," and unless we cut out the word " salaried " we restrict the transfers to those who are in receipt of salaries, and therefore all the wages men will be debarred from a transfer. Therefore we want to cut out the word " salaried " and say " an office," and when we have done that all the rest which the honorable member desires may be arrived at by deleting the word " public " in front of the word "service," so that any person in the service of any State, whether he is in the railway service or not, can get a transfer. I suggest -

That the word "salaried," line 3, be omitted.

Mr BRUCE SMITH

- That will not include the railways.

Mr HUME COOK

- I think it will.

Mr BRUCE SMITH

- They are in the service of the commissioners. They are treated as being absolutely distinct.

Mr HUME COOK

- If that is so what has been suggested will not cover the case. But speaking broadly they are in the service of the State, and that being so it seemed to me that the omission of the word " public " would

cover the whole case. However, we want to get at the wages men, and to do that we ought to omit the word "salaried."

Mr. ISAACS(Indi).- We are all in sympathy in this matter, and I agree that the word "salaried" does limit the clause. Still it leaves the word "office" there, and that may cause difficulty.

Sir Edward Braddon

- Add the words "or employment."

Mr ISAACS

- I was going to suggest the insertion of the words "or employment." If we strike out the words "the holder of a salaried," put in after the word "was" the words "engaged in any," and after "public" the words "or railway service" it will read

Engaged in any office or employment not being of a temporary or casual character in the public or railway service of any State.

Sir Edward Braddon

- We might leave in "office or engaged in employment."

Mr ISAACS

- I should leave them both in. It shows a wider meaning than either of the words taken separately. No harm can be done, and that will come as near to it as we can hope to get it.

Mr HUME COOK

- I have no objection to accept these words, because they carry out what I suggested.

Mr. BATCHELOR(South Australia).The words suggested would meet the objection raised to the clause by the honorable member for South Australia, Mr. Poynton. This is not by any means a small matter.

Certainly, 80 per cent. of the South Australian staff will be taken out of the provisions of the Bill unless this amendment is made - that would be absurd - because they are called provisional and temporary hands, as opposed to those who are on the fixed staff. There is nothing of a non-permanent character about their employment.

Amendments (by Mr. Isaacs) agreed to -

That the words "the holder of a salaried," line 3, be omitted with a view to insert in lieu thereof the words "engaged in any."

That the words "or employment" be inserted after the word "office," line 3.

Amendment (by Mr. Isaacs) proposed -

That the words "or railway" be inserted after the word "public," line 4.

Mr BRUCE SMITH

- I directed attention before to the use of the words "temporary or casual character." It is now proposed to make this sufficiently comprehensive to include wages men as well as salaried men, and, if that is done, then the difficulty will arise of whether a wages man is not a temporary or casual hand, engaged from week to week.

Mr Deakin

- There is a clear distinction in the Railway department.

Mr BRUCE SMITH

- I am quite certain that it will lead to some difficulty if the words are not taken out, and, therefore, I desire to move a prior amendment.

Amendment, by leave, withdrawn.

Mr BRUCE SMITH

- I move-

That the words "not being of a temporary or casual character," lines 3 and 4, be omitted.

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Sir William Lyne

- What is the effect of the amendment?

Mr BRUCE SMITH

- It will get rid of any doubt as to whether a wages man is eligible.

Sir WILLIAM LYNE

- If the honorable and learned member wants to break the Bill down, that is what he is doing.

Mr BRUCE SMITH

- I am not.

Sir WILLIAM LYNE

- I do not think the honorable and learned member knows what he is doing.

Mr BRUCE SMITH

- That is rather good ! The honorable member has been reading a book, and has not been listening.

Sir WILLIAM LYNE

- I know the honorable and learned member of old. The effect of the amendment would be that the commissioner would have to transfer wages men.

Mr BRUCE SMITH

- No ! That is already in.

Sir WILLIAM LYNE

- No.

Mr BRUCE SMITH

- It is in ; and the honorable member has not been listening.

Sir WILLIAM LYNE

- The employment must be of a permanent character.

Sir William McMillan

- The Minister should take the word of the honorable and learned member.

Sir WILLIAM LYNE

- I do not take his word for much when he is " on the job." The amendment means that if a man is employed only for a week in the railway 'service the commissioner will have to consider that man and to transfer him in antagonism to any one else whom he may wish to employ.

Sir William McMillan

- He will not be bound to transfer him.

Mr Deakin

- And without examination.

Mr MCCAY

- That would be a nice back door system to introduce.

Sir WILLIAM LYNE

- I must ask the committee to reject the amendment. I will agree to any reasonable amendment, but not to an amendment of that kind.

Mr. BRUCESMITH (Parkes).- The Minister for Home Affairs says that he knows me of old, but I also know him of old, and I noticed that he ' was reading something and not attending to the amendment. While the honorable gentleman was dozing, it was proposed that instead of limiting this clause to salaried officers, men receiving wages in the Railway department should have an opportunity of being lifted into -these better positions. That proposal has been affirmed, so that the Minister is too late and will have to .recommit the Bill.

Sir William Lyne

- No, I shall not. When it was limited to permanent employes I did not object, but I do object when it is proposed to extend the provision to temporary' employes.

Mr BRUCE SMITH

- The proposal has been affirmed by the committee. Wages men are only employed from week to week.

Mr HUME COOK

- The desired effect was to bring in men in the general division of the State service and not the casuals.

Mr BRUCE SMITH

- Not the weekly hands ?

Mr Deakin

- Yes, .if they are permanent.

Mr HUME COOK

- -Those permanently employed in the general division.

Mr BRUCE SMITH

- I can only tell honorable members that it is very doubtful whether it would be held ultimately that a man engaged from week to week was a temporary hand, not in a technical, but in a practical sense. I do nob

wish to bring that about, and I am now moving only in order to carry out to the necessary logical . conclusion the amendment the honorable member sought to make in this clause. If the honorable gentleman chooses to allow the words " not being of a temporary or casual character " to remain in the Bill, he will, in my opinion, run a great risk of not being able to get wages men in under this comprehensive measure.

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Mr EWING

- There ' is a great deal in the remarks made by the honorable and learned member for Parkes. The object of the clause is to enable people who have already passed an examination and established their qualifications, to pass into the public service of the Commonwealth without further examination. But we are legislating without any knowledge of what the Railways Commissioners do. There are boys, permanent hands, in the railway service at 5s. a week, who have passed no examination ; and by bringing in the Railway department, without any knowledge of what the commissioners consider permanent, or of the qualifications of the employes in the lower grades, we absolutely do away with the need for examination in the public service at all. We have shown that there is an easier road, without examination, through the Railways Commissioners, and, in my opinion, the committee are proposing to do more than is intended.

Mr Isaac. - The provision is limited, as from the establishment of the Commonwealth.

Mr. REID(East Sydney). - I am sorry that the Minister for Home Affairs should take the honorable and learned member for Parkes up in such terms, because the Opposition, throughout the whole passage of this Bill, have scrupulously allowed Government supporters to manipulate it from beginning to end, and have interfered as little, as possible. I have had an opportunity of looking at the Bill as altered, and I say that with the original type, the italics, the ruled lines and the black letters, it will take us some time to know where we are. The Bill resembles nothing so much as a zebra. Look at this page, with all its alterations - that is the sort of thing it has come to ! After the Minister has allowed the Bill to be manipulated on every page in so remarkable a manner that it is twice its original bulk, it is too bad that the honorable and learned member for Parkes should rise and address the Minister for Home Affairs in the way he has. I sympathize with the Minister, and I think the amendment a mistaken one.

Sir William Lyne

- Hear, hear! I thought the right honorable and learned member was coming to that.

Mr REID

- I recognise now that the Ministry has at last discovered its backbone, and, under these circumstances, I hope the honorable and learned member for Parkes will not subject them to any further pain. Their backbone has been stretched at the instance of the Government supporters to such an extent that we should not give the last turn to the screw.

Mr Poynton

- I had a large share.

Mr REID

- I am very glad of that, and I have no doubt it is a wonderful Bill by this time. Speaking seriously, I think the Minister is right on this occasion, because in the railway service of New South Wales no man is taken to be a casual hand who is on the fixed establishment. We . do not wish to open this door to all the nondescripts and hangers-on of the public service of Australia. Under the circumstances, although I entirely differ from the Minister as to the suspiciousness of the situation, I still think the honorable gentleman is right, and even at the eleventh hour I will stand by him on the last line. . . "Sir WILLIAM LYNE. - I am much obliged to the right honorable and learned member for East Sydney for the nice little speech he has made. He talks about the Bill having been manipulated. If he had looked carefully through it, or if he had been here while it was being dealt with, he would have seen that it has been very little manipulated. I have attempted during the passage of the Bill to meet any reasonable suggestion by any member, of the committee.

Mr Isaacs

- It is not a party Bill.

Sir WILLIAM LYNE

- The only serious alteration in the whole Bill has been to compel the permanent head to report to the

commissioner; and the commissioner to! report to the Minister. The right honorable and learned member for East Sydney has been blinking asleep all the last fortnight, and does not know what has been done.
Mr Reid

- Look at this page of the Bill. Does the- Minister for Home Affairs call that a consequential amendment 1
Sir WILLIAM LYNE

- It is the light honorable and learned member who should look at the Bill. I have looked at it and he has not. The amendment of the honorable and learned member for Parkes would bring in every man who is employed during the wool season for a week, a fortnight, or three weeks, and place them side by side with men who are recognised as being permanently employed in the railway service. I do not object to the proposal as applied to permanent hands, though paid weekly or monthly. The Railways Commissioners know perfectly well who are to be considered, upon the general service, though they may be paid weekly. Such men have a right to be considered, and so far I accepted the amendment. But I am not going to accept an amendment which will allow every one to come in who may be casually employed by the Railways Commissioners for a week, a fortnight, or a month. I do not think that the latter is the intention of the committee, and I shall certainly fight against the proposal.

Mr Reid

- Hear, hear.

Sir WILLIAM LYNE

- I feel very strong with the support of the right honorable and learned member for East Sydney, but knowing him as well as I do, when he lends me his strength, I always feel there is a pitfall somewhere.

Mr Reid

- If so, it is only of " a temporary or casual character."

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Sir WILLIAM LYNE

- I hope the committee will not agree to the amendment proposed by the honorable and learned member for Parkes.

Mr. BRUCESMITH (Parkes).- I am extremely pleased to see the Minister for Home Affairs warm up at last, because although he says that the Bill has not been much altered by the Government--

Mr Reid

- That is correct; it has been altered by everybody.

Mr BRUCE SMITH

- I am bound to say that the Bill has been altered very radically in one particular, feature. When it came before us first the Bill placed the public service of the country entirely in the hands of the Government, and it has emerged from committee a Bill which puts the service entirely in the hands of a commissioner. Honorable Members. - No.

Mr BRUCE SMITH

- A commissioner who can only be negatived by the Governor in Council.

Honorable Members.- - No.

Mr BRUCE SMITH

- I can only say I am very well satisfied with the alterations, made in the Bill, because they are alterations which I suggested in my second reading speech. I pointed out at that time that the Minister, in introducing the Bill to the House, had taken occasion to draw attention to the Public Service Act of New South Wales, and had told the House how badly that Act had worked, but that he had neglected to point out how successful was the Act under which the commissioners managed the railway service of that State. I then said I desired to see the Bill put into such a shape that the whole Commonwealth Public Service would come under a commissioner instead of being left in the hands and at the mercy of the Ministry, who might at some future day wish to use it for their own purposes. My amendment would not have been suggested, but for the fact that the committee had really affirmed the principle of giving power to the people who had the opportunity of choosing the officers who should occupy these positions, that not only men in salaried offices, but those receiving wages should be eligible for them. I want honorable members to notice that this clause does not provide . that these men shall have these positions, but simply that they shall be eligible for them, and that those who have the choice of officers for any particular position in a higher walk of the service shall be able to make a selection from them. ' The

Minister for Home Affairs seems to be very warm about a very little, because my proposal is merely that all men in the railway service who are in receipt of wages, whether they be temporary or permanent hands, shall be eligible for a position in the Commonwealth service without examination. If a man upon weekly wages is eligible, there surely cannot be any objection to a temporary hand being eligible. All that my proposal does is to give a wider choice. I do not wish to press the amendment, and if the committee are not favorable to it, I shall not divide upon it, but shall be contented to have it decided upon the voices. The effect of my amendment is to widen the choice but not to widen the claims of the men who are to be chosen. Mi-. McCAY (Corinella).- The honorable and learned member for Parkes apparently forgets that in the railway service there are men working side by side, some of whom are on the permanent staff with accruing rights, whilst others are only employed temporarily or casually. The object of this clause, as I understand it, is to declare that persons in State employment who are permanent hands, and who might, but for this provision, have been prevented from coming into the Commonwealth employment shall be eligible for such employment. But why the casual hands of the railway service should be given a preference over other casual hands I cannot understand. It is to the Commonwealth's advantage very often to take over from a State men who are familiar with the duties which the Commonwealth want to have performed.

Mr HUME COOK

- May I draw attention to the fact that up to the present time the committee have not included in this clause the railway services of the States ? All that my amendment did was to give persons in the general division of the State services the right to come into the Commonwealth service in the same way as the salaried officers may come in. We have not yet adopted the proposal of the honorable member for South Australia, Mr. Poynton, in regard to railway servants, and until that is done it is idle to talk about it. We have merely provided that persons in the general division of the State services shall have equal rights to those of the salaried division.-

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Mr WILKINSON

- I do not see how we are going to avoid including the railway servants. " It is a practice in the Railway department to consider all new appointees as probationers for six months, after which, when their appointments are confirmed, they are considered as permanent hands irrespective of whether they are on wages or salary. In Queensland - and I believe in the other States - there are railway officers doing post and telegraph work. These include station-masters, as well as night officers who are on wages, but who are in charge of stations during the time that the station-master is off duty. I presume that in the Post and Telegraph department we shall not be able to provide a separate Commonwealth officer to take charge of each of these stations. We shall necessarily have to employ railway officers to discharge the duties which they are discharging at the present time. And inasmuch as they will have to discharge those duties, they will become members of the Commonwealth Public Service. It would lead to no end of confusion with the various Railway departments if we insisted upon these men coming up in the ordinary way for examination, It would necessitate the shifting of a large number of men from place to place. There are both salaried men and wages men, who are considered permanent employes, not only in the Railway department, but in other departments of the State services. So far as I can see, the words which the honorable and learned member for Parkes wishes to have omitted from the clause are in proper order. A casual hand, as the term is generally understood, is a man who is taken on - as the Minister for Home Affairs very properly said - in the busy season when there is a rush of wool or stock to the railways, and when additional men are required to cope with the traffic.

Mr REID

- Upon another matter altogether, I wish to point out to the Government that if we insert the words "or railway," which I am thoroughly in favour of, the Government will have to reconsider the language of clause 51. That clause provides that officers transferred from the service of a State to the service of the Commonwealth, shall preserve all their existing and accruing rights, and their service in the Commonwealth shall count as a continuation of any rights to a pension, which they may have had in the service of a State. Clause 29 refers only to salaried officers, but if the railway men are to be eligible for transfer they ought to be treated at least as liberally as the salaried officers.

Any rights which they may have to a pension or an allowance in the railway service will I suppose be

continued to them. They will, I presume, have a similar provision made in their favour to that which has been made in the case of the salaried officers under clause 51.

Mr Poynton

- That was premised the other night.

Ma- REID. - It will be observed that clause 29 contemplates that persons even up till 60 years of age who are in the State service may be transferred to the Commonwealth service, and their rights - if they have any rights to a pension or allowance - shall be continued in reference to the Commonwealth service.

Sir William Lyne

- The State will have to pay everything up to the time that they are taken over.

Mr REID

- Yes ; but this seems to be a very serious and important matter, and I cannot believe that my honorable friend the Treasurer has lost sight of it. In most States where there are pensions, the officers have to pay a deduction from their salaries of so much per cent. A man who has been transferred from the New South Wales service - say since the 1st of January last to the service of the Commonwealth - who has been paying -i per cent, for fifteen years in order to get his pension in New South Wales, becomes entitled the very moment he is so transferred to receive all the advantages which he enjoyed in New South Wales, without the slightest provision being made to compel him to pay towards the benefits which he is to get.

Sir George Turner

- I am making him pay in the meantime.

Mr Deakin

- Provision is being made to meet that.

Mr REID

- I am very glad to hear that it has been thought of. I am very glad that it came up. It was not thought of when the Bill was being framed, or it would have been provided for.

Sir William McMillan

- The Minister agreed to look into the matter.

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Mr REID

- It is a matter of great importance. We do not wish to establish a pension system in connexion with the Commonwealth Public Service, and that is why so much interest attaches to the life assurance provisions of the measure. Whilst officers taken over by the Commonwealth should retain all the benefits which were attached to their positions in the State service, they should also be required to fulfil all the obligations conditional upon those benefits.

Amendment negatived.

Mr CROUCH

- I understand that the honorable member for South. Australia, Mr Poynton, wishes to insert after the word "public," the words "or railway"; but I feel that such an amendment will not do all that I should like to see done. If we allow the railway servants of the States to be taken into the public service of the Commonwealth, we should allow every other person who is in the service of a State to be taken into the public service of the Commonwealth.

Sir William McMillan

- How does the honorable and learned member propose to define "public service"?

Mr Reid

- Surely we can get over a difficulty of that kind.

Mr CROUCH

- Although in South Australia the members of the police force are public servants, they are not so regarded in New South Wales and Victoria. I think it would be better to leave the word " public" out altogether.

Sir William McMillan

- That will not meet the case. We cannot meet it unless we have a schedule.

Mr Reid

- I think the intention would be clear if we inserted after the word "public" the words "railway or other."

Sir William McMillan

- Would that cover the officers of the Sydney Water .and Sewerage Board ?

Mr Reid

- Yes. They would come .in under the term "other service of the State."

Mr CROUCH

- I can see that objection may be made to allowing all these officers to be taken over by the Commonwealth ; but if we make an exception in the case of the railway servants we should include all public servants.

Mr BRUCE SMITH

- The railway service of New South Wales is a distinct corporation.

Mr CROUCH

- I move That after the word "public" the- words "railway or other " be inserted.

Attorney-General

Mr DEAKIN

. - I am afraid that honorable members are losing sight of the- real meaning and intended operation of this provision. The clauses of the Bill follow the lines laid down in the legislation of the States, and provide for the recruiting of our public service mainly from among the very young members of the community, who will enter by on examination, in which there will be no limitation of the number of candidates, and must then win their way upwards. The number drawn from the service of any State will be infinitesimal. Those who are now in the State services entered young, have grown older in the service, and have probably increased their earnings, and there will be perhaps half-a-dozen appointments in a year to be divided; amongst them. all.

Mr Reid

- Then why bring them in at all?

Mr DEAKIN

- Because in the formation of new departments there may be occasions where we shall have to obtain the services of an officer of a State, and the general feeling of the committee seemed to be that when there are unusual or exceptional vacancies, they should be filled from the public service of the States. Whether these positions are thrown open to all the public servants of the States or to the whole world, if the provisions of the Bill are carried out, almost all the vacancies in ou>r public service will be filled by candidates who enter at the bottom, after passing the examination.

Amendment agreed to.

Amendment (by Sir William Lyne) proposed -

That after the word " to," line 5, the words " a position in the corresponding division in " be inserted.

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Sir Edward Braddon

- Why should there be this limitation 1

Mr. DEAKIN(Ballarat - Attorney-General). - Because it is absolutely necessary. A mon in the general division of the public service of a State will enter the general division of the public service of die Commonwealth ; and so with the clerical and professional divisions. It would not do to put a labourer, who was in the general division of the public service of a State, into the clerical division of the public service of the Commonwealth.

Mr. REID(East Sydney).- I do not think it is necessary to make this amendment. If the Governor - General

- which means the Ministry - has good reasons for taking a man from a certain division of the public service of a State, and j>utting him into another division of the public service of the Commonwealth, why should he not do so ? For instance, -a man who is in the clerical division of the railway service of a State, might be a splendid mechanical engineer, and might be required for the professional division of the Commonwealth service. Why should the Commonwealth Government be compelled to place him in the clerical division ?

Sir WILLIAM LYNE

- If the right honorable member had been here during the early part of the discussion of the Bill, he would know that the committee held quite the opposite view.

Mr Reid

- But the view of the committee alters every hour.

Sir WILLIAM LYNE

- The Bill contains a provision allowing what the right honorable member suggests to be done in exceptional cases. In ordinary cases the transference must be from division to division.

Mr Reid

- The Minister is only tying himself up.

Sir WILLIAM LYNE

- I should have liked the provisions of the Bill to remain unaltered in this respect, but we have amended them to fall in with the wishes of the committee. This is a consequential amendment.

Mr Reid

- Not a consequential, but a subservient amendment.

Amendment agreed to.

Amendment (by Sir William Lyne) proposed -

That the word "and," in line 6, be omitted, with a view to insert in lieu thereof the words ' on the recommendation of the commissioner. "

Mr HIGGINS

- I understood that we should read clause 29 with clause 26, and that the same conditions as to appointments were to apply to these transferred officers as to originally appointed officers, except as to examination and age, and so forth. Therefore I conceive that it was intended that the Governor-General should appoint on the recommendation of the commissioner and the report Of the permanent head.

Sir William McMillan

- That was altered to provide that the commissioner should recommend, after report from the permanent head, to the Governor-General.

Mr HIGGINS

- What I wish to know is whether the report of the permanent head is to be required in this case also ?

Sir William Lyne

- No, I am not providing for the report of the permanent head ; I am starting with the commissioner who is to recommend. The Governor-General is to carry out his recommendation.

Mr HIGGINS

- I can conceive that such a provision in this clause would bring tremendous pressure upon the heads of the Ministry, but I do think that we should get the report of the permanent head, although it should not necessarily be a condition precedent to the appointment. I think' that practically Ministers would never act without a report from the permanent head. I understand that it is not proposed to have the report of the permanent head in these particular cases.

Mr Deakin

- No, it is not, for he is not likely to know these particular persons.

Amendment agreed to.

Clause further verbally amended.

Amendment (by Sir William Lyne) proposed -

That the following proviso be added to the clause : - " Provided that any person in the professional or clerical divisions of the public service of a State may be appointed to the administrative division."

Sir Edward Braddon

- We do not know what the effect of that proviso will be until we know how the clause reads.

Mr. REID(East Sydney).- After very careful analysis of the earlier parts of this clause, we decided to vary the phrase "public service " by adding certain other words, and yet it is now proposed to again build up the clause by means of a proviso on the old lines, leaving out the railway and other servants. We have amended the term "public service" by making it read " public, railway, or other services," but the proviso speaks only of the public service, and this term, taken in conjunction with the different phrase at the beginning of the clause, will absolutely exclude any one in the railway or other services of the State from the benefits of the proviso. Is that intended 1

Mr Deakin

- In this case. This is the administrative division.

Mr REID

- That does not answer anything ; that is not " Mesopotamia."

Mr Deakin

- If the right honorable member had been here he would know what the administrative division is.

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Mr REID

- Perhaps I know now. The honorable the Attorney-General has called it the administrative division, but that does not affect my point. I want to know why talented men in the railway or other services of the State, who are brought within the operation of the clause in the earlier part, should be excluded from the benefit of being possible appointees to the administrative division. Is that privilege to be reserved for the apostles of federation ; if so, I can understand it, as there are none of them in the railway service.

Mr Deakin

- Oh yes, there are.

Mr REID

- Do not the Government propose to give these men the benefit of this proviso?

Mr Deakin

- It makes no difference.

Mr REID

- I sympathize with my honorable friends on the other side, because they must be utterly mixed by this time, and I will therefore draw a veil over the whole transaction.

Mr ISAACS

- What is the effect of this provision ? What is it supposed to cure? A little confusion has been introduced into the matter, for which I do not hold the Government altogether responsible. I am unable to follow the meaning of the proviso.

Sir Edward Braddon

- It is to undo all that has gone before !

Mr ISAACS

- I want to know what harm will be done if it is not put in.

Mr. DEAKIN(Ballarat - Attorney-General). - In the earlier part of the clause, as the honorable and learned member will see, the position to which an officer is to be transferred is a position in the corresponding division of the Commonwealth service to that which he has occupied in the State service. But it might be desirable to take an officer from the professional or clerical division of a State and to place him in the administrative division of the Commonwealth service, which will be a different division to that of which he was a member in the public service of the State. The honorable and learned member sees the point now
1 Without that proviso we would be compelled to recruit our administrative division only from the administrative division of a State; and as a rule the officers in the administrative division are too highly paid for it to be likely that they would consent to come over to the Commonwealth service at no greater, or, perhaps, even at lesser, salaries.

Amendment agreed to.

Clause, as amended, agreed to.

Postponed clause 44 -

Subject to the provisions of this Act every probationer before the confirmation of his appointment and every officer shall effect with some life assurance company or society registered and carrying on business in the Commonwealth an assurance on his life providing for the following benefits, namely : -

The payment of a sum of money on his death if it occurs before he attains the age of sixty years ;

The payment to him of an annuity until death if he survives the age of sixty years ;

The payment to him, if he retires from or ceases to be a member of the public service before attaining the age of sixty years, of a sum of money equal to the whole amount of premiums paid by him to the company or society unless he elects to continue paying the premiums on his policy ; and

For the increasing from time to time of the amount assured as maybe prescribed.

Sir WILLIAM LYNE

- This part of the Bill was postponed in consequence of an amendment moved by the honorable member for Bourke, for the purpose of instituting a system of State insurance. I promised the honorable member for South Australia, Mr. V. L. Solomon, to obtain what information I could from the best sources as to what was likely to be the outcome of the proposed course of action. I have applied to the various insurance

companies for information, but from the replies I have obtained up to the present time it would appear that the managers require to consult their various boards of directors before they can furnish what I desire. I have, however, obtained from Mr. Fenton, the Victorian Government Statist, who has also consulted the officers of his department upon the matter, certain information which I will communicate to the committee. That information, as far as it goes, shows that it would not be judicious at the present time to adopt the amendment of the honorable member for Bourke. It was stated the other night that in New Zealand a system of State insurance has been instituted, but I find that New Zealand did not start her system of State insurance in the way it is proposed it should be started in the Commonwealth. A good many years ago New Zealand started a system of insurance which was general, and not for the public service. About eight years ago they extended it to the public service, but at the present time they only have 290 policies which have been taken out by members of the public service.

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Mr Higgins

- It is optional with the public servants in New Zealand to take out their policies with the Government or elsewhere, is it not?

Sir WILLIAM LYNE

- Yes; and, as I have said, only 290 policies have been taken out by members of the public service. The first provision of clause 44 is that every officer of the Commonwealth service shall effect an insurance on his life for the purpose of-

The payment of a sum of money on his death if it occurs before he attains the age of 60 years.

Mr. Fenton has taken the basis of £100, and has selected three different ages. At the age of 16 the gross premium the public servant would have to pay on an insurance of £100 is £1 17s. 2d. per annum. At the age of 20 he would have to pay £2 2s. 10d., and at the age of 25 he would have to pay £2 10s. 1d. A public servant who started insuring at the age of 25 years would, by paying £2 10s. 1d. annually for 25 years, only be entitled to receive £19 per annum as a life annuity. That seems to me to be ridiculous.

Mr Higgins

- Surely the Commonwealth could deal as liberally as the ordinary insurance societies?

Sir WILLIAM LYNE

- No, we cannot, unless the State subsidizes the insurance scheme. The societies have their great reserves, on which they make profits, and through which they are able to carry on business at a lower rate than the State could do unless the insurance scheme were subsidized by Government money.

Mr Watson

- The reserves of the societies are only compound interest.

Sir WILLIAM LYNE

- But an insurance company takes in profit from all available sources.

Mr Mahon

- Does the honorable gentleman know that the net earnings of the assurance societies last year were less than 4½ per cent.?

Sir WILLIAM LYNE

- I cannot give the committee a better authority than that of Mr. Fenton. The profits made by the assurance societies may be very good, but they are not made upon premiums paid Only.

Mr Mahon

- 4½ per cent. was the amount earned on the total funds.

Sir WILLIAM LYNE

- That is, on the total investments.

Sir William McMillan

- The basis is only about 3 per cent.

Sir WILLIAM LYNE

- It seems to me that there is a kernel in these figures, and we should pay great attention to it. An officer of the service would have to pay £20 per annum for 35 years to get an annuity of £152 per annum. When a man has been in the service for so many years as that, and has a family to keep, and is not able to work, £152 per annum is not very much of an annuity for him.

Mr Higgins

- Mr. Fenton does not give us the basis of his calculation.

Sir Edward Braddon

- The calculation takes count of increases of the payments of the officer with the increases of his salary.

Sir WILLIAM LYNE

- I am putting it this way - that in order to receive a certain sum at death, or an annuity at the age of 60, the officer would require to pay £20 per annum for 35 years to enable the Government, without contributions from the Treasury, to pay him from the insurance fund £152 per annum.

Sir William McMillan

- That is with Government assurance ?

Sir WILLIAM LYNE.- Yes.

Mr Watson

- On what basis of interest is that?

Sir WILLIAM LYNE

- Three per cent.

Mr Mahon

- They are getting more than that on Government stock.

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Sir WILLIAM LYNE

- I was at first inclined to support the honorable member's proposal but, after conversation with Mr. Fenton, I feel that if we are going to deal with this matter, we must do so in some broader way than would be possible in this particular Bill. In New Zealand, as I explained just now, they have an accumulated sum of money on general assurance of £10,000,000. Of that large assurance, however, there are only 290 policies taken out by civil servants. That matter has, therefore, to be put on one side so far as the proposal now before us is concerned. In this particular case it would only apply to officers who are in certain positions and they would not number more than from 800 to 1,500. Even if all came in we could not base any calculation upon accumulated funds.

An Honorable Member. - Does the New Zealand Government compel its servants to insure with the State ?

Sir WILLIAM LYNE.- No. But if it were easier for the public service to do so, they would certainly assure with the Government. The report shows very clearly that they do not do so. I would suggest to the honorable member that he should allow the provision to go as it is.

I have had a conversation with my colleagues on this subject to-day, and I can assure the committee that we will take into consideration at an early date the question of State insurance in some such way as it has been introduced in New South Wales. I think the honorable member's proposal would break down, and we should possibly get in that state into which we have fallen in New South Wales, where public servants have paid for a great many years 4 per cent, of their salaries to the superannuation fund. Mr. Penton informs me that it would take 8 per cent, to put the superannuation fund in a sound condition. Therefore we cannot consider this proposal.

Mr Watson

- In New South Wales the scheme broke down principally because officers who had only contributed to it for a very short time were placed on the fund.

Sir WILLIAM LYNE

- I admit that that occurred in a great many cases in connexion with the railway service.

Mr Watson

- And the civil service generally, for the first few years.

Sir WILLIAM LYNE

- A great many officers of the railway service were thrown on the superannuation fund.

Mr Watson

- And public servants retrenched under Mr. Reid's Act were also cast on the fund.

Sir WILLIAM LYNE

- I particularly asked Mr. Penton for his opinion regarding the New South Wales superannuation fund. He gave me a report upon it written in 1885, and it is on that report that I say that, even if the New South Wales fund had not been loaded through the railway service and other retrenchments, or supposed

retrenchments, 4 per cent, could not pay what it was intended should be paid under the Superannuation Act. It would take 8 per cent, of the salaries of the assured ' to keep the fund solvent. Under these circumstances, and in view of this report from Mr. Fenton - who is, I think, the proper and the strongest man in the Victorian public service for me to go to in order to obtain information on this subject - I feel that I cannot agree at the present time to the honorable member's amendment. If he were to read this report right through he would see that it is not practicable to carry out his project with any success in the way he proposes, and that it might in the end do a very serious injury. What the honorable member intends and wishes is, I take it, that there should be a Government assurance to deal, not only with the public service, but with any and every class of general assurance. His present proposal, however, would either break down or it would break the officers down. They would have to pay £20 per annum for 35 years in order to be entitled to an annuity of £152 on reaching 60 years of age. I do not think that is a very large annuity, but £20 a year is a very large sum to pay in order to secure it.

Mr BRUCE SMITH

- Would it not be fairer to assume that a civil servant would increase his assurance as his salary increased? That has not been done in the report.

Sir WILLIAM LYNE

- He would have to increase it in proportion. He would have to pay up to £40 or £50 a year in some cases as his salary increased. I take it that this scheme should apply more- particularly to the lower paid men, because officers receiving higher salaries perhaps do not require to be husbanded to the same extent as the poorer men. It will be seen that the poorer paid servant cannot afford - unless we are going to give him a higher salary to enable him to do so - to pay £20 a year for so many years in order to secure an annuity of £152.

Mr BRUCE SMITH

- It would have been much more interesting if Mr. Fenton had calculated what a man could get at 60 by paying a certain percentage of his salary each year.

Sir WILLIAM LYNE

- In justice to Mr. Fenton I must say that he has had very little time. It was only on Thursday night last that I made the promise to secure this information. Mr. Fenton was engaged in other work, and I only saw him on the subject yesterday morning. Since then he has devoted the whole of his time to securing this information.

Sir William McMillan

- This basis is all right. A man has to pay £20 a year for a certain number of years in order to get an annuity of £152.

Sir WILLIAM LYNE

- Yes. When honorable members analyze the whole thing they will find that is what it comes to.

Mr Higgins

- Is there no reason given why so few civil servants have assured in New Zealand?

Sir WILLIAM LYNE

- I do not know the reason.

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Mr Watson

- To what year does the information in regard to the number of assurances in New Zealand relate ?

Sir WILLIAM LYNE

- The report relates to the end of 1899. I will read that portion of it which deals with this matter. It sets forth that -

At the end of 1899 there were 290 civil service policies in force, insuring £42,655 (including bonuses), and providing deferred annuities amounting to £11,954. Twenty-six policies had been lapsed or surrendered, insuring £4,565 at death, with £1,074 deferred annuities ; four policies, insuring £556, had become claims by death ; and the holders of seven policies, insuring £2,513 (with £168 deferred annuities), had left the civil service, but elected to continue their policies with the insurance department. That is the information I have in reference to this particular point.

Mr Higgins

- Has the honorable member any information as to how long this has been in operation ?

Sir WILLIAM LYNE

- For eight years so far as the insurance of civil servants is concerned. Many men will be taken over from the State services who are already provided for. We cannot expect them to go into this assurance. Only the boys will take advantage of it, and though perhaps it will not be so small in eight years' time as it is in New Zealand, because of the number of civil servants, it will be proportionately small.

Mr KING O'MALLEY

- Are you going to bring the insurance companies under supervision 1

Sir WILLIAM LYNE

- I had a Bill drafted in New South Wales, and asked my then colleague there, Mr. Wise, to take charge of it dealing with this matter, as affecting New South Wales. First of all I think that the companies we allow our officers to be insured in should be inspected by a public actuary. I went even further than that, and proposed that every insurance company in New South Wales - and I would be prepared to say now in the Australian colonies - should be subject to inspection and report by a Government actuary. I hope, if my colleagues agree, within a very short time to bring in a Bill with that view. The Bill I drafted in New South Wales might be made to serve the purpose.

Mr O'MALLEY

- And value their securities ?

Sir WILLIAM LYNE

- I would deal with everything connected with the societies.. It might not be possible to value the securities every year, because they would extend so far over the continent of Australia, but it would be possible to value all the principal securities, and to get a sufficient idea of their value to allow the actuary to report as to whether he considered the companies solvent or not, within the first year from his appointment. I wish again to say that I have been discussing this matter with my colleagues to-day, and they are much inclined to bring in a measure to deal generally with assurance by the State.

Several Honorable Members. - When ?

Sir WILLIAM LYNE

- I have not really had time to deal fully with the question, and I should not like to give a promise which I should not be able to carry out in a very short time. I do not think it is possible to give effect to such a proposal this session of Parliament, because we have really so many things to attend to, but so far as I am concerned, if it is agreed to by my colleagues, I will do it at the earliest possible date.

Mr. HUMECOOK (Bourke).- It is very much to be regretted that we have not the facts and figures referred to by the honorable gentleman before us in print, and that we have no means of arriving at the data upon which the conclusions to which he has referred are based. I am quite prepared to admit that the Minister for Home Affairs had not time to get the calculations printed, and even if he had had time, and we had them actually printed, I do not know that we should have had sufficient time to study them.

Sir William Lyne

- I only obtained this paper, at the dinner hour.

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Mr HUME COOK

- It appears to be rather a lengthy document, but until we have accurate information on the subject I do not think we should accept right off the statements of the statistician of Victoria. There are other men of equal if not greater qualifications prepared to submit a scheme which would, no doubt, come into line with what we want, and would assist in a very large way in a proposal for State life assurance, being brought down in the sense in which we outlined it the other night. The chief objections the Minister raises against the proposition are, first of all, the very limited number of civil servants affected by the proposal, from 800 to 1,500 he asserts. There would, therefore, he thinks, be no chance of the fund earning anything like returns, such as would be the case in outside mutual provident societies, or even provident societies. The answer to that is rather difficult to find, but if a new company was starting in the State of Victoria they would not start with even 1,500 certain proposals. The method of procedure, I understand, would be that they would have to give a guarantee to the Government of £5,000 in cash before they could start business at all, and they would have no guarantee of any number of clients to begin with. They would have to adopt just such business methods as they could in order to secure policy holders. The difference between the ordinary company, therefore, and a Commonwealth is, that we should start with

1,500 persons, all young persons, who would be called in assurance phraseology "good lives," for they would have to pass a medical examination, and other tests, so that they would be acceptable to ordinary assurance offices. To that extent we would be ahead of any assurance society starting with fresh business in the . State of Victoria. The chief point I made the other evening, and I repeat it now, is that the servants desire not so much that they shall get more for the money they invest in the policy of assurance, as that they shall be satisfied that what they contract for shall, be forthcoming. We compel the servants to assure their lives, and that being so we have a right to guarantee to them that what they are assured for they shall receive. We make it compulsory that- these persons shall assure their lives, and the obligation upon us ought to be to see to it that what we have insisted upon on .their part shall be carried out just as faithfully on our part. That is what I am informed by a number whom I have consulted, and they have not been few in the last few days. They say they are not so particular about getting the same profits and returns as ordinary mutual companies outside could give them, as they are about the certainty of receiving what they contract to receive, under their terms of entry into the State service. So that these questions of earnings, averages, the small numbers at the beginning of a life assurance society - for that is what it amounts to - ought not really to affect the deliberations of the committee. If we desire, and that seems to be the desire, to institute a system of assurance for the servants of the Commonwealth, I think it is incumbent upon us to see that they are guaranteed what we say they ought to receive at the time their policies fall due. Apropos of this I desire to point out that the Government recognise that principle ; because in clause 49 of this Bill they state that where a servant cannot get his life assured in -any good company the Government will undertake to make provision for the payment to him of some gratuity, or something of that kind, when the time arrives for him to retire from the service.

Mr TuDOR

- They take all the bad lives and "give the assurance companies the good ones.

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Mr HUME COOK

- I thank the honorable member for that interjection. I had not quite seen the point. It is one which ought to be made. I say that the Government have already recognised the principle of assuring persons who cannot get assurance with outside societies. Further than that, what is the proposal of the Minister 1 In answer to a question by the honorable member for Tasmania, Mr. O'Malley, he said that the various societies of Australia ought to be inspected, their accounts, examined most carefully, and certified to by competent accountants provided by the Commonwealth. Further than that it is proposed that there shall be a certain number of companies named in the schedule of this Bill, which shall be called "prescribed companies." What does that- mean ? If it means anything at all it is intended to convey to the servants of the Commonwealth that the societies or companies which are named are practically guaranteed by the Government. If it does not mean that it means nothing, and there is no use in naming them. If it does mean that, we may just as well begin our own society, assure our own servants, and take our own " risks. If we are to guarantee outside assurance societies we will be taking on a much larger contract than I think' this Parliament would care to take on. For my part, I am not prepared to guarantee the policies of servants in outside assurance companies. I should want to know something more of their methods, of the valuation of their securities, and things of that kind, and upon what they base their calculations. I have heard it asserted, and I have no reason to doubt the truth of the assertion, that one of the large assurance societies in this city wrote down the value of its assets in one year by a quarter of a million owing to land speculations. What I propose is that nothing of that kind shall take place in connexion with the Commonwealth assurance system. The funds should be invested very much along the lines prescribed by the New Zealand State Life Assurance department, where they are limited to municipal securities, State debentures, and investments of that kind. It will be found, if they are invested in stock of that kind, it will mean a shade more than 3 per cent., which is said to be the basis on which the ordinary societies now conduct their business.

Mr Watson

- They do not limit it.

Mr HUME COOK

- Not exactly ; but the major portion of them do, and I think it should be so in this case. I believe it will be found that, so far from the civil servants finding fault with the limited amount of bonuses they are likely to

receive under this System, they will be delighted with the security of the proposal, and will not quarrel with the less bonuses paid to them. Then as to the question of annuities, we have been informed that in order to receive an annuity of £152 a, man will require to pay for 35 years £20 a year. The sum of £152 a year is very much less than the ordinary bonus which is being paid under the State Acts. Any number of men will be very glad indeed to get £60, £70, or £80 a year, and they will not require to pay anything like £20 a year to get that sum ; a very much less sum will suffice. The other point made by the honorable member for Tasmania, Sir Edward Braddon, by way of interjection, was that the salaries of these men will go on increasing under the schedule provided in the Bill, and the amount of £20 a year to a man with a salary of £300 or £400 is practically nothing at all. It may be very much to a man who is receiving a salary of £110 or £120; but when a man is receiving a salary of £180, £200, or £300, up to the larger amounts which are provided, a sum of £20 is practically of very little moment indeed. He will probably assure for an amount at death which will -cover a premium of that amount and not hurt him at all. However, in discussing the question at this stage I feel, somewhat in a difficulty. We have not any actuarial calculations to go upon. We do not know for a certainty what it will take to give a man a given annuity at a certain age on the payment of a certain sum per year. We do not know either whether the Government has really made up its mind or not to institute a State

Assurance department at a later stage, and in default of any express assurance on that point, I feel that I must allow the amendment to remain in the hands of honorable members, It is not altogether mine now; it has become the property of the committee, and others who are interested have as much right as I have to say whether it shall be withdrawn at this juncture or not. As briefly as possible in the time at my disposal I have endeavoured to answer, at very short notice and with very scant information, the objections raised by the Minister. Other honorable members have probably noticed other points, and before I consent to a withdrawal of the proposal I think it is only fair to all who are interested in the question that some expression of opinion shall be heard from them, that is in default of a specified assurance from the Government that it will at a later stage introduce a Life Assurance department for the Commonwealth. I move- That all the words after the word "Act" up to and inclusive of the word " namely " be omitted, with a view to insert in lieu thereof the following words : - "Every officer upon the confirmation of his appointment shall effect with the Government of the Commonwealth an assurance on his life providing for the following benefits. "

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Sir WILLIAM LYNE

- A question was suggested by the honorable member for Bland as to the amount which was deducted from the salaries of public servants in New Zealand. I find that it has been reported upon, and I shall read the passage to the committee -

The New Zealand Civil Service Insurance Act of 1893 provides that every officer under a certain age, to be fixed by regulation, appointed after the passing of the Act shall effect a policy on his or her life with the Life Insurance Commissioner, providing for the following combined benefits : First, the payment of a sum of money on the death of such officer should it occur before he attains the age of 60 years (or after that age, in consideration of his paying the necessary additional premium); second, the payment to such officer of an annuity until death should he survive the age of 60 years. When an officer leaves the service he has the option of either surrendering the policy or of retaining it in force. The premiums are paid in the form of monthly deductions from salaries, according to the following schedule : - On a salary of £150, 8s. 4d. per month, or £5 per annum. From £ 150 to £200, 12s. 6d. per month, or £7 10s. per annum. From £200 to £250, 16s. 8d. per month, or £10 per annum. From £250 to £300, £1 0s. 10d. per month, or £12 10s. per annum. From £300 to £350, £1 5s. per month, or £15 per annum. From £350 to £400, 17s. 2d. per month, or £17 10s. per annum. From £400 to £450, £1 13s. 4d. per month, or £20 per annum. From £450 to £500, £1 17s. 6d. per month, or £22 10s. per annum. From £500 to £550, £2 1s. 8d. per month, or £25 per annum. From £550 to £600, £2 5s. 10d. per month, or £27 10s. per annum. From £600 to £650, £2 10s. per month, or £30 per annum. From £650 to £700, £2 14s. 2d. per month, or £32 10s. per annum. From £700 to £750, £2 18s. 4d. per month, or £35 per annum. From £750 to £800, £3 2s. 6d. per month, or £37 10s. per annum. £800, £3 Cs. 8d. per month, or £40 per annum.

Mr HUME COOK

- What does the honorable gentleman say the amount assured was for the 290 lives ?

Sir WILLIAM LYNE

- £42,655.

Mr Higgins

- And certain deferred annuities in addition. °

Sir WILLIAM LYNE

- The honorable member for Bourke wishes me to state whether and when the Government will bring in a Bill to deal with general life assurance. The Cabinet is in favour of it being done, but it is quite impossible for me to say whether it can be done this session, or to fix a date. We have so many measures to deal with that I would not be justified in saying that it .can be done this session, and there is no great hurry for it for a year or so.

Mr HUME COOK

- If a promise were made that it would be done next session, I think it would satisfy a good many honorable members.

Sir WILLIAM LYNE

- I do not know. I would not make that promise at the present time. I can only assure the honorable member that personally I am in favour of it. I know that several of my colleagues- -I believe a majority of the Cabinet - are of the same opinion, and I think there is very little doubt that it will be done. Under these circumstances I think that the honorable member may well allow this matter to go as it is at the present time.

Sir EDWARD BRADDON

- Some honorable member said the other evening that this measure was not one in which we should introduce provisions for a superannuation, fund. It seems to -me, however, that any civil service Bill whatever would be entirely imperfect without satisfactory provision for the superannuation of the public servants. It is our duty to see that the superannuation arrangement is arrived at in the most satisfactory way, and in the way likely to secure the greatest measure of advantage and security to the various servants of the Commonwealth. The principle that this forms a part of a public service enactment is found in the fact that we have two clauses in the Bill dealing with it - one providing that the civil servant shall compulsorily assure their lives in insurance offices, and the other, as some honorable member has pointed out, providing that those lives which are not likely to be assured outside shall be assured by the Government. I say the Government should take the whole matter of superannuation into their own hands. Let the work be done by the Commonwealth, and it would be well done if the Commonwealth subsidized and built up a superannuation fund which would give security to public servants.

Mr Higgins

- It would eventually recoup itself.

Sir EDWARD BRADDON

- As ' the honorable and learned member says, it would eventually recoup itself, and the losses in the earlier years would be infinitesimal. As I suggested, by way of interjection, the payments would go on increasing at so much per cent, with the increases in the salaries of the civil servants. There would be very few losses in' the earlier years, and a fund would be accumulated which, subsidized by the Government, would amply meet occasions when -expenditure would be demanded. I feel so strongly on this matter that, although I am very much against the extension of this insurance system to outside business - to the Government becoming an insurance office for those outside its own service - rather than lose the principle I would vote for a more extended system. But it is only because I feel that the Government ought to be the assurer of their own servants, that I would go that length. I hope, however, we will agree that it is sufficient to make the Commonwealth Government the assuring body, the body responsible for the building up of a superannuation fund which shall meet all the requirements of the future, and assure the comfortable retirement of its servants at the end of their working days.

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Mr MAHON

- The Minister for Home Affairs would be acting wisely if he again postponed this clause in order to get the information for which he has applied from the various assurance companies. Honorable members have had no opportunity of perusing the report which has been compiled by Mr. Fenton, and laid by the Minister before the committee. We only know that Mr. Fenton bases his calculations on 3 per cent., but

the accumulated funds of the public service* if invested in Government securities, must necessarily, at the present market rate, earn about 3i per cent.

Sir William McMillan

- Which fund'?

Mr MAHON

- Any person at the present time, so far as my information goes, can buy Treasury Bills of the State from which the honorable member for Wentworth comes, which will yield nearly 3-j per cent.; and as the tendency of all the State Governments is to borrow more extensively in the local market, the probability is that the interest rate, instead of decreasing, will increase. I would point out to the Minister for Home Affairs that he has an opportunity of seeing how men who are experts in finance and who have similar bodies of men under their control act in a matter of this kind. Take banking institutions - r for instance, the National Bank of Australasia, which is an institution with a large number of employees all over Australia. Does that bank force its servants into private assurance companies ? Not at all. The bank management has established a provident fund for its employees.

Mr Mauger

- It is the same with the Colonial Sugar Refining Company.

Mr MAHON

- And several other companies ; but the National Bank of Australasia happens to be the only one of which I have an}' personal knowledge. Bankers are men who understand finance and are acquainted with figures. The Commonwealth stands in almost precisely the same position as a bank of this character, because the number of new servants the Commonwealth will have for many years to come will not exceed the number employed by some of the great banking institutions of Australia. The Minister tells us that we cannot afford to enter on this scheme ; but in clause 49 he recognises the principle of Commonwealth insurance, inasmuch, as he absolutely proposes to throw into the hands of private companies all the good and sound lives, while every public servant, whose state of health is not good enough to enable him to pass for private assurance, or who cannot pass without five years' loading, is to be taken under the cegis of the Commonwealth and provided with a pension. The Minister takes the derelicts of the service and rejects the sound lives.

Mr McColl

- Only the men's own savings are taken.

Mr MAHON

- Then let the Government take all the public servants, with all their savings. If the Minister can make it profitable to pay these derelicts, as I may call them, pensions out of the fund, surely he can make it more profitable to arrange for pensions to men of sound health. The Minister admits the solidity of the argument which has been advanced, that if civil servants be compelled to' assure in a private company, they must be guaranteed the solvency of that company. That is unquestionably what will, happen if the Government compel civil servants to assure outside. How possibly can we,' as I asked a few nights ago, ascertain the solvency of any of the assurance companies without making a periodical valuation of their assets. The Minister speaks of actuarial valuations. An actuarial valuation is all very well so far as it goes, but it is no guide to a public servant or any body else who wants to assure in a company, and to be perfectly sure- that it is solvent and sound. The only way to arrive at a decision about that is to have a periodical valuation of the assets of insurance companies.

Mr O'malley

- Every year. .

Mr MAHON

- In a country like Australia, where values are continually fluctuating, I do not think the suggestion of the honorable member for Tasmania Mr. O'Malley, is unreasonable, namely, that the valuation should be made every twelve months. If the Minister is to carry out those valuations by means of a Government department, look at the enormous expense. Would it not be more economical for him to endow a public service superannuation fund straight away with the money he is going to squander and waste in carrying out what, after all, may. be an abortive investigation into the accounts of those private societies ?

Mr O'Malley

- They will have to be investigated, anyway.

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Mr MAHON

- I do not quite agree with the honorable member that the accounts of these private societies will have to be investigated,' anyway. There is a good old maxim that the buyer should beware, and. you cannot always keep a fool from losing his money. If people who are under no compulsion to assure, except that compulsion exercised by the persuasiveness of the eloquent member for Tasmania, Mr. O'Malley, chose to assure in those societies let them see that their investment is a sound one. We have heard a ' good deal during this debate of the superior power of these societies to earn money over a Government institution. But let us see what they have earned during the past twelve months. The best society - the Australian Mutual Provident - earned 4-55 per cent., and going down the list of eleven others we find one - -the Colonial Mutual - whose earnings were as low as 3-90 per cent. Others earned less than 4 per cent. The average earnings of the whole twelve societies is 4 -4 7 percent. These figures are for the year 1900, and they represent a decrease on the earnings for 1899, which were 4-58 per cent., and for 1898 when the earnings were 4'53 per cent. Now I contend that if a State department of insurance or a superannuation fund did not have the necessary property and security to earn a large amount of money, the economical management would more than counterbalance that disadvantage, because in some of these societies - such as the Temperance and General - the expenditure in proportion to their total revenue represents 36'88 per cent. Upon these grounds, I think that at this late hour of the night the Minister in charge of the Bill would do well to postpone the consideration of this clause in order that the committee may have additional information upon the subject.

Mr. BATCHELOR(South Australia).I would' like to put it to the Minister that under this Bill we compel all our public servants to insure their lives with societies which are approved of by the Government. In the event of one of these societies not being able to meet its obligations', what will happen ? As a matter of fact we know quite well that the Minister would bring clown a proposal that we should pay over the amount involved to the public servants, whom we compelled to insure, in order that the engagements entered into should be fulfilled. We would not allow our public servants to suffer owing to the inability of one of these companies to meet its engagements. I am quite sure that the Minister for Home Affairs will admit that that is probably' what would be done. Thus, whether we declare in the Bill or not that we guarantee these insurance companies, as a matter of fact they will be guaranteed by this compact, and seeing that we are going* to guarantee the solvency of those societies which are approved by the Government, and in which we compel our public servants to insure, we might just as well enter upon the whole business ourselves. If we are to take no profits, and to suffer all the losses, it would be a far wiser policy for us to require public servants to insure with the Government, and then we should know at the outset the extent of our liabilities.

Mr Crouch

- Do the Government propose to guarantee these Societies ?

Mr BATCHELOR

- The honorable member for Corio will at once admit that, in the event of one of these societies not being able to fulfil its engagements with the public servants who have insured in it under our compulsion, the Treasurer would come down and put a sum of money on the Estimates, and not a word would he raised against the necessary amount being paid to the public servants.

Mr Harper

- We would not choose a society about which there is any doubt.

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Mr BATCHELOR

- The honorable member is assuming that, of course. But we are dealing with annuities which are proposed to be paid 20, 30, or 40 years hence, and whilst any society may be perfectly sound to-day, we do not know what position it will be in half a century hence, so that the approval of to-day is no sort of guarantee as to its solvency at all. Seeing that the Government will have to shoulder all losses, they might just as well go in for the business themselves, even if there is some loss involved at first. It would be better for us to subsidize it straight out and thus put the business upon a sound footing. Let us begin this life insurance on a small scale with our own public servants, whom we compel to insure. I believe it will be to the interests of life insurance generally if that is done. It may possibly lead to a general policy of State

life insurance. I think that the Minister, for Home Affairs is asking a great deal too much when he requests the honorable member for Bourke to forego this small proposal in favour of some general scheme, which may, or may not, be introduced by the Government. If the Minister had declared that it was part of the Government policy to introduce some general scheme, then he would have had some grounds for expecting the honorable member to withdraw his amendment. But the Minister is not in a position to tell us that. We have here an opportunity of trying this experiment - though it is not really an experiment - so far as the Commonwealth officers are concerned, and I think that the committee would do well to carry this amendment to-night.

Mr PAGE

- After listening to the debate upon life insurance, I am more in favour of the Commonwealth taking that matter in hand than ever. My experience in the railway service of the Queensland Government in 1889 and 1890, leads me to say that we are going to get into exactly the same mess as the railway employees of that State got into when the Commissioner of Railways came out to assume charge of the railways. Mr. Mathieson was going to manage the Queensland railways upon commercial lines. What he intended to do was to make all railway employees insure in different companies, which he thought were financially sound. He did not take into consideration the fact of whether the people to be insured thought that they were in that position. The Minister in charge of this Bill has said exactly the same thing. The Government are to guarantee the insurance of certain civil servants with those companies which the Commonwealth Government are to select. If the Government are to guarantee the societies at all, why should not the Commonwealth itself become the guarantors? If we are to give different companies the cream of the service for insurance and the Commonwealth is to take all the deadheads, there may be 50 or 60 per cent, of deadheads when they come to be medically examined. I know that that was the case in the railway service of Queensland. Because certain individuals failed to pass the medical examination there, what was the result? These men who were competent to do the work in which they were engaged, who had been carrying it on for years before the Railways Commissioner assumed control, were discharged and turned out to do the best they could, whilst others whom the insurance companies would take were drafted into the service in their stead. The same thing may be repeated here. A man may have some trivial hereditary complaint which would cause an insurance company to decline to insure him. What would then happen? The Government would not care to take the risk. It is all very well to throw oneself upon the Government, but it will generally be found that Governments are as soulless when we come to the point as syndicates.

Mr O'Malley

- That is too true.

Mr PAGE

- And well the honorable member for Tasmania, Mr. O'Malley, knows it. The honorable member has thrown himself upon Governments and they have thrown him over at the last moment. I am quite satisfied that if we are going to start a scheme of life insurance at all, we cannot do better than tackle it now. The honorable member for Bourke made a point of the fact that when a new insurance company starts in Victoria all it has to do is to place £5,000 in the hands of the Government as an evidence of its bona fides. What is to hinder the Minister for Home Affairs from putting £15,000 or £20,000 as a nucleus to the fund which it is proposed to establish, and as it pays itself, from drawing it out and paying it back? Nothing at all. The sooner a start is made the better for all of us. The Minister said that it is eight years since the compulsory clauses in connexion with State life insurance were introduced in New Zealand. What has been the effect? There have been only 290 insurances effected. If the Commonwealth cannot stand that number of insurances during eight years, it is certainly very poor indeed. I hope the honorable member will not withdraw his amendment, which will have my warm support.

Mr TUDOR

- The report which has been put before the committee to-night by the Minister for Home Affairs, has not been perused by honorable members, and I think the honorable gentleman fell into error when he said that the system of State life insurance had been in existence in New Zealand for eight years at the time that report was prepared. He tells us that there were only 280 public servants in New Zealand who had insured up till the end of 1899. But I would point out that, at that time, life insurance had only been in existence in the colony referred to, for six years. The Act was passed in 1893, and the Minister said that

the figures which he gave were for 1S99.

Mr Batchelor

- It could only apply to new appointees.

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Mr TUDOR

- Exactly, and in all probability the Government of New Zealand did not appoint many extra hands to the public service. I hope that the honorable member for Bourke will press his amendment to a division. There is no reason why the Government should take the derelicts and leave all the good lives.

Sir William Lyne

- But they do not. That is a mistake. Will the honorable member look at clause 49 ?

Mr TUDOR

- Clause 49 provides that where an officer is unable to insure his life a deduction shall be made at prescribed intervals from his salary, and such deductions shall be invested by the commissioner for the benefit of such officer. Life insurance companies, do not pay out more than they receive. To say that the Government cannot undertake this work is to urge that private companies which are a part of the community, can do better work than the whole community. The matter of State life insurance was not mentioned in the Governor-General's speech, and I think there is no hope of anything being done under a separate Bill in that direction, either during this session or the next. If we can start such a scheme as is suggested in connexion with this Bill it will be a step in the right direction.

Mr. HIGGINS(Northern Melbourne).- I should have a strong sympathy with the Minister in his desire to postpone the consideration of this matter, so that it might be dealt with in another Bill, if I felt there was any big monetary responsibility to be added to the Government. I should hesitate to saddle the Treasury and the country with what might possibly be a big burden, even though it might be for a good purpose. But when one looks at the cost, it will be seen that for years it will be a very small matter indeed. The provisions for insurance will only apply to new appointees. Consequently, we are taking by implication the full burden of these new insurances, and we may as well take the benefit of them too. Surely it is clear to those who understand parliamentary life and operations that if we pass a law compelling public servants to insure in certain approved companies, and any one of these companies fail, the cry will be raised that Parliament, having forced these people to insure in that company, should go to their assistance. We are, therefore, practically guaranteeing the stability of these companies, and as the Government are taking upon themselves that liability, they might as well accept the money which will be payable in premiums. The proposal in the Bill is to make the Government an agent to obtain business for certain insurance companies. Will these companies give them 60 per cent, of the first premiums, or any other concession?

Mr O'Malley

- I will fix that up for them.

Mr HIGGINS

- I do not see why the Government should compel their employees to insure with certain companies and practically stand behind these companies, and get nothing at all for doing so. I think it is time that we looked at this matter from a business stand-point. We are told that we must be commercial, and we are determined to be as brutally commercial as we can in this instance. Surely, if companies like the National Banking Company and the Colonial Sugar Refining Company compel their employees to insure in their own concerns, they must find it a good business policy. The Minister was under a mistake when he said that the New Zealand system was not compulsory.

Sir William Lyne

- I did not say that.

Mr HIGGINS

- Then I misunderstood the honorable member. It is compulsory, but it is compulsory only for officers entering "under a certain age, which is fixed by the regulations. I apprehend that the small number of lives insured during the six years is chiefly owing to the limitation to which I have referred. The author of the New Zealand Official Handbook says-

It may be said that two of the greatest benefits conferred upon the participants in this scheme are the avoidance of fluctuation in the fund through amalgamating with the large insurance institutions, and the possession of fixed and irrevocable contracts, clearly defining the benefits to be received at death or by

way of pension. I would vote with the Government on this . question if I felt that to carry the amendment would " seriously affect them ; but I know well that we are dealing now with young, healthy, thoroughly examined lives, the best lives in the State, and that the risks will be very small. Even if the Government had to make considerable payments in the first two years, they would be easily recouped later on. I do not believe in the Government engaging in slap-dash, haphazard business, but when a profitable undertaking is before them which will alleviate the burdens of the taxpayers, and in regard to which we have the favorable experience of other States, I think they should enter into this matter in such a way that they will secure the benefit as well as have to submit to the burdens arising from it.

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Mr WATSON

- I do not think that the New South Wales superannuation fund can be regarded as a criterion in this matter. That fund was started in 1844, and, almost immediately afterwards, officers who had contributed practically nothing to it were retired and allowed to draw pensions from it. It was never placed upon a sound basis, and it was treated unfairly by the action of the Government of the day in getting rid of its liabilities by charging against the fund payments which should have been made from the consolidated revenue. With regard to the New Zealand Government insurance system we have this remarkable fact - that although its business is confined to New Zealand, while other Australasian insurance offices do business all over Australia, and some of them in New Zealand as well, it stands second on the list so far as the amount of business transacted is concerned, in regard to lowness of expenses, and, I believe, in regard to the general average of interest earned, the Australian Mutual Provident Society coming first. The Bill requires the public servants of the Commonwealth to insure with any of a number of societies, presumably Australasian, and the State must either practically guarantee the solvency of these companies, in which case it might as well take over the whole business itself, or the public servants must run the risk of losing all they put in through the breaking down of a company perhaps 20 years hence. No matter what system the Government adopt as to valuation, there is always that danger in commercially-managed concerns. As bearing that out, I might point to the fact that the twelve life societies doing business in Australia have a total liability of about £30,000,000. Against these liabilities, they have about £6,000,000 of liquid assets, that is, cash in hand, Government securities, municipal debentures, and other securities which could be easily realized, whilst the non - liquid securities amount to £24,000,000, of which £14,000,000 is invested on mortgage. Then we find that . between £3,000,000 and £4,000,000 is invested in freehold and leasehold properties, a very large proportion of this item being represented by foreclosed properties. The probability is that the majority of these are non-interest producing, otherwise they would not have been foreclosed upon, because, if they had been worth the money advanced, the chances are that the original owners would have retained them.

Mr Deakin

- You are speaking of all the societies taken together.

Mr WATSON

- Yes. The point I wish to urge is that it is utterly impossible for an outsider or for the Government, without such a close investigation as would involve a considerable expenditure, to arrive at any sound conclusion as to the value of the assets stated in the books. We know that 'in many cases there has been such a writing-down of these items as to cause very grave doubt indeed as to whether the reports of the actuaries should have been acted on at all, for the reason that' they have necessarily had to take the figures submitted to them by the directors of the various, societies, as to the value of the assets. They can easily arrive at the amount of the liabilities, but the worth of the assets is only ascertainable by an investigation such as the actuaries have no possible chance of engaging upon. So that it seems to me that we are asking our civil servants to engage with societies about the solvency of which they know nothing, and can know nothing. I have reason to believe, as a layman, that several of the societies doing business here are perfectly solvent, and, still speaking as a layman, I have my doubts about others - but I would not care to be put on my oath about that.

Mr Deakin

- Would you make an affirmation ?

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Mr WATSON

- I might be prepared to do that. In any case it is impossible to be perfectly certain as to the solvency of some of the societies, and whilst societies which are doing an immense amount of business may be able to carry on for many years and apparently with success, there is no less certainty about the aftermath to come. It may be that just at the very time when the youths now coming into the federal service will require to fall back on their policies, there will be a special risk of some of these societies collapsing, and of the Government after all having to pay the piper. In connexion with the New Zealand Life Insurance department, I should like to draw attention to the interest earned and the low expenses rate. The department is in open competition with the other life offices, and they have to incur all the expense of getting new business, which, in the present days of cut-throat competition between life insurance societies, is very heavy indeed. Still they show the good return that has been spoken of. I am convinced that we should adopt the amendment of the honorable member for

Bourke. Although for some time there would not be a great deal of business, we should be starting on the right track. Another point that requires emphasizing is that any society which would propose to cater for the public service under this Bill would require to project a totally new table. The societies could not go to work on any existing table and meet the requirements of this clause. That means for each of the societies projecting a new table altogether, and we have no guarantee as to the premiums they would exact. It is all very well to put before us Mr. Fenton's estimate of what the civil service would have to pay on the basis of 3 per cent, interest to secure a certain annuity ; but we do not know what the various companies would ask. "We could easily ascertain! what the companies would require upon their ordinary insurance tables, but with regard to the new kind of insurance we can form no estimate at all. In consequence of that we may find Mr. Fenton's figures to be of little use, for the reason that the companies may be more expensive than the figures put forward by the Minister for Home Affairs warrant us in believing. Under all these circumstances, I hope the honorable member for Bourke will not withdraw his amendment, and that the committee will ask the Government to assume responsibility for the comparatively small number of new civil servants who are to be brought under this scheme. As pointed out by the honorable and learned member for Northern Melbourne, most of these new members of the service will be young and healthy lads, who need not be expected to be a charge upon any fund for a considerable number of years, during which time there will be plenty of opportunity to prepare a scheme which will give some reasonable security, and will also enable the State to insure the economical management of the business.

Mr. RONALD(Southern Melbourne).There is one point that has not yet been made with regard to the alternative to the Commonwealth adopting some system of State assurance for its employees. That is, that the Government will necessarily have to put its imprimatur upon certain societies. That means that serious injury will be done to others. It will be far better for the Commonwealth Government to do the business itself. I hope the Government will see their way to accept the proposal. It is certainly a much larger thing than some people would be apt. to suppose, and I can' well understand the Government feeling a disinclination to enter upon it. But it will be the better policy in the long run. We can include our own marine and fire insurance as well. I trust the committee will affirm the principle, and that we shall have a definite promise from the Government that the matter will be dealt with in a proper way. With that the committee will probably be satisfied.

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Mr SALMON

- I rather regret that this discussion has simply traversed one line, and that the question seems to have been limited to the matter of State life assurance. In my opinion no Public Service Bill is complete that does not provide for the superannuation of public servants. Even if the amendment of the honorable member for Bourke were lost, I should have to move a further amendment which would have the effect of favouring the introduction of a superannuation scheme. Personally, I should prefer to see the life assurance principle adopted by the Government at once with regard to the public service ; but failing that, I should certainly like the Government to introduce a superannuation scheme, which would place those who leave the service of the State after years of faithful work beyond penury. In cases of death I should like the Government to take steps which would provide for the widows and children of members of the public service. I have already alluded to the South Australian scheme, which, however, only provides for life assurance indirectly. It provides that after a member, or a subscriber, as he is called, has paid into the fund for a certain number of years, he shall be permitted to withdraw two-thirds of the whole premiums

which he has paid during the time he has been a subscriber. In addition to that, it provides that if a subscriber should die within or - after five years' membership, his family shall draw a certain allowance - his widow during the term of her life, and, if she should die, the children, until the youngest has reached the age of eighteen years. That is not a matter of theory, but has been in practice in South Australia for ten years, and has worked admirably. In the beginning it was necessary that the Government should guarantee the fund, but so successful has it been that not one shilling of guarantee has been called up. The fund has given such satisfaction that I understand that it is the intention of the South Australian Legislature to apply it to the whole public service. At present it is limited to the Education department. The payments for male members of the service amount to £4, £8, £12, or £16 per annum, whilst women pay £3, £6, £9, and £12 per annum. The scheme provides something more substantial than the Minister told us Mr. Fenton was prepared to guarantee for the members of the federal Public Service. It provides that after five years' membership the superannuation allowance of a member who pays for five years shall be £52 per annum, and in case of death the widow will receive £26 per annum. The superannuation allowance of a man who pays for ten years is £65 6s. 6d., while the widow receives £31 18s. 2d. After 20 years' payments the superannuation allowance is £92 per annum, and the allowance to the widow £43 14s. 7d. After 38 years, which is the maximum, the amount of superannuation allowance paid is £140 per annum, while the widow receives £65 per annum. This is more than the Minister for Home Affairs told the committee would be provided in the scheme furnished to him by Mr. Fenton. I would submit to the committee that we know nothing as to the basis of this scheme, which is not worthy of consideration at this juncture. This is such an important matter that I sincerely hope the Government will allow progress to be reported so that it may lie further considered to-morrow. There is no more important principle contained in the Bill than that of providing for those who render faithful and loyal service to the State. I am totally against the payment of pensions and always have been, but I am strongly in favour of men being afforded facilities for saving by something for the time when they will have to retire from the service or for their widows and families in the case of their death.

Mr Deakin

- This amendment is only a provision for the payment of pensions in another form.

Mr SALMON

- The honorable and learned gentleman does not believe in pensions any more than I do. This is a pension which is provided by the self-denial and self-sacrifice of the man himself. It is not provided by the State.

Mr Deakin

- It would be, on the basis which is now proposed.

Mr SALMON

- I beg the honorable and learned gentleman's pardon. I do not think he has considered the question, otherwise he would find that by a simple guarantee, which in the experience of South Australia has never been required, the whole of the money is contributed in this way, and benefits given by a principle such as this. I would ask the Minister in charge of the Bill whether it is intended to settle this question to-night. We have already been working the statutory eight hours.

Sir William Lyne

- Let us get to a division:

Mr SALMON

- If the proposal made by the honorable member for Bourke is not agreed to, it is my intention to move a further amendment, which will provide for the institution of a system somewhat similar to that in force in South Australia - a superannuation pure and simple.

Sir MALCOLM McEACHARN

- That is nothing but a pension.

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Mr SALMON

- I am strongly in favour of the system, and I am prepared to go into it at length and discuss the whole matter. If it is necessary to go to a division I hope I shall have the support of those honorable members who, while they are somewhat timorous with regard to the Government taking up life assurance in this limited form, may yet feel disposed to help those who are quite willing to help themselves.

Mr. REID(East Sydney).- If I am to understand that it is the intention of the Government, as part of their policy, to establish the business of life assurance, I shall certainly vote for the proposition of the honorable member for Bourke, because that would be the best way of bringing a very legitimate pressure to bear upon the Government in order to carry out that policy. If the Government do propose to make that new departure, then there cannot be any possible objection to the proposal before the committee, because it is the most earnest way of showing that the committee are in harmony with the Government in this matter of public policy. If the Government have not made up their minds I can quite understand them wishing the matter to stand in the form in which it is in the Bill. It might have some weight with the committee if the Government were to let us know what their position is. I understand that it has been held out to honorable members who are in favour of the adoption of this line of enterprise by the Commonwealth that such a system will be introduced by the Government. I do not know whether that statement represents a decision the Cabinet has arrived at, or whether it is merely one of those playful little statements that are put forward by Ministers in committee in order to expedite the passage of measures.

Sir William Lyne

- Are those the sort of playful tilings which the right honorable and learned member used to do.

Mr REID

- I have a vague recollection of hearing of them lately. My attitude in the matter is that if the Government have decided to introduce this system of State insurance, they should be obliged to the committee for putting something into the Bill which will bind their successors to carry it out.

Minister for External Affairs

Mr BARTON

. - The position of the Government, if necessary, may be very clearly defined. It is " impossible for the Government - favorably inclined as they are to such a proposal as is contained in the amendment - to promise to carry it out at the present time without, every inquiry, because its effects upon the financial system of the Commonwealth can not yet be gauged. They are engaged in making inquiries. They look favorably upon the idea of carrying out this system of insurance in a general way, but it cannot be said for a moment that they enter into an engagement or a promise to do it now, for the simple reason that they wish honorable members to hold their hands, as the Government are holding theirs, until ' they know their ground better than they do at present. Such reports as we have been able to obtain indicate the necessity for caution. There are many things upon the desirability of which the Government may be at one with honorable members, but this may not be the time to do them. Further inquiry is necessary in this case as in others. I might add that it will not be advantageous nor will it help any such system as is desired, if an amendment of this kind is carried. If > the proposal were implanted in this Bill without any other machinery to sustain it, and without due inquiry as to its effects upon the financial position of the Commonwealth, it might still be necessary for the Government to bring in further legislation on the subject rather than find themselves committed by the committee to something which could not be carried out without public danger. We ask the committee to sustain us in our attitude of caution. Notwithstanding that we look favorably upon the proposal, it would be premature now to lay down as a definite policy something which in the financial necessities of the Commonwealth might cripple it in making its proper returns to the States.

Mr. REID(East Sydney). - I am glad that the right honorable and learned gentleman has made this statement. It really amounts to a statement that Ministers are not yet fully seised of the advantages of a system of national assurance.

Mr Barton

- They think a great deal of the advantages of the system.

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Mr REID

- I should have thought that Ministers would have arrived at the position of having sufficient knowledge now as to whether they consider such a system a sound one or not, because the details of the system can .be administered so as to save the Commonwealth from any of those losses to which the Prime Minister has referred. His statement simply comes to this, that Ministers are still seeking further light upon the subject. Their intimation, therefore, carries no value whatever. It is a sort of intimation that- any man can make who really knows nothing about the matter in hand. I feel that this question,, by experience " in

the Australasian colonies, has come to a point at which the Ministry might fairly be expected to make up their minds to this extent : Given a wise system, such as this Ministry is so competent to frame, and carrying out this system in : 11)101)el way, such as this Ministry is so fit to do, is it an advisable thing to do as a matter of public policy? The honorable member who moved the amendment assumed that we had arrived at such a stage of knowledge on this 'matter, that, subject to a wise system in detail, the principle could be decided upon now. I have not the slightest hesitation in thinking that the Government might fairly have accepted this amendment, because it is absolutely within their power to fix the details so that there shall, be no financial catastrophe. It would really be a confession of imbecility on the part of Ministers to say that given the principle it is impossible for the financial advisers of the Government to carry out that principle without exposing the Commonwealth to financial disaster. In my opinion the matter is left by Ministers in a very unsatisfactory state. At the same time I should be very sorry to see the committee act in any sudden manner in connexion with this proposal. It might perhaps prejudice the prospects of this proposition if honorable members were to endeavour to drive the Government in any way, they being most amenable, as far as I can see, to all the suggestions that have been made from all quarters. As these matters have been dealt with in such a friendly and accommodating spirit from the beginning to the end of our proceedings, we should endeavour as far as possible not to put the Government in any false position. Under these circumstances I am inclined, as long as the Government behave in this most reasonable manner, to support them. I must congratulate the Government, in reference to this Bill, upon the admirable spirit of subjection which they have shown to all suggestions coming from all quarters.

Mr Barton

- That was largely because the right honorable and learned member was away.

Mr REID

- "Well, if the spirit of compliance was more marked when 1" was away than it has been during the present sitting - I should not like to say anything unkind - but it seems to me that every one has been at the helm during the present sitting besides the two Ministers at the table. If there was anything more mixed than that I am sorry I was not present, because this is a new method of conducting responsible Government. However, I think it would be ungracious to force the Government in this matter after the statement they have made, and perhaps the honorable member should not press his amendment at this particular stage, but should give the Government some time in order to complete their education on this subject when possibly some result may come of it.

Mr Barton

- A fine example of Kruger refusing to conquer England !

Mr. ISAACS(Indi). - I am one of those who view most favorably such a proposal as that made by the honorable member for Bourke. I am desirous of seeing the State in some shape or form take up the duty imposed on it in this amendment. I find the Government extremely sympathetic to the proposal, but regarding themselves, as they are bound to do, not only as a committee of this House, but as trustees for the Commonwealth and its finances, they are taking up, in my opinion, a proper position when they say they are not going to commit the Commonwealth to this proposal without full and fair information. When we have before us the example of New South Wales and the report of Mr. Fenton, I think that if the Government are making an error at all they are making it on the right side, as they are not going to leap first and look afterwards. Whatever may be said by the leader of the Opposition, he comes to the same conclusion as the Government upon the question. He is in the same position, and to all intents and purposes he supports the view taken by the Government that they should not commit themselves to this until further information is available. I look upon it in this way - if it were my own affair, and I were as favorably disposed to it as I am disposed to such a scheme being adopted on behalf of the State, I should hesitate very much before I embarked on such an enterprise in the present state of knowledge upon the subject. I should want more investigation. We have the promise of the Government that, as soon as they can, they will bring forward proposals which will enable Parliament to discuss the matter in a large spirit.

Mr Watson

- They have not said that. They have not said that they intend to bring any proposal in.

Mr ISAACS

- I certainly understood the Minister for Home Affairs to say something to that effect.

Mr Reid

- But the Minister for External Affairs said the other thing.

Mr Barton

- What my honorable colleague said, and what I say, on behalf of the Government is, that the Government will be prepared to bring forward such proposals if further investigation justifies them in doing so.

Mr ISAACS

- That is less definite than I understood the statement made before. At the same time I do not think I can press the Government to go further at present. I shall be one of those who will expect them to make up their minds definitely on this subject, and I believe they are prepared to do so.

Mr Reid

- Within what period?

Mr Barton

- That will depend on the extent to which they imitate the right honorable and learned member's experience.

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Mr ISAACS

- That cannot be decided by minutes. I feel that the Government are desirous of carrying into effect the idea which so many of this committee favour, and they are only waiting full information to enable them to say whether they ought to commit the country to it or not.

Mr. O'MALLEY(Tasmania).- I am pleased to hear such a splendid debate on the insurance question. . I am glad also to hear the Prime Minister declare that the Government have a great insurance scheme in the process of incubation. I do hope things will go on all right in time. I would ask my honorable friend, the member for Bourke, to amend his amendment so as to provide for a complete system of State insurance. Then I may be the Minister for Insurance. There is no doubt that there are a great many insurance experts in this House, and we can all get jobs as insurance actuaries, because we know all about it. I heard my honorable and learned friend, the member for Northern Melbourne, talk about 60 per cent. I have been doing business for many years, and it is very trying to hear a lawyer talking about percentages.

Mr Higgins

- Can you deny the soft impeachment that 60 per cent, is the charge on the first premium ?

Mr O'MALLEY

- Nothing of the kind. They may get £1 per £100. The man who gets 60 per cent, is an emperor of insurance. You can get a lawyer for a few pounds, and then you will get another lawyer, like our right honorable and learned friend across the way, or like the honorable and learned member for Northern Melbourne, who do not go for any small percentage. I remember that one time in Columbia, on the Brazos river, in Texas, there were four fat farmers and four hungry lawyers. They went along for two or three years, and there were then four fat lawyers and four hungry farmers. What I want to impress on my honorable friends is that lawyers should never talk about percentages. Mind you, I have the greatest sympathy for them. They are the friends of humanity, because when we are in trouble they get us out - and get our families in. Another point on which I would like to have a word is this : Whether we are to "start an insurance company or not we must establish in the Commonwealth a department of insurance, and we must bring the insurance companies under absolute State control. We(must say to every man and woman in the Commonwealth, who invest their money with the societies for the benefit of their children, that they are protected. Honorable members will see how simple it is. All we have to do is to have a department such as they have in the State of Massachusetts. I would not think of suggesting to a British community something which they have not in existence somewhere else, because you do nothing that your fathers have not done before. I have the greatest respect for you as a progressive people, but you must have some custom or use for what you do. You do not experiment. What is the reason why Great Britain is behind in manufactures? It is not due to free-trade or protection : but it is simply because we do not get the latest machinery. We want new machinery in Australia to control insurance companies ; to bring them under State supervision, and compel them to deposit a percentage of their reserves in Commonwealth bonds, and let the Commonwealth hold those bonds if necessary as a guarantee for their

servants. But are the civil servants of so much more account than other people - than the people who have to struggle, the pioneers of civilization ; the prospectors of this country, who go through all the hills and mountains seeking the wherewithal to keep the civil servants ? That is the rooster I want to pluck. Let us be sensible on this point. If honorable members carry this amendment, as the Prime Minister says, they cannot put it into execution ;. they have no data to go on. The fact is that they do not know where they are. I want to be absolutely fair, and I hope, if the honorable member Mr Bourke is going to press his amendment, he will go for a complete State department. Look at another point. What I said here the other night I repeat. Is it fair to these few civil servants that they should be paying into a Government assurance department where they will not get one cent barring the limited amount which their little premiums will be earning.

Mr Higgins

- Won't they?

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Mr O'MALLEY

- I have heard a lot here to-night about the earnings of assurance companies. If the amount which big assurance offices have loaned on their policies is taken off, how much do they earn ? Take the very company which has been quoted - the Australian Mutual Provident Society. I do not mind giving them an advertisement, for I am a Christian. Deduct the amount which they have loaned on their policies at 5, 6, or 7 per cent, and strike an average - they earned 4a.11d. last year - and see how much they earn. Go to any of the offices and see what they earn, if honorable members think we are going to get an immense interest on Government bonds. We want to come down to hard Scotch facts, and one ounce of fact is worth 40,000,000 ideas or theories. If we are going into this business, let us go into it as a legitimate business, and put canvassers on the road and compete ; but do not let us go into it as a side-wheel steamer. This whole business reminds me of a Mississippi boat. She had a 40-horse power engine and a 90-horse power whistle and every time she started to whistle she had to stop going ; she took all her steam to whistle.

Mr MAUGER

- Is there any possibility of the Government postponing the decision of this matter ?

Mr Barton

- No.

Mr MAUGER

- Honorable members are anxious to adjourn.

Mr Barton

- It has had practically two nights' debate.

Mr Reid

- Honorable members must try and summon up pluck enough to vote.

Mr MAUGER

- Some honorable members fear that by voting against the amendment they may be abrogating a principle.

Mr Barton

- There will be no principle abrogated.

Question - That the words proposed to be omitted stand part of the clause - put. The committee divided -

Ayes 20

Noes 19

Majority 1

Question so resolved in the affirmative.

Amendment negatived.

Progress reported.

ADJOURNMENT

New South Wales Elections

Motion (by Mr. Barton) proposed -

That this House do now adjourn.-

Mr CRUICKSHANK

- I should like to ask the Prime Minister if he will make arrangements to let us have the latest information regarding the New South Wales elections to-morrow.

Mr Barton

- I shall speak to the Postmaster-General on the subject.

Question resolved in the affirmative.

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23:13:00

House adjourned at 11.13 p.m.