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1901-07-11

Senate.

The President took the chair at 2.30 p.m., and read prayers.

PETITIONS

Senator KEATING

presented a petition from 1,185 citizens of Tasmania, praying the Senate to amend or reject clause 54 of the Post and Telegraph Bill.

Senator MACFARLANE

presented a petition from the president and secretary of the Baptist Union of Tasmania, and two petitions from citizens of Tasmania, praying that the Post-office of the Commonwealth might not be permitted to be used "as a vehicle for facilitating the operations of institutions such as 'Tattersall's.' "

PERSONAL EXPLANATION

Senator FERGUSON

- In looking over the record of divisions this morning, I find that my name has not been recorded as having taken part in the division last night on Senator Glassey's amendment upon clause 15 of the Post and Telegraph Bill. I was present, and voted with the noes. I wish this error to be corrected, under Standing Order 213.

The PRESIDENT

- I will cause inquiries to be made.

Senator FERGUSON

-I believe I was mistaken for Senator Styles, who was absent.

The PRESIDENT

- Inquiries will be made, and if Senator Styles was not present, the error will be corrected.

QUESTIONS

PARCELS POST

Senator MACFARLANE

- I should like to ask the Postmaster-General a question without notice. I wish to know whether under the present Post and Telegraph Bill the department will be able to carry parcels from sender to receiver, upon which a charge can be put by the sender, and collected by the post-office?

Postmaster-General

Senator DRAKE

- I am advised that under the Bill as framed, there will be sufficient power for carrying what are known as prepayable parcels. The system was introduced in Queensland - which is, I think, the only State that has adopted it - under a measure of a similar character to the Post and Telegraph Bill.

HOUSE OF REPRESENTATIVES ELECTIONS

Senator PULSFORD

asked the Vice President of the Executive Council, upon notice -

Will the Government lay on the table of this

House, as early as possible, the complete figures of population, quota, &c, on which the number of the members of the House of Representatives for the various States were based ?

Vice-President of the Executive Council

Senator O'CONNOR

- I have the return here, and will immediately lay it upon the table of the House.

LEAVE OF ABSENCE

Resolved

(on motion by

Senator Stan-

forth Smith) -

That six weeks' leave of absence from Parliamentary duties be granted to Senator Ewing, on account of urgent private business.

PAPERS

Senator O'Connor

laid on the table the following papers -

Return to the order of the Senate, dated the 28th June, containing copies of correspondence and documents in possession of the Government relating to Reynolds Newspaper.

Return relating to basis of computation of population, entitling each State to a member of the Commonwealth Parliament.

SUPPLY BILL (No. 3)

Second Reading

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Vice-President of the Executive Council

Senator O'CONNOR

. - I move -

That the Bill be now read a second time.

It will be within the recollection of honor able senators, no doubt, that towards the end of last month an Act was passed voting supply to the amount of £491,882. That was to cover the services and expenditure of the Commonwealth from the time of its inauguration up to the 30th June last, which was the end of the financial year. The authority given under that Act expired on the 30th June, and no payments of any kind could be made under it after that date. It becomes necessary now to ask the Senate to pass this Supply Bill which has come up from the House of Representatives, in order to defray the expenses of the Commonwealth for the next three months, and in. order also to re-vote certain sums which it was impossible to expend during the limited time between the passing of the last Supply Act and the 30th June. It has been determined, as has been stated already, that the financial year of the Commonwealth shall end on the 30th June in each year. The proposal which is now before the Senate is for an advance out of the moneys which will be covered by the Appropriation Bill for the year ending the 30th June next - that is, a three months' advance. It is rendered necessary by reason of the impossibility of passing the ordinary Appropriation Bill in time for the payment of the various services which have to be defrayed during the next three months. The amount of supply now asked for is £1,010,732. I may say in the first place, in regard to the form in which the Bill comes before the Senate, that it will be noticed that the items in most cases are set out in a schedule similar to the schedule which was contained in the last Supply Bill passed by the Senate. But there are certain services which are set out very generally. For instance, under the heading of "Minister for External Affairs- The Senate," there is a vote for salaries so much, and contingencies so much, without any particulars. There is a note at the end of the schedule which, no doubt, honorable senators have seen, stating that -

The amounts of salaries included in the column " other expenditure " are, except where specifically set forth in this schedule, provided only for officers included in the schedule to Act No. 1, and at the rates set forth in that schedule.

So that the general plan upon which these particulars have been brought before Parliament is this : that where the services of the officers are the same, and at the same rates as in the last Supply Bill, a lump sum with the name of the department is stated ; but where there has been any departure the particulars are given in the schedule attached to this Bill. The Government have been very careful to see that in every particular the Senate shall have the fullest possible information on the face of the Bill itself with regard to all matters in this measure as to which they are asked to express an opinion. If we take the total amount of the vote asked for, it will be found that it is divisible into two heads. First of all there are the transferred services, which amount to £933,200. Those services are ordinary transferred services for carrying on the business of the different departments, and the amounts are placed in a lump sum under the heading of each department, just as was done in the Supply Bill that came before the Senate on the last occasion. In the £933,200 no new expenditure is involved, because the money is to carry on the services as they existed in the States, and as they were handed over to the Federal Government. In the second column is the expenditure which calls for a little explanation. It is expenditure which is purely federal, and which is apportioned upon a federal basis, according to the population of the States.

Senator Walker

- Original expenditure.

Senator O'CONNOR

- It is called by different names - new expenditure, or original expenditure. At all events it is expenditure

which becomes a separate charge upon the Commonwealth as contrasted with the bookkeeping charges. This new expenditure amounts to £52,532. So that the Bill provides for transferred services to the amount of £933,200, and new federal services to the amount of £52,532. Then there is an instalment of the Treasurer's advance, amounting to £25,000, which, I think, considering that the Supply is for three months, and having regard to the expenses that may arise in carrying out new administration, is not an excessive amount. I do not think there will be much question as to the £933,200 transferred services, because they go on very much as usual, the only difference being in the necessary extension of services which naturally comes with an increase of population and business. In regard to the new or federal services, there are certain features which I think deserve the attention of the Senate. In the first place, it will be noticed that certain of the services are of an exceptional character. That is to say, although they may occur under the heading of ordinary annual appropriations they are services of a special character. We find, for instance, that there is an amount of £2,500 for the celebrations in connexion with the opening of the Federal Parliament. I may say that that sum is the final amount under that heading.

Senator Major Gould

- Is that a re-vote?

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Senator O'CONNOR

- £500 is re-vote, and the rest, £2,000, is new. Then there is an amount of £12,000, which is a re-vote for expenses under the Electoral Acts of the different States. On the last occasion when Supply was voted, £20,000 was appropriated for this purpose, but as the vote was made available only after the passing of the Act - which, on account of circumstances to which I need not now refer, took place a very few days before the end of the month - it was impossible to spend all the money within the time, and as the authority lapsed at the end of the month, a certain sum has to be re-voted. £12,000 is the amount unexpended which we now ask to have re-voted. In connexion with the army and navy demonstration, there is an amount of £8,959. Altogether these items amount to £23,000. So that out of the £52,000 of federal expenditure, £23,000 is for services of an unusual and special character, leaving the sum of £29,000 for what may be termed the usual expenditure for the working of the new departments. That being the general scope of the Bill - that is to say, the bulk of the money being for transferred services and appropriations for unusual services, and £29,000 being ordinary expenditure in connexion with new departments - I need only refer now to a few matters of detail, which I think it is well the Senate should have explained at once, as there may not be an opportunity of explaining them in committee. If honorable senators will look under the heading of "The House of Representatives" they will find the item - Salaries, including the salary of the Clerk of the House of Representatives at £900, and junior clerk at £60 per annum. It will be remembered that Mr. G. H. Jenkins was an officer borrowed from the Victorian State Parliament, who performed the services of Clerk of the House of Representatives up to the end of June, and gave exceedingly valuable services without any special agreement in regard to remuneration. Therefore his services really cost the Commonwealth nothing as a matter of salary. But it will be necessary now to supply his place by a gentleman with a salary of £900 per annum, which is the amount fixed for the Clerk of the House of Representatives, as it is also the salary fixed for the Clerk of the Senate. On Mr. Jenkins' retirement from the position he occupied, it was found that it might be possible to do with two clerks at the table of that House, and I think that arrangement can be carried out. At any rate it will be tried. I hope we shall be able to do with two clerks in that House. That will save a salary of £600. But it will be necessary to have a junior clerk at £60 a year, and that amount is put upon the Estimates. The net result of the whole thing is that we save one salary of £600 and appoint a new clerk at £60 per annum.

Senator Charleston

- The clerk will not remain at that salary.

Senator O'CONNOR

- No. He enters the Service at £60 a year, but by means of increments he can go up to £110.

Senator Glassey

- What is his age?

Senator O'CONNOR

- I do not know. The honorable senator will see when he comes to deal with the Public Service Bill, which

will be before the Senate shortly, that juniors enter the service at a small rate, and are entitled to annual increments, if they discharge their duties efficiently. This officer may rise to the minimum living wage of £110.

Senator Glassey

- He must live in the meantime before he reaches that salary.

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Senator O'CONNOR

- We shall be able to deal with that matter better when we have the Bill before us. This clerk comes into the service as to salary on the same basis as other clerks in the same position. "Under the head of "Parliamentary Debates " it will be seen that it has been found necessary to employ another reporter and another sessional typist. In the division relating to the Minister for External Affairs provision is made for a messenger at £130. That messenger, however, is not really an addition to the staff, because he was employed before, and paid out of Contingencies. The sum of £509 in the next item of £2,500 is a re- vote, and I am happy to be able to say that that is really the final settlement of the bill for the expenditure incurred in connexion with the ceremonies at the opening of Parliament. Some increases are shown in the Attorney-General's department, but these are absolutely necessary for carrying on the business of the department. The chief of the department, Mr. Garran, does practically all the drafting work, but there is a great deal of that work to be done, and we have, therefore, another draftsman at £500 per annum - the "assistant parliamentary draftsman," Mr. Castles, a gentleman of very great experience, as honorable senators from South

Australia will testify. There is also a messenger. Some salaries are set down in connexion with the department of Home Affairs to provide for appointments which have not yet been made. When the Inter-State Commission Bill is passed, and other legislation carried into effect, it will be necessary to have these appointments made, but they will not be made until they are required, It is anticipated that before the expiration of three months it will be necessary to have these salaries* appropriated. Salaries are set down, under the heading of "Public Service Commission," for a secretary, six clerks, messengers, a caretaker, and so on. I need hardly say that until the Public Service Bill becomes law none of these appointments will be made. Probably none of them will be effected for a month, so that, in regard to that particular item, Supply is asked for two and not for three months. Coming to the Treasurer's division, it will be seen that, under the head of " Government Printer," provision is made for wages, type, machinery, and so on, the items being set out in detail. Honorable senators are aware that the federal printing is being done by the State of Victoria; but the Government Printer of Victoria has found it impossible to carry out all the duties connected with his office in addition to the parliamentary printing for the Commonwealth with the staff and machinery now at his disposal. It has been found necessary, therefore, to make a special arrangement with regard to the parliamentary printing. We have to supply the machinery, type, material, fuel, light, and water for the purpose of printing Hansard and parliamentary papers, and the Government Printer of Victoria supplies supervision and clerical assistance, under an arrangement with the State Government. We are in reality establishing a new branch of the department, which is absolutely essential to" carry out in an expeditious way the printing of the parliamentary debates and papers. We come now to the Customs department. It will be seen that provision is made for a Comptroller-General of Customs, at a salary of £1,200 per annum. This is an item which requires special explanation. It is riot intended to give this salary permanently to the office. The present occupant of it stands in the same position as that of the head of the Defence department. The departments are transferred departments, and we were bound to take over their officers. Under the Constitution, if we did not take them over they were entitled either to be appointed by the State to some office of equal emolument or else to be allowed to retire, in accordance with the law of the State, on the same pension as that to which they would be entitled on the abolition of their offices. Dr. Wollaston, the Comptroller of Customs, is not only known in Victoria, but all over Australia, as a man particularly well suited for this office, and especially qualified to deal with the Customs- of the Commonwealth. That duty will involve an immense amount of work, and will necessitate a great deal of experience. It certainly demands the best qualified officer that can be found in Australia. I do not know of any man who really fills all these requirements so well as Dr. Wollaston. He was receiving £1,000 per annum from the Victorian Government as Secretary for Customs, and £200 per annum from the Marine Board. It appears' to us that it would be unfair to take him over to the Commonwealth and cut

down his salary by £200 a year. We find that on every ground we ought to keep him, and that he certainly ought not to be reduced in salary. That is why this amount is put down as the salary to be paid to him. I think I may say definitely, however, that it is not contemplated to give that salary to any successor to Dr. Wollaston. Very much the same remarks apply in regard to the Secretary for Defence, Captain Collins. He has been taken over at the salary that he was receiving from the Victorian Government. He is a gentleman highly qualified for the position, and he could not have been taken over at a lower salary without an injustice being done to him. It is not intended in the future to attach the salary set opposite his name to that particular office. The probabilities are that the salary of this office will be £750 per annum after his retirement. I do not think that there are any other matters of detail to which it is necessary for me to refer. I am prepared to answer any questions in committee, and I simply ask the Senate now to pass the second reading, and give the Government this Supply. It is impossible to do anything more than make a very general estimate of what the amount of the appropriation will be. As my right honorable and learned colleague, the Treasurer, has explained in another House, it is difficult enough under ordinary circumstances for a Treasurer to get his Estimates, from the different departments, and to forecast his expenditure ; but as he is now dealing with new departments and expenditure it must be more or less a matter of guess work, and it is very difficult indeed to forecast, except in the roughest way, the necessities of the next three months. We have done what we think reasonable in the circumstances, and the Treasurer hopes that before the expiration of three months he will be in a position to lay definitely-considered Estimates upon the table of the other House. Both Houses, as well as the people of the Commonwealth, will then be in a better position to judge as to what the expenditure upon the different services will be for the year.

Senator PULSFORD

- It is not easy at the present juncture to enter into any critical examination of the details of expenditure, because the information that is required for a proper examination of the financial arrangements of the Government is not yet before us. But this is a time when we should fix in our minds the importance of questions of finance to Australia generally. The crying need of the time undoubtedly is economy, and we ought to be alive to the importance of keeping down expenditure in every possible direction. At present the two principal States of Australia are in the position of having heavy deficits. During the year just passed in several States there have been very material increases of revenue, due not to any enlargement of trade or consumption of goods, but to a forestalling of the trade of the year upon which we have now entered. Strange to say, although hundreds of thousands of pounds of the new year's income have been already paid into the Treasury, means have been found in the various States of spending, I believe, the whole of the money, and I fear in some instances of even exceeding it. This state of things points to considerable stringency in the future, and it is desirable that the Treasurers of the States should bear in mind that the taking over by the Commonwealth of that most elastic of all sources of revenue, Customs and Excise, will alter very materially the conditions under which they will in future have to administer the finances of their respective States. In the past if a State has been deficient in income, or if there has been a desire to increase expenditure, it has been an easy thing to say - " We will put a further duty upon this or upon that," but individual States in future will not have this elastic resource. There will be a rigidity about State finances which happily must tend in the direction of economy, and in clipping the wings of too generous Treasurers. It is desirable that State Treasurers should recognise the position on which we have entered. I fear that, instead of an all-round determination that the policy of economy shall be carefully pursued, there has been a very general tendency in the opposite direction. The expenditure in the States which have now undertaken the payment of old-age pensions - an enormous expenditure,, undertaken, I fear, without due consideration - will prove in the period on which we are now entering to be a very serious burden, and will necessitate economy in every direction.

Senator McGregor

- Would not the honorable senator like to kill off a few of the old people 1

Senator PULSFORD

- I think I have said in this Senate before to-day that I have looked upon federation as a system of co-operative government. Under federation the departments of the various States are brought together¹, and work as a whole. This ought, therefore, to enable very material savings to be effected. But as yet very little effort has been made in that direction. I think it would be a very desirable thing for the Federal

Government to take some steps to draw the attention of Treasurers of the States to the importance of this matter, and to try to get some conference or some arrangement made whereby the savings which we have all thought possible might be effected. This would be to the great advantage of the respective States. I am quite certain that in the future every saving that can be effected will be required to balance the finances of the States. In dealing with this question of economy, we cannot help regarding the fact that the Government are wedded to a fiscal policy which, instead of being an economical one, of necessity involves the reckless and wasteful expenditure of the wealth of the public.

Senator McGregor

- Would it not be better to wait and see what is their policy ?

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Senator PULSFORD

- It is unnecessary to wait any longer, because the Government have already disclosed their intentions in regard to one particular and very important item - I refer to the article of sugar.

Senator O'Connor

has informed the Senate that the Government propose to give protection to the sugar industry to a very heavy extent, and the Prime Minister, in reply to a deputation, has also publicly stated that he intends to protect the sugar industry. That means that hundreds of thousands of pounds, which hitherto have gone into the coffers of the respective Treasuries, are now to go into the pockets of the individuals engaged in that industry. I say that that is not economical administration ; it is wasteful administration. It is a very serious matter that loss of revenue and waste of public wealth should be inaugurated at a time when every condition of public life calls upon us to be as economical and as saving as we can in our public and private expenditure.

Senator Sir FREDERICK SARGOOD

- I do not propose to go into the question of our financial position. It will be time enough when the Estimates are prepared and submitted to deal with them. I rise to congratulate the Minister in charge of this Bill upon the very full and fair manner in which he has placed the figures before us. I must say that to me, as an ex-member of the Upper House of Victoria, it is a novel experience to find the Estimates of the expenditure of a country thus laid before a second Chamber. I hail it as another and a pleasing illustration of the fact that this Chamber occupies a very different position from that of a State Legislative Council.

Senator McGregor

- The honorable senator has got out of his chrysalis now !

Senator Sir FREDERICK SARGOOD

- I would like to ask the Minister if he can explain the large amounts for contingencies. I see that in the aggregate they amount to £5,000, which is roughly a tenth of the total of £52,000 asked for. I know that contingencies are absolutely necessary in all departments, but some of the totals appear to me to be excessive for so short a time.

Senator O'Connor

- Many of them are for departments which have not been formed, and they are intended practically to cover everything.

Senator Sir FREDERICK SARGOOD

- They are wild guesses, practically?

Senator O'Connor

- The best guess that could be made ; it is impossible to do anything else.

Senator Sir FREDERICK SARGOOD

- There is only one other matter to which I wish to refer. The various items are placed under the heads of different departments, and I find, for the first time, that the Senate and House of Representatives - the Parliament, in fact - is within the department of the Minister for External Affairs. I did not know that Parliament was under any Minister. I am aware, of course, that the Estimates have to be prepared by some Minister ; but I think it is rather irregular to include them in this form. I am aware that it has been the practice in Victoria for years ;but I believe I am right in saying that it is not so in New South Wales, where, I believe, the two Houses prepare their own Estimates, and submit them to the Government.

Senator Glassey

- Where there are over 100 legislators they cannot remain without a father; there must be some head of

the household.

Senator Sir FREDERICK SARGOOD

- It is not a question of a head, and I think it is unfortunate that they should be included where they are.

Senator O'Connor

- There must be some Minister responsible to Parliament for the expenditure under those heads.

Senator Sir FREDERICK SARGOOD

- I have stated so distinctly ; but it is not necessary that the Houses of Parliament should be included in the department of a Minister.

Senator O'Connor

- It is merely a way of putting it.

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Senator WALKER

- I also rise to congratulate the leader of the Senate upon the very clear manner in which he has placed the Bill before us. The only question I propose to ask him is this : I presume that when the Estimates in chief come forward we shall have some details of the expenditure of the transferred departments. At present we are passing large sums inglobo. I, for one, have implicit confidence that things are perfectly as they should be. At the same time, looking to the future, we ought to have some means of checking the expenditure of the transferred departments, as well as the original expenditure of the Federal Government. When the Commonwealth Constitution Bill was before the country, I was one of those, in common with Senator Pulsford, who considered that great savings would be effected by the amalgamation of several departments in one Federal department. I thought at that time, and, so far, I have no reason to change my views, that the original expenditure of the Federal Government need not exceed £300,000 a year. Of course, we know that the necessary new departments are not yet in full working order, but from my point of view, it is satisfactory to learn that something like £29,000 or £30,000 represents the necessary original expenditure for the next three months. That would make an annual expenditure of about £120,000.

Senator Major Gould

- It is £52,000 for the next three months.

Senator WALKER

-No ; some of that is exceptional expenditure. I trust the Bill will go through rapidly, and that from this time forward we will get on with the business in this House somewhat more quickly than we have done up to the present.

Senator STANFORTH SMITH

- In conjunction with other senators, I would like to be allowed to congratulate the Honorable the Vice-President of the Executive Council upon his very lucid exposition of this Supply Bill. I think it must be admitted that the amount asked for is a rather unpleasant surprise not only to members of this Senate, but also to the people of Australia. If the Estimates of the Treasurer be correct - and as he has a reputation as a Treasurer throughout Australia, I think that we can assume that they are fairly correct - this Supply for three months is in excess of all previous Estimates that were formed during the time of the holding of the conventions, and during the time of the elections. There is no doubt that in some of the smaller States, such as Western Australia and Tasmania, the revenue will be reduced even below the estimate made at the Adelaide session of the Convention, and when this very much increased expenditure is required - I believe it will amount to nearly £1,000,000 - it is a very serious thing for those States, and for other States in the Commonwealth, too. I think that now is the time when Members of Parliament should express an opinion as to the proper amount of the Commonwealth expenditure. It is all very well to wait until the Estimates come on, in three months' time, but it would be well for senators, who represent States, and not merely constituencies, to give an opinion at the present time as to the amount of this expenditure, and, if possible, to endeavour to have it reduced. I think it must be admitted that all the transferred departments are being conducted on a much more lavish scale by the Commonwealth than the individual States.

Senator Harney

- No; quite the contrary.

Senator STANFORTH

SMITH. the total expenditure on defence in the six individual States last year was £667,000, and, leaving out of the question the expenditure at Thursday Island and King George's Sound, the Commonwealth estimate amounts to £808,000, or an increase of £141,000 odd.

Senator Drake

- The honorable senator is not taking into account the expenditure of the States on Supplementary Estimates.

Senator Glassey

- That is generally very considerable in the States.

Senator STANIFORTH SMITH

- And I am not taking into consideration the Supplementary Estimates which must be brought in here.

Senator Drake

- These amounts have been estimated exactly on the basis of last year's expenditure.

Senator STANIFORTH SMITH

- I take another department - the Post-office department. I understand that the expenditure on that department by the six States last year was £2,280,000, while the proposed expenditure under the Commonwealth is £2,600,000, or an increase of £320,000.

Senator Drake

- No. The amounts asked for are exactly on the basis of previous expenditure.

Senator STANIFORTH SMITH

- There are a great many more officials employed, I understand.

Senator Drake

- No.

Senator STANIFORTH SMITH

- I would point out that the aggregate loss of the six States in connexion with the post-office was £200,000.

Senator Drake

- I think it is impossible to estimate it correctly. I put it at £120,000.

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Senator STANIFORTH SMITH

- I thought I gathered from the Postmaster-General that it was £200,000. If the proposals outlined by the Postmaster-General for the introduction of penny postage be carried, the loss on the postal department will, of course, be very much greater. I have estimated that the three transferred departments last year cost the different States £3,240,000, and the estimate for them this year is £3,670,000.

Senator Drake

- That is a fallacy. These figures are simply based upon last year's expenditure.

Senator STANIFORTH

SMITH. These figures show increases approaching £1,000,000 beyond the estimate given at the Adelaide convention, and upon which we based all our calculations as to the pros and cons of federation. It seems to me that this is a very serious matter. It should be the duty of the Government to curtail expenditure as much as possible. I have no doubt that if the Postal department is conducted as I understand the Postmaster-General is going to conduct it, there will be a considerable saving effected. I believe that the imposition of postage upon newspapers will increase the revenue of that department.

Senator Dobson

- The honorable senator should recollect that the expenditure of the department he is" referring to must always continue to increase.

Senator STANIFORTH SMITH

- It must increase, of course, with the population ; but that is no reason why its expenditure should not be cut down wherever that can be done.

Senator Dobson

- I think the Supply Bill is based upon the expenditure up to the 30th of last June, and the honorable senator is quoting the figures up to the 30th June of the year before.

Senator STANIFORTH SMITH

- I presume that these Estimates do not include the expenses necessary for the " institution of the Federal

High Court, or for the proposed Department of Agriculture, and that they do not take into consideration the Supplementary Estimates which we will undoubtedly have.

Senator Harney

- How "undoubtedly"?

Senator STANIFORTH SMITH

- That is, judging by experience elsewhere.

Senator O'CONNOR

- This is only for three months' supply.

Senator STANIFORTH SMITH

- This supply is only for three months, but the Treasurer is known to be so careful in his figures that we may assume that the estimate is a very reliable one. We find that while the Ministers for Home Affairs, for Trade and Customs, the Treasurer, and the Attorney-General, each have secretaries getting £750 a year, the secretary of the Defence department is to have £900 a year, though possibly his duties will not be greater than those of the other secretaries. We have had it explained by the Vice-President of the Executive Council that this is because he has been taken over from the State service.

Senator Best

- And we have got a first-class man too !

Senator STANIFORTH SMITH

- It is not a question of the value of his' services at all. Apparently the Government do not desire to reduce the salary to bring it into conformity with the others, because the officer is transferred from the State to the Commonwealth.

Senator Sir Frederick Sargood

- They could not.

Senator STANIFORTH SMITH

- Are they bound to transfer a man at the State salary 1

Senator O'Connor

- Legally, I do not think they are bound to do so, but they are bound very strongly morally and in honour.

Senator STANIFORTH SMITH

- It seems to me to be simply a matter of etiquette.

Senator O'Connor

- It is much more than a matter of etiquette ; it is a matter of equity and fairness.

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Senator STANIFORTH SMITH

- If we decided that the Secretary for' Defence should be paid £750 a year, an officer who did not care to accept that salary would have it in his power to refuse it, and I think we should not give these people these high salaries merely because they were receiving them from a State. Of course, Ministers say that this will be discontinued when the officer gives up his office, which may be in 20 years time, because I notice that people who get high salaries generally live to a great age. The Government have adopted the policy of transferring the highest salaried officers of the States to the Commonwealth Government. It may have been necessary in some instances to do that, but it piles up the expenditure. There is another item - repairs for three months, £9,300. I think that is very lavish expenditure- for three months. It is no doubt due to the fitting up lavishly of various rooms and offices for Ministers, civil servants, and other people. There is also an expenditure of thousands of pounds for printing. I know there is a building and machinery belonging to the State of Victoria, and are we going to buy machinery and put it up alongside the State machinery, and work them together ?

Senator O'Connor

- This machinery is to belong to the Commonwealth.

Senator STANIFORTH SMITH

- Is it all to be worked together?

Senator O'Connor

- Yes.

Senator STANIFORTH SMITH

- Some of it will be Commonwealth machinery and some of it State machinery. That seems to me to be

rather a peculiar arrangement. We shall have to brand the machinery " Commonwealth " and " State," or else, when we shift into the new federal capital, which, according to Senator Walker, will be in about three years' time, we shall not know which is ours and which is the State's-. I think these Estimates of expenditure are a surprise to honorable senators.

Senator Harney

- No.

Senator STANIFORTH SMITH

- They are certainly a surprise to me, and I believe to the people of Australia, because they are so much in excess of all previous estimates as to what the Commonwealth expenditure would be.

Senator Drake

- No. Perhaps some people do not quite understand them.

Senator STANIFORTH SMITH

- I have quoted figures which I believe to be correct. There are certain salaries provided which are altogether too high. With regard to Dr. Wollaston, there is not a man more competent for the work in the whole of Australia. He is admitted to be a splendid man for the position to which he has been appointed, and it is absolutely necessary in such a complicated department, when we are taking over the Customs departments of six States, and amalgamating them, and making them work smoothly, that we shall have a man like Dr. Wollaston, who is thoroughly au fait with his work. At the same time, when all is said, I think that £1,200 a year is an exceptionally high salary.

Senator Sir Frederick Sargood

- He is the cheapest officer we have got in the Commonwealth. A private firm would be glad to give that salary.

Senator STANIFORTH SMITH

- All these high salaries mean increased cost to the Commonwealth Government. I assume that there is nothing in these Estimates with regard to the Federal High Court, and when we have the extra Judges-

Senator Best

- Not within the next three months surely ?

Senator STANIFORTH SMITH

-Not within the next three months, but I am estimating what is likely to be the expenditure for the year, and these salaries will all have to be voted when the Appropriation Bill comes before us. They will mean a very much increased expenditure. I consider it to be the duty of the Government to reduce the expenditure, if possible, and to work with a minimum expenditure, at any rate until the departments are properly transferred, and they are able to ascertain what the revenue is likely to be, and what the loss to the various States - which I am looking at principally - on account of federation will be. The Government are creating a lot of departments and a lot of offices. We see in some departments three or four messengers, and soon every clerk will have a messenger to watch at his door and run his errands.

Senator Playford

- The honorable senator need not go further than this Chamber to see that. We should commence at home with our economies.

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Senator STANIFORTH SMITH

- That is so. I think the expenditure on these departments is very lavish, and they should if possible, be reduced. We cannot tell definitely what the expenditure will be until the Estimates are fully before us, but I think honorable senators should not wait until three months have elapsed before they call attention to the expenditure, and endeavour, if possible, to have it reduced.

Senator Major GOULD (New South Wales). - We can all thoroughly agree with Senator Staniforth Smith that it is necessary to consider economy to the fullest extent in connexion with the administration of the affairs of the Commonwealth ; but I think it is idle to attempt to criticise the items under the heading of expenditure of the different States, because we all understand that they are based upon the actual expenditure that was voted last year by the different State Parliaments. That being the case, it must be recognised at once that the Government could not economize upon those items at the present time ; and we must fain be satisfied to accept the amounts put upon these Estimates, trusting that when the Government have an opportunity of dealing with the departments in the next few months, they will make

such savings as are possible without interfering with the due efficiency of administration. Some honorable senators have congratulated themselves upon the small amount of the expenditure required during the next few months. But they must bear in mind that this estimate does not actually cover the whole of the money that will be expended during that time. We have to recollect that provision is made by statute for certain expenditure which is not shown under these Estimates. The remuneration and allowances of members of both Houses of Parliament are not provided for in the Estimates. That expenditure is provided for by statute, and is in addition to the amounts we are called upon to vote.

Senator O'Connor

- The total amount of that expenditure, including the salary of the Governor-General and the payments to Ministers and Members of Parliament for the three months, is £16,600.

Senator Major GOULD

- I want to direct attention to this fact - that there will be a considerably larger amount of money to be found by the Parliament within a short time. For instance, the High Court is to be established directly, and we hear it suggested that there shall be four or five Judges, all of whom are to receive very liberal allowances. Then there will be the salaries of the Inter-State Commissioners, and those of the Public Service Commissioner and his staff, and the salaries of the staff in connexion with the administration of justice. So that honorable senators will have to bear in mind that there are a considerable number of claims that will crop up during the next three months, which will materially increase the expenditure beyond what is contemplated by this measure. I would also remind the Senate that when it is stated that the cost of the Commonwealth will be less than some people originally estimated, it seems to be forgotten that "under this schedule we do not contemplate spending much money in the way of repairs to public buildings, renewals, or on anything of that kind. Honorable senators will find that the small amount of money provided for that purpose will be trivial compared with the amount which will be necessary for carrying on the work of the different departments. It is just as well to bear these facts in mind, and not to run away with the idea that, because it appears that we are asked to vote only a small amount of money now, this can be regarded as a fair average of our expenditure in the future. I do not suppose the amount we are voting now will be half of the ordinary expenditure during a period of three months once we get the Commonwealth Government into working order. There is a tendency, I am afraid, in certain cases, to pay large salaries. I know that where officers have been transferred there is a difficulty. It is unfortunate for the Commonwealth that these officers are gentlemen who were receiving larger salaries than it is intended to pay in the future.

Senator Staniforth Smith

- Some of the salaries have been increased.

Senator Major GOULD

- Possibly ; but it is a pity that we shall have during a certain period - say three months or twelve - to vote a large salary for a certain office, and that as soon as the gentleman occupying that office goes away, the man who succeeds him will receive a much smaller salary. Incidents of this kind generally give rise to dissatisfaction in a service. Possibly the Government were in a fix in dealing with the officers in the way they have done.

Senator O'Connor

- Would the honorable and learned senator have acted differently himself ?

Senator Major GOULD

- I do not say that I should ; but it is just as well to look facts in the face, and to know that we are paying a salary to-day which is to be cut down to-morrow.

Senator Dobson

- The Estimates are to show the ordinary salaries. That has been promised.

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Senator Major GOULD

- I know that ; but it would be well to show upon the face of the Estimates that these are special allowances, and not the ordinary salaries that the Government intend to pay for the offices. It has been pointed out by Senator Sir Frederick Sargood that the officers of the two Houses of Parliament and of the Parliamentary Debates staff have been placed under the heading of " Minister for External Affairs." It ought to be clearly understood that, in the Estimates of the different States, the officers of Parliament and

the Parliamentary Debates staff are generally left altogether free from departmental control. The Senate should be in no way under the control or domination of a Minister. The officers of Parliament - that is, the officers of the Senate and the House of Representatives - together with the Parliamentary Debates staff, should be separate from any other department of the Commonwealth, and I have always understood that the rule is to keep them separate from the departments of the various Ministers.

Senator Best

- It has not been so in Victoria.

Senator Major GOULD

- In New South Wales it has been so.

Senator Playford. - And in South Australia.

Senator Major GOULD

- I understand that such is the case in South Australia also. Upon the Estimates of those States the expenditure connected with the Legislature is put under a separate heading, and the departments are under the administration of the President and the Speaker respectively. In our case the officers of the Senate ought to be under the administration of the President, who would be the gentleman to make recommendations with regard to the salaries of officers, and the giving of increments to them. These officers should be in no wise under the control of any Minister of the Crown.

Senator Dobson

- Does not the arrangement of the Estimates simply mean that if we want more furniture we must send to the Minister for it?

Senator Major GOULD

- It also means, I take it, that if we want a few more clerks the President or the Speaker would have to send a request to the Minister. What I contend is, that if it became necessary to appoint another clerk for the Senate, the President should do it, and the Prime Minister should follow his recommendation, leaving the Senate to deal with its expenditure, and the House of Representatives to deal with the expenditure in connexion with the other branch of the Legislature. The expenditure of the Legislature should be in no wise under the control or surveillance of any Minister of the Crown.

Senator Dobson

- It is not under such control now.

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Senator Major GOULD

- If the Speaker or the President wishes to recommend an increase of salary for any member of the staff, he should be able to do so. Even though it may become necessary, as a matter of routine, to pass the matter through some other department, it should appear upon the Estimates as a recommendation of the President or the Speaker. The true principle is to keep the officers of the two Houses, and the other departments connected with Parliament, entirely independent of Ministerial control. Matters of this kind should not be dependent upon the whim or caprice of a Minister. It must be remembered that it is not within the power of the Senate to increase by one single fraction the Estimates submitted to Parliament. We should, therefore, look to the President or the Speaker to make the necessary recommendations for appointments, or for increases of salary. I hope that Ministers will in future regard these departments as entirely differentiated from the ordinary departments, and let them each rest upon their own basis and authority. By that means the independence of the Legislature will be preserved, and will not be placed under the control of Ministers in any way whatever. Ministers should look after the administration of the affairs of the country generally, but they are not charged with the management of the affairs of the two Houses. I am informed that what I have advocated has not been the practice in Victoria, but, as I have already said, it is certainly the practice in New South Wales and South Australia. My contention is that the true and proper rule upon which to base the control of the officers of the House of Representatives, the Senate, and the Parliamentary Debates staff, is that they should be managed by the Speaker and the President, and not by any Minister at all. I understand that appointments are really made by the President and the Speaker jointly. I do not know whether that has been done in the case of officers already appointed, but it should certainly be done in future, even in the case of messengers. Of course, at the present time there is not much to be said in regard to the Estimates. We can only trust at this stage of our proceedings that the Government will exercise reasonable economy. I do not say rigid economy, because

I do not believe it to be true economy to underpay any person for services rendered. But I hope the Government will exercise a system of economy which will promote efficiency while it does not unduly harass the administration of the departments of the Commonwealth. Because we have a limited revenue. If we are to take our revenue entirely from the Customs we must bear in mind that for every pound we raise from that source, for the purposes of the Commonwealth, we have to obtain £4 from the people, and return £3 to the States. Therefore, it is in the highest degree essential that the Government should exercise economy as far as they can. It is also desirable that the States shall realize, that while we take over certain services from their hands, it is their duty as far as they can to exercise the strictest economy in the administration of their finances. I know that there is always a tendency for Treasurers when they find the money coming in to see how quickly they can spend it. A Treasurer rarely thinks that he owes so much money, and has large obligations to meet in the future. He seems to think only of the present moment, and to believe that as he has the money, he ought to spend it. I hope, however, that whilst we exercise economy the States will exert their efforts in the same direction.

Senator PLAYFORD

- It is impossible for the Senate to discuss this Bill from the broad aspect as to whether the Government are working the departments economically or not, because we have not the information before us. It is impossible to say from the Estimates we have whether that is the case or not. But the discussion has taken the direction that we ought not to pay high salaries. Quite right ; but we can carry that principle too far. In order to get really good men we ought to pay good salaries. Good men will save money for the Commonwealth, and to pay high salaries in certain instances may be true economy. Take, for instance, the Customs and the Postal departments. The heads of those departments will be able to save a large amount of money. In large establishments in England, such as Armstrong's, very large salaries are paid. Colonel Gower, the manager of Armstrong's, receives £10,000 a year. In England private firms are quite willing to pay large salaries to men who are known to be good managers, and able intelligent officers, because it is found that this policy pays in preference to paying low salaries and getting inferior men. Exactly the same principle applies to the departments of the Commonwealth. Therefore I offer no criticism as to the amount paid to any civil servant. I leave that to the Government. I have a considerable amount of confidence in the present Treasurer. I rely, upon him. Having watched his career for a number of years, I feel that he is a thoroughly economical and trustworthy Treasurer. He managed the affairs of the State of Victoria at a very serious crisis in her history with great credit to himself, economically and well. I have great faith in him, and, until something occurs which points to want of care on his part - until I have some reason for believing that he has departed from his usual practice - I shall continue to have faith in him. I believe, therefore, that the Estimates have been carefully scanned before they were laid before Parliament, and that we may take it ' upon trust that they have been economically prepared. Indeed we cannot do anything else at the present time. Of course, when the Estimates in chief come before the Senate they will be subjected to careful scrutiny, and we shall then be better able to discuss the financial situation of the Commonwealth. Undoubtedly, connected with the financial position is the position of the States. I can assure Senator Pulsford that the Treasurers of the various States - I can speak positively for the State of South Australia - are looking with a considerable amount of anxiety to what we do, because they know that every penny that we spend affects their incomes, and that every penny we can legitimately save will go back to them in increased revenue. They are therefore looking anxiously at the way in which the various departments are being worked. I was talking the other day to a gentleman in Adelaide, who ' complained that the post-office is not being worked as economically as it might be. I do not know whether that is the fact or not. This gentleman had no very definite facts or figures to bring before me, but he was very much afraid that we run the post-office at a greater expense than that at which it has been run before, and that a very considerable loss would be involved. In South Australia we are noted for keeping down our expenditure in a variety of ways. Take the case of the department of Trade and Customs. Let honorable senators look at the Bill before the Senate. In South Australia we manage to collect all our Customs revenue at an expenditure of some £6,000 per annum, whereas Queensland, with a not much larger population, spends £15,000 upon the collection of her Customs.

Senator DRAKE

- Queensland has a large number of ports. <>

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Senator PLAYFORD

- I am aware that Queensland has a scattered population and a large number of ports ; but the cost appears to me to be exceedingly high notwithstanding. It is strange that South Australia, which also has a great number of ports and an exceedingly extensive territory, should be able to manage to collect the whole of her customs duties for about £6,200, whereas Queensland pays £15,750 for the same work.

Senator Lt Col Neild

- Not the same work, because Queensland has a heavier Tariff.

Senator PLAYFORD

- The heaviness or lightness of the Tariff does not enter into the question to any material extent, because in any case it is necessary to have a certain number of officers employed. When honorable senators turn to the items for the Defence department, they will also find a very great deal of difference in the expenditure of the several States. In New South Wales it comes to something like £63,000, in Victoria it amounts to £64,000, and in Queensland to £52,000, while in South Australia it is only £13,000.

Senator Major Gould

- What is the strength of the forces in the several States?

Senator PLAYFORD

- I do not know.

Senator Lt Col Neild

- The strength of the permanent forces of South Australia is fourteen men.

Senator PLAYFORD

- What I wish to point out is that we in South Australia have been exceedingly moderate in all matters, whether they relate to the Postal department, or the military forces, or any other branch of the service. We have been economical, and yet we have been paying fair salaries as a whole. There has been little or no complaint except when, for a short time, in consequence of the great depression, we had to keep back the ordinary increments. There is a fear on the part of South Australia that the Commonwealth will not work the transferred departments so cheaply as that State has done. I hope these fears will not be realized. So far as the post-office is concerned, I feel assured that the Postmaster-General will be exceedingly careful. I trust that the Government will be especially careful, and that we shall not have any extravagance in this direction. In looking through the Bill, I find that there is nothing in it to show that it is a measure providing for three months' Supply. There is a statement in it that no moneys shall be expended under the authority of this Act after the 30th day of June, 1902. That carries it to the end of the financial year. When we come to the first clause of the Bill, we find that the Supply is to be granted for the service of the year ending the 30th June, 1902, so that it is worded like an ordinary Appropriation Bill.

Senator O'Connor

- If we limited the time to three months, we should not be able to expend a single farthing of the money after the expiration of that period, and we should have to come to Parliament again.

Senator PLAYFORD

- I think it is right that the Government should come to Parliament in such circumstances. If they estimate that the expenditure will amount to a certain sum for a certain period, and the amount provided is not expended within that period, the Government should come to Parliament again when the time is up. The time was fixed in the last Supply Bill. This is a Supply Bill. It so happens that there are a few lines of estimates put in, but there is not the slightest necessity for that. It should be strictly limited in its period, as an ordinary Supply Bill is limited. What the Government have done is to word it in such a way that they can spend the money voted for the three months during the whole year if they choose to do so. It is not, therefore, a Supply Bill for three months. I think this is a mistake. The Bill ought to contain words limiting it to the time which it is asked for. If the Treasurer wanted Supply for four months, I dare say we should have given it to him, and if at the end of that period he wanted a further extension of one, two, or three months, we would pass a second Bill. That is frequently done. It would be better for the Bill to say on the face of it that it is for the purpose of carrying on the Government for three months, and for three months only. I therefore think that it should be amended, so as to give effect to what the Minister has informed us the Government really desire.

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Senator Sir WILLIAM ZEAL

- So long as honorable senators confine themselves to fair and honest criticism of the items in this Bill, they are simply discharging their duties. I take it that Senator Major Gould, in his criticism of the Bill, was well within his rights, and therefore I do not see that he should be open to criticism for performing what is manifestly his duty. At this juncture I desire to bring under the notice of the Senate another matter of importance, which relates to the salaries appertaining to the head of this branch of Parliament, and the officers connected with it. If, unfortunately, a dispute were to arise between the two Houses, the President might possibly be placed in the position of having his salary heroically treated by the other House. It therefore seems to me that there should be a sum of money absolutely set apart, in an unalterable schedule, for carrying on the work of this branch of the Legislature. The other House, if it brings forward Supply Bills, can protect itself, but the Senate cannot do so except at the risk of discord in its relations with the other Chamber. This is not a position in which the Senate should be placed. I presided over a State Legislative Council for a number of years, and during that time I was very heroically treated by the Lower House. My honorarium was reduced to a much greater degree than that of any other officer in the civil service. I think it behoves honorable senators to see that a sum of money is dedicated for ' the emolument of the President and officers of the Senate, so that they will not be placed at the mercy of the other House. This is absolutely necessary in order to support the dignity and independence of the Chair. The time may come when unfortunately the two Houses will be embroiled, and our President and officers ought not to put in that position. I trust honorable senators, at no very distant date, will avail themselves of an opportunity of dealing with this matter in a way in which the independence of the Senate will be effectually maintained.

Senator Major Gould

- It would have to be done by statute.

Senator Sir WILLIAM ZEAL

- In Victoria we have an unalterable schedule known as " Schedule D." Moneys are placed in this schedule, and cannot be dealt with except by the will of both Houses of Parliament. A sum of money might be placed in some such schedule for the Senate. I contend, as the result of years of experience that "the officers of the Senate should be appointed and be under the control of the President, and that the Government should have nothing more to do with them than to notify the acceptance of the appointments. If honorable senators do not seek to maintain the privileges of this Chamber, I augur that before many years are passed they will bitterly repent it. They will bitterly regret having neglected to provide for this contingency. With reference to Senator Playford's complaint, I think that if he will look at the Bill, he will see very clearly that salaries are provided only for three months.

Senator Playford

- I did not say a word about salaries.

Senator Sir WILLIAM ZEAL

- Then I will say " amounts " instead of salaries.

Senator Playford

- I said nothing about that.

Senator Sir WILLIAM ZEAL

- The honorable senator did say something about it. Turning to the items relating to the Attorney-General's department, he will see the following statement : -

Salaries (including Chief Clerk and Assistant Parliamentary Draftsman at £500 per annum from 1st June, 1901 ; Clerk at £80 per annum from 17th June, 1901; Messenger at £120 per annum from 13th June, 1901).- Total, £427.

If honorable senators will multiply that amount by three, they will see that the aggregate corresponds with the total for twelve months, so that the Government have only provided for three months salary for these officers. In nineteen cases out of twenty that applies to an ordinary Supply Bill, so that the arguments of Senator Playford have no force, and his points are absolutely answered. He has subjected this Bill to certain trenchant criticism. I say he has not read the Bill. In the interests of the Senate particularly, I would urge that it is absolutely necessary, in order that its privileges may be maintained, that we should make some such provision as I have indicated. If that is not done, we shall bitterly repent it.

Senator PLAYFORD

(South Australia). - I wish- to make an explanation. I made an assertion just now that the Supply Bills were limited to three months, and not carried on to the end of the year. I was under the impression at the time that that was so, but I find on looking at a Supply Bill for South Australia, that it is taken on to the end of the year.

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Senator DE LARGIE

- While I am not going to adversely criticise the Government upon the salaries set out in this schedule, still I think this is the proper time to enter my protest against the payment of some of them. We find the Government paying very large salaries to Dr. Wollaston and Captain Collins. I think it is only proper that we should draw attention to the very small salaries paid elsewhere. There is no official, no matter how great his abilities may be, who is worth £1,200 a year to a State which cannot pay a minimum wage of 7s. per day.

Senator Harney

- What about mine managers who get £8,000 or £10,000 a year?

Senator DE LARGIE

- There is no mine manager worth such a salary, and very few get it.

Senator Clemons

- There is one mine manager in America who receives £200,000 a year.

Senator DE LARGIE

- That is an American yarn. We see the unemployed being given work at 2s. or 3s. a day.

Senator Walker

- Where?

Senator DE LARGIE

- In Victoria.

Senator WALKER

- They do not do that in New South Wales.

Senator Sir William Zeal

- And they do nothing of the kind in Victoria.

Senator DE LARGIE

- According to press reports they do. A State that cannot afford to pay 7s. a day to its workmen, cannot afford to pay £4 a day to any man, no matter how high his position may be. Some honorable senators are always talking of high salaries for these officials, but they take up a different position when it comes to working men receiving a living rate of wages. If the Government want to discredit federation, this is just the right kind of tack to go on. I hold that it is our duty to try and economize as much as possible, but there is no economy in a condition of affairs which allows us to pay £4 a day to one man, and to refuse 7s. a day to another. An alleged comic paper published in this city has drawn attention to the hours which we keep some of our officials working. It asserts that we sweat them by keeping them here 70 hours a week. If that is so, the hours ought to be reduced.

Senator Major Gould

- What about our messengers ?

Senator DE LARGIE

- I understand this refers to them. If it is so, the hours are too long, and this a matter which the Government should look into.

The PRESIDENT

- I would point out to the honorable senator that the messengers are under the jurisdiction of Parliament.

Senator DE LARGIE

- I hope that the Government will try to equalize salaries a little more in the direction I have mentioned.

Senator PLAYFORD

(South Australia). - I again desire to make a brief explanation. There was placed in my hands just now a copy of a South Australian Act of Parliament, which stated that the Supply ended with the end of the year. I find however that that is wrong, and that I was right in my first contention. I have discovered the Supply Bill was introduced at the end of September, and was for the last three months of the year. No payments were to be made after that date.

Senator HARNEY

- I did not intend to make any remarks in this debate, because I think the Bill is one that should have gone through with only a formal speech in reply to that of the Vice-President of the Executive Council. Almost all the speeches that have been delivered seem to me to be mere purposeless homilies upon economy. I do not think that the Government has given the slightest occasion for these constant lectures upon that subject. I take it that it is no pleasure to the Ministry to pay high salaries or to fritter away public moneys, knowing that they have to come and render an account of themselves before Parliament. The tendency of all this talk, where it is not merited, is rather to cause the Ministry to shrink from the fulfilment of their duty in adequately remunerating services rendered to the State. An extraordinary statement was made by Senator De Largie. He considers that £1,200 per annum is too high a salary for any man. I know no means by which we are to measure the adequacy of remuneration, except what it will cost to get the man required in the public market. Supply and demand must regulate this as it does everything else. I have no hesitation in saying that I have not yet heard a salary mentioned in connexion with the services of the Commonwealth that I myself would take for the work entailed.

Senator De Largie

- What I said was that no State could afford to pay a salary of £4 a day to any official - no matter how great he might be - when it could not afford a minimum wage of 7s. per day.

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Senator HARNEY

- I am not going to follow my honorable friend into a contrast between the minimum and the maximum wage that a State ought to give, because I think there is a vaster difference between men's skill and ability than there is between even 7s. a day and £7, or £20, or £50 a day.

Senator Glassey

- Does that apply to Members of Parliament ?

Senator Pearce

- No ; only to lawyers.

Senator HARNEY

- I would not ask that Members of Parliament be paid in the ratio of their capacities, because we all recognise an equality with one another when we are in 'this Chamber. My object in rising was to give some assurance to the representatives of the Government, that on my part, instead of being discouraged, they will meet with every encouragement in awarding adequate salaries to such officers as may be necessary. It is not because this is a Government service that we are not to have the best men. If a man is worth £2,000 or £5,000 a year to a private employer, the Commonwealth must pay him that wage, if it wants his services. If the revenue at its disposal will not enable it to pay that amount, the amount must not fall but the revenue must increase. Take for instance what we will probably be discussing very soon - the salaries of our Judges. It is no answer to me to say that we have a certain amount to spare, and, therefore, we cannot give our Judges more than a certain sum. We must give our Judges what will enable us to get the best men, and if our revenue is not sufficient for the purpose we must increase our revenue, or go without the Judges.

Senator Glassey

- We can get Judges at any price.

Senator HARNEY

- Of course we can. We can get Judges at any price who will wear the ermine, but what we want are men who will do justice, and they must be properly paid.

Senator Charleston

- What Judge is there who is getting as much on the bench as he could get by private practice?

Senator HARNEY

- It may be information to some honorable senators, who are not members of the legal profession, to hear that even in the old country, where Judges are paid what to us would appear to be enormous salaries, there is no Judge on the bench earning as much as the leading barristers at the bar.

Senator McGregor

- I am sorry that my father did not make a lawyer of me.

Senator HARNEY

- The honorable senator would have made a good one.

Senator Glassey

- Sir Charles Russell was making £20,000 a year at the bar, and he took half of that to be Chief Justice.

Senator HARNEY

- We cannot, of course, in these appointments make the salary of the official up to the remuneration of his practice, but we ought to go as near to it as possible. I think this constant hammering away at economy, instead of having a beneficial effect, has a tendency to frighten the Government from doing their duty if they want to have proper officers. Senator Smith was disappointed with these Estimates - which, as Senator Pulsford said, are not correct Estimates, but merely rough anticipations of what will be required - because he thought they exceeded the sum of the expenditure of the separate States. We all expected that the effect of federation would be to bring about an automatic shrinkage in this expenditure, but we must give it a little time to work. We are now in the initial stage, and the various departments have not fitted. In course of time we hope to have a tessellated federal structure which will result, no doubt, in a great saving of money as well as in many other benefits.

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Senator STEWART

- I was not in any way astonished at the remarks that fell from the lips of the last honorable senator who spoke. We never hear economy urged in this chamber, or elsewhere, by members of the legal profession when the salaries of highly paid officials are in question, but when we come down to the rank and file - the hewers of wood and the drawers of water, in the federal service: - we are told that if they are not satisfied with the pay they are receiving, they should go out into the wet, and get what they can in the open labour market. That is always the cry. I think there is a limit to that sort of thing in the higher walks of the civil service as well as in the lower. Honorable senators talk about mine managers getting £8,000 and £10,000 a year. I believe the manager of the Chillagoe mines was paid a salary of somewhere about £10,000 ; but for what reason? We must dive below the surface when we come to deal with facts of this character. We know perfectly well why that man was paid £10,000 a year. It was for advertising purposes, neither more nor less - to boom Chillagoe shares in the market. It was hoped that investors with their eyes shut, and their mouths wide open, prepared to swallow anything, would say that this particular company was actually paying £10,000 a year to its manager.

Senator Sir William Zeal

- Was he not a good man ?

Senator STEWART

- I am not discussing the man's qualifications at all. I am simply trying to dissect the reasons why he was paid this particular salary. They would say - " The resources of this company are evidently very rich, when they can pay such a salary to their manager, and it must be a very good thing to invest in." I think it is absolutely essential that we go in for economy, and I think we can get good men without paying extravagantly high salaries. We always hear about what people outside pay, but I find there is a perfect stampede to get into the public service. The rush is not into private employment, the rush is into public employment, and the only fair deduction from that is that public employment is better than private employment. It is better in various ways. There is more security about it. The State has a continuous, existence, and if a man once gets into the public service and behaves himself and does his work in a fairly efficient manner, he is settled for life.

Senator Harney

- That is the attraction; not the money.

Senator STEWART

- That is one attraction, and when we are discussing salaries and wages for the civil service we must take all the circumstances into consideration. Senator Harney talked about the Judges. We know perfectly well that many lawyers make much higher incomes at the bar- than they get on the bench; but a man's powers as an advocate may fail him at any moment. Our honorable friend is a most eloquent and distinguished member of the bar, and some day I suppose he hopes to fill one of the higher positions in the profession. I have no doubt that if it does come to that, the honorable and learned senator will adorn any position to which he may be called. _ But we know that Ms physical powers 'may fail him at any moment. That robust form may be stricken by disease, and then what would his practice at the bar be? There is a good deal

more required at the bar than mere mental power; there is physical power. There must be something behind the brain. There must be the jaw. There must be jaw power and lung power. There must also be stomach power ; because if a man has not a good digestion he will be of no earthly use as an advocate in a big case. If he has a fit of indigestion, he will be like the great Napoleon Bonaparte, and will lose his battle. So that when we come to consider everything, we find a great number of the most eminent advocates, after they have spent the strength of their manhood in the fierce encounters at the bar, sail gladly into the safe harbor of the bench. That may happen to the honorable and learned senator. I hope the time is far distant, but, when the time comes, he will be very glad to lay down his sword and step on to the bench. There appears to be an idea that the dignity of the Federal Parliament requires that high salaries should be paid to all the men in the principal offices. We are not discussing the Judges at the present time, but we will be privileged to do so later on. I find that the Chief Justice of the United States gets a salary of £1,600 a year.

Senator Glassey

- No, £2,100.

Senator Sir William Zeal

- The salary paid in Canada is 1,600.

Senator STEWART

- The Chief Justice of the United States has apparently gone on strike since I last looked up the statistics, as his salary has been increased from £1,600 to £2,100. That gentleman is the first judicial functionary for a population of somewhere between 70,000,000 and 80,000,000. Now the Chief Justice of Queensland, with a population of between 400,000 or 500,000, or 150th of the United States, and about 1,000th of its riches, gets £3,500 per annum.

An Honorable Senator. - Only that ?

Senator STEWART

- That is all. But it appears to me that if the salary paid in the United States of America-

The PRESIDENT

- Does the honorable senator think this has anything to do with this Bill ?

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Senator STEWART

- Probably not. We are not discussing the salaries of the Judges, but as some of my honorable friends introduced the Judges into the discussion, I thought that I might refer to them. Take the department of the Minister for Home Affairs. I see there is to be a secretary at £750, a chief clerk at £500, and two clerks at £200 per annum.. We are to have five officers in this office, two of whom divide £1,250 between them, and three £600 between them. I say that if the work of the office can be carried on by five men, to pay the secretary £750 and the chief clerk £500 is to pay them extravagant salaries, out of all proportion to the work they will have to do. If there were a dozen or twenty clerks in the office, showing that a very large amount of business passed through the office, I would say that £750 would not be an extravagant salary to pay the secretary. But I find that the work of this particular office can be done by three clerks. For the men who get salaries of from £400 - a year upwards do very little actual work. The work is principally done by the underlings, and in this case it appears that we are to have one secretary at £750 and a chief clerk at £500 to look after three junior clerks. Then we have a messenger at £80. That does not seem to be an extravagant wage for a messenger. Why is he cut down so cleanly to the bone ? I suppose he has to put in the same time as the others, and has to live like the others ? I would not claim for a moment that he should be paid on an equal scale, but I think he ought to be paid a decent living wage. Then we have five caretakers and office-cleaners, and it would be interesting to the Senate to know how much they are to be paid. Then, we have the office of the Public Service Commissioner, with a secretary at £600 and six clerks at from £100 to £200 per annum. I think this secretary will be very much overpaid. What will the secretary to the Public Service Commissioner have to do ? It will be merely routine work - nothing requiring any initiation, or any special knowledge, ability or administrative capacity. I think to pay him £600 per annum is altogether out of the question. Then we have the chief electoral officer at £450, and one clerk at £150 per annum. What is this officer going to do 1 Here we have two men - one at £450 and another at £150, and what is the work to be done in the office? We ought to have some explanation of these things. As I said with regard to the department of the Minister for Home Affairs, if there was a very

large quantity of work passing through the office, I could see some sense in paying these salaries. But in an office which requires only one clerk, there cannot be very much to do, and it seems to me that this salary of £400 is altogether too high for the office. The Treasurer's department, although it is a very important one, appears to be managed with much more economy than any of the others. I do not know whether the Commonwealth Treasurer has had anything to do with this. We know that he has achieved rather a reputation for economy, and it is evident from the Estimates of his own department that he not only preaches economy, but practises it. I would have liked very much to see the hand of the Treasurer in some of the other departments as well as in his own. Then s we have the Comptroller of Customs at £1,200 per annum. No doubt he is a very important official, but I am not altogether sure that he is not overpaid at £1,200 per annum. What will be his duties ? They will not require any special knowledge. The Tariff will be laid down - or at least it ought to be so laid down - in such a way that he who runs may read. I know that a question occasionally comes before the Comptroller of Customs requiring a certain amount of judgment, but I think this officer would be sufficiently paid at a salary of £1,000 a year. Then we have a secretary at £750, three clerks at £300 each, one at £250, one at £200, and a messenger at £130 per annum, and so on. But we find the greatest extravagance when we come to the department of the Minister for Defence. We have a secretary there at £900, a chief accountant at £600, and a chief clerk at £540 per annum. The Department of Defence appears to me to be more extravagantly managed than any of the others.

Senator Sir William Zeal

- The honorable senator does not see the whole cost of the others. The Treasury costs very much more. He does not see all the other officers.

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Senator STEWART

- That may be quite right, but I find a great many more officials here than in any of the other departments, and there will be local officials in each State in addition to the special Commonwealth officials. It appears to me that there is ample room for the pruning knife, and especially in connexion with this department. With respect to the post-office, there is a very great deal in the remarks of Senator Playford. That honorable senator contrasted the expenditure, not only in connexion with the post office, but also in connexion with the Department of Defence, with the expenditure of South Australia. We find that that State has practised a very healthy economy. My opinion is that the Commonwealth might do very much worse than follow the good example set to it and to the other States by South Australia. I find that South Australia, with very limited resources--

Senator Sir Josiah Symon

- The honorable senator is .quite mistaken about our limited resources.

Senator STEWART

- I quite expected ;an interjection of that character from the South Australian representatives, but after all, when we compare its resources with those of a State like Queensland, South Australia is left very far behind. When, however, we compare the management of the affairs of Queensland with that of South Australia, the matter is entirely reversed. South Australia, with its limited and poor resources - I say it again--

Senator Fraser

- That is the cause of it, perhaps.

Senator STEWART

- Probably. If we "bring up a man on the heather, he learns to live on the heather on the rocks, but if we place him on fertile fields his desires may be quite different. At any rate, I think the people of South Australia have shown an excellent example which the Commonwealth will do well to follow. South Australia has made the very best of her poor resources, whilst some of the other States have made the worst of theirs. When we compare the expenditure of the different States upon defence, for instance, we find that in New South Wales it amounts to £63,000, in Victoria to £64,000, in' Queensland to £52,000. Queensland appears to be the biggest sinner of the lot. She has less than half the population of New South Wales and Victoria, and yet her military expenditure is almost as great as theirs.

Senator Drake

- She has a very long coast line, and then perhaps her expenditure on Thursday Island is included in that

amount.

Senator Major Gould

- There is a separate vote of £6,000 for Thursday Island, I think.

Senator STEWART

- In South Australia the military expenditure falls to £ 13,000. The authorities of the Commonwealth might very well consider whether it would not be possible to take South Australia as setting the pace on defence matters, rather than any of the other States. Then we come to the Postmaster-General's department. In New South Wales the cost is £216,000, and in Victoria £160,000. Just here I should like to ask the Postmaster-General whether the Commonwealth is to bear the deficiency which will probably arise from the establishment of the penny post in Victoria ?

Senator Drake

- Certainly not.

Senator STEWART

- Victoria herself will bear the cost 1

Senator Drake

- Yes.

Senator STEWART

- I am quite satisfied. Victoria can carry her letters for nothing, as far as I am concerned, if her people are willing to bear the cost.

Senator Fraser

- For five years only, though.

Senator STEWART

- In Queensland the cost of the post-office is £114,000 and in South Australia £57,000. I quite agree with Senator Playford that in the opening years of the Commonwealth, at any rate, economy should be the Order of the day. We know very well, as the honorable senator remarked, that the States are eagerly watching the actions of this Parliament, and that their finances depend in a very large measure upon whether we administer our affairs economically or otherwise. I know that in Queensland, at any rate, for a number of years, there will be a great deal of difficulty in meeting the expenditure.

Senator Fraser

- They cannot meet it.

Senator Sir William Zeal

- That is owing to the drought.

Senator STEWART

- It is to some extent owing to the drought. A drought may also strike New South Wales and even Victoria ; although such a thing is not likely to happen in this State, because Providence seems to take care of Victoria and keeps her " in the wet," as the saying goes. I agree, to a large extent, with what Senator Playford has said of these Estimates, that if the Government wish to have four months' supply they can ask for it for that period. When the Government wants money it should come to Parliament.

Senator Sir William Zeal

- That is what the Government has done.

Senator STEWART

- But does not the Bill say -

No moneys shall be expended under the authority of this Act after the 30th day of June, 1902.

I know that the Government must come down to Parliament when it wants money, but the better way would be to limit the operation of this measure to the period in question.

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Senator Sir John Downer

- It would be absolutely useless, and would not make the least difference.

Senator STEWART

- Perhaps it would not. My experience is that Parliament has very little control over public expenditure.

The Government goes on spending, and, if any Member of Parliament gets up in his place and objects to extravagance on the part of the Government, he is immediately met with the statement that the money has been spent. What can we do? As a matter of fact, the control over the expenditure of the public

money is rapidly passing out of the hands of Parliament altogether. That has been my experience, and it is something we ought to protest against and guard against in the Commonwealth Parliament. We ought to set an example to State Parliaments. We should retain a firm hold over the expenditure of the Commonwealth Government. That is absolutely necessary if we are to do our duty, because not only are we responsible for our own financial position, but we are in a great measure responsible for the financial position of all the States. There is a difference between the Commonwealth Parliament and the Parliament of any individual State. If we spend money lavishly and extravagantly we shall inevitably bring the States into difficulties. If, on the other hand, we are economical and careful, the States will not have us to blame if their finances go wrong. Every State Treasurer, however, will be only too ready to shelter himself behind the Commonwealth Treasurer, and to make a stalking horse of the Commonwealth Parliament. If there is a deficiency in his revenue he will turn round and say, "Well, I could not help it. The Commonwealth Treasurer and the Commonwealth Parliament did so and so ; I was placed in this position without any hope of escape." That being the case, Mr. President, it is all the more essential that we should scrutinize closely and keenly all the expenditure for which we are responsible, so as not to place the State Treasurers in any difficulty by any act of ours, and not give them the slightest excuse for casting the blame in the event of any mischance upon the Commonwealth Parliament.

Senator Lt Col NEILD

- I rise to make one or two remarks on the subject of the military expenditure that has been referred to, especially by Senator Playford. I have taken the trouble to obtain the latest official information with reference to the forces of the four principle States. Perhaps it will be of use to honorable senators if I give them this information and also the calculations I have made, showing the cost of the defence forces according to the amounts asked for in this Bill. I must compliment Senator Playford on the accuracy of his statement regarding the low cost of the military institutions in the State he so ably represents, but I am not quite sure whether the result is due so much to economy as to penuriousness. The total strength of the South Australian military forces seems to be about 2,270 men. At the rate shown in the Estimates, the expenditure is £4,300 per 1,000 men. I am taking the figures "by and large," as the sailors say. In that respect South Australia stands out undoubtedly first. But the disparity between South Australia and the other three large States, is so great that I suggest, with the greatest respect, that that difference may represent a lack of efficiency. I say that because the figures are so remarkable.

Senator McGregor

- We manage to beat all the enemies that attack us.

Senator Lt Col NEILD

- The enemies have not come yet, and it is not wise to be quite sure that you are on the safe side and cut down your fire insurance merely because you have not been previously burnt out. A colonial defence force is, in my humble opinion, in the light of an insurance fund. Such a force exists for the purpose of protection, and is not intended for aggressive operations - or, at any rate, should not be. We effect insurance not because we expect we are going to be burnt out, but to get the protection which the policy gives us when our premiums are invested in a sound concern.

Senator McGregor

- Some people do it for purposes of swindling, though.

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Senator Lt Col NEILD

- I am not in the habit of disturbing my honorable friend with questions, and I do not think it is in accordance with parliamentary custom that he should maintain a running comment on every sentence I utter. The investment of premiums with an unsound company is, of course, a very unwise expenditure, and equally unwise would be any expenditure of public money upon a defence that was not as efficient as it was capable of being made. But perhaps it will be more convenient if I give the figures for the different States before I make any further comments upon them. In South Australia the strength of the defence force is represented at 2,770 men, and the proposed expenditure under this Bill is £13,000, that is, at the rate of about £4,300 per 1,000 men.

Senator Drake

- Does that include volunteers?

Senator Lt Col NEILD

- Yes ; I am taking the defence forces as they exist.

Senator Drake

- And rifle clubs 1

Senator Lt Col NEILD

- No ; I have excluded them. As far as my information goes I have included the permanent forces, the militia, and the volunteers. That is what I am going upon.

Senator O'Connor

- The honorable senator is giving the total expenditure?

Senator Lt Col NEILD

- Yes. Secondly comes New South Wales. She has a force of 8,842 men. The estimate is £63,000, which is as nearly as possible at the rate of £7,000 per 1,000 men. Victoria has 5,947 men, with a proposed expenditure of £64,000, making the ratio of expenditure £10,700 per 1,000. Then we come to Queensland. I am able to indorse the assertion of Senator Stewart that Queensland seems to be the greatest sinner of all. We find that the forces of Queensland number 4,062 men. The sum asked for in the Estimates is £52,000, being at the rate of £13,000 per 1,000 men.

Senator Drake

- Does that include rifle clubs? They cost £4 or £5 per head.

Senator Lt Col NEILD

- I understand that the £52,000 includes that expenditure. I suppose this amount is for the rifle clubs as well as for the defence forces, but I was giving the numbers for the defences forces exclusively.

Senator Drake

- We have a great number of men in Queensland who are members of rifle clubs, and they cost £4 or 5 per man.

Senator Lt Col NEILD

- I am not in the position to say what is the value attaching to the rifle clubs in the different States. In some cases they may be quasi-military forces, but in other cases they are practically pot-hunters and have no value as a military force. The shooting powers of the men may be excellent, but without regular training and cohesion, they ought not to be included under the head of military forces.

Senator Drake

- If the honorable senator takes the rate per head he must take into account the fact that part of the £52,000 represents payments for a large number of men not included in his calculation.

Senator Lt Col NEILD

-For argument's sake I will take everything the Postmaster-General advances. With what result? We find that instead of the amount being £13,000 per 1,000 men, it is £12,000 per 1,000 men. I am taking the honorable senator's own figures. He says, I understand, that the rifle clubs include 4,000 men.

Senator Drake

- Oh, no ; I say that the figures represent the members of rifle clubs, and that they cost us £4 or £5 per head. I do not know the number of them.

Senator Lt Col NEILD

- I have not had time to get all the details as to the distribution of forces and the various arms.

Senator Drake

- The amount also includes the cost of equipping the contingents for South Africa.

Senator Lt Col NEILD

- That would be the same in all the States, I suppose. I own that I am scarcely competent to sing a duet with the Postmaster-General !

Senator Drake

- I will not say another word.

Senator Lt Col NEILD

- I only desire to point out that there are considerable differences between the cost of the different forces. These are matters which I assume will be brought, as far as possible, upon equal terms under the defence system of the Commonwealth that is being inaugurated. At the present time I believe these sums are required for expenditure under existing Acts. How it is that the Minister for Defence is administering the forces under Acts of Parliament passed in the different States, which he has not been authorized to

administer, I do not know.

Senator O'Connor

- It is under an express provision of the Constitution.

Senator Lt Col NEILD

- I am aware that the forces come over under the Constitution Act if the proclamation has been issued. I doubt whether it has.

Senator Drake

- It has.

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Senator Lt Col NEILD

- I have not seen it. There is an interregnum between one law and the other, and it is being very efficiently filled at the present time. I am not taking exception to what is being done. I have no doubt that the very best course is being adopted in regard to the defence forces. I take it that these are matters which are absolutely novel. No doubt, under the new system, when inaugurated, we shall find that there will be a levelling up and a levelling down.

I hope there will be a levelling down as well as a levelling up, because, if we are to have nothing but a levelling up, it will be a very costly process for the Commonwealth. I listened with a great deal of interest to what Senator Sir "William Zeal said with reference to protecting the rights of the high offices' of the Senate, in the event of a possible conflict. That is a matter which might very well receive the attention of the proper authority. No authority in the matter is higher than your own, Mr. President. Something might be done either by legislation or by a schedule, such as Senator Sir William Zeal has referred to, fixing these matters in such a way that their manipulation could not be used as an engine against the Senate in the event of any difficulty arising. I wholly agree with Senator Gould in regard to the practice in the mother State of New South Wales, where the amounts relating to Parliament are not placed in the Estimates under the heading of any Ministerial department. I think that you, Mr. President, for the Senate, and Mr. Speaker for the other House, are practically the Ministerial heads so far as this expenditure is concerned, and it should rather be in your charge than under the control of any Minister/ I offer my congratulations to the Vice-President of the Executive Council for bringing the Bill before the Senate in a manner that cements the happy issue out of all our afflictions which was arrived at last month in connexion with Money Bills of this character.

Senator PEARCE

(Western Australia). I wish to join in the echo as to the need of economy in federal expenditure which has resounded through the Senate. I trust that it will continue to be heard when we get into committee, because it is very little use for us to make appeals for economy in second reading speeches, unless we are prepared to take some practical step in that direction in committee. There are one or two items in the schedule which fairly call for amendment in the direction of economy. The first, that strikes my attention is that of Secretary for Defence at a salary of £900 per annum. We are indebted to the Vice-President of the Executive Council for his words of introduction, especially in regard to this officer. I understand that he comes over with the transferred department, and that he received this salary from the State of Victoria while acting in its service as Secretary for Defence. I am given to understand that there are also similar officers in other States. What is going to be done with them? I believe that some of them are not to be taken over with the transferred services, and that the State Governments will have to find appointments for them in their service. In my opinion the Government are placing themselves in a false position.

Senator O'Connor

has intimated that this item does not necessarily mean that the salary of £900 per annum will attach to the office. If it is not, then let us say so from the outset.

Senator Dobson

- The Treasurer has promised to put the salary fixed for each office in the Estimates.

Senator PEARCE

- If we are going to make this change, I contend that as a matter of consistency we should make it apply to the officer from the first.

Senator O'Connor

- That will be done in the Estimates. The salary will be set forth, with something in addition to bring the

allowance up to that which the officer was receiving while in the State employ.

Senator PEARCE

- I am in favour of striking out the item, because we ought not to allow Victoria to dictate to us what the salary of this officer shall be. If a salary of £750 per annum is sufficient for the Secretary of Customs and for the Secretary for Home Affairs, then I think £750 should be ample for the Secretary for Defence. I do not see why we should pay him £900 per annum for five years when we, are all agreed that £750 a year would be ample.

Senator Dobson

- That has all been provided for.

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Senator PEARCE

- If we take this officer over we pay him £900 per annum for five years. I see no reason why we should not provide that the salary of the office should be £750 per annum. The only way to achieve that object, as the appointment is about to be made, is for the Senate to emphasize its opinion by striking out the item. There would still be sufficient officials engaged at reasonable salaries to carry out the work of this department. What is the work? We have not got a large body of men, but rather small skeleton forces scattered over the country, and yet we have an enormous staff to carry out the work in conjunction with the State officers. Is it necessary that there should be a secretary, a chief accountant, and a chief clerk? In my opinion the office of secretary is totally unnecessary. In the interests of economy which has been so energetically propounded in the Senate this afternoon, I think that honorable senators should support the striking out of this item. I cannot see that we would serve any useful purpose by reducing the item, as the officer is at present receiving this salary, but I will move later on that it be struck out. The argument that because he is in receipt of the salary now we ought to continue to pay it to him does not apply. We should use our discretion. If the Government cannot convince us that there is sufficient need for such a highly paid officer, we ought to omit this vote. The next item that calls for attention is that of the expenditure on the defences in the various States, and the disproportion disclosed in regard to them by this schedule. In Queensland the defence expenditure is estimated at the enormous sum of £52,000. Queensland has suffered from drought, and is face to face with a huge deficit. If this department had not been transferred, what would that State have done with it? Do honorable senators think it would have allowed this heavy expenditure to go on?

Senator Fraser. - They would have reduced it.

Senator PEARCE

- Yes, and we should be carrying out the wishes of Queensland by reducing it. If the representatives of Queensland do not take action themselves, I shall move that this item be reduced. It has been urged that Queensland has a large sea-coast to defend; but the figures show that it has not a proportionately larger number of permanent forces or of militia to necessitate this expenditure. The only conclusion we can come to is, that there has been extravagance in the Queensland Defence department, and in view of the position in which that State finds itself placed we should be acting in the interests of its people by reducing the amount by at least £20,000. With regard to the point raised by Senator Sir William Zeal, I fancy that we are really raising a difficulty that will not occur. The honorable senator is looking at the question from the stand-point of what existed when he was President of the Legislative Council of Victoria, and when he, as President, and other officers of that Chamber had their salaries reduced by another House. In regard to this question, however, our powers are vastly superior to those possessed by the Legislative Councils of the States. We have almost co-equal powers with the House of Representatives.

Senator Sir William Zeal

- We cannot originate expenditure; the House of Representatives can.

Senator PEARCE

- We cannot originate but we can suggest, and if a Supply Bill came before us without any adequate provision for the salaries of our officers, we would have a splendid power of retaliation. We could strike out any similar provision for the House of Representatives. Knowing that we have this power, and that by the precedent we have established we are going to use it, the other House would be very foolish to attempt to do such a thing. I think they would be more cautious than Legislative Assemblies have been in

the past in dealing with Legislative Councils, and therefore it is unnecessary to have any such provision as Senator Sir William Zeal has suggested in the direction of making the salaries of the President and the officers of the Senate difficult of amendment. The time might come when we would wish to amend them. If this course were adopted, however, it would be as difficult for ourselves as for the House of Representatives to deal with them. I think that Senator O'Connor is to be congratulated upon the lucid manner in which he introduced the Bill. I was certainly gratified to hear the explanation he gave. It helped me considerably in forming my opinions upon the Bill.

Senator DRAKE

(Queensland - Postmaster-General). - Nearly all the arguments that I have heard this afternoon are based on the amounts that are asked for for the next three months in connexion with the transferred departments, and they appear to me to be entirely fallacious. Of course it is possible that the expenditure of these departments may be more than it has been in the past. On the other hand, it is equally possible that the expenditure may be very much less. I hope that in most cases it will be less, because I think that as the result of the consolidation of these departments there will be openings for economies which I trust will be effective. But no argument can be founded upon these figures for the simple reason that they are based on the expenditure of last year.

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Senator O'Connor

- There is no other guide.

Senator DRAKE

- No. We are asking for a vote at the same rate as for last year, so that honorable senators cannot found any argument on the schedule either in the direction of saying that the Commonwealth is likely to be extravagant or in the direction of saying that it is likely to be economical. I think that Senator Pearce cannot clearly have understood that in regard to these transferred departments during the whole of the bookkeeping period the expenditure in connexion with them and the cost of maintaining them as at the time of transfer is to be debited to the respective States. In the case of Queensland we have a sum of £52,000 set down, and that represents expenditure at the same rate as last year. Whatever the expenditure is it will be debited to the State of Queensland. What objection can there be to that ?

Senator Pearce

- My desire is to meet what I believe to be the wishes of Queensland by retrenching.

Senator DRAKE

- The Commonwealth Government can keep their expenditure at anything they like, but in connexion with Queensland I interjected just now that she has a very extensive sea-board to protect. ' That State practically consists of three colonies in one, and, perhaps, requires a larger expenditure in proportion to the number of its inhabitants than the more populous States. Then, coming to the figures and statements made by Senator Neild, he has not taken into consideration the fact that in Queensland we have an unusually large number of rifle clubs to maintain. We supply them with rifles and ammunition at something below cost price. A great deal of expense is also incurred in providing rifle ranges. It would hardly be fair, seeing that this expense is going to be borne by Queensland, for us to interfere in this matter and cut down the estimate. It is for the advisers of the Minister for Defence to say what expenditure shall be incurred in each of the States in connexion with that department. I think that he might be trusted, as at the present time we are simply going on the basis of past expenditure. He might be allowed to arrange his expenditure according to the amount of money which is voted. I do not think that Queensland can be properly spoken of as a sinner in this matter.

Senator Lt Col Neild

- I did not invent the term. It was used by one of the representatives of Queensland.

Senator DRAKE

- Quite so. I believe that Queensland has stood very well in the past in regard to military matters, and that ' her defence force, small- as it is, will compare perhaps with the forces of any of the other States. I hope, therefore, that no attempt will be made to interfere with the freedom of action of the Minister for Defence in this matter.

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Senator MCGREGOR

- I dare say it may be as well for me to express my opinion, seeing that so many honorable senators have had a few words to say on this Supply Bill, and the policy that is to be adopted by the Commonwealth in the various departments included within its services. I entirely agree with Senator Pearce that it is of very little use for honorable senators to be continually crying out about economy if they are not going to do something in that direction, It would be like the sympathy which they have been extending in almost every other instance - sympathy without any effect. I heard Senator Pulsford talking in a lamenting voice about economy, and he reminded me of one crying in the wilderness, or of the wind howling dole fully through a withered gum tree, and doing very little harm and very little good. But Senator Pearce has made a suggestion, and one in the direction of economy. Other honorable senators who have indicated their desire to do something have not suggested anything. When one desired to raise a question with respect to the amount of money that should be expended in each department, we were told that certain officers were good and capable men, and therefore were entitled to be well paid. I would like it to be clearly understood that so far as the labour party are concerned, they have always recognised that every service rendered to the State ought to be liberally remunerated, and there is no civil servant - it matters not in what department he may labour - who if he gives evidence of his fitness for his position will not always find this party, at least, endeavouring to see that justice is done to him. But we have a duty to the subordinate servants of the State as well as to those who may vulgarly be called the " top-sawyers." When I heard Senator Harney talking about the philanthropy displayed by Judges in taking much less in official positions than they could earn in their ordinary practice, it suggested itself to my mind that these -well-paid positions should be put up to tender. Then the services of the most efficient individuals agreeing to accept the position on terms of the greatest advantage to the State, could be availed of. That would be adopting the principle of freedom of contract. I would like to see how our friend would shape when anything of the sort was proposed. Here is an instance given by Senator Pearce, in which we can practise economy. He has clearly shown that so far as the Defence department is concerned, there are a sufficient number of officers in the clerical branch without this secretary, at all. If Captain Collins has been considered such a worthy officer by the Victorian Government, it would be a pity to deprive the Victorian people of his services if the Commonwealth can get some other officer, who will take his place at a salary more in the interests of the whole people. I think, also, that Senator Pearce was very wise in his remark that the people of Queensland would thank us, on account of their financial position at the present time, if we could in any way lessen the expense which they are bound to incur. I say it is the duty of the Government of the Commonwealth, if - they -see a State in an awkward position, not to come here and tell us that it does not matter to the Commonwealth what may be charged to Queensland in connexion with the Military department, because Queensland, and not the Commonwealth, will have to pay it. Is that treating them fairly as partners in this Federation ? We should study in every way to relieve them of burdens that press heavily upon them, and those who are crying out about economy would be acting in the interests of the people of Queensland by supporting a suggestion in the direction of decreasing this estimate by at least £20.000. I do not know that we should discuss the military concerns of the Commonwealth under this Bill at all. I am surprised at an old soldier like Senator Lt.-Col. Neild. He is the very first to cry peccavi whenever he is asked to take part in an engagement and when the enemies guns sound at all. The honorable senator has done that to-day, and he is always doing it, but a good soldier ought never to be afraid to hear a gunshot.

Senator Lt Col Neild

- But he may take exception to crackers !

Senator FRASER

- Do not be too hard upon him.

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Senator MCGREGOR

- There is no danger of silencing the honorable senator's guns. There might be something to complain about if there were, but there is no great fear of that. What I was going to say with respect to the Defence department is, that there will be a Bill coming before us to deal with the whole control of the defences of the Commonwealth ; and in connexion .with that Bill I have no doubt we shall take the greatest interest, and endeavour to effect necessary economies. 'I still think, however, that Senator Pearce is right. If we vote the £900 for the Secretary for Defence it will be said, when the Defence Bill comes before us, and

the question is again raised that on the Supply Bill we said nothing about it, and that will be given as a good reason why, we should take no action then. If Senator Pearce moves as a suggestion that this item be struck out, I will certainly support him, and I hope all the Jeremiahs who have been crying out about economy will do the same thing.

Senator FRASER

(Victoria). - I am very glad to hear honorable senators on my right stating that they are determined to preach and practise economy. I give my pledge here now that I will support them. I have given pledges to the electors of this State that I will urge economy on the Commonwealth Government, and I will not break my pledges in that regard. In saying that, I acknowledge at the same time that all the civil servants should be well paid* but there should be no civil servants foisted upon this Commonwealth who are not capable, and who are not required, or who can be done without. I am sorry I was not present to hear all the honorable senators who have spoken, but if we commence this Commonwealth in an extravagant manner we will get into financial trouble, and that will be a very great pity. I have no doubt, as a citizen of this great Commonwealth, that its resources are very great, but I regret to say that we do periodically get under a cloud. We have passed through very trying times, not so much in this State as in some of the others. Droughts have been referred to, and in that respect we have passed through very trying times in New South Wales and Queensland. I am pleased to state here that I believe Queensland has now passed through one of the worst droughts ever seen in Australia since Australia has been known. Unfortunately, when the drought is over, the stock are dead, and grass will not return money unless there is stock to feed on it. That is the unfortunate part of it, and I acknowledge that Queensland is likely - I was going to say to fall into financial difficulties, but I will say is likely to have to put up with a deficit for a couple of years unless retrenchment is practised severely. I am pleased to know that the Premier of that great State says there is no necessity for drastic retrenchment there because of the great recuperative power of the State. Its exports per head are greater than the exports per head of any of the other States notwithstanding the drought. We cannot judge of the expenditure exactly by this Supply Bill, and I do not see how we can find fault with it in most respects. There is nothing in it, so far as I can see at present, to criticise. When the next Supply Bill comes before us, and when we get the Appropriation Bill, we shall be enabled to put our fingers upon any weak spot. I hope and believe that there will be no weak spot, because I am satisfied that the Government is anxious to do what it is pledged to do.

Senator McGregor

- The honorable senator has great faith.

Senator FRASER. - Well, poor is the man who has not great faith. We live by faith.

Senator McGregor

- And a little bread and butter.

Senator FRASER. - I mean in a spiritual sense, and my honorable friend Senator McGregor understands all that if he has been properly reared. He has quoted Scripture so often that I think he has been properly reared, and I am not going to be too hard upon the honorable senator if he has not. We have the Postmaster-General fortunately in this Chamber, and we are very well pleased with him, but I wish to refer to an item in connexion with the estimate for his department which is a little puzzling. If we multiply this expenditure of £650,000 by four, the total for the year will be £2,600,000, and I find, according to Coghlan's figures, which I have in my hand, that for the year 1899-1900 the total of the post and telegraph expenditure was only £2,100,000.

Senator Drake

- What was it for the next year, 1900-1901, upon which these Estimates are based?

Senator FRASER. - I have not got the figures for that year, but I do not see why there should be a jump of nearly £500,000. That is a very large expenditure.

Senator Drake

- The expenditure of this department is always increasing, but so is the revenue.

Senator Sir Frederick Sargood

- This is only for one quarter, and the expenditure for one quarter may be heavier than for another.

Senator FRASER

- Possibly the estimate for this quarter may be heavier than for another, but if this is a fair example of what the other three quarters will be, the total expenditure will reach £2,600,000, as against a total

expenditure in 1899-1900 of £2,103,000.

Senator Staniforth Smith

- Last year the expenditure was £2,280,000.

Senator FRASER

- I hold that with federation a great many economies can be effected, and especially in connexion with the department of which the Postmaster-General has charge. I will not detail them now, because it would be out of place ; but I could point to contracts and other matters in which important savings could be effected.

Senator Drake

- Hear, hear.

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Senator FRASER

- I am glad to hear the Minister say "hear, hear" to that, because that strengthens my faith. I will not discuss this Bill further; but when we have before us the Appropriation Bill covering the expenditure for the year it will be our bounden duty to criticise the Estimates keenly, and I will support any party or the whole Senate in doing our duty to the Commonwealth in this respect. It must be remembered that for a few years we shall not get the full benefit of federation. Unfortunately we are to have a bookkeeping system for five years, and we cannot get the full benefits of federation for some time ; but I anticipate that after a few years there will be great commercial advantages arising from federation. For the present we have to be economical and careful. I hope that when the facts are known some time hence we shall have no reason to complain of the present Government, and I am sure they wish to do what is right in reference to this matter. I know that very great pressure is brought upon any Government, and there is great pressure brought to bear on all honorable senators. Already many of us have had to resist pressure, and it is our bounden duty to resist it. There are some cases in which civil servants are taken over from State departments to Commonwealth departments, and they must, of course, be paid the salaries they received from the State. They cannot be taken over at less. That is provided for in the Commonwealth Constitution. I am glad, however, to know that where the salaries of men taken over are probably too high they are not necessarily to be made permanent, and that the Appropriation Bill will show the exact salary attached to each position. I shall be no party to a proposal for the striking out of any item in this Bill, because I see no justification for it.

Senator O'CONNOR

(New South Wales - Vice-President of the Executive Council), in reply. - Any one who realizes the position that the first Federal Government is placed in will see at once that there is the utmost possible inducement and pressure and obligation for economy.

Senator Sir John Downer

- The danger is in being too economical.

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Senator O'CONNOR

- In the first place we know that every farthing of our expenditure will diminish the amount which goes back to the States. We know that in most cases their difficulty for the next few years will be quite sufficient in the carrying on of their financial affairs, seeing that the Customs have been withdrawn from them, without our making them any more difficult. We also know our share of the expenditure from those customs duties is limited during the first ten years to a small proportion of the amount which is raised. We know also that all of us in our different States advocating the adoption of federation by the people, made promises and pledges that the administration should be economical. And, finally, we know that every one of us is imbued with that duty, and we have as a guarantee of the carrying out of that duty in our Treasurer, not only a man who is economical and able, but a man who has been put to the test, and who, I think, did more to restore Victoria's finances to a proper position in a time of very great difficulty, than perhaps any other man in Australia could have done. If a guarantee of economy is required to be given, there could not be a greater guarantee than exists in the person of the Treasurer to the Federal Government. Having said that I am quite prepared to assent to the views which have been expressed by several honorable senators as to the necessity of economy. But in being economical we must also remember that our first consideration is to> carry on the business of the Commonwealth efficiently, and

while we must not be extravagant we must at the same time take care that the public service must not suffer by reason of any mistaken notions of cutting too finely the payments to the public servants. I do not refer only to the public servants occupying the highest positions, but to the public service right through. When we are putting our service in the position which we hope it will occupy, as one which will be a model to the States, and which will avoid the mistakes and difficulties of the past, we must remember that in order to make an efficient service it must be such as will attract good men and keep them, and must, be so ordered and regulated that it will open a career to men of some capacity and ability. And finally, we must take care that there are inducements to enter that service given to men of such a type of brain and character as will give us in the highest branches that class of officer whom it is necessary to have in our permanent heads, in a system of Government, which depends upon administration at the will of Parliament for short periods by Ministers of the Crown. Without a good, loyal, faithful permanent service the administration of Commonwealth affairs never can be satisfactory and economical. But with a good, civil service - a civil service which has a pride in its position and in its work, and feels that it has been fairly and honorably treated by the Commonwealth, and is paid reasonable remuneration from the top to the bottom - we have a civil service* which we may be proud of. In regard to this question of establishing the service, it is our duty to remember not only that we must be economical, but also that we must be fair and just and give adequate remuneration to every officer. We can all agree about these general propositions, but I do not agree with the statement of Senator McGregor that because these general propositions are stated now, we must set to work, and begin to cut about a particular estimate, merely for the sake of showing our desire for economy. If the Estimates of the Government, or the amount of payment attached to a particular office, is to be attacked, let it be attacked; but let it be done when there is an opportunity of discussing the question fairly, with full information and without the risk of doing any injustice. To illustrate how unjust it would be to attempt to economize in a wholesale slashing way without regard to consequences, I shall take the remarks of Senator Pearce. In these Estimates there are many items relating to transferred services. The amounts are all founded upon the actual expenditure of last year. We have to make an estimate for these three months. We have to make the best estimate we can, and what better plan can we adopt than to take what was expended last year, and on that basis make a forecast 1

Senator Staniforth Smith

- But they are more in the aggregate amount.

Senator O'CONNOR

- The honorable senator will find that they are not more. He will find that it is, very fallacious to take the Estimates for last year in any State. Not only must we take the whole expenditure for the year, but if we find in a money-earning department like the Customs or the Post-office that by the increase of population year by year a certain amount must necessarily be added to the expenditure, as a certain amount is necessarily added to the earnings, we must make fair provision for expansion in the next year's Estimates. So that to arrive at an estimate of what these three months will cost in the States, we have been obliged to take the basis of last year. That is the basis upon which these particular Estimates are placed before the Senate.

Senator Charleston

- And the Government do not pledge themselves to spend every penny of the money.

Senator O'CONNOR

- On the contrary, we pledge ourselves to use the utmost economy in the spending of the money. I make these general observations in regard to the transferred services for a purpose. It is said that certain States are more extravagant than others. That condition of things necessarily arises from the absence of uniform legislation regarding the departments. When the Government took over the departments, their first duty on meeting Parliament was to ask for legislation to enable them to treat uniformly all the departments of the different States, and, until they can be so treated, we must continue them on the old basis, and spend the money on the old basis. During this period of three months, therefore, our expenditure must be on the old basis. If we were to attempt to cut and slash at one State, simply because the expenditure last year happened to be more in that State than in another, see what a gross injustice it would be.

Senator Lt Col NEILD

-Col. Neild. - It is impossible to do that.

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Senator O'CONNOR

- Yes ; and that brings me to what I "think is a complete answer to the suggestion of Senator Pearce. It would be inefficacious and most grossly unjust, in the case of the military vote, to pick out Queensland, and to say that because on the face of these Estimates it has a larger amount according to population than the other States, therefore it ought to be cut down by a considerable sum - I think it was suggested by £20,000. When we come to deal with our Estimates generally, when, as Senator McGregor suggested, we have a Bill before us and the whole of these forces are put on a uniform footing, when we are in a position to see whether there is any extravagance, and where it exists, and how it can be cut down, we can deal with all these military expenditures on a fair, proper, and equitable footing. ' But until we are in that position, it would be grossly unjust to pick out a State and cut out a large sum from that State, and in that way impair that branch of the federal army. I hope therefore that I have satisfied honorable senators. Although I quite assent to the general observations made by Senator Pearce and others as to the necessity of economy, it does not by any means follow that because we approve of that sentiment we should in any blindfold way, and before we really can economize with justice, make a slash at a particular item merely for the sake of showing that we mean to be economical. These Estimates. are given only in the rough in regard to the transferred services, but when the ordinary Estimates are submitted the details will be given in the fullest possible way. In regard to each transferred service both Houses will have the fullest information. The information which has usually been given in the Estimates of the States will be given in the Estimates of the Commonwealth. So that it will be possible for honorable senators to see what the expenditure is and every detail of it; what the revenue in the revenue-producing departments is, and every item of it. When honorable senators have before them the Estimates in chief, which are, to a large extent, a forecast; when our expenditure has not yet been incurred, and we can put things on a different footing, then- Parliament will be in a better position to deal with the matter. I It may be that part of the year will have gone before the Estimates are passed, but still a large portion of the year will remain, and Parliament will be in a position, having the full information in its hands, to say, " We think that so much and no more ought to be expended, and we shall reduce in that way." It will then be in a position to exercise economy with justice and with reason ; but at the present time I submit nothing of that kind can be done. I was very much impressed with the observations of Senators Major Gould and Sir William Zeal as to the position of the officers of the Senate and the other House and their relation to Ministers. I do not think any one will deny this proposition, that every department in which public money is expended must have a Minister responsible to Parliament for the expenditure of the money. It would be impossible that we could have the President or the Speaker expending or authorizing the expending of money as they thought fit without a Minister being responsible.

Senator Charleston

- They can only spend what is appropriated.

Senator O'CONNOR

- Of course, but there must be a Minister who will be in a position to say, "I authorized the expenditure ; it was reasonably adequate, and I am ready to defend it."

Senator Major Gould

- How is it arranged in New South Wales ?

Senator O'CONNOR

- That is arranged in New South Wales and in South Australia

Senator Sir John Downer

- In South Australia, it is not done in that way.

Senator Playford

- Not under a Minister.

Senator Major Gould

- I mean under a Minister.

Senator O'CONNOR

- We mean the same thing, but we are using different terms. There must be a Minister responsible for the expenditure, but it does not follow that because there must be Ministerial responsibility for expenditure,

there need be any official subordination. I think that is what the Senate refers to. In so far as any official control is concerned, the President and the Speaker will be put in practically an independent position. Of course, the amount of money which is to be expended must rest in the hands of a responsible Minister, and it must be in the power of a responsible Minister to say whether any officer is to have a salary of £200, £300, or £350, or whether an extra officer is required. It must be in the power of a Minister to say "no" to a proposition of that kind.

Senator Major Gould

- Parliament must stand supreme over the Minister.

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Senator O'CONNOR

- There must be some one responsible who will be able to come to Parliament and say this is necessary or that is not necessary, and take the responsibility of expending or not expending the money. However, we need not go into that question now, though I quite agree that the subject is worthy of some consideration. I also consider that the position in which the Estimates are placed under this heading is a matter worthy to be looked into, and I undertake to look into it before the Estimates are brought forward again, in order to see what can be done to put the matter in a different position. I may say without binding the Ministry in any way whatever, that I have a strong sympathy with the contention that where you have two Houses of Legislature, under a Constitution such as ours, each House ought to be put in a position of absolute independence as to its machinery. Whether that is brought about by putting the officers of the two Houses on a statutory basis, or in some other way, I do not think it necessary to inquire at the present moment. The subject will be inquired into, and when the principal Estimates are laid upon the table of the Senate, some indication will be given as to the opinion arrived at by the Government, and I hope it will be satisfactory to the Senate. I do not think there are any other matters requiring reference. Let me merely say, in conclusion, that there is an urgent necessity for passing this Bill without any unnecessary delay. The public creditor, as has been said by the Treasurer in another place, is waiting to be paid. There is no power in connexion with these re-votes to pay a single farthing until this measure becomes law. I therefore trust that the Senate will not only allow the Bill to be read a second time, but will pass it through without any suggestions which would be likely to cause delay in another place.

Question resolved in the affirmative.

Bill read a second time.

Senator O'CONNOR

(New South Wales - Vice-President of the Executive Council). - move -

That the standing orders be suspended to enable the Bill to pass through all its remaining stages during the same sitting of the Senate.

This motion simply means that the Bill may be put through all its stages after it has been discussed in committee. It will not in any sense stop discussion. It simply enables the Senate to get over the formal stage of making the third reading an order of the day for to-morrow.

Senator STANFORTH

SMITH (Western Australia). - I wish to ask whether it would not be possible to postpone the committee stage of this Bill until Wednesday? The matter should not be rushed through. I see no reason for this tremendous hurry. If the Bill is so urgent, why was it not introduced a week earlier? When I was speaking on the motion for the second reading I said that the expenditure set down was not the aggregate expenditure of the States for the twelve months but an increased amount.

The PRESIDENT

- We are simply dealing with the suspension of the standing orders now.

Senator STANFORTH SMITH

- I was told by the Postmaster-General that I was wrong, but I have since looked up Coghlan, and I find that the expenditure set down in this Bill does show an increase.

The PRESIDENT. - The honorable senator can say all that in committee. The question is now simply whether the standing orders are to be suspended.

Senator Lt.-Col.

NEILD (New South Wales). - When the last Supply Bill came before the Senate it was proposed to suspend the standing orders before the Bill had been read a first time. I then strongly objected. I wish it to

be plainly understood that in objecting to the proposal now I realize that we have to contend with an entirely different set of circumstances. On the former occasion we were asked to suspend the standing orders and deal with the Bill from end to end at one sitting. At present we have had an opportunity of fully discussing the measure on the second reading, and all that is asked is that the third reading may be taken at a later stage. I make no objection to that under present circumstances.

Senator Sir Josiah Symon

- In regard to Supply Bills and measures of that kind, it is desirable that there should be every possible expedition, but I should like to point out to the Vice-President of the Executive Council that there is no necessity for suspending the standing orders at the present moment. I ask for the ruling of the President as to whether this is the proper time for moving the suspension of the standing orders? We are about to go into committee. The only purpose of suspending the standing orders is that the third reading may not be delayed. It seems to me, therefore, that the motion need not be moved now. The President was about to leave the chair, and the Senate to resolve itself into committee when this motion was moved. It seems to me to be an irregular proceeding. I would ask you, Mr. President to rule whether the motion should be moved now or at a subsequent stage ?

Senator Sir John Downer

- I fancy it is quite competent for a motion for the suspension of the standing orders to be moved at any time. I would suggest that it would be more convenient if the motion came on after the Bill was reported from the committee. Probably I am fond of the usages to which I have been accustomed, but it appears to me that the desire of the Government would be equally well met if the motion were moved when the Bill came out of committee. I am going to support the Government if they persist in this course, but I merely make a suggestion for their consideration.

Senator Drake

- On the contrary, I think the more convenient course is to move the motion for the suspension of the standing orders as early as possible, because honorable senators then know that there is a probability of a Bill being passed through some stages which could not be taken if the standing orders were not suspended. It would be decidedly inconvenient if, at the end of a long sitting, after the Senate had been in committee for a long time, when there were few members present, a motion for the suspension of the standing orders were made. The more convenient practice is that now being pursued.

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Senator Sir Frederick Sargood

- I think the course being pursued by the Ministry is the more convenient one. It is certainly the course that has always been pursued as far as my experience is concerned, that as early as possible it should be known what was going to be done.

Senator Charleston

- I submit that we cannot suspend the standing orders unless there is an absolute majority present. The PRESIDENT.- We can where notice has been given. I have been asked whether this motion is in order. I certainly think it is. A suspension of the standing orders can be moved at any time when notice has been given. It is quite true that the Bill might be advanced one, two, or three stages without a suspension, but that does not make any difference. The motion is quite in order.

Question resolved in the affirmative.

In committee:

Clauses 1 to 3 agreed to.

Schedule.

The CHAIRMAN

- As regards the schedule, I desire to inform honorable senators that I propose to take it by divisions. The first division relates to the Minister for External Affairs.

Senator Lt Col Neild

- I rise to a point of order. By passing clause 1 the committee has voted the whole amount. We cannot go into the schedule and reduce the amount that we have already voted.

Senator Playford

- We can go back and alter it.

Senator Lt Col Neild

- I am not saying that the committee cannot do that, but I am saying that it cannot proceed to consider the schedule, and alter an amount that has already been voted, without rescinding the vote which has been passed in respect of clause 1. By agreeing to that clause we have granted £1,010,732. Having voted that sum, how can we start to reduce it ?

The CHAIRMAN

- The schedule appears as a schedule to the Bill, consequently it has to be adopted or rejected. Honorable senators of course have a right to make suggestions only. They have also a right to be given information in regard to the various items, and I consider it my duty to put the schedule as I was about to put it.

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Senator Major GOULD

- I desire to suggest an amendment in order to bring the Bill into conformity with the lines which I suggested in my speech on the second reading. I intend to submit an amendment by way of suggestion for the omission of the words " Minister of External Affairs " in the first line of the schedule, and for the substitution of the word " Legislative " in their stead. Then I propose later on, should the committee agree to that, to insert after the items "The Senate," " the House of Representatives," " Parliamentary Debates," "the Parliamentary Library," "Refreshment Rooms," "Waterpower for Parliament House," and " Parliamentary Gardens," the words "Minister for External Affairs." We shall thus make a broad distinction between the rights and powers of the two Houses of Legislature and those of the Minister of External Affairs. I have a copy of the Estimates of Expenditure of New South Wales, and I find that it gives under the heading of " Executive and Legislative " the items " His Excellency the Governor, Executive Council, Legislative Council, Legislative Assembly, Legislative Council and Legislative Assembly, Parliamentary Library, Parliamentary Reporting Staff and Parliamentary Standing Committee on Public Works." Then comes the Chief Secretary's department, and the whole of the items relating to that department are given under it in the usual way. An absolute distinction is, therefore, made between the powers of the Legislature and the powers of the Ministry. While it is perfectly true that the Minister will have to send down the Estimates, it is, nevertheless, equally true that the Minister would very naturally throw the responsibility of the amounts submitted to Parliament upon the President of the Senate and the Speaker of the House of Representatives if there was a necessity for justifying the proposed expenditure. He would say that he had no desire to interfere at all with Parliament, and with the necessary provision that they might consider ought to be made to enable their debates to be carried out free from interference on the part of Ministers. I cannot conceive that Ministers would attempt to interfere with anything that might be done, or attempted to be done, by the two Houses with regard to their own particular affairs, but it is well to observe some rule with regard to these matters, and to have the clear distinction which I contend ought to exist between the legislative branch and the administrative or executive power of the Government. This proposal cannot interfere with the Government, but it recognises the control of each House over its own particular and special affairs. The Houses are not the creatures of the Government. If anything the

Government are the creatures of the Houses, and the Government should not be put in a position where they could say, " We have a right to control your expenditure." "We have a right to control their expenditure, because it is our expenditure too. But they have no right to try and control ours. Supposing a Minister said to us, " You have a salary of £1,500 a year for the President. I think it would be well to put it at £1,000, and therefore I will put him down at £1,000." The Estimates would be submitted, and what would be the position ? We would have to accept that salary for the President, or throw the whole country into turmoil by rejecting the Estimates altogether. Therefore I say we should have this power in our own hands, and not make ourselves amenable to any whim or caprice of Ministers. After all Ministers are but the creatures of Parliament, and if they found a particular course of action was desired by another House, they might come to us and say "Why do you propose such an enormous salary for this officer in your Chamber? We want you to do something else." I say they have no right to do that. While our expenditure is within reasonable bounds, and moderate, as compared with the expenditure of the other House, we have a perfect right to control it. Neither Chamber has any right to interfere with salaries proposed to be paid by the other. If the President suggests that a certain thing is necessary for the conduct of business, the members of the other House should not interfere with the amount proposed to be set apart for it, and

on the other hand, where the other House suggested that certain sums were necessary, and certain officers were necessary, for their business, we should have no right to cavil. We should be absolutely independent in each House, and I want to see that independence recognised. I do not think that when a matter like this is explained to the other House we shall find the slightest difficulty in getting them to adopt what we propose. The Vice-President of the Executive Council has personally recognised that this is a very desirable course, and I believe that his colleagues will recognise that we only want what is a fair and square thing. We ask no more for ourselves than we ask for the other House. "We want each House to be quite independent ; to be controlled by their respective heads, and so controlled by themselves when they come to consider the expenditure proposed. I move -

That the House of Representatives be requested to amend the Bill by leaving out of the schedule the words " Minister of External Affairs " at the head of division I, and inserting the words " The Legislature " in lieu thereof.

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Vice-President of the Executive Council

Senator O'CONNOR

. - I do not know that the honorable and learned senator really can realize what he is asking us to do. I quite assent that on occasions where something can be done by taking this course, where there is some important principle at stake, or something substantial can be effected, the Senate should not hesitate to make a suggestion. But what does the honorable and learned senator propose to do now? He proposes in regard to this measure, which is urgently required for the purpose of paying the public creditor, that we should solemnly send down a message to the other House, which will raise a very difficult and debatable question. Probably, after a debate in that House, we should have the question tossed backwards and forwards till Ave came to some decision upon it, all for the purpose of effecting absolutely nothing, so far as the matter of winch he has spoken is concerned. I said a little while ago that so far as my own view was concerned, I was very much in sympathy with some method by which each House would be put in a position of independence in regard to its machinery. But does the honorable and learned senator suppose that he will effect any such thing by this amendment ? As a matter of arrangement in this schedule, we find that at the head of the division in which occurs the items the "Senate," and the "House of Representatives," and all the other Parliamentary provisions, the words " Minister for External Affairs" appear. That is the department from which the financial part of the business of Parliament is conducted. The Minister for External Affairs is the Minister through whose department these payments are made, and this schedule correctly states what is actually taking place. What would be the effect of altering it ? Does the honorable and learned senator suppose that by the mere placing of the words "The Legislature" at the head of this column, and by putting the words "Minister of External Affairs" lower down, that he alters the attitude which the Minister will take up in regard to the expenditure of Parliament? We cannot alter the relative positions of the Minister and the officers of Parliament by a juggle of that kind 1 A certain position has been taken up with regard to officers of Parliament by the Ministry. They are responsible to Parliament for the administration of this department as much as they are in regard to any other.

Senator Sir Josiah Symon

- Is Parliament a Ministerial department 1

Senator O'CONNOR

- This is connected with Parliament ; the expenditure incurred in the keeping up of Parliament. The paying of the salaries of officers and servants of the Houses, and for Hansard, must be under the control of some responsible Minister, but whether it must or must not be, the point I put is that we do not change that position by making this alteration in the schedule.

Senator Major Gould

- But we are leading on towards it.

Senator O'CONNOR

- We would not lead on towards it at all. We are not altering the position in any way whatever. If tomorrow this amendment were carried, how could it affect the position 1 The Minister for External Affairs, or some other Minister, will control and make himself responsible to Parliament for the amount which is expended. Supposing it should be suggested by the President of the Senate, or by the Speaker of the House of Representatives, that some such sum as £20,000 should be added to the cost of keeping up the electric

lighting supply, or some other item of that Sort connected with Parliament, does any honorable senator tell me that it would not be in the power of the Prime Minister to say, "I think this is too extravagant, and I am not going to ask Parliament to sanction it ?"

Senator Charleston

- Parliament should say that.

Senator O'CONNOR

- But who is to bring it before Parliament 1

Senator Charleston

- The Prime Minister might do it on the authority of the President.

Senator O'CONNOR

- Is there anything to compel the Prime Minister to bring up an item which he thinks is extravagant, and to ask Parliament to deal with it.

Senator Major Gould

- Could he not deal with the Speaker or President as the case might be and show him it was extravagant 1

Senator O'CONNOR

- Supposing he could not deal with it, and that the parties got all their actual rights, and the President or Speaker said, " I think that ought to be so," and the Prime Minister said, " I think it is extravagant, and I am not going to ask the people to be saddled with that expense."

Senator Sir John Downer

- Supposing Parliament says so.

Senator O'CONNOR

- It is the very essence of responsible government that Parliament should not be asked to vote any expenditure unless it is proposed and supported by some Minister responsible to Parliament. Would it be an answer for a Minister to say, when he brought forward an item such as I have alluded to, and Parliament refused to pass it, "I am quite agreeable to that ; I did not bring it forward ; the President or the Speaker is responsible, I have nothing to do with it " 1 We strike a blow at Ministerial responsibility, at the control of Parliament over expenses, if we authorize a principle of that sort. The first principle of responsible Government is that no proposal for expenditure shall be brought before Parliament unless it emanates from the Crown. If we do ' not follow that principle, how are we to maintain our responsibility to Parliament or the control of Parliament over expenditure ? What I am pointing out is this : we do not alter this first principle of parliamentary government by making alterations in this schedule; we do not alter the position which the Minister is bound to take up in regard to this question, and if this amendment were carried to-morrow, things would go on exactly as they do to-day. Under these circumstances, I ask, is it right to put. into motion the machinery of the Constitution ? It is given into our hands for the purpose of being used on serious occasions, and not for the purpose of making a mere futile amendment which can only have the effect of raising a difficult question, and which can have no effective fruitfulness of any kind whatever. Let me refer to another matter. I find that my honorable friend has not only taken charge of the susceptibilities of the Senate, but also of the susceptibilities of the other House. The House of Representatives have had this Bill before them, and have allowed it to come up here in this form.

Senator Major Gould

- Perhaps they never noticed it.

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Senator O'CONNOR

-I do not care whether they noticed it or not; I am dealing with the position as we find it. They allowed this Bill to come up here in its present form, and under the head of the Minister for External Affairs, we find placed the House of Representatives, the joint department of Parliamentary Debates, the Library, and all the joint departments of the two Houses, so that my honorable friend is not only taking us in hand, but he is also taking the other House in hand, and informing honorable members of the other House that the Legislature should not be in the position of being under any Minister responsible to Parliament. If we are so very sensitive about our rights, surely we must regard the rights of the other House, and though we may take up the position that we ought not to be placed under any Minister, do not let us take it upon ourselves to say to the other House, who have already assented to this position, that they are to be

forced to take up another attitude by reason of what we do. Let me put another argument, which seems to me to bear very strongly upon this. In the passage of the last Supply Bill we had what; I think, all agree was a friendly thrashing -out of the procedure in regard to the rights of both Houses in reference to measures of this kind, and yet if honorable senators will look

At the Supply Bill as passed by the Senate on the last occasion, they will find precisely the same arrangement in the schedule. They will find under the head of Minister for External Affairs, the Senate and the House of Representatives, just as they are shown here. I say it is not treating the Government in quite a fairway, it is not treating the other House in a fair way, to allow a matter of this sort, if it is of any importance at all, to pass by in a measure which, as Ave thought, settled the procedure between :the two Houses, in these cases at all events, for some considerable time to come. I say it is not fair to raise the question now in a Bill of this kind in regard to a matter which, as I have said, can have no fruitfulness whatever, ' no matter what may take place.

Senator Charleston

- Does the honor- able senator argue that because we failed to see it on the last occasion," we have no right to notice it now ?

Senator Major Gould

- If we must not notice anything which is not a vital question, we must give way altogether.

Senator O'CONNOR

- I do not say that we should not notice it now because we failed to notice it in the previous Supply Bill, but

I say that a question as to the powers and rights of the Senate ought to be treated by us as men who have, in both Houses, to do the business of the Commonwealth ; we should not treat the rights of this House as a child treats a new plaything. We ought not to be looking out for difficulties and looking out for susceptibilities. We ought not to be looking out for occasions upon which we may endeavour to settle theoretical questions. I say this is not a matter to be dealt with at all in the way the honorable senator proposes to deal with it. As I said before, I am quite in sympathy with the bringing about of some arrangement which will put the headings of this schedule in a different position. That can be done when the Estimates are being dealt with ; but, to carry this suggestion as proposed now, when there are so many reasons against it, would be only putting this Senate in a false position, and I therefore hope that honorable senators-will not listen to Senator Major Gould's suggestion.

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Senator Sir RICHARD BAKER

- I think the Vice-President of the Executive Council has made, perhaps, too much of this proposed suggestion. It does not seem to me to be a matter of very much importance, and, therefore, I do not think that the adoption of the suggestion would have any of the dire effects attributed to it by the honorable and learned senator. So far as I understand the suggestion for amendment, it is simply to substitute the word " Legislature" for the words "Minister for External Affairs." Now, I point out that the Minister for External Affairs has nothing whatever to do with any of these items. They are all paid through the Treasury, and are collected by a clerk of the Senate from the Treasury. I do not want to argue the question, and I suggest to Senator Gould that, after the promise which has been made by the leader of the Senate, he should withdraw his motion.

Senator Major GOULD

(New South Wales). - Of course, I should pay very great deference to any suggestion made by the President in connexion with a matter of this kind, because I regard him as the guardian of the rights and privileges of this Chamber in such matters ; but, before I consent to withdraw my suggestion, I should like to say a few words in response to the speech delivered by the Vice-President of the Executive Council. He has told us that we are not to make any suggestion unless in connexion with matters of vital concern in connexion with the Constitution.

Senator O'Connor

- I did not say that.

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Senator Major GOULD

- The honorable senator did not say in connexion with the Constitution, but he did say matters of urgent

concern. Suppose some honorable senator wanted to reduce a salary of £50 or £100, he would be told that we should not bother our heads about a matter of that kind, and he would be asked what was the use of raising a little trumpery thing like that in order to make a suggestion to the other House. We are first of all told that we should not do anything to cause unnecessary trouble by way of suggestions. What is the power to suggest given to us for but that, wherever we do not agree with what is done, we may see that our rights are protected. The only restriction placed upon this Chamber is that we cannot directly amend a Money Bill, but we may suggest anything we see fit. That power of suggestion is just as great in our hands, if we use it properly, as the power to amend in the ordinary sense of the term. I admit that it would not be worth while to have a conflict with the other Chamber over the matter of £50 or £100 in a particular salary, but I do not think we have any right to belittle our powers, or to take away any of the powers given to us by the Constitution. The honorable Vice-President of the Executive Council says that we had a Supply Bill before us a month ago, and certain points were then settled between the two Houses. What were the points in question? One question raised was that the Senate had the right to the information given by the schedule, and to the same information as the other Chamber had. We settled that question in the affirmative - that was one thing settled. We settled the question of whether we should be associated with the other House in the making of a grant, and should not only come in to confirm the grant made by the House of Representatives. We settled that point by asserting that we had the joint right to do it, while we recognised that the other House has the right of initiation. So far so good; and we come now to the matter of settling affairs in the schedule. We did not, on the last occasion, deal with that at all, but it does not follow that because we did not then deal with matters of minor importance, if they are of minor importance, we should not now do so. We have only settled a portion of the procedure, and I am prepared to admit that it would be unfair to go back upon what has already been settled and rake that up again. That would not be reasonable, but what I am now suggesting is, I think, perfectly reasonable. Again, Senator O'Connor says that this suggestion may bring about a difficulty with the other House, but that it will effect nothing. He is really on one hand saying that this is a mole hill and on the other hand that it is a mountain, because he does not want the Senate to delay a day in passing the Supply Bill. The honorable senator has said that there must be a Minister who is responsible for the expenditure. I think the President has pricked that bubble and burst that balloon by showing at once how these things are done. While the Houses are placed apparently under a particular department they are only sub-departments of a great department. Although the suggestion I have made could not possibly alter the power of the Legislature, it would better show what the real position is. It would show that these two great branches of the public service do not recognise that they are under the head of any department whatever, and he would be a bold Minister who would dare to interfere with them. The Minister has said that I am very solicitous about the rights of the other House, and that they are not so solicitous themselves about what I regard as their rights. That may be quite true. The honorable senator put it that it would be almost an act of impertinence on our part to dictate to the members of the other House; but I ask, would it not be equally an act of impertinence on their part if they submitted a motion such as I have submitted to-night to deal with this Chamber in the same way? I have told honorable senators that I recognise the right of the President to an opinion in matters of this kind, and as I know the desire of the Government is to push on with their business, I may say that after the speech delivered by the President I believe honorable senators will consider it a more reasonable course for me to withdraw my suggestion at the present time. I am therefore prepared to withdraw it, but I wish the Government to understand distinctly that I am looking forward now either to their dealing with this matter when they bring up the next Supply Bill, or the Appropriation Bill, in the way I have indicated; or else that they will submit a Bill to the Legislature, absolutely fixing the position of the officers of the two Houses, so that it may be shown clearly that there shall be no possibility of any friction arising in connexion with the officers' salaries or the working of the two Houses. We must take one of the two courses, and, in withdrawing now, I am doing so only in anticipation that something of the kind will be done, and I reserve to myself the right to ask honorable senators to assist me in doing it later, if it should be necessary. Senator O'Connor asked what would happen supposing the President asked for £20,000 in connexion with the electric lighting of this Chamber. I think my honorable friend must have been very hard set when he had to take a case of that character. Who can imagine a gentleman filling the position of President- or Speaker lending himself to any such outrageous expenditure.

Senator Dobson

-^ You cannot criticise an illustration.

Senator Major GOULD

- Then, what is the use of the illustration. One may surely point out that the illustration is a bogus illustration. I do not desire to detain honorable senators further at this stage, and I beg to withdraw my motion.

Motion, by leave, withdrawn.

Senator PLAYFORD

- One of the most important officials we have, and one who really ought to be responsible to Parliament and not to the Ministry, is the Auditor-General. I see no provision in the Bill for auditing the accounts. I wish to know what provision the Treasurer has made, and whether the Government intend to bring in a Bill providing for the appointment of an Auditor-General?

Senator O'CONNOR

- In the other House - I do not remember at what stage - there is an Audit Bill which provides for the appointment of an auditor,- and probably for the appropriation of the salary. The auditor ought to be put in a position in which he is independent of Ministerial control. No doubt his salary will be fixed by statute, and therefore it will not appear in any Estimates.

Senator Playford

-What is being done in the interim? Is any provision being made for payment ?

Senator O'CONNOR

- I cannot say. The probabilities are that until the Audit Bill is passed there has been no official occupying the position.

Senator WALKER

- What do the Government propose to do in regard to the appointment of a statistician to the Commonwealth ?. There is no doubt that in time we shall want a statistician.

Senator O'CONNOR

- There is no doubt that we shall ; but in dealing with this Bill for three months' supply I am not in the position to answer a question of that sort.

Senator Major Gould

- Can the Minister explain the item of £75 for water power to Parliament House ?

Senator O'CONNOR

- The lift is worked by water power, supplied by the Hydraulic Company, which, of course, has to be paid for its services.

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Senator PEARCE

- I move -

That the House of Representatives be requested! to amend the Bill by leaving out in the schedule,. Division U, Minister of Defence, the item* " Secretary -at £000 per annum."

I am not actuated by any personal feeling towards the officer, who is a complete stranger to me and to all the members of the party with which I am associated, and, I believe, to most members of the Senate. I think there is an opportunity for economy here. I disagree with taking over this officer with the transferred department simply because he is being paid a very high salary. I consider that if the item is struck out, there will still be sufficient provision for an efficient clerical staff". The salary is altogether out of proportion to the work of the department, and to the salaries of the other secretaries. The Secretary to the Post-office is to receive a salary of £1,000, and we can all imagine that it will be a very huge department. The Secretary for Customs receives a salary of £750, and the Secretary for Home Affairs, a salary of £750. So that the sum of £750 seems to have been recognised by the Government as a fair salary for the position of secretary. Senator O'Connor has hinted that the Government intend to recognise £750 as the salary for this office, but he suggests that the time to deal with the question will be when the Estimates in chief come forward. When that time arrives this officer will have been appointed to the position., for the term set forth in the Defence Bill, and when that term has expired any one will feel great diffidence in suggesting that his salary be reduced, or that he be removed. The understanding will be that if he has fulfilled the requirements of the office he shall be appointed for another term. If we really think that £900

is too high a salary for the office, the best time to make an alteration is now. It would not answer the purpose to reduce the salary, because I understand that if the item is carried it is intended to appoint the officer. We shall do the officer no injustice if the item is omitted, because in section 84 of the Constitution Act it is provided that - .

Any such officer who is not retained in the service of the Commonwealth shall unless he is appointed to some other office of equal emolument in the public service of the State be entitled to receive from the State any pension gratuity or other compensation payable under the law of the State on the abolition of his office.

But if we allow the office to remain the officer will come under this provision in the Constitution -

Any such officer who is retained in the service of the Commonwealth shall preserve all his existing and accruing rights, and shall be entitled to retire from office at the time and on the pension or retiring allowance which would be permitted by the law of the State, if his services with the Commonwealth were a continuation of his service with the State.

Therefore, if the Ministry intend to carry out their suggestion that this officer shall be retired and that the salary for the office they intend to provide is £750 after the time has expired for which he will be appointed, he will be cast as a burden on the Commonwealth. We shall have to pay him a pension under the Constitution.

Senator O'Connor

- Would the honorable senator state why we should be obliged to pay a pension ?

Senator PEARCE

- If the Government are going to fix upon £750 as a fit salary for any future secretary, with a view to retire this gentleman at the end of the term for which he is appointed under the Defence Bill - five years, I understand - although it may be that they intend to retain his services until he voluntarily retires.

Senator O'Connor

- He will be a member of the ordinary civil service. He will not be a military officer.

Senator PEARCE

- Practically, the attitude of the Government is that they intend to fix on a salary of £900 for the secretary, and we were led astray when we were "led to believe that it was only a temporary salary we were asked to approve. From remarks I heard in another place, and here, I understood that such was their intention. I think the salary is too high, and the department too overmanned.

Senator O'CONNOR

- I hope that the committee will not assent to the suggestion. It will be admitted that there must be some officer to discharge the duties of secretary. With separate military establishments in the different States, we must have a central authority controlling them : a central department must administer all the different departments." I do not think any honorable senator will deny that that is an absolute essential of the position. I suppose it will be admitted that the first question is - Is this gentleman qualified to fill the position ? I am informed that Captain Collins is a man of very exceptional qualities for this position. He has occupied a similar position in regard to the forces of Victoria, and I understand that he has been one of the strongest instruments in cutting down military expenditure in that State.

Senator McGregor

- He has not succeeded very well.

Senator Sir Frederick Sargood

- Yes indeed he has.

Senator O'CONNOR

- I am informed that Captain Collins has succeeded exceedingly well, and Senator Sir Frederick Sargood, who has had practical experience, assents to that view. Besides it is well-known throughout Victoria that this gentleman's work has always been strongly in the direction of curbing the tendency which there always is in military expenditure to expand.

Senator Walker

- And in most other expenditures too.

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Senator O'CONNOR

- In all expenditures, but chiefly in military expenditure, because it is so much a matter of expert

knowledge that people do not care to interfere unless they know something about the subject. In this gentleman we have a man who has expert knowledge, who has had official experience, and who has carried out this work very successfully. I understand from the Minister of Defence that it will be difficult to find a gentleman more fitted for the position than Captain Collins. Under these circumstances, it is a reasonable thing to take over Captain Collins with the department. Under section 84 of the Constitution the Government could either retain the services of Captain Collins or leave him alone. If they leave him alone then he will be entitled either to have some office of equal emolument supplied to him by the State of Victoria, or to retire on such allowance as would be given to him if his office were abolished. Who would pay that money ? The State of Victoria. Who pays this expenditure now ? It goes against the State of Victoria in the general settlement of her accounts.

Senator Pearce

- But ultimately against the Commonwealth.

Senator O'CONNOR

- Ultimately against the Commonwealth, but in the arrangement of these transferred services it goes on the debit side of the accounts under the bookkeeping system. Would it have been a right or reasonable thing when we found a man who was eminently suited to the position, who had been doing the work of the office, to hand him over to the State of Victoria to find some employment for him, or to take him into the federal service to discharge a duty which he was so well qualified to perform ? There can be no doubt that the only course open to the Government wishing to do the right thing in the interests of the Commonwealth was to take over the officer. It is all very well to say that he should have been taken over at a salary of £750, or at what salary we chose to fix for the office. Although it may be open to doubt, still my opinion as a lawyer is that if these officers come over we are bound to retain them. They have certain rights, such as, I think, rights to pensions and retiring allowances, and several other privileges. But it seems to me there is nothing in the Constitution which binds the Commonwealth legally to continue to pay them the salaries which they happened to be paid at the time when they were taken over. In other words, I do not think that the Commonwealth guarantees them a continuance of the salaries which they had at the time of the transfer. But, at the same time, I think there is a strong moral obligation, if we do take over an officer on account of his special qualifications, not to put him in the position of being worse off financially than he was when doing the work of the State. And, after all, with every desire to be economical where economy really saves money, is it economical at all to make the experiment of getting in this position some new officer who may not be so well suited for it ? Or is it not better to retain Captain Collins and pay him the small additional amount which, it seems to me, is reasonably due to him ? With regard to the salary for the office, it is probable that £750, which is the salary allotted to the heads of some other departments, will eventually be allotted to this particular office when it is filled by some one else. The difference between £750 and the £900 which is payable to this gentleman on account of the circumstances under which the Commonwealth takes him over, is not a great deal. It is one of those anomalies which must happen in changing from the old system to the new. They cannot be avoided without doing an injury to the Commonwealth itself. This case is nothing more than one of those inconsistencies which will last only during the time that Captain Collins occupies the office ; and it is an inconsistency through which the Commonwealth derives very considerable benefits through retaining this gentleman's service. That is the reason the salary is what it is, and it would be against the interests of the Commonwealth in every possible way, and false economy also, to reduce it. I hope the suggestion will not be accepted.

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Senator Sir JOSIAH SYMON

- I have every desire that salaries for the officers of the departments shall be on the most liberal and generous scale, but I am afraid the principle my honorable friend has laid down for the framing of these Estimates is a very dangerous one for us to adopt. It is not that we are to pay salaries that are to be fixed for the particular offices, but that we are to pay salaries in order to provide for officers of the States whom, under some unwritten understanding, the Commonwealth is under an obligation to take over. Now that, it seems to me, will cause very great inconvenience in the apportionment of these salaries. Either the salary ought to be considered with regard to the office which is to be filled, and fixed permanently, or for a time so far as we can foresee ; or there should be some new scheme introduced under which a selected

number of officers, who may be specially adapted for the particular work upon which they are engaged, shall be taken over on special terms, so that it may be known in years to come, if this is not the basis upon which the Estimates are to be framed, that the present salary is entirely temporary and for a special purpose. If we say, on the one hand, that we are organizing a number of departments and that certain offices are to be filled, and that the officers are to be paid a certain amount, we know what we are doing ; but if, on the other hand, we are to provide for State officers who have been engaged in similar departments, the matter ought to be put upon that footing. But the position in which we shall be put, it seems to me, is that, although it is understood that £750 is the ordinary routine or regular salary attachable to the position-

Senator McGregor

- -The minimum wage !

Senator Sir JOSIAH SYMON

- The minimum wage which is to be attached to the office ; nevertheless, £900 is the salary which will have to be paid hereafter to the successor of Captain Collins. When that time arrives we shall find that £900 will be the salary paid, because the moral position will be so incontestably strong that it will be exceedingly difficult for the Government and Members of Parliament to make fish of one and flesh of another. The position is - Is the man competent ? And if Captain Collins is to get £900 for this position, his successor, if a competent man, ought also to get £900. To my mind there should be no discrimination of the kind proposed. I should be quite willing if a scheme were introduced for the purpose of saying, " We are going to take over a certain number of officers from the States, and to provide- for them quite irrespective of the salary to be attached to the particular office." The salaries paid to those officers should be regarded as merely temporary. As Senator O'Connor has said, it may be to the advantage of the Commonwealth to take over these officers. But I do not understand the distinction at present drawn. We are now providing for the salaries for certain organized departments of the Commonwealth. These salaries should be fixed one way or the other, so that we may know what we are doing. Then there is another thing. I do not see that any reduction is made in the expenditure apportioned to the State of Victoria by reason of taking over this officer. The expenditure of Victoria is put down at £64,000, which we are informed includes, the salaries of the officers who are taken over. According to this Bill the Estimates of Expenditure are duplicated.

Senator Sir Frederick Sargood

- The men are not duplicated.

Senator Sir JOSIAH SYMON

- But the salaries are repeated in the State expenditure. The position is that we are told on the one hand that taking over Captain Collins means a saving to the State, while, so far as the figures on the Estimates are concerned, there is no saving to the State at all. The estimate for Victoria is £64,000, and under the heading of Commonwealth expenditure we have the salaries of the Secretary for Defence, the chief accountant, and several clerks.

Senator O'Connor

- The honorable and learned senator must have misunderstood me. My point was that there was a saving to the State as it stands now. If the Government took one of the courses which they are entitled to take, and did not take over Captain Collins, the State of Victoria would have to provide for him either by giving him another position, with equal emoluments, or by giving him compensation on the abolition of his office. If we take him over and pay him this salary, Victoria is saved from having to provide for him.

Senator Sir JOSIAH SYMON

- My honorable and learned friend is answering a criticism I never offered, and avoiding the one I did offer. What I say is that here we have an estimate for the Department of Defence which includes the total expenditure apportioned to the State of Victoria by the Commonwealth - namely, £64,000.

Senator Sir Frederick Sargood

- Is the honorable and learned senator sure of that ?

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Senator Sir JOSIAH SYMON

- That is what we are told. We have had no statement to the contrary. As the Commonwealth has taken over the head of the Victorian Defence department, and has also taken over the chief accountant and six

other clerks, there should be some saving to the States. It has not yet been explained that there is any saving to them. There should be some indication given to us in order that we may know whether or not this additional estimate reproduces the expenditure which is being transferred to the Commonwealth in respect to these officers, or includes it. If it includes it, there is no saving to the State of Victoria. If there is a saving to that State in this respect it is important that we should know it. Then again, if we do not pay this money the State of Victoria does not pay it ; nor if the Commonwealth pays it does the State of Victoria pay it. Victoria only pays her proportion of the expenditure. There is no bookkeeping in respect of the Defence department, and the expenditure is paid by the whole Commonwealth upon a population basis in the ordinary way. I rather sympathize with Senator Pearce in his position as I understand it. I do not sympathize with it if it is an attack upon the salary of a competent man. It would be better to discuss this question apart from Captain Collins, whose great qualifications we all know. "We need no assurance that he is a thoroughly competent officer for the position. We should consider the matter from the point of view of what is the salary that should be attached to the office permanently.

Senator WALKER.

(New South Wales). - It appears to me that if

Senator Pearce

is to carry his proposal it should be put in a different form. The honorable senator wants to save the Commonwealth £900 a year. If that be his object he should move that the sum of £1,532 - the amount of the new expenditure for three months - be reduced by £225. Though I have not the pleasure of knowing Captain Collins, I am of opinion that the Secretary of the Defence department is worth £900 a year to the Government if he is worthy to fill the position. I do not believe in cheeseparing, and £900 is not too much for the office. I shall support the Government.

Senator Sir FREDERICK SARGOOD

- The proposal of Senator Pearce is to strike out the item of £900 for a Secretary for Defence. It appears to me that what we have to decide is : Is a secretary for the department necessary ? Senator Pearce acknowledges that he knows nothing whatever about the department.

Senator Pearce

- I know nothing about Captain Collins.

Senator Sir FREDERICK SARGOOD

- Does the honorable senator know anything about the department ? If not, he is not in a position to know whether a secretary is requisite or not. I do know something of it, and have known for a great many years. I say unhesitatingly that it is utterly impossible to do without a secretary.

Senator Stewart

- What are his duties ?

Senator Sir FREDERICK SARGOOD

- If the honorable senator can imagine a large business firm without a head, he will perhaps be able to some extent to understand what the Defence department would be without a secretary. I am speaking with absolute personal knowledge extending over many years

Senator Stewart

- What kind of work does he do ?

Senator Sir FREDERICK SARGOOD

- The duties are similar to those that any other secretary of a department performs. He administers the civil portion of the military department.

Senator Stewart

- What is the civil portion ?

Senator Sir FREDERICK SARGOOD

- To begin with, there is about £750,000 to be spent, and looked after. That is a part of the civil administration, and it is a very considerable matter. The officer has also to keep the Minister posted up thoroughly in matters pertaining to the department, and if the honorable senator knew the work of that department as I know it, he would not ask me the question.

Senator Stewart

- The honorable senator cannot tell me what the secretary does.

Senator Sir FREDERICK SARGOOD

- If the honorable senator will spend a morning at the department he will be able to gain more information than I could tell him. I say we cannot do the work without a secretary, and that if we attempted to do so the loss to the Commonwealth would be very heavy indeed. I am speaking from a financial point of view. Then the next question is whether £900 per annum is too much for the duties. I say again distinctly no. A man suited for the position is well worthy of that salary.

Senator Sir Josiah Symon

- Then the honorable senator would not believe in reducing the salary subsequently.

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Senator Sir FREDERICK SARGOOD

- Honestly, I would not. I think it would be a mistake to reduce it to £750. The Secretary of the Defence department ' has to discharge duties which are just as important as those performed by the Secretary to the Post-office. Bearing in mind that the department has -under its control at the present moment something like 40,000 men, it must be conceded that it is no child's play to keep it going, more especially when these men are extended over the six States. As to the question which has been raised ' whether it is right to transfer this gentleman, I say again, with an intimate knowledge of the officer extending over many years, that it is right. I did not appoint him, but he has acted as Secretary for Defence while I have been Minister on more than one occasion, and during the years he has been in that position he has saved the State of Victoria thousands of pounds by careful administration of the finances of the department, and by carefully checking the demands made by various branches of the Defence department upon the funds of the State.

Senator McGregor

- Would not that be the duty of any competent secretary?

Senator Sir FREDERICK SARGOOD

- Yes ; but if we want a competent secretary we must give him a competent salary. I am a believer in the principle that the cheapest man is the man who is well paid.

Senator Pearce

- Victoria has the highest proposed expenditure of any of the States.

Senator Sir FREDERICK SARGOOD

- And Victoria - I am almost afraid to say it in the presence of representatives from the other States - has' practically the only complete Defence department in the Commonwealth.

Senator Sir Josiah Symon

- What does New South Wales say to that?

Senator Lt Col Neild

- Victoria has got the department but she has not got the show.

Senator Sir FREDERICK SARGOOD

- I venture to say that if the proposal made by the honorable senator was carried out and his officer was not taken over, it would, in the long run, cost the Commonwealth more than if we adopted the proposal in the Bill. It is all very well to say that if he is not taken over the State will have to provide for him either a similar position or pension him off as one whose office has been abolished. I for one am not going to begin to separate the States from the Commonwealth. The Commonwealth consists of the States, and the Commonwealth as a whole would have to pay this item, although it might fall heavier on one State than on another. In taking over Captain Collins we are taking over a man who has special knowledge, and at the present time it is all important that we should not have a new man. . We want some one at the head of the department who knows all the ropes, and who can assist the Minister in putting the whole of the machinery in working order. Then when the system is in working order, if it be deemed advisable to draw up a scheme - as it must be drawn up - that will be the time to deal with the salaries relating to the whole department.

Senator Sir Josiah

Symon has asked whether this will cause any saving to the State. I am not in the position to answer that.

Senator Sir Josiah Symon

- I asked whether it would result in any diminution of the defence cost. ,

Senator Sir FREDERICK SARGOOD

- I am not in the position to state whether the salaries of these officers are included in the item of £64,000

which appears in the Bill. I should imagine not. I imagine that what the Minister states is the fact, and that this ?64,000 is based on the expenditure in Victoria for the last year. There will cease to be a Defence department in Victoria altogether, for that department is taken over practically by the Commonwealth.

Senator Sir JOSIAH Symon

- But then the Commonwealth expenditure is estimated according to the actual expenditure of the State.

Senator Sir FREDERICK SARGOOD

- It is based upon the actual expenditure. Thus, if any officers are no longer required in the State services, their salaries are not included in this sum of ?64,000, but their salaries are included in this Commonwealth department. I can hardly conceive it as probable that the Treasurer has allowed the salaries of these civil offices to be included not only in this Commonwealth estimate, but also in the lump sum of ?64,000. That is such an unbusinesslike transaction that I could not conceive him to be guilty of such a thing.

Senator O'Connor

- There are no new appointments. Officers are simply transferred.

Senator Sir FREDERICK SARGOOD

- In justice to the present Minister for Defence, we ought to give him all the skilled assistance we can, even if it does incur a little extra expense for a time. We want our defences placed as quickly as possible upon an efficient and economical basis, and to do that we want to get the assistance of the very best men in the service. In taking over Captain Collins we shall have an officer for whom it will be very hard to find a successor.

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Senator Sir JOHN DOWNER

- - -At the beginning of an affair like this we have to place an immense trust in the Government. We are now passing a Supply Bill; when we come to the Appropriation Bill we will have an opportunity of getting the general as well as the particular view of the Government presented to us in a much more elaborate way. We are merely making an interim appropriation for the purpose of carrying on until in the ordinary course of events the Government bring down their formal proposals which will cover everything. Incidentally to that the department has to be carried on, and we have to trust the Government absolutely, and to follow their lead unless there is some extremely good reason for departing from their suggestions. To do so binds us ultimately not a bit. We may reconsider the matter when the Appropriation Bill comes down, although undoubtedly by fixing even interim salaries we bind ourselves, to some extent, to favorably consider a subsequent appropriation permanently in the same direction. The officer we have under consideration at present is an officer of the Victorian department, universally approved of, as far as I can gather. I am personally acquainted with him, and no more. Of his merits I know nothing, except from the universal approbation that I hear his work has caused on the part of those who have seen him at his duties and know what he has done. The Ministry are satisfied. For the present I am satisfied, because they are the responsible persons, and they are using the best information they can obtain. They say he is the proper person to be put into the position which has undoubtedly to be established. Now we are simply on the question of salary, and we are discussing whether it should be £900 or-

Senator O'Connor

- Or nothing, because the proposal is to strike out the item altogether.

Senator Sir JOHN DOWNER

- I thought the proposal was to reduce it. We are not in a position at present to consider for a moment a proposal to strike it out altogether. In fact, assuming that the office was necessary in the one State of Victoria, it ought to be much more necessary in the case of the Commonwealth. If £900 a year were even too large a salary to pay in Victoria, it does not follow at all that it would be too large to pay for the much more important work to be carried out for the Commonwealth. I have heard honorable senators ask what work this officer will have to do.

Senator Stewart

- Tell us what he will have to do.

Senator Sir JOHN DOWNER

- He will have a great part of the work to do. Instead of having simply to deal with Victoria in these questions, he will have to deal with the whole of Australia. Instead, of having simply to consider what

should be done with the forces of Victoria, for the defence of Victoria, he will have to consider what is to be done with the forces of.' Australia, for the defence of Australia.

Senator Sir Josiah Symon

- The General will have to do that.

Senator Sir J OHN DOWNER

- He will have to assist the General. He will have to do, as Senator Sir Frederick Sargood has. said, with the expenditure of vast' sums of money ; and, although he will not be the person to lead armies into war, he will have much to do with supplying details of expenditure that will have to be incurred in connexion with those armies. What would honorable senators establish in place of this, office if it is unnecessary ? Do they intend that the Commander-General should do the work, or that the Minister should do it?' There must be officers under the Minister.

Senator Pearce

- And he has got a. good number of them.

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Senator Sir JOHN DOWNER

- This is. a matter which we can inquire into much better later on,, when we have the whole proposals before us, with all the information that can be given. At the present time we have only got the interim proposal to carry on the work until the Estimates proper can be brought down. When they are brought down we shall have everything before us, and it will be our duty to inquire into them, and not of necessity to stand to the views which we have expressed in this committee,, where we have of necessity very little information before us. We have to trust to Ministers who put forward these proposals. We have either to take the Ministerial proposals or reject them. We have to trust greatly to our confidence in the honorable and learned gentleman in charge, in carrying this interim Appropriation Bill, and later on to decide whether the appropriation shall become permanent or not. This seems to me to be a necessary office. It appears to me that the salary is not so excessive, and that it would be a mistake to interfere with the proposals of the Ministry, which are of necessity incomplete at the present time.

Senator Major GOULD

(New South Wales). - While it is argued that this is only an interim Supply Bill to enable us to carry on, we must realize the fact that we are deliberately assenting to the appointment of a gentleman at a salary of £900 a year. Although it may be that when the Appropriation Bill comes up we can reduce this official's salary, I say it will be of very little use then to attempt a reduction when the salary has been paid in the meantime.

Senator Sir Josiah Symon

- We shall have created a vested interest.

Senator Major GOULD

- I was going to say that, and, moreover, having with our eyes open deliberately appointed a gentleman to be secretary of this department at a salary of £900, we cannot honorably retrace our steps when the Appropriation Bill comes up in three or six months time. Whether the salary proposed to be paid is a proper or an improper one, we have to realize the fact that the Government have told us straightforwardly that they have taken this gentleman over from the State of Victoria, and are going to give him the salary he has been getting from that State, whilst future appointees to the position are only to receive a salary of £750. Is it a fair thing to put it to us in this way, and then to say that we can in three or. six months deliberately 'cut down this gentleman's salary to £750 a year?

Senator Playford

- It is not put to the honorable senator in that way.

Senator Major GOULD

- I understood the Minister to say that £750 was considered to be sufficient if a new appointment were made - for the duties that have to be performed.

Senator O'Connor

- If held by another person.

Senator Major GOULD

- If held by another person, who might be quite as competent, and just as well able, to carry out the work. We must assume that the Government, if a vacancy in the office should arise, are going to appoint the

most competent man they can get. I decline to believe that the only man in Australia who is competent to fill the position is Captain Collins, though I do not want to say one word against his competency. We have it deliberately put to us that we are to pay this salary, and we cannot cut the sum down while this gentleman is in office. Again, will it not give a very strong claim to any man coming into the position afterwards if he is able to say, " You gave my predecessor £900 a year ; why should I not get the same salary for doing the same work "1 The committee should deal with this question with its eyes open. I am not saying whether £900 is sufficient or insufficient. It may be that the position is well worth £900 a year, but I object to any attempt to cast dust in the eyes of the committee in dealing with this particular appointment and salary. It is not like the transferred services, where we are told that the Estimates amount to so much and we have to trust that the Government are following upon what has been determined by the State Parliaments, until they are in the position to make their own arrangements. I would like to know if the £900 we are asked to vote for this gentleman is included in the amount of £64,000 which is the expenditure for the State of Victoria.

Senator O'Connor

- I have just ascertained that it is not.

Senator Major GOULD

- I am prepared to accept that disclaimer, and if it is not it is an answer to the question I was going to ask, but it shows that the expenditure in the State of Victoria would otherwise have been proportionately higher than is actually shown by the Estimates at the present time.

Senator O'Connor

- That amount of £64,000 is only an estimate.

Senator Major GOULD

- I have risen to point out that it is a deliberate thing that we are called upon to do, we must realize that we are doing it with our eyes open, and that it will be too late to say that we can do what we like when the Appropriation Bill comes on. I am not going to vote for the omission of the sum, because I know there must be a secretary to the department, and I am not prepared to say whether £900 is a reasonable sum to vote for the office or not. I am prepared to let the matter go at the present time, because I know that the gentleman occupying the position of military secretary will have important duties to perform, just as the other secretaries -will have to perform important duties. Whether he should receive more than the others is another question. I consider that he should receive, the same as the secretaries to the ordinary departments of the Government.

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Senator STANFORTH SMITH

- There seems to be a tendency on the part of honorable senators to assert that we should not discuss the Supply Bill, but should swallow it just as the Government hands it to us, and should wait until the Estimates come on, when we will be in a position to go thoroughly into the matter. Those Estimates will probably be brought on in three or six months time, when the appointments will all have been made, we shall then be told, probably by the same gentlemen, that everything is fixed and is going on all right, and we will not be able to make alterations. I consider that, according to the Estimates, these departments are going to be carried on in a very much more extravagant way than was formerly the case. I have nothing whatever to say against Captain Collins. I am quite prepared to believe with Senator Sir Frederick Sargood that he is a splendid man for the position.

Senator McGregor

- What will they do when he dies ?

Senator STANFORTH SMITH

- He maybe worth £1,000 or £1,200 a year, but the question is really what salary should the secretary for the Defence department receive, and should he receive a higher salary than is paid to the secretaries of three or four other departments, £750 a year ? I say he should not, and we should apportion the salary according to the work to be done, and not according to the person we are going to get for the office. These Estimates show a much larger expenditure than was incurred by the various States before federation.

The CHAIRMAN

- I must ask the honorable senator to confine himself to the amendment, which is on the department of

the Minister for Defence.

Senator STANFORTH SMITH

- I will speak of the other departments later. I find in Coghlan's Seven Colonies that the cost of defence for the six States now forming the Commonwealth in 1898-9 was £598,144, while the Estimates of the Government for this year under the Commonwealth would amount to £808,000.

Senator Charleston

- There is extra expenditure for the demonstrations.

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Senator STANFORTH SMITH

- I am speaking only of the ordinary annual expenditure of the department. And we will find that if the expenditure is to be carried on by the Government of the Federation on these lines it will mean a considerable increase upon the cost of these departments to the various States before federation. We should try to avoid that if we desire to make federation a success. The success of federation now depends on our finances. If there is any hostility between the various States and the Commonwealth it will be regarding finance. It is perfectly certain that for the smaller States, at any rate, the effect of federation will be a loss of revenue, especially in the case of States like Western Australia and Tasmania, and it will there be necessary to raise money by fresh taxation. The loss will be accentuated if these departments are to be carried on on a lavish scale. We have been told to-day, that Sir George Turner is a very excellent Treasurer, and we can, therefore, trust him. No one has a higher opinion of Sir George Turner as a Treasurer than I have, but when the office of Treasurer is disassociated from that of Prime Minister, the Treasurer has not his own way as regards expenditure. Where the offices are combined the Treasurer has the power to say what the expenditure for the different departments shall be; but he has not that power when he is merely Treasurer. These Estimates are brought in by various Ministers, and I do not think Sir George Turner has the power of saying to them that he will not agree to this or that. The decision is left to the Prime Minister, who is not the Treasurer. In discussing these defence matters there is a tendency on the part of the military gentlemen always to magnify the importance of their own profession. We heard from an honorable senator, - who is a lawyer, that the Judges should be paid very high salaries ; and in the same way the enormous importance of the military branch of the service is impressed upon us by honorable senators who are military men, of whom we have several on the front Opposition bench. They all seem to be favorable to a large expenditure on military matters ; but considering that for five years this expenditure falls upon the States, it is our duty as senators to see that the interests of the States are protected, and that the expenditure is not extravagant. I have pointed out already that the expenditure in these transferred departments is between £800,000 and £1,000,000 greater than the estimate submitted at the Adelaide convention upon which we went into federation, and upon which was based all our calculations. It is therefore our duty to see that all these departments are carried on as economically as possible. I fail to see why we cannot collectively carry on these departments as cheaply as the various individual States. I know that honorable senators have the idea that these Estimates must be swallowed, and that we can only discuss these matters when the Estimates in chief are brought up in six months time, but still as a representative of Western Australia, I enter my protest against what I consider the extravagant expenditure of this department.

Senator Lt Col NEILD

- If there is one fact disclosed more than another by this debate, it is the truth of the old proverb that chickens come home to roost. It was an exceedingly popular thing for the advocates of any - price federation a while since, to urge that one of the great advantages of federation would be an enormous saving in the Military department. The Estimates before us and this item of £900 is evident proof that we are not going to get defence matters conducted any more cheaply. The question has been rightly and properly asked - What are the duties of a Secretary for Defence? And I think I shall be able to indicate in a few words what those duties are. As has been said by Senator Sir John Downer, that officer is not required as a fighting man. There will be a General to look after the military training of the forces, but I wish to point out that there is no department in the Government service that will have the control and custody of more valuable property, requiring careful administration and proper looking after, than the Defence department.

Senator Pearce

- What property?

Senator Lt Col NEILD

- It embraces arms, equipment, ammunition, clothing, and all the hundred etc et eras which are requisite for the up-keep of an army. This army - for it is evidently intended to be an army' in view of the proposals made by the Government, and an army of no small size - will require most careful business management, and the work of the office will be as onerous as the work of the drill ground, and perhaps more so, because I trust there will be less of the drill ground in connexion with the Commonwealth force than has been the case in connexion with some of the State forces, and that efficiency will be of more value in the estimation of the authorities than mere military frill. Entertaining that view, I still have to correct the statement which fell from the lips of, I think, Senator O'Connor, to the effect that there would be no Military department required for the State of Victoria. and that, therefore, all the clerks could be transferred.

Senator O'Connor

- I did not say that.

Senator Sir Frederick Sargood

- I referred to the Defence department.

Senator Lt Col NEILD

- It was Senator Sir Frederick Sargood who made the remark that there will not be quite the same Defence department. There will be a Military department, and I do not suppose, unless there is a reduction in the number of the force stationed in Victoria, there will be or can be any material reduction in the number of the clerical staff required to look after the work. Let me explain as to the property of the department. I do not know whether honorable senators are aware - probably they are - that every trifling bit of property, as well as every larger article, bears its number, and is carefully entered up in the books, and that somebody has to be responsible for each item.

Senator Playford

- Surely not the secretary ?

Senator Lt Col NEILD

-Col. NEILD -The secretary does not, of course, enter them up; it will be the work of scores of men rather than one man.

Senator Playford

- But we are talking of the secretary now.

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Senator Lt Col NEILD

.- Perhaps I do not comprehend the interruption, and it is well sometimes not to comprehend interruptions because it takes one off the track. If this great property is not kept under management ; if there is not a proper permanent head to see that the different officers in whose charge the articles lie are faithful in the discharge of their duties - their divisional duties, their corps duties, their regimental duties, and so forth - there will be a great loss to the public, and a very much greater annual loss than £.150, which I understand to be involved in the matter now before the committee. I am not arguing in favour of large salaries, but I desire simply to point out that the appointment of a secretary for defence is as absolutely needful as is a secretary for any division of the Government. The general officer commanding will have charge of the training and discipline of the forces, and he cannot be expected to keep the books any more than the general manager of a bank is expected to keep its ledgers. There is a proper officer for each department. As I have referred to banks I suppose I am justified in drawing a comparison. The general manager of a bank supervises financial operations. The secretary of the bank, who sometimes has as much power as the general manager, supervises a different part of the work and is as essential in that department as is the general manager in his. So it is with the military force. The Minister of Defence cannot do the work, and as the general commanding cannot do the work, who is to be the link ? There must be a connecting link between the heads of the regiments and the heads of the different divisions and the force, and in this case between the different military organizations in each of the States or military districts, which will all communicate to head-quarters in Melbourne, or wherever the department may be worked ; and there must be a connecting link to properly coach the Minister as to the details of the work which is going on around him and conduct the onerous correspondence, and manage the business

aspect of the force - not the military aspect of the force, but the business or civil side. I have met Captain Collins, but I have no kind of knowledge of him. I am not speaking of him.

Senator McGregor

- We are not discussing him at all.

Senator Lt Col NEILD

- I have heard that he is a very capable man, and, having the threads of the present organization in his hands, I take it that he will be more valuable to the Commonwealth, even at £900 a year, than would a new man at £7 50 or a less sum. For some time past he has been connected with the gradual construction of the Commonwealth Defence department.

Senator Pearce

- Of Victoria.

Senator Lt Col NEILD

- Of more than Victoria. For some time he has been concerned and operating in matters connected with the Commonwealth department.

Senator O'Connor

- He has been acting in this position since the military departments were taken over.

Senator Lt Col NEILD

.- The Commonwealth has had the advantage of his services, and if he is the excellent man represented by those who know him, and those who are capable of judging, like Senator Sir Frederick Sargood, who was Minister of Defence here for many years, then with the knowledge he has gained he will be very much cheaper at £900 a year than would a stranger at a lower salary. It is on that account, and not because I favour large salaries, not because I desire the creation of a military party or a military dominant body in Australia, that I support the item. A competent man is required ; this gentleman is a competent man. A man with knowledge is required ; this gentleman possesses the knowledge. The department cannot sensibly or economically be run without an officer fulfilling the duties of the position designated in the Estimate. I have not the slightest desire to see a military caste or what is popularly known as a gold lace and cocked hat brigade in Australia. The citizen soldier is the man who has created, as well as maintained, the military prestige or the capacity for military service of the stalwart Australian born and imported, and it is that force which I desire to see occupying the position of defenders of the Commonwealth. I hope that the item, if adopted, will lead to the appointment of an officer capable of doing very excellent work for the defence force of the Commonwealth.

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Senator STEWART

- It is very satisfactory that this discussion has taken place, and the Senate is very much indebted to the honorable and gallant gentleman who has just resumed his seat for the very valuable information he has given. I have attempted vainly to get information of that character, first from the Vice-President of the Executive Council, and then from the late Minister for Defence in Victoria, Senator Sir Frederick Sargood, who set out by telling us that he knew all about the duties of that officer, but who, when questioned, utterly failed to give any description of them. If he had even entered on the fringe of a description, it would have been much more satisfactory. He certainly should know as much about them as Senator Lt.-Col. Neild ; but if he does, he does not possess the faculty of communicating it to his fellow senators. Then I asked Sir John Downer, but he also was nonplussed, although he set out by professing to know all about it. Now we know something about it, but we do not know everything yet. I am on the hunt for information even now. So far as I could gather from the last speaker this officer is simply a kind of superior storekeeper. He looks after the arms, the ammunition, the uniforms, the boots, the straps, the buckles, the buttons, the pipeclay, and, of course, the gold lace. I do not for a moment question the desirability of having an officer at the head of the civil branch of our military establishment, because I know that such an officer is absolutely essential, but I am at one with Senator Staniforth Smith when he says that federation, instead of lowering the expenditure as was so vociferously proclaimed from a thousand platforms by a thousand orators during the campaign, is going to increase the expenses of the Commonwealth. We shall not have a single man short in the military establishment in Queensland. We shall want just the same number of men as we had before. We shall want a military head just as we had before ; we shall want a head of the civil arm of the service just as we had before. In every State we shall have the other heads

belonging to the Commonwealth piled on top of the local officials we had before. If this sort of tiling is going to take place throughout Australia the very name of the Commonwealth will stink in the nostrils of the people. We were told - " If you will only combine your forces, look how much more economically they can be managed." An honorable gentleman who fills a very high and honored position in another place, and who is a most eloquent speaker, came up to Brisbane to persuade its benighted people what a grand and glorious tiling it would be for Queensland to enter the Commonwealth. He drew a horrible picture of Australia with its half-dozen tin-pot armies, with its half-dozen little generals with their toy cocked hats, with its half-dozen drummers, and so forth ; and he waved his arm magnificently and said - "Why, if we become a united Australia we shall have only one army with one general. The expense will be so very much less, while the efficiency will be all the more." We know this very well, however, that if our army is to be more effective, it will certainly be a great deal more expensive. I object to this particular salary, on the ground that the Secretary for Defence is being paid at a higher rate than the secretaries of the other departments, with the exception of the Post-office and the Customs departments. But will any one compare the duties of the Secretary for Defence with the duties of the Comptroller-General of Customs, or with the duties of the head of the Postal department. The thing appears to me to be ridiculous.

Senator Sir FREDERICK Sargood

- I know the duties of both departments, and I say that the duties of the one are as important as the other.

Senator STEWART

- I asked Senator Sir Frederick Sargood to give the Senate some information upon a point, and he did not avail himself of the opportunity. I am anxious to know what the duties of this individual are. We are told that he will have under his control the buying of uniforms. Will he have the buying of arms ? Perhaps they will be intrusted to his care. But it appears to me that the care of the armoury should, to some certain extent at any rate, be the duty of the military head.

Senator Sir Frederick Sargood

- Oh, no.

Senator STEWART

- Did the honorable senator say no 1

Senator Sir Frederick Sargood

- I say no. It has been tried.

Senator STEWART

- And found wanting?

Senator Sir Frederick Sargood

- Yes.

Senator STEWART

- If I were a general of an army, I should like to see that the weapons with which my men went into the field were of a fit and proper character, such as would enable them to give a good account of themselves. I would not trust such a matter to the head of any civil branch. It should be one of the duties of the head of the military department to see to the rifles and all other weapons required by that department. In addition to the secretary, at £900 a year, we are to have a chief accountant, who, I suppose, will look after the payment of the forces. He is to receive £600. Then there is to be a chief clerk at £540, who, I suppose, will do the work of the secretary. Will the secretary have anything to do with the organizing of the department ? Will he organize new rifle clubs ?

Senator Sir Frederick Sargood

- What does the honorable senator mean by " organizing " ?

Senator STEWART

- I mean establishing them, or assisting in their establishment.

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Senator Sir Frederick Sargood

- The applications would have to go through the secretary first, and be referred to the Minister, and a certain procedure taken ; and then, once formed, they would be handed over to the military commandant.

Senator STEWART

- Oh, I see ! As a matter of fact, this gentleman sits in his office and waits until outside people organize his department for him ?

Senator Sir Frederick Sargood

- Nothing of the sort.

Senator STEWART

- The honorable senator turns away in disgust.

Senator Sir Frederick Sargood

- I do !

Senator STEWART

- But that is the meaning of what the honorable senator said. Suppose some people are anxious to establish a rifle club in Rockhampton. A Rockhampton man would have to take the matter in hand, call people together, organize them, and get them to agree to join. After he had received a sufficient number of name she would write to the secretary in Melbourne, or wherever he might be located. The secretary would then, I suppose, send up a number of forms to be filled in, and all that sort of thing. He would merely do, or direct to be done, the clerical work in connexion with the formation of the rifle club. The people in the locality would have to do all the organizing. I was under the impression that this gentleman would go up and down the country-

Senator McGregor

- Like a roaring lion !

Senator STEWART

- Yes, like a roaring lion, as Senator McGregor interjects; spreading the military spirit among them, trying to urge upon them the necessity of forming rifle clubs and volunteer corps, getting them taught how to shoot straight, how to get behind trees and boulders' when the enemy was in front, and all that sort of thing.

Senator Dobson

- Can we not come to a division ?

Senator STEWART

- The honorable senator seems very anxious to come to a division.

Senator Dobson

- I am.

Senator STEWART

-This is a serious and important question, and the honorable senator should be as anxious as any one with regard to matters of defence, considering the position of Tasmania.

The CHAIRMAN

- Will the honorable senator be good enough to confine himself to the motion before the Chair.

Senator STEWART

- With all respect to you, Mr. Chairman, I understood that when the salary of the 'secretary of the department was under discussion, the whole of the department came under review.

The CHAIRMAN

- The committee is discussing a single item.

Senator STEWART

-The motion is with regard to the salary of the Secretary of Defence, and it involves the discussion of the whole military department. In Queensland, the whole department could be discussed upon such an item. I do not profess to be a military expert. We have a number of military gentlemen on this side of the chamber. I do not know why the Government have not been able to enlist the services of any of our warriors, who, apparently are all sitting on the Opposition side. I am glad that we have had one of them addressing the committee, because he has thrown a little needed light upon the question. There is another aspect which I should like to suggest to honorable senators before I sit down. If you pay a certain salary to the secretary of one department, and pay lesser salaries to others, you will immediately establish in the minds of the others a spirit of discontent. If we pay the secretary of the Military department £900 per annum, and other secretaries £750, those others will be button-holing Members of Parliament and urge reasons why they should get an increase.

Senator McGregor

- They will be quite right.

Senator STEWART

- As the honorable senator says, they will be quite right. I do not believe that the secretaryship of the Defence department is worth any more than the secretaryship of any other department, and it ought not to be paid any higher rate. Senator O'Connor has said that the special circumstances of the case warrant the payment of this secretary at a higher rate than future secretaries of the same department. The same argument applies to every other department. I suppose the honorable and learned senator meant, that upon the first secretary will devolve the organizing of the department, and the setting of the machinery in motion. The same duty will devolve on the secretary of every department ; and according to the same argument an extra £150 per annum should be paid to every gentleman who sets machinery in motion. It appears to me that the real reason why we are asked to pay Captain Collins £900 per annum is because the Victorian Government have paid him £900 per annum.

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Senator Harney

- A very good reason.

Senator STEWART

- I am not so sure of that. I have not such a high opinion of the Victorian Government as to bow the knee to anything it has done. The honor and learned senator would not adopt the policy of the Victorian Government in regard to the Tariff.

Senator Harney

- That is a different thing.

Senator STEWART

- Ah, that is a different matter ! One thing I should like to know is. What are Captain Collins' claims in regard to a pension? Is he entitled to a pension from the Victorian Government?

Senator Sir Frederick Sargood

- No.

Senator STEWART

- In that case, he will be entitled to no pension from the Commonwealth. But I understood Senator O'Connor to say that if the Commonwealth Government did not take over Captain Collins, Victoria would have either to provide for him or pay him a pension. If the Vice-President of the Executive Council is correct in his statement Captain Collins is entitled to a pension from the Victorian Government. That was what I inferred.

Senator McGregor

- So did I.

Senator STEWART

-I think any honorable senator would come to the same conclusion having regard to the language used by Senator O'Connor. Senator Sir Frederick Sargood says, however, that Captain Collins is not entitled to a pension, and he ought to know.

Senator Sir Frederick Sargood

- Not a pension, but an allowance for forcible abolition of office.

Senator STEWART

- The Victorian Government will have to pay that, I suppose. In any case I think the salary is too high, and shall vote for the amendment.

Senator PEARCE

(Western Australia). - I wish to say a word or two on the construction placed upon my action ; that is to say, that as no secretary is provided for in my suggested amendment I am going to make the whole department unworkable. I take it that the position of the Government will be, that if this amendment is carried the department will be remodelled in another place, and although the secretary may be called the " chief clerk " or some other name, that will not interfere with the office.

Motion negatived.

Schedule agreed to.

Bill reported without amendment ; report adopted.

Bill read a third time.

SERVICE AND EXECUTION OF PROCESS BILL

In Committee :

Clauses 1 and 2 agreed to.

Clause 3 -

In this Act unless the contrary intention appears -

" Suit " means any suit, action, or original proceeding between parties :

"Writ of summons" includes any writ or any other mesne process by which a suit is commenced or of which the object is to require the appearance of any person against whom relief is sought in a suit or who is interested in resisting such relief ;

Senator Sir JOSIAH

SYMON (South Australia). - I wish to suggest to the Vice-President of the Executive Council whether it would not be well to add to the interpretation of the word " suit" given in this clause, the words "or in rem."

Senator O'Connor

- Very well; I will agree to that amendment.

Senator DOBSON

- Before that amendment is moved, might I ask Senator Sir Josiah Symon to explain what he means. It has been pointed out to me that there may be a suit going on before this measure comes into force, and that unless we are very careful the provisions of this Bill, which enables witnesses to be summoned from all parts of the Commonwealth, may apply to that suit, and put suitors in a better position than they ought to be in. I am not certain that any retrospective legislation is fair. I was going to suggest an amendment at the end of the Bill relating to the service of subpoenas and so forth.

Senator Sir JOSIAH

SYMON (South Australia). - This will not affect that. For instance, the procedure is not in force in New South Wales, but under the Judicature Act procedure in maritime cases are brought on in same way as ordinary suits. I do not know what the legal machinery of the Government may be, but it may happen that in an action

in rem

- that is, an action to condemn a ship - it may be necessary for the parties to avail themselves of the provisions of this Bill. The clause provides that "suit" means any suit, action, or original proceeding between parties. It is merely a definition. I move -

That the words "or in rem," be inserted after the word "parties," line 4.

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Senator O'Connor

- I think the definition covers such a case ; but, to prevent any possible doubt, I accede to the honorable and learned member's suggestion.

Amendment agreed to.

Vice-President of the Executive Council

Senator O'CONNOR

. - I move -

That after paragraph the following new paragraph be inserted: - "Court" includes any judge or justice of the peace acting judicially.

The amendment is necessary in order to make it clear that the provisions of the Bill will apply to a process issued by a justice of the peace and out of justices' courts.

Amendment agreed to,

Clause, as amended, agreed to.

Clause 4 agreed to.

Clause 5 verbally amended.

Clause 6 -

If a writ of summons or copy thereof does not bear all or any of the indorsements hereby required, it shall not therefore be void, but it may be set aside as irregular or may be amended- - .

on application either before or after service to the court out of which it was issued or to a judge thereof; or

Such amendment may be on such terms as the court or judge shall think fit, but no amendment shall be so made which would have the effect of taking the defendant by surprise.

Senator HARNEY

- I move -

That the clause be amended by the omission of the words "or any," line 2, the omission of the words "not therefore," line 3, and by the omission of all the words after the word "void," line 3.

The object of the amendments is to make a writ or summons void if it does not contain the indorsement required by the Act. The policy of the Bill is that, owing to the distance from the place of issue where these writs may have to be served, and the great possibility of errors occurring in entering an appearance to them, a notification should be given to the person served with the writ calling upon him to name in his appearance some representative within five miles from the place where the writ is issued to act thenceforth for him. This is an unusual provision, and unless the definite notice that is required in the appearance appears upon the body of the writ, the defendant would never carry it out. It is provided in clause 9 that an appearance which does not comply with this notification is to be regarded as bad. The result of a person entering no appearance - which an irregular appearance of this kind would be equivalent to - would be that the plaintiff would enter up summary judgment, and the first time that the defendant would discover it would be when the bailiffs entered his house with a warrant of execution. By saying that a writ that has not this indorsement shall only be irregular, we make it possible for a designing person to wilfully omit this indorsement from a writ with the result that the person on whom it is served has no notification ; with the result that he does not name a person within five miles of the place from which the writ is issued, and with the result that the plaintiff can avail himself of his own dishonesty, go behind the defendant's back and enter up judgment against him. The remedy for the defendant is to move to set aside the irregularity ; but he might never know of the irregularity until the bailiffs had entered his house, and he had been damnified by their entry. If we make the writ absolutely void when it does not contain this declaration we effect two things. We make persons issuing writs more careful to see that they are fair, and we prevent a defendant from being wronged by the wilful act of the plaintiff. The lawyers in this Chamber will agree with me that in proceedings in the States, and in England and Ireland, where a writ or summons does not contain the indorsements required under the orders and rules, the writ or summons is not merely irregular, it is void. I therefore move these amendments, which will provide that if the writ or summons does not contain the indorsement required by the Act, it shall be made void.

Senator O'CONNOR

- I do not intend to oppose the amendments, because I think they will make the clause a better one. The clause as it stands in the Bill is really the section which has been in operation in the Federal Council's Act dealing with the same subject.

Senator Sir Josiah Symon

- That has really been a dead letter and inoperative.

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Senator O'CONNOR

- It has not been used. Considering that the Bill is to be applied over such a very large space, and considering also "that the person who proceeds under it has it entirely in his own hands to comply with its provisions exactly, these are proper amendments to make

Amendments agreed to.

Clause as amended agreed to.

Clauses 7 and 8 agreed to

Clause 9 -

Every appearance by a defendant in person to a writ or summons served on him under this Act shall give an address at some place within five miles of the office of the Court out of which the writ was issued, at which address all proceedings and notices may be left for him.

If such address is not given or a fictitious address is given the appearance shall be treated as irregular and may be disregarded. -

Senator HARNEY

- I have given notice of an amendment On this clause. I propose to insert between sub-clauses (1) and (2) the following : -

If the appearance does not contain such address, it shall not be received.

I propose then to omit sub-clause (2), and insert, in lieu thereof, the words following : -

If any such address is illusory or fictitious, the ; appearance may be set aside by the court out of which

the writ was issued, or a Judge thereof, on the application of the plaintiff or party originating the said proceedings.

Senator O'CONNOR

- If the honorable senator will permit me, I wish to say that I will accept part of the amendment, and I had better state how I propose to deal with it. I think it would be ' better to amend :sub-clause (2) to read in this way - " If such address is not given, the appearance shall be treated as irregular, and may be disregarded.

And then I propose to add the honorable ;senator's amendment in this way -

If the. address given is illusory or fictitious the appearance may be set aside by the court out of which the writ was issued or a Judge thereof on the application of the plaintiff or party originating the said proceedings.

Senator Sir JOSIAH SYMON

- It is really too strong in regard to the defendant to provide that the appearance shall be void, when it is remembered that the irregularity may be by inadvertence. If it is a fictitious address the whole case would be met by empowering a Judge to set it aside as irregular, but I think a defendant should, perhaps, be treated with more consideration where we are unable to judge whether an irregular appearance is sent in by inadvertence. We are only contemplating in this clause an appearance in person. If a solicitor is employed I think he ought to give the address. I submit for my honorable friend's consideration that we should provide that the appearance shall be either in person or by solicitor.

Senator Harney

- I quite see that.

Senator O'Connor

- Why not strike out the words "in person " altogether ?

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Senator Sir JOSIAH SYMON

- That would do, but I think it would be better "to say -

Every appearance by or on behalf of a defendant, and then strike out the words "in person." I move -

That the words " or on behalf of " be inserted after the word " by," line 1 ; and that the words "in person," lines 1 and 2, be omitted.

Amendments agreed to.

Senator HARNEY

(Western Australia). *- Before saying definitely that I will accept the suggestion of

Senator O'Connor,

I shall just mention for the benefit of the legal members of the Chamber the reason why I proposed my amendment in this form.

Senator O'Connor

prefers that we should leave subclause (2) in the Bill practically as it is, and he would accept my amendment as sub-clause

(3).

If a defendant receives a writ in person he looks at the back of it and sees that he must give an address which is within five miles of the place where the writ was issued, and that if. he does not give such an address the appearance will be no good at all, and it will also be irregular if he gives a fictitious or wrong address. His case requires to be studied because he may have made a mistake ; he may not correctly understand the indorsement, the indorsement may be misleading, or there may be no indorsement,- or he may give an address which will afterwards prove to be wrong because of the person having changed it. In any of these cases his appearance would be no good, and judgment would go against him by default. I wish by my amendment to secure the defendant in every way, and I provided two means. One was that he would receive warning that his appearance was wrong, before it became a legal document at all, because, when he would go to the office to enter it the clerk would have instructions not to receive it unless it contained the address ; and, therefore, if such an appearance could get on to the file contrary to the Act, it would get there by the wilful misconduct of the party himself.

Senator O'Connor's

amendment is that he may put the appearance on the file notwithstanding that it does not comply with the

indorsement upon the writ, and notwithstanding that it is irregular. The clerk is to be obliged to receive it, but if the address he gives is illusory or fictitious, or wrong, then the other party, the plaintiff, before he can treat the appearance as no good, must apply to the Judge and state all the facts. That protects him in one way, but not as I wish to protect him, because I would provide that it should not be possible for him to put an irregular appearance upon the file at all.

Senator Dobson

- The honorable senator's amendment, although it looks more drastic, is more merciful.

Senator HARNEY

- It is more merciful because it gives two chances. I think it is desirable to make such provision, having regard to the fact that this Act will be operative all over Australia, that thousands of miles may intervene between the plaintiff and the defendant, and that ignorant defendants may be served with writs. I think it is therefore only fair to provide first of all that the defendant shall not be allowed to put his appearance upon the file at all unless it contains the things necessary under the Act.

Senator Sir Josiah Symon

- Who is to decide that ?

Senator HARNEY

- When the man would come in with his appearance to the office the clerk would take it, and, seeing that the appearance was informal, he would not receive it.

Senator Sir Josiah Symon

- Supposing it were sent -by post on the last day for entering the appearance, the defendant would be in an awkward position if the clerk would not take it.

Senator HARNEY

- No, because the appearance would only be entered in the same office from which the writ was issued.

Senator O'Connor

- If the honorable and learned senator will pardon me, I think I will be able to meet him, although I am not prepared to go to the full extent of his amendment.

Senator HARNEY

- I was just going to mention that I did not take it upon myself to put in these words ; but it occurred to me when I read the Bill that it was analogous to an ordinary proceeding in England in a case where a defendant in person is served with a writ. When a defendant in person is served with a writ their regulations have regard to the fact that he probably would make mistakes ; and accordingly it is provided - A defendant appearing in person shall state in such memorandum his address, and, if the appearance is entered in the Central Office, a place, to be called his address for service, which shall not be more than 3 miles from the principal entrance of the Central Hall at the Royal Courts of Justice, and if the appearance is entered in a District Registry, a place, to be called his address for service, which shall be within the district.

If the memorandum does not contain such address it shall not be received ; and if any such address shall be illusory or fictitious, the appearance may be set aside by the court or a Judge, on the application of the plaintiff.

Senator O'Connor

- That would not apply.

Senator HARNEY

- There is this difference, that ours is applicable to a defendant who employs a solicitor, but when we take into account the greater distance and the-, greater liability to mistakes, in the Commonwealth a defendant with a solicitor is really not less likely to make mistakes than is a defendant in person in such a big place as England.

Senator O'CONNOR

- I think I shall be able to satisfy my honorable and learned friend, although I do not quite fall in with, his amendment.

Senator Harney

- I will leave it to the honorable and learned senator.

Senator O'CONNOR

- That is the practice in England, and where we are dealing with a superior court, and with the officials,

connected with a superior court, it is quite right to make them the judges of whether an appearance shall be received or not. But. we are dealing with the officers of all kinds, of courts here - any court which may be called a Court of Record, or even a court, which is not in law called a Court of Record. Therefore the officials who may receive the summons are not always persons, qualified to judge, whether the provisions of the Statute have been complied with. At the same time I quite see that it may be a little bit hard to make the appearance altogether void if the address is not given. So if the address is, not given, or if the address is fictitious, I propose to give the parties the right to go before a Judge, and have the appearance set aside as irregular.

Senator Harney

- To leave it to the judge in all cases?

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Senator O'CONNOR

- Yes. I propose that sub-clause (2) shall read in this, way-

If such address is not given or if the address, given is illusory or fictitious the appearance shall, be set aside by the court out of which the writ is issued or the judge thereof on application of the defendant or party originating the said proceedings.

Senator Sir JOSIAH

SYMON (South Australia). - I think it would read very much better in this form -

If such address is not given or is fictitious the-, appearance may be set aside as irregular.

In South Australia, what we call the local courts are courts of record. If we merely say "may be set aside as irregular" that will mean the court out of which the proceeding issued. The writ of summons will be a writ of summons in our local court, where there is no Judge but a magistrate. If the sub-clause is altered as I suggest, then the court has jurisdiction. Every court of record has jurisdiction to set aside its own process if irregular.

Senator O'Connor

- I am willing to accept that.

Sub-clause (2) amended as suggested.

Clause, as amended, agreed to.

Clause 10-

When no appearance is entered by a defendant to a writ of summons served on him under this Act, if it is made to appear to the Court from which the writ was issued or a Judge thereof - and if it is also made to appear to such Court or Judge that the writ was personally served upon the defendant, or that reasonable efforts were made to effect personal service thereof upon the defendant and that it came to his knowledge and that the defendant wilfully neglects to appear to the writ, or is living out of such State or part in order to defeat or delay his creditors or deprive the plaintiff of the relief to which he is entitled, such Court or Judge may on the application of the plaintiff direct from time to time that the plaintiff shall be at liberty to proceed in the suit in such manner and subject to such conditions as such Court or Judge may deem fit, and thereupon the plaintiff may proceed in the suit against such defendant accordingly.

Senator O'CONNOR

- I wish to bring out better the meaning of the clause. I therefore move -

That after the word "entitled," line 13, the following words be inserted - " in which case the writ shall be deemed to have been served on the defendant."

Senator Sir JOSIAH SYMON

- The words I wish to call attention to, are the words "wilfully neglects to appear to the writs," in line 10. I rather think, as this is to be made under the order of the Judge, it is in the interests of the defendant, because it imposes an additional obligation, and the point I had in view will be better met perhaps in clause 11. I think the word "wilful" is to the advantage of the defendant.

Senator CLEMONS

- Does Senator O'Connor intend the amendment to read exactly as it is put - " in which case " ? Would it not be better if it read - " in any of which cases " ?

Senator O'Connor

- No.

Senator CLEMONS

- Does it refer only to the last alternative?

Senator O'Connor

- Only to the last. It is really to make the judgment a judgment on a person within the jurisdiction.

Senator CLEMONS

- It is not well worded.

Senator O'Connor

- I think it carries out the object.

Amendment agreed to.

Amendment (by Senator O'Connor) agreed to-

That the word "direct," line 15, be omitted, with a view to insert in lieu thereof the word " order."

Senator O'CONNOR

- I move-

That the clause be amended by the addition of the following sub-clause : - (2) Any such order may be rescinded or set aside or amended on the application of the defendant.

This provision is very necessary in order to make it clear that if there has been any error in the proceedings, or for any reason the court has been misled into making an order, it has power to rescind that order on the application of the defendant.

Amendment agreed to.

Clause, as amended, agreed to.

Clause 1 1 (Effect of judgment).

Senator Sir JOSIAH

SYMON (South Australia). - This is a very important clause. It gives the effect of a judgment in a State to the part of the Commonwealth in which the writ was issued. The defendant may have declined to appear wilfully, of course on the ground that the court had no jurisdiction. What I suggest is that by a proviso power should be given to the court to set aside the summons upon that ground within three months.

Senator O'CONNOR

- I do not know if my honorable and learned friend heard the amendment which was made in the previous clause -

Any such order may be rescinded, or set aside, or amended on the application of the defendant.

Senator Sir Josiah Symon

- That is unlimited time.

Senator O'CONNOR

- Yes. It would cover the objection.

Senator Sir Josiah Symon

- Yes ; of course, if the order is set aside the judgment goes with it.

Clause agreed to.

Clause 12 agreed to.

Clause 13 (Summons for offence may be served in any part of the Commonwealth).

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Senator STEWART

- Supposing that an assault was alleged to have been committed by some person in Kalgoorlie

Senator Staniforth Smith

- Why does the honorable senator suggest Kalgoorlie ?

Senator STEWART

- Because I believe that assaults are very common there. If the alleged offence is committed, say in Kalgoorlie, and the offender leaves that place and goes to Charters Towers before a summons is issued, can he be brought back from Charters Towers to Kalgoorlie ; or if he does not go back; or has not the means, or for some other reason is not able to go back, can the case be tried in his absence? Can he be found guilty and sentence be pronounced against him ?

Senator Harney

- That would be a criminal case, and it could not be done.

Senator O'CONNOR

- All this clause provides for is that the summons shall be served on the person. In the case mentioned by

Senator Stewart, if the person leaves Kalgoorlie, and has gone to Charters Towers the summons can be served in Charters Towers just as if he were still in Kalgoorlie. But the offender cannot be convicted of a criminal offence unless he is brought back and tried. He can only be served with the summons.

Senator Charleston

- Where can he be tried?

Senator O'CONNOR

- In Kalgoorlie. If he does not appear after the summons has been served on him it is open to a justice to make an order, or if he thinks it right under the circumstances to issue a warrant to bring back the offender.

Senator Sir Josiah Symon

- Or to proceed ex parte.

Senator O'CONNOR

- He could not do that.

Senator Sir Josiah Symon

- Under Jervis's Acts in some cases he could do it.

Senator O'CONNOR

- Not in a criminal case. This clause is simply to enable a process of the court of Western Australia to run, say, in Queensland. That is all it amounts to.

Clause agreed to.

Clause 14 -

When a subpoena or summons has been issued by any Court or Judge or by any Justice of the Peace in any State or part of the Commonwealth, requiring any person to appear and give evidence in any civil or criminal trial or proceeding, such subpoena or summons may by leave of such Court Judge or Justice be served on such person in any other State or part of the Commonwealth.

If such person fails to attend at the time and place mentioned in such subpoena or summons, such Court Judge or Justice or any other

Justice of the Peace having jurisdiction in the State or part of the State or part of the Commonwealth in which the subpoena or summons was issued may issue such warrant for the apprehension of such person as such Court Judge or Justice might have issued if the subpoena or summons had been served in the State or part of the Commonwealth in which it was issued.

Senator O'CONNOR

- This clause deals with witnesses, and is rather an important provision. The power given is no doubt a proper one to exercise, but it seems to me there should be power to impose terms as to the service. I therefore move -

That after the word "Justice," line 7, the following words be inserted : - "on such terms as the Court Judge or Justice may impose."

The Justice may order that the summons or subpoena may be served upon a witness, and that a sufficient amount for expenses shall be paid him, or he may make some other terms which he thinks reasonable under the circumstances.

Amendment agreed to.

Senator O'CONNOR

- I move : -

That after the word "may," line 16, the following words be inserted - " on proof that the subpoena or summons was duly served on such person, and that a reasonable sum was tendered to him for his expenses."

Senator Sir John Downer

- I think the clause should say - "on the terms being complied with."

Senator O'CONNOR

- I do not think it is necessary to insert those words, because it is entirely optional with the judge or justice whether he issues the warrant or not. The clause says that he " may " issue ; and it is entirely in his hands to do so or not, as he thinks fit. He has already given leave to serve the summons, and has an absolute discretion as to whether he will issue the warrant or not. The amendment I move is intended to make it clear that it is a condition that it must be proved that a reasonable sum was tendered to the witness for

expenses before the Judge can exercise his jurisdiction at all. That is only reasonable. If you want to bring a 'man from one part of Australia to another part, the Judge should be satisfied that you have tendered him reasonable expenses.

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Senator Sir JOHN DOWNER

- I quite agree with the amendment which the leader of the Senate has moved, which provides that the subpoena shall be issued on the terms the judge provides. Those terms will, as a matter of course, have reference to the expenses and may have reference to other conditions. But I think other words should be inserted to make it clear that you have no right to take these proceedings except on proof that the terms which the Judge imposes include the payment of expenses. There may, however, be something else.

Senator HARNEY

- I see the force of Senator Sir John Downer's point. At the end of the first sub-clause it is provided that the subpoena is not to be issued except on terms imposed by the Judge. Now the clause provides for penalties for non-compliance. Surely the matter which should determine whether the warrant will be issued or not is whether the terms of the Judge have been complied with.

Senator Sir JOSIAH SYMON

- I am rather disposed to agree with Senator Sir John Downer. I agree that a condition of the issue of the warrant should be as Senator O'Connor said upon proof of the service of the subpoena or summons or in compliance with the terms ; only I think it will be well to have a sort of compromise between the two, and make it clear that those terms shall include the payment of expenses. In the hurry of getting the order for leave to issue a subpoena for service in another State, the question of tendering expenses may be assumed as a matter of course. I suggest that the provision should read somewhat as follows - That on proof of service of such subpoena or summons or of compliance with the aforesaid terms, including payment of reasonable expenses.

If the Judge imposes the payment of expenses, well and good. There is no conflict, but it is made clear that expenses must be paid.

Senator O'CONNOR

- I think it will be seen on reflection that the amendment suggested by Senator Josiah Symon will not do. Our experience of powers of this kind is that it is a bad thing to restrict the control and discretion of the Judge by statute too much ; because there are always circumstances arising which we have not anticipated, and we are not able to apply an Act in a case where it was clearly the intention of Parliament that it should apply. I see that the point Senator Sir John Downer has put ought to be provided for, but it is not necessary to provide for it in this clause. We are dealing with two different things. First of all in dealing with a general subpoena, after it is issued it cannot be served outside the jurisdiction until an order is obtained from a Judge. The Judge may or may not impose conditions, which may or may not apply to a variety of things.

Senator Sir John Downer

- I withdraw my objection.

Senator Sir JOSIAH

SYMON (South Australia). - I think the view

Senator O'Connor

puts is the true one, because if a rigid rule is laid down the Judge would have no power to dispense with it in case it were necessary to do so.

Amendment agreed to.

Clause, as amended, agreed to.

Clause 15 agreed to

Clause 16 -

When a warrant has been issued by any court or Judge, or any justice of the peace having jurisdiction in any State, or part of a State, or part of the Commonwealth, for the apprehension of any person - who is charged with any offence alleged to have been committed within such State or part, whether such offence is indictable or punishable upon summary conviction ; or against whom an indictment for any such offence has been found or presented, any justice of the peace

having jurisdiction in any other State, or part of a State, or part of the Commonwealth in which such person is, or is supposed to be, may, upon proof on oath of the signature of the justice issuing the warrant, make an indorsement on the warrant authorizing the execution thereof within such other State or part.

Such indorsement may be in the form or to the effect of the Second Schedule hereto, and shall be sufficient authority to the person bringing the warrant, and also to all constables and persons to whom the warrant was originally directed, and also to all constables or other peace officers in such other State or part, to execute the warrant in such other State or part, and to apprehend the person against whom the warrant was issued, and to bring him before such court or Judge, or before a justice of the peace in the State or part of a State or part of the Commonwealth in which the warrant was issued.

Amendment (by Senator O'Connor) agreed to -

That after the word "may," line 16, the words "on being satisfied that the warrant was so issued by such court or Judge, or in the case of a warrant issued by a justice of the peace " be inserted.

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Senator O'CONNOR

- I propose to make a rather important amendment towards the end of this clause. I propose, first of all, to omit the words -

Such court or Judge, or before a justice of the peace in the State or part of a State or part of the Commonwealth in which the warrant was issued, in sub-clause (2), and to insert the words in lieu thereof

-

A justice of the peace having jurisdiction in the State or part of the State or part of the Commonwealth in which the person was apprehended.

That makes a very great difference. The clause, as it stood, provided that where a warrant was issued proper proof of it was given before a justice of the peace in any other part of the Commonwealth, the defendant might be arrested, and then and there brought back to the State out of which the warrant was issued, and there dealt with. That might involve a very great hardship. A warrant might be issued in New South Wales and taken over to Western Australia, and a person arrested on it there. Instead of being dealt with before a magistrate there in the first instance, he could be brought right back to New South Wales. It seems to me that would be rather a stringent method of dealing with such matters, and I have adopted more the procedure provided in the Fugitive Offenders' Apprehension Act, which is in force in all the States. The process that I propose to provide is that where a person is apprehended in any State under a warrant issued in another State, that he shall be brought before a justice in the State in which he is apprehended ; that that justice shall have power to inquire into the matter, and if he finds that it is a proper case for a remand, that he shall remand him to the State in which the warrant was issued.

Senator Sir John Downer

- Where does he get that power ?

Senator O'CONNOR

- He will get it by some amendments that I am going to move. Under my proposal a warrant is issued, and it is executed in a State other than the State in which it was issued. The person is arrested, brought before a justice in the State in which he is arrested, and then the justice is to have the powers set forth in the amendments which I am about to propose. These amendments enable the person arrested to go before the magistrate at the place where he is arrested, and if the case is really one in which in all fairness the person ought not to be sent under arrest to the other end of Australia, the magistrate may either admit him to bail or discharge him altogether, or, if he thinks fit, send him on.

Senator Glassey

- He cannot convict.

Senator O'CONNOR

- He could not convict in any circumstances. As the clause stood before, it did not give the person arrested a chance of appearing before a magistrate in the State in which he was apprehended. He had to go right on. It is a very important change in the policy of the measure.

Senator Sir John Downer

- Is it new ?

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Senator O'CONNOR

- No ; as I said before, I am following the procedure in the Fugitive Offenders Apprehension Act, which is in force in all the States. I move -

That the words, " Such court or Judge, or before a justice of the peace in the State, or part of a State, or part of the Commonwealth in which the warrant was issued," in sub-clause (2), be omitted, with a view to insert in lieu thereof the words, " A justice of the peace having jurisdiction in the State, or part of the State, or part of the Commonwealth in which the person was apprehended. "

Amendment agreed to.

Amendment (by Senator O'Connor) agreed to -

That the following new sub-clause be added to the clause : - " (3) Such justice of the peace may - " (a) Order the person to be returned to the State or part of the Commonwealth in which the warrant was issued, and for that purpose to be delivered into the custody of the person bringing the warrant, or of the constables and persons to whom the warrant was originally directed, or any of them ; which order may be made by warrant under the hand of such justice of the peace, and may be executed according to its tenor ; or " (b) admit the person to bail, on such recognisances as he thinks fit, conditioned to appear and answer the charge at an appointed time and place in the State or part of the Commonwealth in which the warrant was issued. "

Amendment (by Senator O'Connor) proposed -

That the following new sub-clause be added to the clause : - " (4) Such justice of the peace shall for the purposes of this section have the same power to remand the person and admit him to bail as he has in the case of persons apprehended under warrants issued by him ; and if it be made to appear to him that the charge is of a trivial nature, or that the application for return has not been made in good faith in the interests of justice, or that for any reason it would be unjust or oppressive to return the person either at all or until the expiration of a certain period, he may discharge the person either absolutely or on bail, or order that he shall be returned after the expiration of the period named in the order, or may make such other order as he thinks just. "

Senator HARNEY

- A certain set of facts is brought before the magistrate, who orders the warrant to be issued under sub-section (3). In accordance with that warrant the arrested person comes before a justice of the peace, as stated in the proposed new sub-clause (4), which provides that such justice of the peace may, if it is made to appear to him that the charge is of a too trivial nature, discharge- him. Is that not making the justice of the peace the judge of the matter?

Senator O'CONNOR

- No. We must re- member that in the early part of the clause the power is given to the justice to issue the warrant originally. Then the clause goes on to say that on the justice being satisfied that the warrant was so issued by such court or Judge, or in the case of a warrant issued by a justice of the peace he may - Make an indorsement on the warrant authorizing the execution thereof within such other State or part. Such indorsement may be in the form or to the effect of the second schedule hereto, and shall be sufficient authority to the person bringing the warrant, and also to all constables and persons to whom the warrant was originally directed, and also to all constables or other peace officers in such other State or part, to execute the warrant in such other State or part, and to apprehend the person against whom the warrant was issued.

Now we come to the amendment, and that relates to the justice in the part where the person is apprehended: It goes on to say that the justice in the place where the man as apprehended may order the person to be returned to the State from which the warrant is issued, or admit him to bail.

Senator Harney

- I see. It is an alternative power given to the same justice.

Senator O'CONNOR

- Yes.

Amendment agreed to.

Clause as amended agreed to.

Clauses 18 to 24 agreed to.

Senator CLEMONS

- I have been trying to find out which of these clauses provides for the satisfaction of judgment.

Senator O'Connor

- The clauses beginning with clause 18.

Senator CLEMONS

- I have not been able to discover any such provision.

Senator O'CONNOR

-I propose to go through with the Bill to-night, and will move the third reading on Wednesday. If the honorable senator in the meantime sees anything to object to he may move the recommitment of the Bill when the third reading comes on, or if he mentions any matter of importance to me, I will see that it is attended to.

Senator CLEMONS

- I remind Senator O'Connor that this matter was discussed on the second reading. There ought to be some provision for the registration and the entering up of the satisfaction of judgments registered in the various States of the Commonwealth, and I cannot now see the clauses which refer to it.

Clause 25 -

The Governor-General may make regulations -

For further applying the provisions of this Act or any of them to the service of the process of the courts of the territories of the Commonwealth, and for the execution and enforcement by such courts of the process and judgments of the courts of the States and of other parts of the Commonwealth; and Generally for carrying out the provisions of this Act.

All such regulations shall be notified in the Gazette, and shall thereupon have the force of law.

All such regulations shall be laid before both Houses of the Parliament within 30 days after the making thereof, if the Parliament be then sitting, and if not then within 30 days after the next meeting of the Parliament.

Senator O'CONNOR

- I have some verbal amendments to make in this clause. I move -

That the words " " for carrying out the provisions of this Act and in particular," be inserted after the word "regulations," lines 1 and 2.

The reason for the amendment is that since special matters are dealt with in paragraph (a), it might be deemed that the Governor-General might not have the right to make regulations in respect of any other matter than is mentioned there, and it is desirable to give the general power to make regulations for carrying out the Act.

Amendment agreed to.

Amendment (by Senator O'Connor) agreed to -

That the words " and (b) Generally for carrying out the provisions of this Act," after the word "Commonwealth," line 10, be omitted.

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Senator Sir JOHN DOWNER

- I do not see much harm in this, but I do not understand why the Governor-General, in making regulations to carry out the provisions of the Bill, is to make regulations in particular for any part of it. It is a mere question of drafting, but it looks as if he is to make some loose general regulations in a haphazard sort of way, and, in particular, he is to make, very carefully, special regulations which have relation to special matters referred to in the Bill. I think it would have been better to have said simply that he should have the power to make regulations for carrying out the provisions of the Bill, because the Governor-General will have no authority beyond its provisions, and that general power would have covered the clause. I think it is not necessary to point out that he has, first of all, power to make regulations to carry out the general provisions of the Bill, and he has, in particular, the power to direct himself to particular parts of it. Perhaps Senator O'Connor would say why the clause is proposed in this way ?

Senator O'CONNOR

- As I have explained before, the words in paragraph (a) are put in for the purpose of giving the Governor-General express power with respect to special matters referred to in that paragraph, and I think there are very good reasons why we should also have the general power to make regulations for carrying

out the provisions of the Bill.

Senator CLEMONS

(Tasmania). - I would like to ask

Senator O'Connor

if this power to make regulations could be used to effect what I have already mentioned, and secure the entering and registration of the satisfaction of judgments.

Senator O'Connor

- I believe it could.

Senator CLEMONS

- I hope so, because I do not see it provided for anywhere else.

Clause, as amended, agreed to.

First schedule agreed to.

Second schedule consequentially amended and agreed to.

Third schedule agreed to.

Bill reported with amendments.

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22:28:00

Senate adjourned at 10.28 p.m.