

<url>https://www.historichansard.net/hofreps/1901/19010802_reps_1_3</url>
1901-08-02

House of Representatives.

Mr. Speaker took the chair at 2 p.m., and read prayers.

PETITIONS

Mr. KN OX presented a petition from the Religious' Society of Friends, otherwise known as Quakers, throughout the Commonwealth, against the provisions of the Defence Bill, and praying that, in the event of the Bill being passed, a conscience clause should be inserted exempting from service in the defence forces all persons whose religious convictions forbade them from bearing arms.

Petition received and read.

Mr. R. EDWARDS presented a petition from residents of Maryborough (Queensland) interested in the cultivation and sale of oysters, praying that a duty should be imposed on oysters imported from beyond the Commonwealth.

Petition received and read.

QUESTIONS

INTER-STATE COMMISSION BILL

Mr WILKS

- I desire to ask the Minister for Home Affairs, without notice, whether he will be prepared to circulate the proposed amendments in the Inter-State Commission Bill as early as possible, so that honorable members may have the fullest opportunity of studying the same.

Minister for External Affairs

Mr BARTON

- That is a question which should have been addressed to me as leader of the House. The Government will not propose any amendment in the Inter-State Commission Bill without giving every honorable member due notice of it

TRANSCONTINENTAL RAILWAY

Mr MAHON

- I desire to ask the Prime Minister, without notice, whether he has communicated with the South Australian Government in regard to getting a Bill passed during the present session, to allow of the construction of a transcontinental railway through the territory of that State, in accordance with the promise made by the Premier of South Australia some time ago. I asked a question on the same subject about a week ago, and the Prime Minister deferred answering it until he had communicated with the Government of South Australia. I would like to know if he has had any reply.

Mr Barton

- Does the honorable member refer to a statement made by the Premier of South Australia on the subject.

<page>3473</page>

Mr MAHON

- I refer to a promise made by the Premier of South Australia some twelve months ago, that he would introduce a Bill into the Legislative Assembly of that State, and endeavour to have it passed, allowing the Commonwealth to construct a transcontinental railway through South Australian territory.

Mr BARTON

- I have no communication on the subject at hand now, but if the honorable member will give notice of the question for Tuesday, I will endeavour to give him full information.

PAPER

Mr. BARTON laid on the table

A further report of the Federal Military Committee assembled at Melbourne, 12th June, 1901.

AUDIT BILL

Bill received from Senate with an amendment.

In Committee :

Treasurer

Sir GEORGE TURNER

- This is a mere clerical amendment. In clause 53 it was provided by this House that the report of the

Auditor-General should be laid before both Houses of Parliament within fourteen days " after the next session." That should properly read " after the commencement of the next session," and the Senate have made an amendment accordingly. I move -

That the committee agree to the Senate's amendment.

Question resolved in the affirmative. Bill reported with a further amendment.

Report adopted.

QUESTIONS

RETURNED AUSTRALIAN SOLDIERS

Sir JOHN QUICK

asked the Minister representing the Postmaster-General, upon notice -

Whether the latter will give instructions that in the distribution of temporary work in the Post and Telegraph offices in the various States special consideration shall be given to the applications and the claims of those Australians who have served in South Africa and who have returned to this country, many of whom now are out of work ?

Mr BARTON

- The answer to the honorable member's question is as follows: -

Pending the operation of the Public Service Act of the Commonwealth, the Public Service Acts of the States are accepted as guides in such a degree as circumstances will permit. It is, therefore, usual to apply to the Public Service Boards of the States, where they exist, to nominate persons suitable for temporary employment in the Post and Telegraph offices of the various States, and it is open to them to nominate such persons as are indicated, if they come within the respective Acts and regulations. Subject to this requirement, the Postmaster-General will give preference to suitable men who have served in South Africa, and who, having returned to this country, are now out of work.

PUBLIC SERVICE SUPERANNUATION FUND

Mr MAHON

asked the Minister of Home Affairs, upon notice -

Whether any officers acquired by the Commonwealth from the service of a State, will be entitled to pensions or retiring allowances for their services to the Commonwealth without being required to make contributions to a superannuation fund, as provided by clause 58 of the Public Service Bill ?

The States from which such officers have been acquired?

Whether, pending the enactment of the Public Service Bill, the Government will decline to appoint to the Commonwealth service any person possessing rights which place him beyond the operation of clause 53 of the measure referred to?

Minister for Home Affairs

Sir WILLIAM LYNE

- The answers to the honorable member's questions are as follows: -

Yes.

I have not been able to ascertain the precise conditions of Western Australia, South Australia, and Queensland, but I will do so as soon as possible. In Victoria some officers - I do not think a large number - appointed before 1881, are so entitled.

This is a matter of great importance, and is under consideration now.

Mr JOSEPH COOK

asked the Treasurer, upon notice -

Whether the Government are collecting from transferred officers a contribution to a superannuation fund?

Whether this money is being collected in anticipation of legislative authority being conferred upon the Government?

Whether all transferred officers, without exception, are being called upon to contribute a percentage of salary towards their pensions for Federal service ?

Sir GEORGE TURNER

- The following are the answers to the honorable member's questions : -

Yes.

It is being collected by virtue of the State Acts still in existence.

All those who are liable to contribute in the States are called upon to pay.

RIFLE CLUB REGULATIONS

Sir JOHN QUICK

asked the Prime Minister (in the absence of the Minister for Defence), upon notice -

Whether it is true, as stated in the press, that it is contemplated to frame a regulation requiring members of rifle clubs to wear uniform, and to attend a certain number of practices ; if so, will he stop the issue of the same until this House has had the opportunity of expressing its opinion on the advisability of such a regulation.

<page>3474</page>

Mr BARTON

- It is not contemplated to frame any such regulation.

MILITARY COMMANDANTS' CONFERENCE

Mr WILKS

asked the Prime Minister (in the absence of the Minister for Defence), upon notice -

Whether the Military Commandants' Conference, held in Melbourne on June last, furnished a report to the Minister for Defence separate to the report furnished by the Conference assembled at Sydney on 20th March ; if so, whether he will take steps to present the House with copies of the same prior to the Defence Bill being dealt with in committee.

Mr BARTON

- The Minister's promise was, in his absence, construed as referring to the main report of the conference. I had not then seen the further report, which I now lay on the table. I move -
That the report be printed.

Question resolved in the affirmative.

MILITARY RESERVE

Mr HENRY WILLIS

asked the Prime Minister (in the absence of the Minister for Defence), upon notice -

Whether the Governor-General will have power, under section 15 of the Commonwealth Defence Bill, to authorize the Defence Force to enter upon the unused military reserve at Sugar-Loaf Bay, Middle Harbor, Sydney, and erect thereon ammunition works.

Mr BARTON

- No. Clause 115 of the Defence Bill applies only to the entry upon and use of Crown lands for drill, training manoeuvres, or other purposes of a similar character, and does not extend to permanent occupation or the erection of public works.

ANSWERS TO QUESTIONS

Mr WATSON

- I desire to ask the

Prime Minister, without notice, whether any arrangement can be made by which answers furnished by Ministers to questions may be recorded and shown amongst the business of the day in the Votes and Proceedings ?

Mr BARTON

- I have asked for that to be done.

Mr SPEAKER

- I may inform the honorable member for Bland that a request, made by an honorable member through the Prime Minister, came on to me during this week, and was considered by the Standing Orders Committee yesterday. The Standing Orders Committee hold the opinion that the matter might be left until the new standing orders are brought up, which will provide for the answers to questions being recorded in the Votes and Proceedings.

OLD-AGE PENSIONS

Mr O'MALLEY

- I move-

That, in the opinion of this House, it is desirable, in the interests of the deserving aged poor, that the Government should, without unnecessary delay, formulate a national scheme for the payment of old-age pensions, and that this motion, when earned, be an instruction to the honorable the Attorney-General to draft the necessary measure.

The motion that I have the honour of moving to-day deals with a question that is not now in the realms of Utopia, but that has been proved to exist in the realms of practical politics by the fact that this is the law of New Zealand, New South Wales, and Victoria. To-day, I do not stand in this honorable House to beg for charity that will palliate the effects of poverty, but to simply demand that justice which will remove the causes of poverty. That is the democratic line. It is said that poverty is not a crime. Yet poverty is punishable by long years of hard labour, poor clothes, and bad tucker.

Mr HUME COOK

- And vagrancy laws.

Mr O'MALLEY

- And vagrancy laws. I want to say in the very beginning that, though I am fortunate enough to have my motions down for different Fridays, I am prepared to give way to honorable members if they can show me that their motions are of an urgent character. I want it to be distinctly understood that while I am in this House I desire to be absolutely fair. I do not want any honorable members to think that I am going to monopolize every Friday.

Mr MAHON

- It looks very like it ; the honorable member has every Friday.

Mr O'MALLEY

- I agree, but that is my good fortune in being " up to snuff."

Mr Mahon

- Nothing of the kind.

Mr O'MALLEY

- If I had not had a good training in American politics, I would not have " got there," and no doubt when the honorable member for Coolgardie has run round America for a few years, he will " get there " in time.

Mr Page

- The honorable member should not skirt his Yankee tricks here.

<page>3475</page>

Mr O'MALLEY

- I want to start fairly, and I am willing to give way to the honorable member. I am not going to make a long speech to-day, being desirous that honorable members should be able to reach their proposals. In the Constitution, it was provided - as you, sir, will remember, by the heroic efforts of the Hon. J. H. Howe, of

South Australia, and other members of the Convention - in sub-section (23) of section- 51, that Parliament, subject to the Constitution, should have power to make laws for the peace, order, and good government of the Commonwealth, with respect to invalid and old-age pensions. That will be found in the old-age pensions portion of the Bulletin's federal policy. I would recommend honorable members to read the Bulletin's policy on old-age pensions, because if they did so it would not be necessary for any one to stand up and make a speech on the subject in this House. The policy is far better put in the Bulletin than it could be put by any honorable member. Let me try and illustrate the position as it stands to-day by a reference to an ancient fable. It is an ancient fable that the eruptions of Mount Etna are produced by the giant Enceladus, who was imprisoned beneath ; and that every time he turned on his side to stretch his limbs, or to struggle to escape the curse, the mountain belched forth fire and flame, red hot cinders and red hot Java. It carried dismay and despair to the unfortunate dwellers on its lofty slopes. Now, I want to say that the imprisoned giant of the Commonwealth Constitution, who threatens to burst it into splinters every time he turns on his side or stretches his limbs or attempts to escape, is poverty - the monstrous offspring of past political and social injustice. Poverty is the result of bad laws and compromises with evil, and compromises with evil are invariably a victory for the devil.

Mr Page

- Look out for the Argus now.

Mr O'MALLEY

- The honorable member for Maranoa tells me to look out for the Argus. It seems to me I have heard of that name before. Some anthropological professors would say that the Argus is a sort of petrified corpse of conservatism. I do not. I simply say that it is an embalmed relic, or embodiment of conservative, antediluvian, fossilized mummydom, masquerading in the pious garb of up-to-date hypocrisy.

Sir William McMillan

- I think that " is highly disorderly language.

Mr G B EDWARDS

- I rise to a point of order. Our time is very limited, and the honorable member for Tasmania does not seem to be dealing with the motion of which he has given notice.

Mr SPEAKER

- Unless the honorable member for Tasmania can connect his remarks, of course he will be out of order. But I imagine that he intends to do so.

Mr O'MALLEY

- I intend to connect my remarks, but I think that I have the same right to defend myself as the Argus has to attack me.

Mr SPEAKER

-The honorable member will not be in order in proceeding on those lines.

<page>3476</page>

Mr O'MALLEY

- It seems to me that from the past policy, of the Argus upon the question of old-age pensions, at any rate, it is a modern edition or echo of a fourteenth century Chinese bob-tailed Boxer's paper. Having lost its bob-tail it ought to change its name, and call itself the Hob-tailed Boxer. But I shall now proceed to discuss the question of old-age pensions. I shall devote a little more time to the Argus between now and Christmas. Several honorable members in speaking upon the Address in Reply, said that this question of old-age pensions ought to be left to the various States. In other words, the various States should be permitted to carry out the great policy of old-age pensions. I deny that that is the policy, intention, or spirit of the Commonwealth Constitution. Let us look at this matter. I submit that a man is first of all a citizen of the Commonwealth. His paramount allegiance is to the Commonwealth of Australia, and his subordinate allegiance is to his State. Let us suppose that the Commonwealth desired to carry out some law which was very unpopular in a State, and gave instructions accordingly. If the Commonwealth sent to the homes of various citizens, took them away at 12 o'clock at night, put rifles upon their shoulders and knapsacks upon their (backs, and sent them forth to enforce a law of the Commonwealth, I submit that those men would be most unpopular with the particular State concerned. Can it be said that in such a case the Commonwealth ought not to defend those citizens against the tyrannical law of that State ? Can it be said that the men who obey the mandate of the Commonwealth Government should be at the mercy of the State Government which hated the law they had enforced? There is a lot of talk just now in reference to the proposed law which will affect Tattersall's sweeps. . Does any one think that a man who was sent to Tasmania to enforce that law would be very popular ?

As the citizen's first allegiance is to the Commonwealth, the Commonwealth's first allegiance is to the citizen, and it is the duty of the Commonwealth to protect the aged poor and to enable them to receive the benefit of their contributions to the State exchequer for years. A great many of our friends talk about the Braddon blot. I ask - "What lias the Braddon blot to do with the right of the Commonwealth Government to bestow pensions upon the people " ? Nothing whatever. Let us look at another point. Let us suppose that to-morrow we received news that there was an army coming from Japan on board of that nation's best warships. Would any one say that as the Braddon blot prohibits us from raising more than a certain amount of revenue we could not fight Japan, that we must let the Japanese land, and at the end of five years, when the bookkeeping period has expired, we should raise a bit of revenue with which to start an army and fight the invaders upon the land? I hold that the 69,330 old people who are in a state of - penury in the Commonwealth represent a greater emergency in the estimation of Christian people than would an army landing here to take Australia. These people are our helpless brothers and sisters. With us, therefore, it is a matter of faith and justice. We simply ask the Commonwealth to step in and perform its duty to its citizens. Let me put another case before honorable members. To-day, according to the Bulletin, we are paying away between £600,000 and £700,000 in charities, and those charities are annually increasing. The necessity for them is increasing.

Mr Barton

- That is not paid by the Commonwealth .

Mr O'MALLEY

- It is paid by various charities,' including benevolent asylums and kindred institutions.

Mr Poynton

- The Commonwealth does not pay anything.

Mr O'MALLEY

- I look upon the Bulletin as one of the great organs of this country. It is really- the highest type of Australian literature. It approaches nearer to Australian national literature than any other publication we have.

Mr SPEAKER

- Will the honourable member proceed ?

Mr O'MALLEY

- Victoria is already paying away £335,000 a year in pensions. New South Wales will presently be paying away £365,000 annually. There is a total of £700,000. According to Mr. Johnston, the statistician of Tasmania, £1,190,000 will supply every aged man and woman in the Commonwealth with a pension.

Mr Ewing

- Of how much?

<page>3477</page>

Mr O'MALLEY

- He does not say. I am not going to say what the amount will be. Honorable members can divide the amount up according to their own ideas. Upon this question let me say that I am serious and solemn. I am not in destitution myself, but I see destitution all around me, and I am my brother's keeper upon this question. I repeat that two States are expending £700,000 in charities. We have therefore only to raise £490,000 more, in order to pay the whole lot and make the question a national one. " But," honorable members may ask, " how are we to do -it ? How can we do it"? Let us consider the matter for a moment. The basic principle underlying the value of all commodities and determining their relation and exchange is the quantity of the necessities of life which enables the labourer to reproduce his labour. We all admit that when men form combinations, great trusts and great associations, the power which they possess enables them to get credit, to control the machinery, and by that means to give employment to great armies of people. 'There is no doubt that they pay a legitimate wage according to the times, but nevertheless the fact remains that great fortunes are made, not by the men who work themselves, but through the difference between what they pay their labourers and what the material costs to produce. The balance goes into their pockets. I have done the same tiling myself. We have all done it. The difference is taken as a toll for finding employment for the people. I say that the great Teacher of. morality founded "his Christianity upon two speculative maxims - love of God and love of humanity - and out of these two speculative maxims arose the two great practical maxims that the strong should bear the burdens of the weak, and that the rich; should feed the poor. All I want is that we shall levy a reasonable tax in order to, provide for these old-age pensions. We need not overtax anybody, but we do want to see the incidence of taxation distributed on a more equitable basis. By that means we will get sufficient money. There is another side to this question. I know that in the State of Tasmania complaint is made that they cannot afford to do this. I contend, however, that they cannot afford not to do it. Why did we join with Victoria and New South Wales? This is a partnership ; it is a partnership of honesty and justice, and those who have should help those who have not. All we ask now is that you distribute this more equitably and help us. The miner who goes to the west coast of Tasmania and lives there in a hut after years of struggling accumulates nothing. There are thousands and thousands of them who do not. But the rich merchant, who does nothing but send goods over there, accumulates a good fortune out of the miner. The miner is moving from State to State and town to town with very little in his pocket. After years of struggling, these men find themselves in their old age absolute beggars in the midst of plenty. To-day, whilst thousands are starving, the granaries are bursting. Millions of bushels of wheat are stacked, but they are not properly distributed. All I ask is that the Commonwealth Government shall exercise its functions ; take hold of this question and grapple with it. The statesman is the man. who masters the present and directs the future. I am sure honorable members will all admit that we have a fair sample of him here, anyhow. I want to read at this stage a few passages from the Bulletin, which calls attention to this matter. The Bulletin writes : - But if the old-age pension 83'stem is the concern of the Federal Government, then the only needful qualifications will be that the applicant must be in need, of the prescribed age, and have put in so many

years residence anywhere in Australia or Tasmania, or in Maoriland when Maoriland comes in.

Mr Ewing

- Steps are being taken in the States that have passed Old-age Pension Acts to recognise residence in other States that possess similar laws. "

Mr O'MALLEY

- And a very good thing too.

To leave the pension system in the hands of the States when there is a Federal Government to attend to it, would be to greatly reduce its usefulness and make it a gratuitous mockery. And when the Federal Government does take the matter up it will probably find it one of the best investments any Government ever undertook. Australia wants to gain population, and when it is known that the one country in the world where an old citizen cannot come to absolute want, that will bring population. It will probably do more in that direction than all the millions of revenue money and loan money that have been spent in promoting immigration. Australia wants to retain its own population, and there will be a strong inducement for population to remain in the only country which offers something better and more reliable than a workhouse or benevolent asylum to the impecunious citizen in his last years. The old-age pension system will probably cost the Commonwealth £1, 000,000 or £1,500,000 a year.

But supposing it does ! Here we may suggest many systems of taxation.

Mr Poynton

- What does the honorable member suggest ?

<page>3478</page>

Mr O'MALLEY

- An absentee tax, a direct land tax, straight out, on the progressive system ; every man paying according to his much or his little. I honestly suggest a progressive income tax and progressive succession duties. This is simply equality of sacrifice, and we can reach it. Our free-traders will have to take it. I recognise that the Government have a great responsibility. They cannot become responsibility dodgers. The intention of our Constitution is that this question shall be finally settled and managed by the Federal Government. I hear complaints and questions as to how we are going to do it. It is said we have not magistrates and that we have not Judges to carry out the work. I say that it can be done purely through the Post-office. In the United States of America there are 993,529 old soldiers on the pension rolls. They receive 140,000,000 dollars, or £28,000,000 sterling annually, and the whole of that money is paid through the post-offices. Surely if they can do that in America, we can do it in Australia. We are the same people. Honorable members have noticed that in Victoria if they put these people in the benevolent asylums they lose hope. They herd them together like sheep. Is that honest? It is not honest. We want to do away with all this pauperism; I hate this doling out. We want to raise these people up, so that they will feel that, although they pioneered here in the early days and got little, they are now going to be looked after by a good, honest, just, and loving Government. I am not going to deny that poverty, like other suffering, has not played, and does not play, an important part in the economy of human civilization, because if men are strong, healthy, and able, and can get work, but will not work, they ought to go to bed hungry. The question reduces itself to this : Is poverty an essential, substantial, integral element of human progress ? Is it simply transiently present, and is it amenable to destruction, suffocation, annihilation? To me, poverty is like all other evils, transiently present, and it belongs to the process of development, and not to the nature of humanity. Furthermore, I say that, if God be just, then only things founded on justice are everlasting, and poverty cannot be everlasting. It seems to me that poverty is like cannibalism. It is like the butchering of prisoners in time of war. It is like the continuing of war for the sake of plunder and murder. It is like the sanctification of slavery. The matter is in the hands of the people. Are they equal to the situation ? I ask the Prime Minister to speak. I thank honorable members for their attention, and trust that this will soon become the law of the land.

Mr KIRWAN

- I desire to second the motion. This, to me, is a very serious question, and I trust that it will be treated by the House seriously. There are some, perhaps, who may object to the form of the motion, but I believe that the principle of old-age pensions is acceptable to the majority of the people of the Commonwealth. During the elections for the Federal Parliament a very large number of the candidates, if not a majority of them, pledged themselves to the principle, and I trust that those of them who have now entered the

House will not be in any way diverted from carrying out their pledges to their constituents. The question is one that long since entered the domain of practical politics. Old-age pensions have been in existence for some years, and have worked very satisfactorily in many parts of the world. We have had experience of them in the Australian colonies. For some years past in New Zealand a scheme of old-age pensions has been in force, and the results have been very satisfactory. According to a return that was prepared in March last, there are in the colony of New Zealand no less than 11,285 persons in receipt of old-age pensions, and the sum that is annually expended in providing that number of persons with provision for their old age is £193,000. That gives an average annual pension to each recipient of £17 3s. 3d. Most honorable members are aware of the system which is at present in force in Victoria. I have heard many complaints against that system. It has been said that many of those who have received pensions have left benevolent asylums where they were comfortably situated, and have gone into places where they have been neglected. Some of the pensioners have given way to the weaknesses of human nature, and I believe that some of them have died from the effects of drink, which they have been able to secure as the result of their pensions.

Sir George Turner. - Only a very small proportion have abused their pensions.

<page>3479</page>

Mr KIRWAN

- This has occurred in a few instances, and those who are opposed to old-age pensions try to make the very most of these particular cases. While we may point to these instances, while we regret them very much, and say, perhaps, that they are owing to the maladministration of the scheme, still they in no way affect the scheme or the principle involved, and furnish in no way an argument against the adoption of the principle. As is well known, this subject has occupied a considerable amount of attention in the old country for many years. The Right Honorable Joseph Chamberlain, the present Secretary of State for the Colonies, has been for many years an ardent advocate of old-age pensions, and in one of his speeches he refers to the very lamentable fact that of the working classes in the United Kingdom, one of every two who reach the age of 65 years, have to receive parish relief in their old age. This is very much to be regretted, and Mr. Chamberlain, when referring to this particular matter in a recent speech, said - I say that this inadequate provision in old age for our working people is not only a disgrace but a danger to social order - I say it is injurious to the individual and to the nation.

I believe that quite recently a Bill was introduced into the British House of Commons by Sir Walter Foster that provided for old-age pensions for persons who had reached the age of 65 or over. Unfortunately that Bill was not carried, but still the whole subject has met with a good deal of support throughout Great Britain. The prevailing feeling amongst the statesmen of the old country is favorable to old-age pensions, and the delay in putting the principle into practice has been occasioned simply and solely by differences of opinion as to the best means of giving it effect. I might refer to what has been done in a federation of a very different character to our own. I refer to the scheme that has been in existence for some time in the German Empire. We are accustomed to regard the German Empire as being under an autocratic form of Government, and we are sometimes inclined to speak rather disparagingly of what has been done there for the general mass of the community; but it seems to me that the German Empire has taken this subject up, and given it attention in a manner that is certainly very creditable to the authorities there. In Germany it is compulsory for every one in fixed employment to contribute to a fund which is subsidized by the Government, and is utilized for the payment of old-age pensions, and I believe that the number of persons who are controlled under that fund amounts to no less than 12,000,000. Surely, in a community such as we have under our Commonwealth, which prides itself on its liberalism and advanced ideas, we can provide something for old-age pensions, when we see that so much is being done in Germany.

Mr Conroy

- Each member of the community contributes something ?

<page>3480</page>

Mr KIRWAN

- Yes ; every individual who comes within the operation of the law. There are some honorable members who, while approving of old-age pensions, say that they should be paid by the various State Governments and not by the Commonwealth ; but that seems to me to be a very illogical position to take up. A Commonwealth scheme of old-age pensions is the only one that could be thoroughly efficient as far as

the whole Commonwealth is concerned, because any individual State scheme is bound to be imperfect owing to the fact that a large proportion of the population of the Commonwealth is migratory. The people travel about from State to State, and if there were six separate schemes of old-age pensions each controlled by an individual State there would be thousands of persons who would be disqualified from receiving pensions under any scheme, because they would not be able to put in the necessary residential qualification under any State Act. A large number would thus be debarred from receiving pensions, and these would include some of the most deserving subjects in the Commonwealth - the men who travel out into the back country to open up new territory, the men who develop mines, prospectors, and those* who go into the tropics to open up industries and develop the resources of those portions of the Commonwealth. If it is agreed that old-age pensions are desirable, and that a Commonwealth scheme would be better than one carried on by the individual States, it must be conceded that the Commonwealth ought to undertake some system of pensions, and the sooner the better. It has been argued that there are many financial difficulties in the way, and the Braddon clause in the Constitution Act is very often referred to in this connexion, because it is said that so much of the Customs revenue has to be returned to the various States that the one fourth retained by the Commonwealth would not be sufficient to provide for a scheme of old-age pensions and at the same time meet other requirements. This may or may not be quite true ; but, even if it be quite true, I cannot see why we should adopt the stand that direct taxation ought to be left exclusively to the various States. The States, if not the Commonwealth, ought to adopt some old-age pension scheme, and if the Commonwealth does not adopt it the States will be bound to go on ; and, further, they will be bound to raise the necessary funds through direct taxation. Therefore, we simply have the alternative before us of direct taxation, to be collected either by the States or by the Commonwealth ; and it seems to me to be a matter of indifference whether the States collect the money or the Commonwealth, because the people of the Commonwealth will have to pay it in either case. The Constitution distinctly provides that the Commonwealth ought to under* take such a scheme. The mere fact that the provision is inserted in the Act is an infer1ence that the scheme of old-age pensions should be undertaken and controlled by the Commonwealth, and it is for this Parliament to see that the intentions of the framers of the Constitution are earned out. I believe that the particular provision in the Constitution which empowers the Commonwealth' Parliament to deal with this subject was carried at the Convention by a majority of 26 votes to 4. The motion seems to me to go hardly far enough, because it proposes to make provision only for the aged poor, whilst the Constitution refers also to invalids, and I think we should provide not only for aged people, but also for cripples and others who may not be able to look after themselves.' There might be some difficulty in adjusting the finances, in the event of the Commonwealth Government taking action in this matter, so as to dove-; tail the Commonwealth provisions into the scheme already in operation in Victoria^

But if there be difficulties in this connexion, the longer we delay the settlement of the matter the greater they will become. If the Commonwealth be not forced by public opinion to provide for old-age pensions, most of the States will, sooner or later, be compelled to take up the subject, and the more the movement extends the greater will be the difficulty in the way of the Commonwealth biking the matter over. I sincerely hope that a vote will be taken on this question as soon as possible, and for that reason I would like to see the speeches shortened in order that honorable members may have an opportunity of at once declaring themselves one way or the other.

Mr F E McLEAN

- I am quite in agreement with the honorable member for Kalgoorlie that as this is a most important matter, and our time is limited, we should not speak at too great length. I am also quite in accord with the honorable member for Tasmania in his desire to make reasonable provision in the way of old-age pensions for the aged poor of the Commonwealth. I believe, with him, that we can have no proper system of old-age pensions until the Commonwealth takes the matter in hand, but at the same time there can be no good achieved by our ignoring the practical difficulties that will have to be faced. In the two large States of Victoria and New South Wales, the State Parliaments have enacted laws for the establishment of old-age pension's, and in both cases pensions have been paid, and the systems may be said to be in full working order. _ I understand that it is estimated that £400,000 will be required in New South Wales alone to provide for the pensions, and we cannot yet tell to what extent the claims may be increased. I have not the figures with regard to Victoria, but certainly a very large sum - probably between £300,000

and £400,000- will be required when all the claims are fairly considered in connexion with their scheme, so that the Bulletin figures, quoted by the honorable member for Tasmania, of £700,000 for the two large States, may be fairly well accepted for the purposes of our discussion this afternoon. The honorable member for Tasmania has quoted the Tasmanian statistician to the effect that £1,190,000 would be required to provide pensions for the aged poor of the whole of the Commonwealth, and as £700,000 is being provided under State laws, he estimates that £490,000 additional would be required to furnish pensions for those not already provided for. The honorable member will admit that there must be equality and justice throughout the Commonwealth, and that the Commonwealth must undertake the responsibilities attached to the pensions already provided for under the State laws of Victoria and New South Wales. Therefore, the Commonwealth must find the whole of the £1,190,000 that is required. It is very easy to say that this can be provided by direct taxation, but honorable members must not overlook the fact that the two large States have already made provision, or are making provision, for the payment of the claims under their old-age pension laws at the present time, and, therefore, any scheme of direct taxation which may be imposed in order to provide old-age pensions for the people in the smaller States must be superadded to the burdens of the people of the larger States.

An Honorable Member. - Would they not save that amount of money just the same.

Mr F E McLEAN

- Undoubtedly that could be arranged. If the Commonwealth Parliament were to establish a system of direct taxation in order to provide for old age pensions for the whole of the poor of the Commonwealth, it would be possible for the State Legislatures to remit the taxation in their own States in order to relieve the people from unnecessary taxation burdens* The proper way to treat this question is to give the Commonwealth Parliament a free hand in dealing with its own revenue. The only satisfactory solution of it will be found in the removal of the restriction imposed by section 87 of the Constitution Act. I do not see how it is possible for honorable members supporting the Government, which is practically pledged not to raise revenue except through the Customs, to consider the establishment of an old-age pension scheme under the Commonwealth, unless some serious attempt be made to alter section 87 of the Constitution.

Mr Barton

- The honorable member's party are equally pledged not to raise revenue through direct taxation.

<page>3481</page>

Mr F E McLEAN

- I am not putting this forward as a party question. As a matter of fact, a great number of honorable members on both sides of the House are pledged not to raise revenue for Commonwealth purposes by means of direct taxation. Personally, I am not so pledged, but have a free hand. Under the circumstances, during the life of this Parliament, there can be no Commonwealth scheme of old-age pensions, unless some attempt be made to amend the Constitution Act in the way I have indicated. I am not at all disposed to prolong the discussion. I am going to move an amendment which will take the form of the addition of some words. In the first place, I do not think that the mandatory part of the motion is one that the Government are likely to agree to. In any case, I propose to omit all the words after " that," line 5, "with a view to insert in lieu thereof - steps should be taken for the repeal of the 87th section of the Constitution Act so as to enable Parliament to make the necessary financial provision.

There can be no doubt that should such a course be adopted, it would ease the way considerably for the introduction of a system of Commonwealth old-age pensions.

Mr McDonald

- Why does the honorable member not vote against the motion ?

Mr.F. E. McLEAN. - What is the use of the honorable member asking me a question like that? I am just as much in favour of old-age pensions as is the honorable member.

Mr McDonald

- With a " but."

Mr.F. E. Mclean. - Had I not been in favour of old-age pensions, I should not have supported the scheme as I have always done in the State Parliament. I advocated old-age pensions long before they came within the range of practical politics in the State Parliament. I voted for the principle, and worked for it just as loyally and enthusiastically as the honorable member for Kennedy.

Mr McDonald

- Does the honorable member not see that his amendment would "be the means of killing the motion ?
Mr F E McLEAN

- I know that if the motion be carried in its present form it can have no practical effect. If practical effect is to be given to the motion, the words I propose must be added. The honorable member knows perfectly well that the two large States have undertaken the financial responsibility of their own schemes. To say that the amendment would kill the old-age pension scheme is nonsense, because every State has the power to establish the system; and when the financial responsibility is assumed by the States themselves, uniformity of legislation can be brought about by the action of the Commonwealth Parliament. The honorable member for Richmond, I think, made an interjection to the effect that steps were now being taken by the States which have already adopted old-age pension schemes, to recognise residence in other States which possess a similar law. In the New South Wales Act, which was introduced by the Minister for Home Affairs, power is given to the New South Wales Government to enter into negotiations with the Government of any other State for the purpose of recognising residence in those States. Accounts could be kept between the States, and arrangements made generally which would permit of an interchange of benefits. That could be carried out in every State of the Australian union, and ultimately uniformity of law could be established by the Commonwealth. But it is idle for us to be asked to at once establish a scheme as suggested by the honorable member for Tasmania, Mr. O'Malley, unless we take some steps to amend section 87, of the Constitution Act, which prevents the Federal Parliament from controlling its own revenue. If Parliament had a free hand to retain what is required for Commonwealth purposes - and old-age pensions would become a Commonwealth purpose as soon as we legislated on the subject - the way would be open for an easy solution of the difficulty. As the motion now stands I fear that the mover, while having the very best intentions, and while advocating what is in harmony with the feeling and opinion of almost every honorable member in the Chamber, is trying to do something which will prove to be impracticable. I go so far as to say that if at any subsequent stage direct legislation were projected by the Government for the purpose of establishing a system of old-age pensions, I would, at the risk of being considered inconsistent, support such a proposal, even though it superadded direct taxation. I still believe, however, that it would simplify this matter and remove a great many practical difficulties if, in conjunction with this motion, we affirmed the desirability of altering or repealing section 87 of the Constitution Act.

<page>3482</page>

Minister for Home Affairs

Sir WILLIAM LYNE

. - I would ask the honorable member for Lang to allow his amendment to stand over, as I wish to move an amendment earlier in the motion.

Mr F E McLEAN

- I now merely give notice that I will submit my amendment when the question is put.

Sir WILLIAM LYNE

- I am sure honorable members will admit that the Government are desirous of dealing with this question if it is possible to do so. But there are a great many difficulties in the way of dealing with it at the present time. Some of these difficulties have been explained by the honorable member who has just resumed his seat, and by the honorable member for Kalgoorlie. But we must not forget that it is only lately that several of the States have inaugurated systems of old-age pensions. New Zealand was the first to do so, and I am not quite sure at this moment how much the scheme has cost that colony, but I think it was somewhere about £300,000 for the second or third year. In Victoria I understand that the cost is about 8s. per head, the total coming to some £300,000 per annum. Of the New South Wales expenditure under this head we have only an estimate, but the payments in that State are larger than in Victoria, and probably the average yearly expenditure will be a little higher. But, if I remember aright, the sum which it was anticipated would be paid in New South Wales was a little below £400,000 or £450,000 a year, so that, excluding New Zealand, between £700,000 and £800,000 will be paid in Victoria and New South Wales. An Honorable Member. - What about South Australia?

Sir WILLIAM LYNE

- I do not think that South Australia has yet initiated a policy of old-age pensions, but I have no doubt that that and other States will have perforce to follow the example now that the two larger States have led the

way. The difficulties at the present time are very considerable. Honorable members will recognise that it is not possible to do every thing in the first session of the Commonwealth Parliament. There are many measures now before Parliament, some of which we may not be able to get through, though I hope all will be dealt with. In any case we have sufficient work before us to last us during the present session.

Considering that the old-age pension system has only just been introduced in the two larger States, and considering the difficulties to which the honorable member for Lang referred in respect to the payment out of revenue for this service under the section known as the "Braddon" section - I do not think an amendment such as the honorable member proposes can be entertained now. There may possibly come a time when we shall find it absolutely necessary to do something in that direction. Whether that will be so or not we cannot yet tell; but until we are a little further advanced in the Commonwealth work, and know what our revenue and expenditure are likely to be, and how the section referred to is going to affect expenditure as between the Commonwealth and the States, it is almost impossible to say that we could undertake any system which involved the payment of large sums each year in connexion with old-age pensions. I do not say that it is not possible to do it. It may be possible, because we might arrive at some understanding with the States, allowing the States to hand the money to the Commonwealth with a view to the making of the payments direct from the Commonwealth. But that might prove a very cumbersome method, and it would be much better if we could raise our own revenue and deal with it in our own way instead of dealing with it through the medium of the States. It seems to me, so far as I can judge, that this is the only way of getting over the difficulty which exists at the present time. There seems to be only one serious objection to the system which is being adopted now. That is the difference in the payments in each State, together with the trouble which exists regarding residents along the borders of each State.

Mr Mauger

- That is the serious trouble.

Sir WILLIAM LYNE

- But I do not think it is impossible to get over that trouble. I have not had time to look into the New South Wales Act, and I cannot for the moment recall the provision as to the length of time a person who applies for a pension has to live in the State. I think that the period is ten years, though he must have lived in Australia for 25 years. I may be subject to correction on that point, but I find that in the Victorian Act the State is not named, but the word " Australia " is used, and an applicant must have resided in Victoria for five years immediately preceding the date of making the declaration.

<page>3483</page>

Mr Watkins

- In New South Wales the period of residence is 25 years, unless the applicant comes from another State which gives the same privileges to people going from New South Wales.

Sir WILLIAM LYNE

- Ten years.

Mr Watkins

- That is not the case in another State -where they are prepared to reciprocate.

Sir WILLIAM LYNE

- Quite so ; but they must be ten years, I think, in New South Wales. If they have been 25 years in Australia, or in a neighbouring State, and that neighbouring State is prepared to reciprocate, then New South Wales requires ten years' residence instead of five years. In Victoria, a five years' residence is required instead of ten. But I do not think there would be any difficulty at all in making an arrangement between the various States. It would be very easy to amend the law if necessary, or to make an arrangement between the States, so that persons who have lived for ' 25 years in Australia shall not be debarred from pension lights merely because they have not lived for so many years on one bank of the River Murray or the other. I think the honorable member for Kalgoorlie said that the present was the time when we should declare where we are going to raise the necessary amount of revenue from. The honorable member for Tasmania, Mr. O'Malley, spoke of a tax upon absentees. That may be requisite in some of the States, but it is not requisite in New South Wales. There it is anticipated that after the amount of revenue which is returnable from the Commonwealth has been paid, there will be plenty of money available to pay old-age pensioners without there being any need to resort to direct taxation. Under our Constitution Act, New South Wales must of necessity raise a larger sum than has been raised in the past.

But that is not caused through the operation of the State Old-age Pension Act. It is the result of the Constitution under which we live. Portion of that money, at any rate, will go towards paying old-age pensions in New South Wales. The honorable member for Tasmania said that we should be generous to that State, and that if Tasmania had not enough money to pay old-age pensions we ought to provide it for her. In view of all these statements, I think it would be wise to wait and see how our finances pan out before making any declaration as to what we shall do in regard to any particular State. That is one of the reasons which almost preclude the Government from doing anything at the present time. As far as I can judge, taking as a basis the expenditure which has been incurred up to the present, it would require between £1,000,000 and £1,100,000 a year to pay the whole of the pensioners through; out the various States, excluding New Zealand. That is a very large sum to be called upon to pay out of the Commonwealth funds, shackled as they are by the clause to which reference has been made. The honorable member for Tasmania, Mr. O'Malley, asked if, in the event of a Japanese army coming to these shores, we should wait to consider where we should get the money necessary to enable us to repel the attack. That is an entirely different matter. If we were threatened with invasion we should probably borrow the money for the time being, as they do in Great Britain. The analogy which the honorable member instituted cannot, therefore, be considered for a moment. The Government are desirous of taking up this question of old-age pensions on behalf of the Commonwealth so soon as our financial position will allow us to do so. I suggest that the motion should be altered to read -

That, in the opinion of this House, it is desirable in the interests of the deserving aged poor that the Government should, as soon as the financial position of the Commonwealth justifies such action, without unnecessary delay formulate a national scheme for the payment of old-age pensions.

I ask the honorable member for Tasmania to expunge the last two lines of his motion.

Mr Page

- No.

Sir WILLIAM LYNE

- I hope honorable members will be reasonable. It is impossible to force the hands of the Government by passing a motion directing the Attorney-General to bring in a Bill at once.

Mr Barton

- I should not accept a direction of that sort.

<page>3484</page>

Sir WILLIAM LYNE

- Surely the House will allow the Government to say, when the finances are in such a condition that we can afford to take away the responsibility from the States which they now have, and transfer it to the shoulders of the Commonwealth. If this is not done in the Commonwealth shortly, it may be expected that the other States will pass some law similar to that which prevails in New South Wales and Victoria. I think that gradually the States will pass almost identical laws. We are all the same people in Australia. In Victoria the limit of the pension provided is 10s. per week, and if that amount is found sufficient to meet the deserving cases then, perhaps, we have given a little too much in New South Wales, because there the limit is fixed at £1 a week for single persons, whilst an aged couple may receive £1 10s.

Mr O'malley

- That is decent.

Sir WILLIAM LYNE

- We are always decent in New South Wales. If it is found that the amount payable in the mother State is too much it can be easily altered, but I feel that each of the States should pass a law to bring itself into line with the other States, if we cannot see our way at an early date to establish a Commonwealth scheme of old-age pensions. It would not be judicious for the Commonwealth Government to ask the House to pass a Bill during the current session dealing with this matter when we have such an overwhelming amount of work to get through - work which appears on the business-paper, and work which does not appear there yet. I ask the honorable member for Tasmania to allow his motion to be amended in the way I suggest. If that is done it will be a direction, to the Government to undertake the task of providing for an old-age pension scheme so soon as our financial position justifies the adoption of such a course. I think that the Treasurer, who has taken such an interest in this question, and who passed an old-age pension law in Victoria, as well as myself, who did the same thing in New South

Wales, can fairly be trusted to deal with this matter. Surely, we can be trusted to pass a general law for the whole of Australia, when our financial position justifies such action. I move -
That the words "without unnecessary delay" be omitted with a view to insert in lieu thereof the words "as soon as the financial position of the Commonwealth justifies such action."

Mr PAGE

- I should not have spoken on this question but for the remarks of the Minister for Home Affairs. In Queensland the Government have been using exactly the same argument to stave off making provision for the payment of old-age pensions that the Minister is attempting to use in this Parliament. The Prime Minister in his speech at Maitland declared that the Ministry would deal with old-age pensions. But as soon as they get into power they want to stave the matter off for an indefinite period.

Mr Barton

- Will the honorable member allow me to say that in my Maitland speech, and in every speech which I made afterwards, I qualified that statement precisely as it is to be qualified in this amendment 1

Mr PAGE

- That may be quite right, but the qualification defers the consideration of this matter for perhaps twenty years. Such a qualification indeed will stand good for an indefinite period. The only possible inference to be drawn from the Prime Minister's speech at Maitland is that the Commonwealth Parliament would deal with this matter in our time, and not in somebody else's time. I feel very strongly indeed upon this question, as the result of a pathetic incident which I witnessed when I was twelve or fourteen years younger. I was going to a picnic at Moreton Bay when I saw an old couple on their way to the Dunwich Benevolent Asylum. They had been very well off in their time. In fact, only a few years before they had owned a cattle-station upon the Burnett. Through circumstances over which they had no control they were forced to seek relief from the Government. The old man was 85 years of age, and the woman over 70 years. When they were landed at Dunwich a lady came and took the wife away on one side, and the old man was taken away somewhere else. The old woman inquired - "Are you going to separate us?" "What was the consequence?" The authorities violated the principle to which every man subscribes when he takes unto himself a wife. The clergyman says - "Those whom God hath joined together let no man put asunder." The Queensland Government were the first to step in and violate that injunction. I made a vow upon that boat that, if ever I could do away with the existing system of housing the aged poor, I would use my power and voice to that purpose so long as I had breath in my body. The result of that incident was that the working men on the boat clubbed together, took the old couple back, and started them in a little shop, where they lived happily till they both died. What the working men on that boat did we want the Commonwealth Government to do. It is of no use staving it off from year to year - where there is a will there is a way.

<page>3485</page>

Sir William Lyne

- Nobody intends to stave it off.

_ I _

Mr PAGE

- What else does the Minister's proposal mean but staving it off? He talks about undertaking the task "as soon as the Commonwealth can afford it." We all know what that means. We are old enough in politics - even though we are young - to understand the meaning of that phrase. The same argument was used in Queensland. I only hope that, for the sake of the men and women whose claims my honorable friend for Tasmania, Mr. O'Malley, has urged to-day, he will go on to the bitter end. He will find rae at his back.

Mr MCDONALD

- So far as the amendment proposed by the Minister for Home Affairs is concerned, it is no use for the Government or any honorable member to say that it is not an attempt to stave off the question. There is no other object in view. It is a well-known fact that the Government would be prepared to vote for the motion if the latter portion of it were omitted. Why do they want to strike out the last two lines? The answer is, that a bald motion without any instruction to the Government to bring down an old-age pension scheme means absolutely nothing. It is idle for the Prime Minister to say that old-age pensions did not occupy a prominent place in his speech at Maitland. Whether he made certain qualifications or not at

Maitland in regard to old-age pensions, I do not know, but I do know that when the reports of his speech reached us in the outlying portions of the Commonwealth, we found that there was no qualification of the promise. The newspapers in favour of federation and of the Government put the matter forward as one of the reasons why the working classes should vote for the Government. The fact that they favored old-age pensions was one of the reasons why the Government got a good deal of support in different parts of the Commonwealth. I myself on several occasions mentioned this fact. I told the electors that we were more likely to get old-age pensions under the Commonwealth than under the State Governments. Do we not know that for a large number of years there has been a continuous agitation for old-age pensions throughout the Commonwealth ? What States have got the system at the present time ? Only New South Wales and Victoria.

Mr Winter Cooke

- Two-thirds of the people have it.

Mr MCDONALD

- I am not talking about the people; I am talking of the States. In Queensland they play the Federal Parliament off when the question of old-age pensions is raised, just as the Minister for Home Affairs is now attempting to play off the States. We are told that such a system would cost us about £1,100,000. At the present time it costs the various States between £800,000 and £900,000 per year to look after the aged poor, and that money is doled out under a system of charity. If we take into consideration the extra amount that the system of old-age pensions will cost New South Wales and Victoria, we shall find that the total will nearly approach the £1,100,000 which according to the Minister for Home Affairs it would cost the Federal Government. My opinion is that it will cost more. But what if it costs £1,200,000 or £1,300,000? I think that if these old people have assisted to build up the wealth of this country, as some of them have done for the last 40 years, the least we can do is to make some provision for them in their old age. Instead of the Government saying - " We will put it off"-

Sir William Lyne

- I do not think the honorable member is very fair to the Government. We never said anything of the kind.

Mr MCDONALD

- The amendment proposed by the honorable gentleman puts the matter off for an indefinite period. It matters not whether they are free-traders or protectionists, the moment an attempt is made to do anything for the working classes, capital, as represented on both sides of the House, comes together. Have we not seen an honorable member on the Opposition side of the House getting up and suggesting an amendment, the effect of which he must know would be to stave off old-age pensions for twelve or thirteen years ?

Mr F E McLEAN

- Nonsense.

Mr MCDONALD

- The honorable member really proposes an amendment of the Constitution. How is that to be brought about ? Is the Constitution a mere agreement that can be set aside at a moment's notice ? Does the honorable member not know that when an amendment of the Constitution is proposed it will take a long time to bring it about?

<page>3486</page>

Sir William Lyne

- But the Government did not accept the amendment.

Mr McDONALD

- I do not say whether the Government is going to accept it or not. I do say, however, that when anything is brought forward to benefit the working classes as against the capitalistic portion of the community, certain honorable members on both sides of the House are prepared to come together and vote against it.

Mr F E McLEAN

- That is a piece of nonsense.

Mr McDONALD

- The amendment suggested by the honorable member for Lang is for no other purpose than to prevent the system being carried into effect. If that amendment be adopted it will shelve the matter for an

indefinite period. The amendment proposed by the Government amounts exactly to the same thing. If the Minister for Home Affairs had simply said, " At the present time we are not in a position to deal with the matter"-

Sir William Lyne

- That is all I have Said.

Mr McDONALD

- If the honorable gentleman had said, " We cannot deal with this matter at the present time, but after the first year of our existence we may be in a position to evolve a scheme for bringing it about, and during the next session or during this Parliament the Government will be able to undertake it," that would have been a different thing. The honorable gentleman, however, says nothing of the kind. He simply says, in a bald way, that this will be undertaken as soon as the financial position of the Government will permit. What does that mean? It means that, if the Government do not make some energetic effort to work up the finances of the country so as to meet the requirements of the case, the system will never be carried into effect.

Mr Barton

- Is not that what is intended, as far as possible ?

Mr McDONALD

- The resolution does not cover that. The honorable gentleman might have said something of the kind.

Sir William Lyne

- I think I did say practically all you have urged.

Mr McDONALD

- I may have misunderstood the honorable gentleman.

Sir William Lyne

- I am very anxious to secure old-age pensions.

Mr McDONALD

- I am very pleased to hear it. The honorable member for Lang has told us that New South Wales and Victoria have already dealt with this matter, and that they can deal with it without going in for extra taxation. That is the position he takes up. Does not the honorable member see that if the Federal Government takes over the old-age pensions, the result will be to relieve those States of a proportionate amount of taxation, so that it comes exactly to the same thing? I believe that the Commonwealth Government can deal with this proposal in a very efficient way, whether it has to resort to direct taxation or not. I know that both the leader of the Government and the leader of the Opposition are against direct taxation, which they consider should be left in the hands of the States. I am of opinion, however, that it should be in the hands of the Federal Government. Sooner or later the present or some other Treasurer of the Federal Government will be compelled to resort to direct taxation.

Mr Barton

- If it is to be tried during the bookkeeping period it will have to be done by a future Treasurer, and not by my Treasurer.

Mr Thomas

- That is very different from the Maitland speech.

Mr McDONALD

- If occasion should arise, the Government, I take it, would have to do it. As a Government endowed with common sense it would have to come down.

Mr Barton

- That would work for the ruin of the individual States. I could not consent to it.

Mr McDONALD

- Does the right honorable and learned gentleman mean to say that, simply because of the bookkeeping arrangement being included in the Constitution, he would not do his duty? If occasion arose, I am sure that he would, and that he would ignore the bookkeeping period. If they are in earnest in this matter, however, the Government can deal with it. I hope that the honorable member for Tasmania will stand firmly by his motion, and that every honorable member who is in sympathy with old-age pensions will give the motion their support.

<page>3487</page>

Minister for External Affairs

Mr BARTON

. -I am not going to detain the House at this hour of the day, but I must give a further definition of the position of the Government. We ask to amend this motion by saying - " As soon as the finances of the Commonwealth permit," or by the use of words to that effect. If that is negatived, it seems to me that the motion is pressed to this point: that an old-age pension scheme is to be carried out whether the finances permit of it or not. No one can deny that.

Mr Page

- Give us a definite period within which the Government will bring in an old-age pension scheme.

Mr BARTON

- I want to confine myself to the reason of the matter for the moment, and I want to say that within a few years no definite period can be fixed. I take it for granted that honorable members, on whichever side they sit, will listen to reason. I do not want to go beyond what is reasonable. We are in this position : Unless we take steps to amend the Constitution by wiping out the bookkeeping clauses which were inserted, certainly, for the protection of all the States, including the weakest in finance, we cannot approach a subject of this kind. If we did, an extra burden would be cast upon us, unless some assistance came from the States to the Commonwealth, which would be a subversion of the proper procedure. I stated definitely in every speech I made that this Government was in favour of old-age pensions, and just as definitely in every such speech I said that that system could not be brought about for the present, but that must await the time when the financial possibilities of the Commonwealth justified it. In fact, if not in the same words, I expressed myself in much the same language as would be used in the motion if it were amended as suggested by the Minister for Home Affairs. Old-age pensions was, no doubt, an important plank in the Maitland platform, and that fact derives additional importance from this, that the Minister for Home Affairs and the Treasurer of the Commonwealth have been the only two Premiers in Australia to carry out old-age pensions. If that is not a guarantee of the good faith of the Government, what can be ? Is it not obvious, then, that any postponement in dealing with the matter is not due to any hesitation on the part of Ministers holding such opinions, and in which opinions the whole of the Cabinet concur, but is due rather to their, instinct of self-preservation of the Commonwealth itself ? The Commonwealth must not be allowed to drift into such a financial position that it will not be able to meet the requirements of the States to be paid back during the bookkeeping period. It is said that we can do this by direct taxation. If honorable members paid attention to the financial aspects of the debate on the Address in Reply, they must know that it was over and over again pointed out on both sides of the House that, if the Commonwealth went in for direct taxation, it would take away from the States the ability to make up from that source any shortage which any failure of revenue on the part of the Commonwealth might leave them. Unless the Tariff were absolutely exorbitant, in which case every pledge made on both sides of the House would be falsified, this could not be done without resort to direct taxation. Both sides are pledged against that. There are exceptions, of course ; but I use the term "both sides" in its general sense. Honorable members will, therefore, see the reasonableness of the position. I do not want to unduly drag out this debate, but I want to say something more about this matter.

Mr Thomas

- Let us divide.

Mr BARTON

- No ; not till the voice of reason has been heard. Divisions of this kind cannot be snapped. So far as I am concerned, I am not very fearful about the result of a division, because if this motion were carried, as it stands, neither this nor any other Government could give effect to it.

Mr Mauger

- That is what I want to know. What would be the effect of this motion ?

Mr BARTON

- Neither this nor any other Government could carry it out until the expiration of the bookkeeping period.

Mr Thomas

- Why did not the right honorable gentleman say that at Maitland ?

Mr BARTON

- I did say so. I mentioned the bookkeeping period in several of my speeches. The difficulty is this, that

some honorable members who have not taken the trouble _ to read my speeches are asserting that they did not contain certain things which I say they did, and I find this rather unsound reason given by the honorable member for Kennedy. He says that whatever qualifications I may have made in my speeches, they were not reported in Queensland, and I would ask how I can be held responsible for that.

Mr McDonald

- I did not say the Prime Minister was responsible.

<page>3488</page>

Mr BARTON

- If the honorable member had thought that I was not responsible he should not have continued his argument in the strain he did. From end to end of those speeches I pointed out that the finances of the Commonwealth would not, for some time to come, permit of an old-age pension scheme being carried out, and I can appeal to honorable members on both sides of the House to bear me out in that. There is no difference really between the position set up by the amendment proposed by the Minister for Home Affairs- and the statement of the policy with which we went to the country, and if honorable members supported us on that statement of policy, they are equally in reason- bound to support us in connexion with the amendment. As the Minister for Home Affairs has pointed out, we cannot accept the last portion of this motion, which contains a direction to- the Attorney-General. Of course it is contrary to the courtesies of Parliament to order a Minister about in that way, and Ministers are not going to be lap-dogs- from what- ever direction the order may come. If this motion, were carried in these words, I think I can appeal to- honorable members on the opposition side, who spoke very strongly about it in the election struggle, and who even thought I had gone too far, to say whether it would be possible for the Opposition, if they got into power, to carry out the motion, so long as the bookkeeping clauses exist. Even without the bookkeeping clauses, but with the obligations of the Commonwealth, and- in the absence of greater economy in the States, and until the Commonwealth gets into a much better position in the matter of finance, it will be impossible to carry out any such scheme: We all foresaw that the position of the Commonwealth would not be an unrestricted one - that the Constitution imposed certain limits upon it - and we are talking all round with a knowledge of those limits, which render it impossible for us to take any action at the present time.

Mr Batchelor

- Are we to understand that the Government will not take the matter up for five years 1

Mr BARTON

- What I wish the House to understand is, that I cannot see how, within the next five years, any Government can be possessed of the funds necessary to carry out such a scheme. This -is- not like other matters of a similar kind in which the Commonwealth Parliament has power. This is a concurrent power, on the part of- the Commonwealth-, and there, is power on the part of the States in the meantime to establish their pension schemes where they have the financial possibilities in their hands.

Mr Batchelor

- That is where the weakness of the Government position comes in.

Mr BARTON

- That is the weakness of the Constitution.

Mr McDonald

- Why did not the Prime Minister point that out before 1

Mr BARTON

- I have pointed it out The honorable member seems to think that anything that he has not read has not been said. It may be that there will be some possibility of arranging matters with the States; but in the meantime the States have it in their own hands to carry out old-age pension schemes, and the two most populous of the States have already passed such schemes into law. I admit that that is no justification for on indefinite postponement of the matter, but on the other hand, the fact that two States have already carried such a measure into effect affords every justification for extending the same system to the whole of the States as soon as it may be practicable. I am not going to postpone my speech to another day, because I have now said practically what I wanted to say; but- I might remark, in conclusion, that if this motion were carried I would not accept its dictation.

Mr.1 BATCHELOR (South Australia).I think the Government have shown very great weakness in dealing

with this question right through. Of course, one is quite prepared to admit the difficulties of their position, but I would ask' why it 'is necessary for them, to always appear to be in favour of old-age pensions, when, as a" matter of fact, they state' that no scheme can- possibly be carried out for a number of years. I am sure every honorable member of this - House is in- favour of old-age pensions,, but the Government must see the difficulty in which they place the States by proposing the amendment. They practically ask the House to declare that at some future time, when the finances will permit, the Commonwealth Government shall bring in an- old age pension scheme. . And what is the good of carrying ah abstract motion pf that kind 1

Mr Piesse

- It only' shows the folly of the whole proceeding.

<page>3489</page>

Mr BATCHELOR

- It also shows the folly of the clause in the Governor's speech of this year in which the same words were used, to the effect that the Government are in favour of an old-age pension scheme when the finances of the Commonwealth will permit; If we pass a motion of this kind, stating that we are going to undertake an old-age pension scheme at some future time, how can we expect the States to take action in a similar direction?

Sir William Lyne

- If the motion is carried in its original form it will not mend matters at all, because then the States will not do anything.

Mr BATCHELOR

- Then why does the Minister want the amendment made?

Sir William Lyne

- I want the amendment inserted, because I wish to cany out an old -age pension scheme as soon as possible, but we cannot do it until the finances will permit.

Mr BATCHELOR

- The carrying of the amendment will not have the effect of hastening the time when the condition of the finances will permit of the old-age pension scheme being carried out, and it will be a great deal better to pass the motion as it stands.

Mr Barton

- It will not make any difference if it is.

Mr BATCHELOR

- I had several other arguments to urge in this matter, but I do not wish to prevent honorable members from catching their trains.

Motion (by Mr. Henry Willis) put -

Thatthedebate be now adjourned.

The House divided -

Ayes 24

Noes... .. 18

Majority 6

Question so resolved in the affirmative. Debate adjourned.

DISTILLATION BILL

Resolved(on motion by Mr. Kingston) -

That leave be given to bring in a Bill relating to Distillation.

EXCISE BILL

Resolved(on motion by Mr. Kingston) -

That leave be given to bring in a Bill relating to Excise.

<page>3490</page>

16:16:00

House adjourned at 4.16 p.m.