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1901-08-16

Senate.

The President took the chair at 10.30 a.m., and read prayers.

#### QUESTIONS

#### PAYMENTS TO COMMONWEALTH CONTRACTORS

Senator McGREGOR

-I desire to ask the Postmaster-General whether there has been any delay in paying amounts owing on the Commonwealth contracts in New South Wales since the inauguration of the Commonwealth.

Postmaster-General

Senator DRAKE

-There was a delay in paying such amounts early in July last, owing to the Supply Bill, provided for payments not having been passed.

#### EXCISE ON TOBACCO

Mr PULSFORD

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

Is it the intention of the Government, before the introduction of the Tariff, to bring in a machinery Bill or Bills to deal with excise on tobacco and other commodities.

Vice-President of the Executive Council

Senator O'CONNOR

- Yes. The necessary leave has been already obtained.

#### ORDER OF BUSINESS

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Senator Lt Col NEILD

- I move-

That notice of motion No. 1 be postponed until the orders of the day relating to private business

Senator GLASSEY

- I would appeal to honorable members who have business on the paper to forego their claims, with a view to allowing the Government to get on with the Customs Bill, or some other measure.

Vice-President of the Executive Council

Senator O'CONNOR

. - I am very much obliged to the honorable senator for his suggestion, and it is my intention, later on, to ask the Senate to give up Fridays to Government business, as we And that course will be absolutely necessary in order to enable us to get on with the work. The time of Ministers is so much occupied in the House that we have been obliged to arrange for a meeting of the Cabinet and Executive this morning, at which my attendance will be necessary, and, therefore, it will be impossible for both Ministers to be here. It was thus impracticable to fix the Customs Bill for to-day, or otherwise I should have asked the House to go on with it. I am glad to know from the expression of opinion that has just taken place that we shall have no difficulty in doing what is proposed.

Senator Major GOULD

- I do not think the Vice-President of the Executive Council will find any great difficulty in making such an arrangement ; but I would point out that it would be manifestly unfair to make any alteration to-day, because there are many honorable senators who are absent who would like to have an opportunity of discussing the Bills that would come forward in the course of Government business.

Question resolved in the affirmative.

#### PARLIAMENTARY EVIDENCE BILL

Second Reading

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Senator Lt Col NEILD

- I move -

That this Bill be now read a second time. It will not be necessary for me to occupy the time of the Senate at any length. The Bill is designed to give both Houses of Parliament authority for the' summoning of witnesses, and provides for their ordinary conduct and proper treatment, and for obtaining what

information may be desired from them. It is an absolute transcript of the Statute that has been in force with good effect for twenty years in New South Wales. There has been an absolute freedom of complaint in New South Wales, and as there has been a great deal of committee work in that State in connexion with the State Legislature, the Statute has passed a most severe test. I therefore submit the Bill with a great deal of confidence as to its merits. Its provisions contain no debatable matter, except that the fourth clause provides for witnesses' expenses. If I pressed that clause it would probably give rise to an important constitutional discussion upon a point involving very, material difficulty, as any honorable senator may see by referring to the observations with regard to the initiation of money votes in the Senate, to be found in the Annotated Constitution of the Australian Commonwealth by Quick and Garran. Of course, we do not pretend to have the right to initiate ordinary Money Bills, but there probably would be no difference of opinion as to our right to pass measures that incidentally involve some small expenditure. In New South Wales, however, the total amount paid to witnesses does not average more than £20 a year or thereabouts, and therefore it is not worth while raising the constitutional question. I therefore propose, in committee, to eliminate that clause. In the law regulating the examination of witnesses before the House of Commons or any committee thereof, there is no provision for the payment of witnesses. I do not think we need trouble ourselves very much about so small a detail. The cases where the Senate or the other House might have a desire and a need to examine a witness directly would be, perhaps, in such cases as I have known from my experience in New South Wales, where a member has accused some one sitting in the precincts of the House of having sought to bribe him. In a case of that kind witnesses have been brought at once before the Chamber and questioned, and there is no need for their payment. In the case of select committees it has been found in that State much more convenient and much less expensive, where evidence has been sought in a country place, to send a quorum of the committee there than to bring the witnesses, at great trouble and expense, to Parliament House. Some of our select committees may be compelled to adopt that course, and I believe there are committees of the different Legislatures which frequently go to the country, and sometimes even into other States to obtain necessary information, so that it is not customary for witnesses to have to be brought from a distance. I offer these explanations of my intention to move the omission of the clause, believing that the expenses of witnesses could be very readily provided for directly from the Treasury at the proper time, if the necessity ever arose. No doubt upon proper representation made, any Treasurer would pay the reasonable expenses of a necessary witness from, his advance account, pending parliamentary appropriation. It could not amount to more than a very few pounds, and the insertion of the clause here would bring about an undesirable and useless discussion. The Bill is so brief, and its nature must be so well-known to honorable members, that more than a word or two seems to be needless. The first clause is an interpretation clause. The second clause describes how witnesses are to be summoned. The third clause describes the procedure under which, a witness is examined. Then omitting the fourth clause, the fifth clause provides penalties for non-attendance. That is positively needful, because the Senate or the other House would put itself into a ridiculous position before the world if it summoned a witness and had no power to compel his attendance. Then the sixth clause, dealing with the privileges of witnesses, says that no action shall be maintainable against a witness for anything he may say, and contains a penalty for false evidence which he may give knowing it to be false. There is also a seventh clause, dealing with penalties in respect of witnesses who refuse to answer lawful questions. There is a couple of schedules of the necessary forms for the operation of the Act. I do not think there is anything material omitted, and I do not think there is anything unnecessary inserted. If it were a new measure it might be necessary to describe it more at length, but being a time-honoured measure which has been found to work well, I commend it to the consideration of the Senate. I am guilty of no breach of parliamentary etiquette or propriety in pointing out that there are two select committees now taking evidence without oath or affirmation on the part of the witnesses. It may be said that under a section of the Constitution Act we have the full powers of the House of Commons, and therefore can swear witnesses, notwithstanding that we are working under standing orders which say that witnesses are not to be sworn. But this raises a curious constitutional question, because by adopting standing orders providing that witnesses are not to be sworn, we have, I venture to submit, practically abandoned the privilege contained in the Constitution.

The PRESIDENT

- The reason for that is that the House of Parliament from whose standing orders they are adapted has no

power to administer an oath.

Senator Lt Col NEILD

-Col. NEILD-Precisely. I am only referring to it incidentally, because it may be said that we have, under the Constitution Act all the powers which are necessary. That Act provides that we shall have the powers of the Imperial Parliament until we make other provision, and it is a nice point whether, in adopting standing orders, we have not made that provision", because clearly the examining of witnesses on oath is a subject for standing orders, and clearly the standing orders' do not require to be adopted by both Houses to make it a complete parliamentary act. While the point, perhaps, is involved, I submit that it is more\* desirable for us to have a clear-cut, simple definition of our authority in dealing with witnesses under our own Act, instead of having to go to the other end of the world for an Act which is more or less applicable, or to standing orders, which are more or less unsatisfactory ; or, on the other hand, to pursue a method of examining witnesses without oath or affirmation, especially in serious matters. Supposing that evidence is being taken by a committee on an election petition, where the proceedings practically involve a misdemeanour - because the bringing home of charges of improper conduct in connexion with an election deprives the person successfully accused of his civil rights, at any rate, of his electoral rights - is it a desirable thing for a witness before that committee to be examined except on oath or affirmation % If it is desired, I shall be « quite willing that the consideration of the Bill in committee should be postponed until a later date.

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Senator O'CONNOR

- (New South Wales - Vice-President of the Executive Council.) - The Government are in favour of the principle of this measure, and I am glad to hear that the honorable senator does not propose to go further than the second reading stage to-day, because, while we are in favour of the principle, there are very many grave considerations as to the method in which it is to be carried out, and as to the necessity of adapting the law to the new conditions in which we find ourselves. The honorable senator's Bill is almost a verbatim copy of the New South Wales Act, which has worked very well. Whether or not it is applicable to our new conditions - whether or not, for instance, the method of summoning witnesses, the power to examine witnesses, and other matters, are such as we desire - will have to be carefully considered in committee ; and I do not bind myself or the Government in any way, in assenting to the principle, to assent to the method in which it is proposed to carry out these provisions. The honorable senator has made some reference to the standing orders, and I think it is well that we should be perfectly clear that nothing has been done in the Senate or in Parliament which has in any way abridged the rights we have under the Constitution. Section 49 of the Constitution says that -

The powers and privileges and immunities of the Senate and of the House of Representatives, and of the members of the committee of each House shall be such as are declared by the Parliament, and until declared by the Parliament shall be those of the Commons House of Parliament of the United Kingdom, and of its members and committees at the establishment of the Commonwealth.

The phrase " shall be declared by the Parliament," I take it, refers to declaration by statute. There cannot be any other way in which Parliament will declare except by statute. Therefore, until Parliament passes a law defining our powers and privileges they must be the same as those of the House of Commons at the time of the passing of the Constitution Act. In regard to the examining of witnesses there is a statute in force authorizing the examination of witnesses before committees of the House of Commons, so that we at the present time are not without powers in that respect: We have all the machinery of the House of Commons if we choose to adapt it to our procedure. At the same time, it is quite necessary and right that we should define our own powers in a way specially suited to our own local purposes. Having referred to the section of the Constitution Act I should also like to refer to the standing order which I think the honorable senator had in his mind, namely, No. 418. It can in no way whatever detract from the privileges which we have under the Constitution, nor can it override a statute. - It does not purport to take away even our right to examine witnesses. Standing Order 418 says -

Witnesses cannot be examined upon oath by the House or any committee thereof except in cases provided by for the law.

The honorable senator, I think, is entitled to credit for having brought forward this matter, and I am quite sure that he will in no way feel aggrieved if we ask for time to consider the provisions of the measure, and

if the Senate endeavours to make it in every respect suitable to the conditions under which we now find ourselves.

Senator Major GOULD

- With regard to the introduction of this measure, I have no doubt that the Senate and the country will recognise that some measure of the kind should be placed upon our statute-book ; because, while we have the opportunity of adopting the powers that exist in the House of Commons, it is very much more desirable that these powers should be placed before our own people by our own statute, in order that there may be no difficulty in knowing exactly what our powers are. As it is intended to go into committee proforma on the Bill, I wish to ask the Vice-President of the Executive Council whether an opportunity will be afforded to Senator Neild to proceed with the Bill in its committee stages at a later period ? I ask that question because it is the intention of the honorable, and learned gentleman to ask the Senate to give the Government the whole of the three sitting days that we have at the present time, in order that Government business may be transacted, It might be possible, perhaps, for the Minister to make provision by means of which a Bill of this, character shall have an opportunity of coming forward for consideration, say, early or late upon some convenient day. If some such arrangement were made with regard to private legislation, it would be reasonable. Of course, I should not ask for it in regard to ordinary abstract motions.

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Senator O'Connor

- There is no immediate necessity for this measure, and when we get through some of the machinery Bills that are necessary to be passed before the introduction of the Tariff we may adopt some such suggestion as that made by Senator Gould.

Senator Lt.-Col. NEILD (New South Wales), in reply. - I am quite satisfied to follow the suggestion of the Vice-President of the Executive Council. I stated, indeed, in moving the second reading of my Bill that I was quite willing not to go further than the committal stage to-day. I am in accord with the honorable and learned senator as to the right of the Senate to do certain things, but I think I indicated that, as has been clearly enunciated by Senator Gould, it is desirable that we should have our own authority for our own procedure, and not have to go to other parts of the world for that which, while it may be strictly applicable, may not be altogether convenient and not as acceptable as our own authority would be. I, therefore, leave the matter in the hands of the Senate.

Question resolved in the affirmative.

Bill read the second time.

In Committee :

Clause 1 (Interpretation).

Postmaster-General

Senator DRAKE

. - I take the opportunity of suggesting to Senator Lt.-Col. Neild that it would be desirable if he would endeavour to slightly alter the form of the Bill in some respects, so as to bring it into conformity with other legislation which has been before the Senate during the session. I refer particularly to the interpretation clause. It has been almost the universal practice in interpretation clauses -to put each word in a separate paragraph, thus making it more convenient for reference. There are one or two other matters to which I need not refer, and I think that if the honorable senator were to call in the assistance of one of the gentlemen who have been drafting public Bills during this session, in order that the language might be to a certain extent brought into conformity with what we might almost say has become the usage of this Parliament, he would be wise. The Parliament is very young, but we have adopted a certain style of drafting, and it would be well that we should as nearly as possible adhere to the standard that has been established from the commencement.

Progress reported.

BASS STRAITS SUBMARINE TELEGRAPH CABLE

Debate resumed (from 2nd August, vide page 3465) on motion by Senator  
bating-

That, in the opinion of this Senate, the Government should forthwith acquire for the Commonwealth the ownership and control of the Bass' Straits submarine telegraph cable.

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Senator MACFARLANE

- This is a motion which I think would commend itself generally to honorable senators if it were not for the use of the word "forthwith." The proposal that the Government should purchase the cable forthwith seems to me very objectionable indeed, as it would prevent our exercising that economy in the purchase which ought to be exercised. It has been pointed out that this cable has been laid down for some years, and is likely to have deteriorated very much. By the terms of the contracts, under what the company is working the cable it appears that they would expect the whole of their expenditure to be repaid to them. That in itself is objectionable in the case of a cable which has been laid down for so many years. I venture, therefore, to suggest an amendment upon this motion which will meet the case as it presents itself to my mind. My object, in the first instance, is that the existing cable, if acquired, shall be acquired only upon reasonable terms, and with respect to the first provision in my proposed amendment, there is an alternative suggested if we cannot acquire the existing cable on reasonable terms. From the copies of the contract which have been circulated to honorable senators, it is by no means clear that the Commonwealth cannot lay down a cable of its own. The provision of the contract affecting the matter, reads in this way -

The company shall have the exclusive right to submarine telegraph communication between the colonies of Victoria and Tasmania for a period of 20 years.

But it does not say that the Commonwealth shall not have the right to lay down its own cables, and I suggest that the Postmaster-General should carefully consider that question, and see if another cable cannot be laid down. The advantage of laying a cable between New South Wales and Tasmania would lie in the fact that from Gabo Island to the large island of Flinders, the distance is about the same as to the Low Heads, near Launceston, and it would give communication with Flinders, Barren Island and Clarke Island, with which we at present, have no communication at all. It might be of great advantage in dealing with accidents to shipping, and I think that it would be very desirable to have a cable laid in that way. I move -

That all the words after the word "should," line 2, be omitted with a view to insert in lieu thereof the words "either lay down a second submarine telegraph cable between Tasmania and Australia, or acquire on reasonable terms the ownership or control of the existing Bass' Straits submarine telegraph cable."

Postmaster-General

Senator DRAKE

- I have already spoken on the main question, but, with the permission of the Senate, I may be permitted to speak again upon this amendment, which is really a new motion.

The PRESIDENT

- The honorable senator cannot do so under the standing orders.

Senator DRAKE

- That is what cannot understand in connexion with the standing orders, and what seems so extraordinary to me.

The PRESIDENT

- The honorable senator must see that he cannot argue the question.

Senator DRAKE

- Then I shall ask leave of the Senate.

The PRESIDENT

- Of course, the honorable senator may do that. Although it may appear somewhat extraordinary to senators who have been used to a different course of procedure, it might seem just as extraordinary to other senators to have to adopt a procedure different to this. These standing orders, as every one knows, have been adopted hurriedly, and we all know "that it is the wish of the Senate that in agreeing to permanent standing orders some of the provisions of these should be altered, but so long as they exist it is my duty to administer them."

Senator Major Gould

- Perhaps, with the concurrence of the Senate, Senator Drake may be allowed to speak 1

The PRESIDENT

- If the Senate likes I have not the slightest objection. I will put it to the Senate that Senator Drake have leave to speak a second time.

Honorable Senators. - Hear, hear.

Senator DRAKE

- I desire to speak on this amendment, because the resolution as proposed to be amended takes really a different form from the original resolution, and also because, since the resolution was moved, I have had some conversation with members of the Senate, and I thought it was an understood thing that another amendment was going to be moved which would have received the approval and support of the Government. Senator - Macfarlane's amendment is one which I cannot approve of, because, in the first place, it affirms that the Government should do a thing which I believe we cannot do under the existing agreements. The amendment affirms that we shall either lay down a second submarine telegraph cable between Tasmania and Australia, and with regard to that alternative, it was shown in the course of the previous debate that there are certain existing agreements which preclude the Government from laying any other cable. A cable could not be laid to Victoria without the State Government of Victoria granting landing rights, and if under the agreement they are precluded from granting landing rights the cable could not be laid. The Government of the State of Tasmania have also, I believe, precluded themselves from granting landing rights.

Senator Macfarlane

- Not with respect to a cable to New South Wales.

Senator DRAKE

- I have not the agreement before me, but I understand that Tasmania is a party to an' agreement that no other cable shall be laid.

Senator Macfarlane

- Between Victoria and Tasmania.

Senator DRAKE

- I think the Government of Tasmania made the agreement obviously with the intention of. granting a monopoly to the Eastern Extension Company, and could not grant landing rights for any other cable between Tasmania and Australia. At all events, I hardly think that the Senate should pledge itself to a resolution that it is desirable the Government should take an action which clearly one of the States of Australia has by agreement pledged itself against. We do not know what the terms may be on which the cable could be acquired, but the amendment which I understood was going to be moved by Senator McGregor was to affirm the desirability of as early as possible assuming the ownership and control of the means of telegraphic communication between Tasmania and the mainland. That is stating a general principle which the Government can approve, and a principle which I think would be adopted by every member of the Senate. We all desire that telegraphic communication between the States, whether they be contiguous or be separated by sea, should be as free as possible, and should be under the ownership and control of the Government.

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Senator Walker

- Including the cable to New Guinea?

Senator DRAKE

- New Guinea is not a portion of the Commonwealth.

Senator Walker

- It is under the control of the Commonwealth.

Senator DRAKE

- No, it is not at the present time ; it is under the control of the State of Queensland, subject to an agreement by which some of the other States contribute a certain amount of the expenditure. New Guinea might become a part of the Commonwealth, and in that case I take it the principle which the Senate might affirm to-day, would be applicable. What I desire is that the motion should be amended in such a way as to simply affirm the principle of the desirability of the ownership and control of the telegraphic communication between Tasmania and the mainland being in the hands of the Government.

Senator Macfarlane

- And the laying of a cable to islands such as Hinders and so on?

Senator DRAKE

- These islands are a part of the Commonwealth now.

Senator Macfarlane

- True, and that is why I want a cable laid there.

Senator DRAKE

- This motion deals simply with telegraphic communication between Tasmania and the mainland, but the principle of Senator McGregor's amendment would undoubtedly apply to any territory that might at any time become a portion of the Commonwealth. I am very thankful to the Senate for having given me an opportunity of saying a few words, and now that I have indicated the feeling of the Government, I hope the motion will be amended in the direction that has been suggested, and that Senator Macfarlane will see his way to withdraw his amendment.

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Senator McGREGOR

- A fortnight ago the Postmaster-General, in connexion with the conditions that obtain between the Telegraph Company and the Government of "Victoria, said it would be inadvisable for the Commonwealth Government to put into execution any powers they have got ; and a further statement was made that to resume the line under compulsion might cost the Commonwealth Government a very large amount of money for something that was not worth very much. The Postmaster-General clearly pointed out the condition the cable might be in after lying in its present position for such a length -of time, and I was of opinion that it would be advisable to amend Senator Keating's motion. After consultation with several honorable senators, I was willing to submit an amendment, and I intimated to you, sir, my intention of doing so, a fact which I am sure you must have forgotten, seeing that I was on my feet before Senator Macfarlane. The amendment I desire to move will not conflict with the object Senator Macfarlane has in view ; and I believe that every honorable senator is trying to do his very best in the interests of the Commonwealth. Cries are very often raised with respect to breach of covenant and that sort of thing, and it would be a gross breach of covenant on the part of Tasmania if she were to lend herself to the laying down of another cable from any part of Australia, in view of the agreement she has already entered into. The laying of another cable from New South Wales, South Australia, or Victoria, would not make any difference so far as Tasmania's share of the contract is concerned. I move -

That all the words after ' 1 Senate " be struck out, with a view to insert in lieu thereof the words "it is desirable that all means of telegraphic communication between Tasmania and the mainland of Australia should, as early as possible, be brought under the ownership and control of the Commonwealth. "

I have shown my amendment to several honorable senators, all of whom have agreed with it. Seeing that there may be an ultimate intention on the part of the Commonwealth Government to own and control these cables, reasonable terms might be made with this telegraph company that at a very early date we should both own and control the existing line, or obtain power to lay down another, without directly violating a contract which has already been entered into. Seeing that my amendment meets the views of a number of honorable senators, and that it will carry out the idea which Senator Macfarlane has in his mind, without having even the appearance of expressing a desire to depart from a contract which has already been entered into by Tasmania, I hope that it will be accepted.

Senator EWING(Western Australia).I agree with most of Senator McGregor's remarks, but I cannot agree with what the Postmaster-General has said. I think that the amendment by Senator Macfarlane is quite within the range of what we are entitled to do. Upon looking at tins contract I find that the State of Tasmania has agreed to allow the Eastern Extension Telegraph Company the exclusive right of carrying on submarine cable communication between that State and Victoria. Jf Tasmania had wished to give that company the exclusive right of carrying on cable communication with the whole of Australia it could easily have done so. It was perfectly open to that State, before entering the Federation, to construct a cable to any of the other States of the Commonwealth. That being so, it is equally open to us as a Commonwealth, without any breach of faith, to do the same thing now. Consequently, I cannot see that either in the letter or spirit of the existing agreement this resolution in any way breaks faith with the cable company. I recognise that we should adhere strictly to .the terms of any agreement made, but we cannot go into the moral obligations which are the outcome of contracts, otherwise we should never know where our liability ended. Our only liability is the legal one which is the outcome of the contract - not any sentimental or moral obligation which may arise in the minds of the individuals. What does the contract say 1 That Tasmania will give to this company the exclusive right of cable communication between that

State and Victoria. If Tasmania had desired to give, and the cable company had demanded, the exclusive right of communicating by cable with the whole of Australia, would not that condition have been inserted in this contract ? But Tasmania did not tie her hands in that way. Seeing therefore that we are only bound to comply with the legal obligations created - which is all that the company can ask - I cannot agree that Senator Macfarlane's amendment either directly or indirectly transgresses the letter or spirit of the agreement. It is a perfectly fair and reasonable amendment. Senator Macfarlane evidently intends to give this telegraph company a preferential right to contract with the Government. He does not desire to interfere with them at all if he can help it. He merely wishes that they shall be reasonable and fair, and that they shall submit this matter to arbitration. He says in effect that if the company are willing to sell at a reasonable price the Commonwealth should by all means purchase the cable. But if, on the other hand, the company are unreasonable not only to Tasmania but to the other States of the Commonwealth, then it is the duty of the Commonwealth to do that which Tasmania undoubtedly had a right to do before she entered into this Federation. Although I absolutely agree with Senator McGregor's amendment, which affirms a general principle, I think that Senator Macfarlane's amendment brings the matter to a definite issue, and, because it has some finality and definiteness about it, I think that we should do well to support it.

Senator DELARGIE (Western Australia). I think that Senator McGregor's amendment will be preferred by the Senate. It is generally understood that the immediate acquisition of an important cable such as the one under discussion is at the present time out of the question. It is better that such questions should be approached gradually, and that no precipitate action should be taken. I do not see that the laying down of a cable from Tasmania to Sydney would ever overcome the difficulty which has arisen. If such a cable were constructed, Victoria would still be confined to the existing cable for the transmission of her messages. This State could not make use of the suggested Sydney cable. I therefore support Senator McGregor's amendment.

Amendment (Senator Macfarlane's), by leave, withdrawn.

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Senator DOBSON

- I think that we have to thank Senator Keating for bringing before the Senate a matter of considerable importance. To some extent it appears to be a rather delicate question. I am also of opinion that Senator Macfarlane has shown us an alternative, if we cannot purchase this cable. But although we have a strictly legal right to adopt the alternative proposal contained in the amendment which has been withdrawn, such an action might be considered rather sharp practice or an evasion of the spirit and meaning of the contract rights of the Eastern Extension Telegraph Company. Perhaps, therefore, it is just as well that that alternative proposal has been withdrawn, because I do not know that Ministers would like the idea of falling back upon it. The Eastern Extension Telegraph Company have been closely watching the debates which have taken place in the Senate upon this subject, and have communicated with the Postmaster-General, affirming that some erroneous statements have been made by honorable senators in regard to this cable. The Postmaster-General very rightly wrote to them at once and asked what the incorrect statements were, and they have sent in a letter which no doubt will be brought before the House by the mover of the motion, to whom a copy has been sent. One of the statements to which the company takes exception is that this was a very old cable, that it must have suffered very much from wear, and that it would be very unwise to buy a cable partly worn out. That seemed to be a very fair way of looking at the matter, and I was about to ask honorable senators to consider the folly of purchasing a cable 30 years old, which had probably been patched up over and over again. The company say, however, that an absolutely new cable was laid down across the Straits so late as the year 1898, and that, of course, puts an entirely new aspect upon the matter. In choosing between the motion as it originally stood and as proposed to be amended by Senator McGregor, I should be inclined to support the amendment, but I think the best thing to do would be to pass no resolution whatever. I have had some little experience in these matters, and I know that when a Government is desirous to become the purchaser from a company, and the company knows that they are being pressed either from inside or from outside Parliament, and that there is a certain amount of agitation in favour of the purchase, the Government are always placed at a disadvantage as against the vendors. The proper thing would be to return our thanks to the senators who have brought this matter forward, and, after having had it discussed, leave it severely alone. I know



the motion, if amended as proposed, will not tie the hands of the Government. But if the Government once conceived the idea of commencing negotiations for purchase on the "basis of the purchasing clause in the agreement, we should put things on a wrong basis altogether. The wording of the purchasing clause is most startling. It provides that the State - now the Commonwealth - shall have the right to acquire the cable by purchase at an equivalent of the cost of the line and value of the profits thereof, including the Government guarantee. Senator Keating has told us that the cost of the line has already "been agreed upon as £70,000, but under the terms of the extraordinary clause in the agreement, it appears to me that the Commonwealth would be bound to pay for the line twice over. The £70,000 put down as the cost of the line would, no doubt, be slightly more than the cable itself would be worth - & any rate it would be the whole cost of the undertaking with commissions, rewards, and everything else added. Then we should have to compute the value of the profits, and to estimate another capital amount to add to the cost of the cable, in addition to the State guarantee, which secures an absolute return to the company. Any negotiations would undoubtedly be commenced by the company upon the basis of this extraordinary purchasing clause, and however much the Commonwealth might desire to make a new deal, the company would try, at every turn of the negotiations, to drag in the purchasing clause as the basis of their legal and moral rights.

Senator Keating

- The purchasing clause is much the same as that in connexion with our Tasmanian Main Line Railway Act.

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Senator DOBSON

- I do not know that it is quite the same, but it is from my experience in connexion with that matter that I am now speaking. In that case, the State became purchasers of the line at a great disadvantage, under public pressure, and in the end paid £1,119,000 for the line which cost only £700,000. I have no wish to oppose the motion, but my idea would be, after having ventilated the subject, not to think of purchasing the cable, unless the company come to the Commonwealth, and offer to sell at a reasonable price. If the cable is new, it is worth purchasing at its market value, but the agreement has now only eight years to run, and, no doubt, at the end of that time the cable may be acquired by the Commonwealth upon fair terms.

Senator KEATING(Tasmania) in reply. - Since this motion came under discussion, the Eastern Extension Telegraph Company have issued a circular to honorable members in another place, directing their attention to misstatements made in the various debates in Parliament respecting their position- with regard to Australia. The company have spoken of the many misleading statements that have] been made regarding the Bass' Straits cable. None of these circulars were sent to members of the Senate, but through the Postmaster-General I was informed a fortnight ago that a circular of this kind had been issued by the company, and as I had not received a circular, the Minister was good enough to place one in my hands. I also asked the -Postmaster-General to request the company to specify the particular misstatements which they considered had been made in connexion with this cable, and to which they had referred in general terms. That was about a fortnight ago, and it is only just this morning that, through the courtesy of the Postmaster-General, I have had placed in my hands a copy of their reply, which makes detailed reference to what they call misstatements. I was perfectly well aware before I saw this letter, that the cable that was laid by the old company, whose rights the Eastern Extension Telegraph Company subsequently acquired, is not the sole cable which connects Tasmania with the mainland of Australia. Since that cable was laid they have laid other cables, and one I believe so recently as 189S. I believe further that the old cable is very rarely used by the company. In this letter is a statement of a fact, it is said, of which senators were not aware, namely, " that in 1885 the cable company laid another cable without additional subsidy." The company speak just as if they should have got a subsidy for what was practically the maintenance of their own monopoly. Do they consider that when their old cable wears out they ought to get in addition to their original existing subsidy, further subsidies in respect of the cost of repairing or replacing the old cable ? The letter goes on -

In 189S a new cable was laid in place of the one laid in 1869, and in 1900 (last year) a new cable was laid in place of the one laid in 1885 ; so that instead of the cables being old, both are new.

The only information to me in this is that in 1900 a new cable was laid. I knew that one had been laid in

1885, and that another had been laid in 1898, and that both cables were, therefore, comparatively new. I did not wish, however, to interrupt the Postmaster-General in his argument that the Government<sup>1</sup> would be purchasing a cable which had been gradually deteriorating while the price to be paid for it under the terms of agreement was gradually increasing. I am well aware that in days gone by the Tasmanian Government entered into some foolish agreements with companies of this kind. As information to the Postmaster-General, I might give an illustration. Senator Dobson has referred to an agreement between the Tasmanian Government and the Tasmanian Main Line Railway Company with reference to the purchase of their line. I may inform the Postmaster-General, lest, to use a colloquialism, he should possibly "fall in" in connexion with any negotiations he may enter into in this matter, that the Government of Tasmania entered into an agreement with that company that it should have the sole means of communication between Hobart and Launceston by rail, and, guaranteed 5 per cent, on the cost of construction as profits, the Government to have the right of purchase at any time at the cost of construction, plus a percentage.. The cost was something like £640,000. The company had a guarantee of 5 percent, or £32,000 net profit, and somehow or other, it took very good care that it had little or no net profit on the working of the line. What would have gone to ordinary profit and loss in the absence of such a guarantee was often put into what was called maintenance or additional construction. When the Government came to exercise the right of purchase they found the cost of construction was not £640,000, but, £640,000 plus all the profits which the company had devoted to the provision of further facilities to meet what they had considered the growing requirements of the traffic. So, instead of purchasing the line at about £800,000, the Government, as a compromise paid about £1,120,000, and during the whole period in which the line had been running for the company the Government had been practically paying the whole of the dividends to the company.

Senator Sir William Zeal

- The shareholders did not get any interest on their shares.

Senator KEATING

- I should have been very well satisfied to get half the interest which they got. They got a very good result. They put out the profits they were making at compound interest, and were drawing the profits from the Government of Tasmania in the meantime. Of course the Eastern Extension Telegraph Company may have learned wisdom from the operations of that railway company. I knew that there was one cable laid in addition to the original cable, but it appears now from this document, that a cable was laid in 1900 - and this is certainly information to me - in place of the one laid in 1885, so that, instead of the cables, being old, both are new.

Senator Drake

- If the honorable and learned senator did not know, could I be expected to know ?

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Senator KEATING

- I think the Postmaster-General might have been able to ascertain through his department what was exactly the position. Their letter reads as follows -

Senator Lt Col Neild

- On a point of order, I do not think there is any rule of Parliament better known than that which makes it incompetent for an honorable senator to read a letter reflecting on the business transacted by the Senate.

The PRESIDENT

- No doubt that is so, but it is quite competent for an honorable senator to read a statement with regard to facts, or to read a contradiction of alleged facts. No comment upon the debates in the Senate is, however, permissible.

Senator KEATING

- I am well aware of the rule to which Senator Neild has referred, and also of the rule that was the subject of discussion last night in another place ; but I simply wish to read this letter so that there shall be no misunderstanding with regard to the subject. I think that all desire in discussing the motion to know what is the actual condition of affairs. The letter says -

In reply to your letter of the 9th inst., I have the honour to refer to the following statements made by the honorable members of the Senate relative to the Tasmanian cable, which I consider were, to some extent, misleading : -

That the company in 1889 had an assured income of £9,800 per annum on the capital invested. That the cable is getting older and older, and nobody knows when it is going to give out, and may at any time break down, and be found to be past repair. That the company has the right to make its own charges. Referring to the first statement, I beg to point out that cost of working, maintenance, and contribution to amortization fund has to be deducted from the income.

Honorable senators will remember that in speaking on this subject I specially pointed out that the £9,800 per annum was income and not net profit. The second alleged misstatement was the Postmaster-General's, and I have already referred to that. Then -

To the second statement, honorable senators evidently were not aware that in 1885 the company laid a second cable without additional subsidy, and that in 1898 a new cable was laid in place of the one laid in 1869; and in 1900 (last year) a new cable was laid in place of the one laid in 1885, so that instead of the cables being old both are new.

To the third statement, I have to point out that, in accordance with article 5 of the 1889 agreement, the Tasmanian Government exercised the right of control of tariff by fixing the present rates, viz., for ordinary 1s. for twenty words (inclusive of address and signature), or three fifths of a penny per word; press messages, 2s. for the first 100 and 1s. for each additional 50 words, or six-twenty-fifths of a penny per word..

I think you must admit that this is a very low tariff for 180 miles of cable, also that the full rate - 2s. for twenty words - from any part of Tasmania to any part of Victoria, compares most favorably with any other cable tariff in the world.

Recollect that that is only the cable company's charge for a message of twenty words. The Tasmanian Government then has to impose its ordinary charge, and the Victorian Government has to impose its charge. So that the sender of a message has to pay another shilling to the Tasmanian Government, and a further shilling to the Victorian Government.

For an example, take the rate charged between England and France - twopence per word - and the length of cable only about twenty miles.

While the company says that the amount is 2d. per word they do not say whether that means simply that the charge is 2d. for the cable, or whether it means that that is the charge from any part of England to any part of France.

Senator Sir Frederick Sargood

- It is for cable transmission only.

Senator KEATING

In almost every other country the address and signature are charged for, and I think - with all due respect - the Australian Commonwealth should do so, and it is very unfair to any telegraphic administration - whether Government or private - to be required to transmit ten or more words, comprising the address and signature free of charge. With reference to Senator Keating's remarks about "the generosity of the company in the past--"

The PRESIDENT

- I think the honorable senator should not read any comments, upon the debates.

Senator Playford

- We shall have all sorts of communications read in the Senate if we do not mind.

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Senator KEATING

- Then honorable senators can see the letter for themselves afterwards. As I said in discussing the motion originally, the Australian States have entered into union, five of them being connected compactly, whereas one of the States is isolated by natural conditions. Tasmania has surrendered, in conjunction with the other States, the control of the administration of her postal and telegraphic business. Whatever may be the advantages accruing from the amalgamation of the administration, they should be participated in equally by all the States. I maintain that if we control the whole of the telegraphic system of the five mainland States, and also that of the one island State, and if we do not control and administer the connecting link, we shall have an absolute anomaly that will lead to all kinds of differences and disadvantages to those who have to send communications between Tasmania and the mainland or viceversa. The Commonwealth should therefore own this connecting link. I submit that that is the

necessary corollary of the amalgamation of the postal departments throughout the Commonwealth. If a private company's lines intervenes, it does not matter what may be the powers which are exercised by that company, we cannot have a proper and efficient amalgamation of the department, and the isolated State and those connected with it, though elsewhere in the Commonwealth, must necessarily suffer. This cable is not in the same position as the communication between England and France, nor is it in the position of a cable between Australia and the old world, It is a cable absolutely within our own confines, connecting the telegraphic system of the whole of the continent of Australia with the telegraphic system of the State of Tasmania, which is a component part of the Commonwealth. As a matter of justice and of absolute right - I put it as strongly as that - seeing that we have laid down the rule that the control of telegraphic communication throughout the Commonwealth shall be the monopoly of the people of the Commonwealth, the control of the communications between that single isolated State and the rest of the States must be the property of the Commonwealth as well. I wish to emphasize the position that it is not a question of the payable nature of this particular section of the telegraphic system, regarding which I may say for myself I have little doubt. But this section must be taken in conjunction with the whole telegraphic system throughout the Commonwealth. We do not, in dealing with the telegraphic systems of the other States, .take out any particular section, and say that it does not pay. I dare say there are thousands of miles of telegraph wires, and hundreds of connexions throughout the Australian telegraphic system on the mainland, that do not pay if they are taken separately and individually ; but they are necessary links with other parts of the system, taken in conjunction with which they do " indirectly pay. We must look at this matter in that light. We have heard something of the charges made by this company, and I am bound to point out the anomalies that exist. I have said something, for instance, with regard to press messages despatched to Tasmania. As the result of the amalgamation of the telegraphic departments throughout the Commonwealth, a press message can be sent from Melbourne to Kalgoorlie or to Coolgardie, in Western Australia, or to Cairns, in Queensland, or, I believe, to the Northern Territory, at absolutely the same cost as that at which it may be sent from Melbourne to Geelong or Ballarat. Yet such a message cannot be sent one-tenth of the distance within the Commonwealth - to Tasmania - unless something like two or three times "the cost be incurred. Why I Simply because there is a double impost - that of the States and that of the cable company. I can see from the letter which I have read that there may be complications, in which the Postmaster-General may be involved, if my motion be carried in its original form. I was desirous that this matter should be ventilated in the Senate as early as possible, so that the anomaly might receive attention from honorable senators. I am very pleased that honorable senators have accorded to the remarks I have made in connexion with this motion, and to the remarks of other honorable senators who have spoken, so great an amount of attention, and I thank them for the evident sympathy with the position of Tasmania that they have manifested. I do not wish to involve the Postmaster-General or Ministers in any complications in connexion with a purchase of this kind. Seeing that the cable company have laid these additional cables, one of which I was aware of, and that possibly there may be a long discussion on the powers of the Commonwealth, under the original agreement, to purchase the absolute monopoly of the communication, I think the amendment now proposed is one that should meet with the support of honorable senators, and I am perfectly prepared to acquiesce in it. Senator McGregor's amendment affirms that it is desirable that all means of telegraphic communication between Tasmania and the mainland of Australia should, as early as possible, come under the ownership and control of the Commonwealth, and that is practically what I desire to affirm in my motion. I am prepared to accept that amendment, and, now that the\* matter has been ventilated, I feel that the Postmaster-General and the members of the Cabinet will see there is an urgent necessity that special attention should be paid to this important matter, in order that we may have the spirit and letter of the Constitution Act, and the spirit and letter of our Postal and Telegraph Act carried out, and so have the whole means of telegraphic communication throughout the Commonwealth the property of the people of the Commonwealth .

Amendment (by Senator McGregor) agreed to.

Question, as amended, resolved in the affirmative.

OLD-AGE PENSIONS

Senator Lt Col NEILD

I move -

That, in the opinion of this Senate, it is desirable that a system of old-age pensions be established by the Commonwealth.

That the State Governments be invited to authorize the Treasurer of the Commonwealth to deduct from the sums payable to the States under section 87 of the Commonwealth Constitution Act the amounts required to provide such pensions.

In rising to address myself to this seriously important question, which, in the form I have submitted it, cannot be called an academical proposition, as, on the contrary, it proposes a direct method of achieving that which is the desire of so large a number of the residents of the Commonwealth, I trust honorable senators will accept this brief explanation from me : I did not anticipate that the course of business would enable me to reach the motion to-day, and I have, therefore, not prepared a speech such as would be worthy of the occasion. I have merely had an opportunity, during the last quarter of an hour, of making a few notes, and these, with explanations, I desire to submit for the consideration of the Senate. I believe I am not assuming a virtue that I do not possess when I speak of myself as the political father of the old-age pension movement in Australia. Due to circumstances to which there is no possible need to refer, I took this matter up some years ago.

Senator Stewart

- How many ?

Senator Lt Col NEILD

- A good many years ago. In reply to the honorable senator's question, I may say that I made it a distinct plank in an election platform in 1895.

Senator Stewart

- We were years ahead of the honorable senator.

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Senator Lt Col NEILD

- I know the question of old-age pensions was dealt with by many persons in a furtive kind of way, but do not know that it was ever made until then, and certainly not in New South Wales, a decisive question upon which to challenge the support of the public for a return to Parliament. Subsequently, empowered by the Government of New South Wales by commission under the Great Seal, I visited England and the Continent of Europe to obtain the latest information available, and I compiled a report, which will be found in the Library of the Parliament, showing the steps that had been taken by every continental Government, either in the form of legislation actually accomplished, or of legislative proposals submitted for the consideration of the different Parliaments, and every scheme that had been devised by the wisdom or unwisdom of the leaders of Continental Europe. I do not purpose at this stage to occupy time in going through what has been done on the Continent of Europe. It is sufficient to repeat the fact, which I suppose is known to every member of the Senate, that there is the strongest possible movement amongst the civilized peoples of the world in favour of measures providing for the old aged by a more enlightened and humanitarian system than that of work-houses, poor-houses, or asylums. There is also a desire to do something more definite than the mere distribution of outdoor relief. I may remark in passing, that though in the old country old-age pensions have not yet been established, the fact remains that the whole course of relief distribution in the old land is in the direction of outdoor relief rather than of indoor relief : that outdoor relief is supplanting, to a very remarkable extent, the indoor provisions of the work-houses. It may be said that it is not the duty of the State to deal with these matters, and that they should be left to private enterprise. That view of the question is so frequently put forward, that I venture to say a word or two upon it. There is a duty of the State towards its members. In Australia we have found a system growing up in all, or nearly all, the States of regarding the support of old people at the cost of the State, as a Government charity. In

New South Wales, for instance, there is a department of Government charity. That is a positive misnomer - an essential misuse of plain words that from a constitutional stand-point is seriously misleading.

Governments by the people for the people cannot dispense charity amongst the units of population which compose the whole. The Government may unlawfully squander some portion of the national property upon unworthy members' of the community ; but, in so far as it distributes to meet the necessity of those in distress, it only distributes that to which the people are lawfully entitled. I may quote four or five lines from my report, paragraph 716, and say : -

To see that none of its members starve, is as much the duty of the Government of the State, as it is the duty of the head of the family. This duty is recognised and acted upon in respect of helpless infancy, and it follows as a necessary corollary that it is equally the duty of the State to provide for the helplessness of old age and infirmity.

I might do worse than quote the few following lines from paragraph 717 -

It is, then, plainly apparent that the method of dealing with those members of the community who are, by infirmity or advanced years, no longer able to sustain themselves, is fundamentally wrong-

That is, the system of dealing by means of asylums or work houses. I go on - and that the initial step in the direction of reform must be the recognition of the plain economic principle that the care of the helplessness of infirmity and age is the duty of the State, and not a charity of the Government.

Proceeding on these lines, with the view that there is a duty on the part of the State to protect from penury and distress the aged members of the community, we have to look round and see which is the best method. [Senate counted.] There are those who hold that provision for old age is best made by contributory schemes. The medium of friendly societies is largely looked to by some, while national contributory schemes are looked to by others as the most fitting way. But there are reasons why contributory schemes are, to all intents and purposes, impossible. One reason is that they cannot be made applicable to those most requiring help. To the stalwart worker, who is in good health, and for whom continuous employment is easy, contributions for old age may be the simplest thing in the world. But it is not from the ranks of the healthy- and stalwart workers that pensioners or those requiring support in old age are chiefly drawn. It is rather from those who are suffering from physical causes, or from the ill chances of life, such as inability to obtain constant employment, that are drawn the great army of unfortunates for whom old-age provision in some form is an absolute necessity of civilization. If we consider the question of providing by contribution, we find difficulties staring us in the face. One of the initial difficulties is that it is quite impossible to provide for some of the most deserving classes of the community who do not come within the category I have already referred to. Let me take the case of married women. Upon what source of income can married women fall back for contributions towards provision for old age? The working man's wife - the average wife - is the most self-sacrificing woman in the community ; and from what source could she draw the means needful to make provision for old age ? The husband, possibly, may thriftily provide for old age by making his own contributions, but there are few working men's families for whom contribution is possible in the way desired. As I say, a man may contribute for himself, but can he, without stripping his children of the necessities of life, provide for his wife by contribution. It is notorious that the great friendly societies of England, though they have made the most admirable efforts, have experienced a most unhappy failure in this direction ; indeed, the result of their efforts has proved almost ridiculous. In the Manchester Unity of Odd fellows, with a membership exceeding 700,000, and a yearly increase of 1-5,000 to 16,000, only the paltry number of 530 persons subscribed for superannuation benefits from 1882 to 1893. If we turn to the experience of the Ancient Order of Foresters the result is even more discouraging. With a membership of upwards of 600,000, only three applications for deferred annuities were made in the course of ten years, although table after table was prepared in order to meet the exigencies of members. Nor does the post-office annuity system of the old country afford any consolation to the advocate of contributory schemes. This system has been devised not only for persons employed in the Postal department, but for outsiders; and without going into actual figures I am sure the Senate will accept my assertion, which can be abundantly proved by official documents quoted in my report, that the experience in connexion with deferred annuities shows them to have been little better than a complete failure. There is another difficulty. Even supposing the system of contributions were successful, and money were available, we find the fact staring us in the face that the accumulation of funds would become a national danger. There are three schemes known as Mr. Chamberlain's schemes, and I will refer, if I may use the word, to his pet scheme, or that to which he attaches most importance. Applying that scheme to the 7,000,000 male workers in the United Kingdom, and to the 4,000,000 wives or females dependent on them, we find that by the time it reached fruition, the fund would total, even without interest, £528,000,000. That is without interest, and any one who knows anything about the matter at all will know that the interest will be twice or three times the total of the initial contribution. A proposal was recently made by a well-known actuary through the columns of the Times, and as his figures were worked out to the last penny it is easy to apply them to the total workers of the

United Kingdom. Taking the same number of male workers - 7,000,000 - with the same number of females to be provided for, the figures show that the funds, even with the payment of paltry pensions, which are altogether unsuited to our Australian ideas would by the time his scheme had reached its culminating point consist of much more than £2,000,000,000, a sum absolutely impossible of investment. Honorable senators will recognise that the great feature of any such scheme is its interest-earning capacity. The moment that it ceases to earn interest there is a leakage in the dyke, and the floodwaters of failure begin to overflow the whole fund. Any funds of the character of which I speak would be a national danger. They would give the Parliament of the day a control of money which might be used for most undesirable ends. Indeed, it would be impossible to fix a limit to the danger that would accrue from the handling of such gigantic sums. The withdrawal of money from developmental enterprise would be a most serious thing for any community. The whole trend of continental legislation is to recognise the fact which has been recognised in New South Wales', Victoria and New Zealand, that contributory schemes are practically an impossibility, and that the funds for the payment of pensions must be drawn from the current revenue or from some special source of revenue designated for the purpose. Perhaps the first scheme ever put forward for a special fund was that advanced by the notorious Tom Paine, 100 years ago, when he proposed that there should be what we call death duties to the tune of 10 per cent, upon all property to provide pensions for the aged. His scheme is described in these words -

Thomas Paine proposed a fund to be created by taking at the death of every member, 10 per cent, of his property as due to society, and a further amount ranging from 15 to 20 per centum in cases where there were no relations, in proportion to the proximity of the next of kin.

Senator Charleston

- Is that to be found, in Paine's Life and Works?

Senator Lt Col NEILD

- I forget, the source from which I made the extract, but I think it was from an official document. It was not taken directly from Paine's Life and Works. There have been proposals, such as those of Charles Boothe, the well-known humanitarian, that every person upon reaching a certain age shall be the subject of an old-age pension. I do not think that the world has gone far enough to joyfully assent to the granting of old-age pensions to millionaires and people whose circumstances do not necessitate any outside assistance. However excellent it may be as a theoretical proposition, it is not within the range of practical politics, and I am not an advocate of that sort of thing. The age at which pensions should commence is of much less importance than is the question of necessity. Many a man at 65 -years of age is better able to earn a living than is another man at 55 years.

Senator Drake

- Who is to decide the question of necessity ?

Senator Lt Col NEILD

- The question of necessity might be very easily decided by the capacity of a person to earn a livelihood. There are plenty of persons much under 65 years of age whose inability through illness or accident to earn a livelihood is patent.

Senator Dobson

- It is a question, of evidence in each particular case.

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Senator Lt Col NEILD

- Exactly ; but I do not wish to go into that matter. I attach more importance to the second part; of this motion.

Senator Dobson

- Is the honorable senator prepared to advocate a system in which there shall be no contribution.

Senator Lt Col NEILD

- Yes.

Senator Dobson

- Is not that fraught with clanger?

Senator Lt Col NEILD

- I may be permitted to point out that there are many duties in life which persons have to discharge other than that of making provision for their old age. A man with a family to support discharges as high a duty to

the community in educating, clothing, and supporting them, as does the man who adopts the more selfish plan of providing for himself in his old age.

Senator Barrett

- In many cases a man cannot do more.

Senator Lt Col NEILD

- In a large number of cases it is impossible for a man to contribute also for a pension to his wife, And the wife has not the control of money which enables her to make old-age provision.

Senator Dobson

- If the State educates a man's children, as all the States do, with the exception of Tasmania, should he not contribute something ?

Senator Lt Col NEILD

- There is something more than the matter of education involved. A child has to be clothed and supported until he or she can earn a living. That duty falls upon the parents. We have evidence in the discussions in the press and in official documents of an apparent falling off in the rate of the natural increase of population, and that is a very serious matter. It is more beneficial to the community that we should have large families with no old-age provision, than that we should have small families with old-age pensions. A healthy and a growing population, able to develop the resources of the country, is of more value to the community as a whole than the fact that a certain number of persons have made provision for their old age at their own expense. Is it needful that I should advocate this view, seeing that the two great States of the Commonwealth and the colony of New Zealand have all taken steps in the direction of granting free pensions to the aged? The same thing applies, for instance, in Denmark, although the Danish system does not give so much an example of old-age pensions as an example of an elaborate system of out-door relief, as is abundantly shown in my report. Even apart from the theoretical question of 'contribution for old-age pensions, I have shown the difficulties that arise - that those who most need assistance in their old age are those who, in early life, are least able to make provision. There also is the question of the growth of these great funds. Take the case of Germany. A gigantic fund has accumulated there. At the time my report was written it had reached £75,000,000 after four years' operation. The other day the French Government put forward a scheme of old-age pensions, on a contributory basis I admit, and it is officially announced that the fund is to total £496,000,000, a sum approximating to the size of the British national debt.

Senator Dobson

- In Germany the honorable senator showed us that while the Government pay £8,000,000 for old-age pensions, the artisans pay £7,000,000 to the accidents and sick fund.

Senator Lt Col NEILD

- The larger portion of the amounts contributed in Germany are in connexion with the sickness insurance. I would ask attention to the second portion of my motion.

Senator Drake

- Would it not violate the Constitution?

Senator Lt Col NEILD

.- I do not think it would violate the Constitution in the least if the State Governments are willing to give up the money ; it is simply handing the money over to the Commonwealth, and whether it is deducted or transmitted in the first instance and returned afterwards matters nothing, I take it. I cannot see how the objection of the Postmaster-General would apply.

Senator De Largie

- It is a mere bookkeeping arrangement.

Senator Lt Col NEILD

-It is a question of mere bookkeeping.

Senator Drake

- It is more than that.

Senator Major Gould

- The States might go back on an arrangement like that.

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Senator Lt Col NEILD



- Of course the Commonwealth cannot take the money. How are we to meet this difficulty? In a speech made a little while ago, the Prime Minister announced the intention of the Government to make provision for old-age pensions, and from the sums mentioned it was clearly plain that the policy of the Government then, as no doubt it is to-day, will be against a contributory method, and in favour of direct payment from the revenue. But the operation of the Braddon clause in the Constitution renders the fulfilment of their intention an apparent impossibility, and we have to look round and see whether there is any other method by which a system of universal old-age pensions may be inaugurated without waiting for the expiry of a term of ten years. This, I admit, is a proposal which does not stand on the substantial basis which one would like. As Senator Gould interjected, the States might authorize the arrangement, and might afterwards draw back from it. We need not assume that such a thing is likely to happen. I do not think the Government of a State would dare to take such a course, and, if it did, it would not be in existence for any length of time. We find that roughly speaking two-thirds of the people of the Commonwealth have already passed their own legislation providing for old-age pensions.

Senator Playford

- Why interfere with them ?

Senator Lt Col NEILD

- Because we want, I take it, as a Commonwealth, to do something more than assent to partial efforts. Why did we ever form a Commonwealth, would be a fair answer to the honorable senator's question why should we interfere with two States in their legislation. We have interfered with the legislation of every State for the sake of having one great system, instead of a number of detached efforts. We have sought to achieve uniformity in respect of matters of large public consequence, and the provision of old-age pensions is undoubtedly a question of large public consequence, and it is one of the subjects with which this Parliament is specially authorized to deal. It is too late now to talk of going back to State affairs in a matter of this kind. Much better would it be to amalgamate the two existing systems, and adding the rest of the Commonwealth to that system, make a homogeneous whole, instead of allowing the population of one portion of the Commonwealth to have advantages denied to the rest. While "Victoria has made this movement, while New South Wales has made a similar movement, the fact remains that, by reason of these movements being separate, a great number of persons in the community are debarred the right of getting an old-age pension, simply because they have not lived long enough in one of the two States. We want residence in the Commonwealth, and not residence in one portion of the Commonwealth, to qualify for a pension. The New South Wales law, for instance, has this provision, that a man must have been a resident of the State for 25 years, but certain absences, not exceeding two years out of that period are permitted. Take the case of men employed in shearing. One month's absence in each of the 25 years of residence in New South Wales deprives a man of a pension, because he has been away for 25 months during the whole period. Is that the act of a nation ? Is that what we expect from a Commonwealth? Certainly not. It is maintaining State differences in their most acute form, and directed against the most helpless part of the community. Surely the Commonwealth Parliament will not consent to allow that state of things to remain. The proposal made for an invitation to the Governments of the different States may be productive of this result : it will indicate to the Governments of the different States - following the practice that has already been adopted in respect of a motion carried in another place - that it is open to them to take what action they please. Some one must take the necessary steps in advance, and it is more in accord with the dignity of the Commonwealth that the States should be invited by us to take action than that we should sit in the Cave of Adullam, waiting for the States to ask us to move. I hope that this, or a similar motion, will be carried, in order that we may deal with the matter of old-age pensions as a matter of Commonwealth jurisdiction and administration.

Debate (on motion by Senator Drake) adjourned.

PUBLIC SERVICE BILL

Second Reading

Debate resumed (from 1st August, vide page 3362), on motion by Senator Drake -

That the Bill be read a second time.

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Senator BARRETT

- On the last occasion when this Bill was before the Senate, I moved the adjournment of the debate,

because it was not then desired to go into committee, and knowing that several honorable senators wished to address themselves to the question, I desired to give them an opportunity of doing so. This afternoon I propose to offer a few criticisms with respect to the measure. Let me say at the outset that, viewing the Bill as a whole, I think it is a very fair one, though there are departures in it which are unusual, and not known generally to persons who have not studied State measures of this character. For a considerable time past there has been a cry for reform of the public service, the methods we have adopted in the States in the past not having given universal satisfaction, and the time has arrived for us to consider whether, in view of the fact that we have a Commonwealth Public Service Bill before us, we may not wisely depart from those principles which have governed the State services, to the advantage of the Commonwealth. The Bill provides for one commissioner, instead of the three to which I and other honorable senators have been accustomed. I do not desire to offer any serious objection to that provision, but there are some dangers in respect to it. It will work well - provided we get the right man. It seems to me that we are placing tremendous powers in the hands of the Public Service Commissioner. When I have viewed the duties of the commissioner and other officers under this Bill, I have asked myself - Where does the Minister come in in respect to these matters? It seems to me that there is no responsibility so far as the Minister is concerned. I think that is unwise, and that larger powers should be given to the Minister. When we come to consider the difficulties in connexion with the removal or suspension of the commissioner, we find that he is made an autocrat. Again, there is a provision for six inspectors. There has been a cry for economy all round, and it seems to me that, at the outset, these inspectors are not necessary, and for the time being it would be better if inspectors were not appointed.

Senator DRAKE

- Six is the maximum number of inspectors.

Senator BARRETT

- Viewing the public service of the Commonwealth and its dimensions at the moment, I think this portion of the Bill might be omitted, and the permanent heads of the departments might, for the time being at any rate\* with a view to economy, take upon themselves the duties proposed to be given under this Bill to the inspectors. We are to have a commissioner, six inspectors, if necessary, a chief officer, a permanent head, and then there is the Minister. In this classification I have put the Minister last, because, it seems to me, after due deliberation, that the Minister in connexion with this Bill occupies absolutely the lowest possible position. On this ground, before the Bill passes, there should be a very careful scrutiny in respect to it. I fear that we are departing in this instance, especially with regard to the public service, from sound principles, and Parliament is being asked to part with powers it has through the Minister that it should not part with. I do not find any fault with regard to the terms used with respect to the officers, but I point out something in connexion with that matter that the Minister may make a note of in order that, when we get into committee, something may be done with respect to these officers. The officers are defined in clause 2 of the Bill. I want to draw the attention of the Postmaster-General to a very large number of employees who are at present in the public service, and are known as casual or temporary hands. There is no provision in the Bill to allow them in the ordinary way to enter the service. I know that later on it is provided that temporary hands are to obtain only six months' employment, but we know that that rule is departed from in all departments of the services of the States. I have known, and I know cases at the present moment, where casual hands have been employed for twelve months, two years, three years, four years, and five years. In connexion with this matter, I think we might make an amendment, and say that if a person has been in the public service for three or four years he may reasonably expect to become a permanent hand and be classed as such, and have a chance of obtaining employment in the Government service.

Senator Sir Frederick Sargood

- It would be very dangerous.

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Senator BARRETT

- It might be dangerous, but the Government in this matter are holding out hope to those persons in their employ of obtaining a permanent footing in the public service. I am open to correction, but if I remember aright, when the Bill was before another place the attention of the Minister in charge of it was directed to this particular matter, and he said that these employees would be considered. I want to know in what way they are to be considered. If they are not to be considered in the way I propose, the result will be that they

will have no permanent footing. Month after month, and year after year the Government will retain and will be desirous of retaining their services. I apprehend that unless their services were valuable they would not be retained, and I say that some chance should be given to employees of this character. Take, for instance, temporary line repairers in connexion with the Postmaster-General's department. There are men who have been engaged in that position in the service for a considerable time, and they should receive some consideration. We must bear in mind that the rule applies to all departments of the public service. There is a certain amount of skill required, and these men being able to perform the work expeditiously, are better than men coming on new to the work put before them. That is a matter to which I shall draw attention in committee, if no honorable senator does so, in order to elicit the ideas of the Postmaster-General on the subject. I next desire to draw attention to two clauses upon which a large amount of discussion is likely to take place - the clauses dealing with the clerical division and the provision made for the payment, of the minimum wage. With regard to sub-clause (3) of clause 21 dealing with the clerical division, I want to point out to the Postmaster-General what I consider to be an anomaly there, and also to show him that, under some circumstances at present existing, it will inflict hardship upon a number of deserving officers. It says -

Every such officer shall thereafter be entitled, upon the certificate of the commissioner, to receive an increase of £20 per annum at the end of every succeeding twelve months until such salary has reached AL. 1. (50 per annum).

There are quite a number of officers in the service who are in the general division, and who, if they qualified themselves for the higher clerical division, would, in the circumstances in which they find themselves, lose a portion of their salary.

Senator Sir Frederick Sargood

- That only refers to new appointments, not to transferred officers.

Senator BARRETT

- I am speaking now with regard to appointments of persons where there may be transfers. I will give an illustration which will clearly show what I mean. For instance, a letter-carrier who receives £120 per annum qualifies and is appointed to the clerical division. He is then compelled to remain for four years without any increase of salary, whereas, if he had not qualified for appointment to the clerical division, he would be receiving annual increments until his maximum of £150 per annum was reached. He is thus penalized for trying to better himself and the service.

Senator Sir Frederick Sargood

- That is not the meaning of the Bill.

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Senator BARRETT

- That is the position some officers would find themselves in. I want to point out that exactly the same difficulty occurred when the Public Service Act of 1890 was passed in Victoria. The section of that Act governing the matter says -

Provided also that if any officer of the general division be transferred to the clerical division he shall, so far as seniority for appointment is concerned, be placed at the bottom of the class to which he is transferred, but he shall be entitled to the same salary as that which he immediately received before such transfer, and after a period of twelve months' service in the clerical division he shall be entitled, if such salary be less than the maximum of the class to which he has been so transferred, to receive the ordinary annual increments of such class until the maximum is reached.

I think officers placed in that particular position are worthy of consideration by the Postmaster-General, and to my own knowledge there are something like 30 or 40 in the State of Victoria who will be affected. I am sure there is no desire on the part of the Government or the Senate to inflict any hardship on any of the officers. The Government should be a model employer, but while I say that, I say there is a corresponding duty on the part of those employed that they shall be prepared to give their very best services to the Commonwealth. I believe, and know by experience, that if men are treated properly with regard to salary, hours, and like conditions, as a rule their best services will be obtained. It is with that view that I desire to bring this matter under the notice of the Postmaster-General, to, if possible, rectify what I consider to be an anomaly. The next important matter is in respect to sub-clause 6 of clause 21, which, I think, ought not to be overlooked. I find that-

Even' such officer shall be entitled, if of the age of 21 years, to a salary of £110 per annum, provided he has been employed for a period of not less than three years in the public service, of which one year has been in such division.

If honorable members will read that subclause in connexion with sub-clause 25 they will see almost precisely the same words there, with this difference - that under sub-clause 6 of clause 21, it is provided that one year's service must be "in such division" before an officer is entitled to receive what has been termed a minimum wage in the public service, and that is not provided for in clause 25. I think both divisions should, in this respect, be placed upon an equal footing.

Senator Drake

- Which way would the honorable senator desire the alteration made, to secure uniformity ?

Senator BARRETT

- I would desire that the words "of which one year shall be in such division " should be struck out of subclause (6) of clause 21, and that officers should be placed on an equal footing in that way. If that is done I am prepared to support that portion of the Bill. No doubt a good deal of discussion will wage round clause 25, and the relative value of the services of men and women will be debated, and when we come to a vote I shall be prepared to stand by the clause as it is.

Senator Clemons

- And put women out of the public service.

Senator BARRETT

- We shall see later on the nature of the services which women give to the State. If, on inquiring, the honorable and learned senator finds out that there are women who are doing exactly the same work as men, and doing it equally as well, surely he will at once concede the principle for which I contend, that women should be paid at the same rate as men.

Senator Clemons

- I do, but we are going by different methods.

Senator BARRETT

- The clause declares that when an officer has been in the general division for three years he shall receive a minimum wage of £110. The Postmaster-General has intimated that he will try to get a reversal of the amendment which was made in another place, with a view to putting female officers on a different footing from male officers. Let me compare the relative duties of men and women in the public service of Victoria. In order to qualify for the clerical division women have to pass the same technical and clerical examinations as qualify men to receive £200 per annum, and when they pass they are duly appointed to the 5th class. But in addition to that there are quite a number of female officers who have been in the service of the State for periods ranging from one year up to twenty years. If their services are so valuable, and if they are carrying out the duties which male officers are employed to do, surely, even if this clause is amended, the Government will place them in a different position from what they are in now, many of them only receiving a maximum of £84 per annum. These female officers have to work in the same office with male officers, and are employed for the same number of hours. In some cases, in the country districts in particular, their hours are very much longer. Women are employed in money order work, sums to the amount of £23,000 per annum passing through their hands. They also attend to the sale of stamps, for which work the maximum rate is only £84 per year. In country offices on election nights, or when the lines are down, women must stay on duty till a late hour. They are frequently called up at night and on Sunday for telegraphic work. They perform duties in connexion with the money order office, the Savings Bank, the post and telegraph office, the Treasury, the Customs, voting by post, the payment of old-age pensions, the reports of the Observatory, and the registration of births, deaths, and vaccination. They have also to send in monthly lists of newcomers to the electoral registrar. For all these services, as a rule, they only receive the maximum of £84. I am told that for similar duties in New South Wales, women receive from £170 to £240 per annum. Viewing the clause in this light I hope that those -who perhaps may have some preconceived ideas will pause before they, at the desire of Senator Drake, strike it out. Even if he is successful, I hope that a more generous system will be adopted for female officers than has been in force in the past. I would suggest - and I think this might possibly be moved as a further amendment by some honorable senator - that any female officer who has been in the service of the State for seven or ten years shall receive up to the minimum wage provided in the clause, namely, £110. I am not particular

myself, if an amendment is made, in what way the Government do this.

Senator Dobson

- If a man got £110 and a woman £80, would not the woman have the best of it then ?

Senator BARRETT

- No. '

Senator Dobson

- In every way.

Senator Staniforth Smith

- We are not making a comparison.

Senator BARRETT

- Senator Dobson desires to point out that a woman has not the same responsibility as a man.

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Senator Dobson

- She cannot have. She has not got the same strength. &lt;

Senator BARRETT

- We are told first that a woman has not got the same responsibility as a man, and secondly, that there is no need to legislate in this direction, because the majority of the women get married, and through that and other causes drop out of the public service. That is not the case in respect to a very large majority. Honorable senators, if they like to inquire, will find out that, for quite a number of years, women have been and will be employed, and while, perhaps, in one way I am prepared to admit that a woman has the same responsibility as a man, yet there are plenty of women in the public service and elsewhere who have as much responsibility as any married man with a family in the State. In the public service there are women who have to bring up brothers and sisters, who may have been orphaned at an early age. There are some of them who keep their families, others their fathers and mothers who are past work. The same rule applies all round, and that is a factor which I think should weigh in the argument. At the same time I am reminded by the interjection that we are not making comparisons in regard to the other sex. We are dealing with the relative value of services of men and women to the Commonwealth. I contend that there are women who are doing work as well as, if not better than, many male officers.

Senator Clemons

- Then the honorable senator is prepared to make them compete on level terms with men. That is the result of his argument.

Senator BARRETT

- I am. In the public service we shall find female officers doing the work equally as well as, and in some cases a great deal better than male officers.

Senator Clemons

- I am afraid the employers will prefer men at the same rate of wages.

Senator BARRETT

- I have seen the result in industrial life prejudicially affecting women to a very large degree. These views I have held for a considerable period, and I am prepared to advocate them on this occasion. Besides the clauses dealing with life assurance, we have clauses dealing with leave of absence and holidays. I am glad that the Government have been generous in this respect. Undoubtedly the Government ought to be a model employer. This portion of the Bill meets with my warmest admiration, and I trust that it will be passed.

I desire to draw the attention of the Postmaster-General to clause 72, dealing with the retirement of officers. In the public service of Victoria this has been a sore point. It will be seen that an officer can leave the service at the age of 60, but, under a later provision he must be retired at the age of 65, unless his services are of such a nature as to be specially required by the Commonwealth. I am free to admit that sometimes it is a wise provision, but as a rule it has not been enforced equally in the public service of Victoria. Very often officers who have reached the maximum age have been kept on to the detriment of the public service. I trust that if any desire to do that is shown the Commonwealth Government will consider the matter carefully. The Bill also deals with the performance of work outside the public service. We are told that except with the Governor-General's express permission, which may at any time be revoked by order in council, no officer shall accept and continue to hold an office under the Government if

he undertakes certain duties which are laid down. I do not want to offer any captious criticism, but I know that there are public officers who have received permission to hold offices outside the public service, and which in themselves are perfectly justifiable. I have heard, however, of cases where public officers have competed with private citizens. I have heard of cases where public servants who enjoyed a very large salary writing for newspapers and magazines. That is not right, and that argument, I think, applies to every portion of the public service. There are plenty of struggling persons outside the public service who cannot obtain a livelihood while that practice is continued. If the clause is passed in its present form the result will be, if we are not careful, that this practice will continue, and I think it is a detriment to the public service as well as to private citizens. As a whole I think the Bill a very good one indeed. It makes departures which perhaps will partake of the nature of experiments for the time being ; but if it is wisely administered, and the right men are obtained, the result will be that we shall have a much better public service in the Commonwealth than we have seen in some of the States.

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Senator STANFORTH SMITH

- I think this Bill is certainly the most important one we have yet had to consider, and I wish to take the opportunity afforded at the second reading stage to offer a few remarks as to its general scope and object. In the Bill we consider the creation of the executive by which the various departments are to be administered. From that point of view, considering the number of public servants who will be employed, it is a measure of the greatest importance. The administration of the laws we enact is only second in importance to the laws themselves. The more social legislation we enact the more departments we shall absorb. The larger those departments become the more numerous will be the civil service. Therefore, a Civil Service Bill is not only one of very great importance, but one of increasing importance as the administration of the Commonwealth goes on. Another very important question on which it has an immediate bearing is the cost of the administration of the departments. That matter, to my mind, should be very seriously considered by the Senate. There has been a great deal of criticism as to the extra expenses of the Commonwealth outside of the departments we administer. That is a matter of very great importance, for it is a question of £300,000 or £400,000. What I consider is a matter of greater importance, and one which will involve larger figures, is the question whether the Commonwealth can administer the transferred departments as economically, or, as was stated before federation, more economically, than the various States did. The manner in which the public service is to be controlled has a very great bearing on the cost of administration. The framers of this Bill have had the advantage of the experience and the experiments of not only the States in Australia, but of other countries. The objects of the Bill are good. The Government have made a very intelligent endeavour to create a Bill in which the chief principle is promotion by merit. And they have endeavoured to hedge that principle round in such a way as to decrease as much as possible the evils of political influence, if not the evils of social influence, which, I think, is even worse than political influence. The object of the framers of this Bill is to diffuse into the civil service, by statute, some of the energy and enterprise that are shown in private businesses. If it is difficult in the various States to administer the civil service on those lines - to endeavour to promote by merit - it is very much more difficult for the Commonwealth Government to bring into effect a Bill which will deal equitably with tall sections of the civil service, in all places and in all climates, and to provide at the same time that the individual rights of each member of the service are properly conserved. The system of promotion by merit will certainly attract to the civil service people of intelligence and energy. The system of advancement by seniority which has been in force in Victoria certainly has not tended to attract such people. If we want the important departments of the Commonwealth to be properly administered, we must be prepared to pay good salaries, to see that the officers have their individual rights conserved, and that promotion is by merit, so that those who prove that they are fitted for higher positions will be able to attain to them. While the Government have carefully placed in the Bill safeguards against the exercise of political influence, and have conserved at the same time legislative control, I cannot see that they have made any effort to abolish social influence, which I consider to be as dangerous as, if not more dangerous than, political influence. I believe that for one promotion that will take place through political influence, twenty will take place through social influence. Approaches will be made by influential people, not to the Government, but to the heads of the departments, asking that their friends shall be pushed forward in the service.

Senator Walker

- All officers have to pass an examination, have they not ?

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Senator STANIFORTH SMITH

- Yes ; but many people who have passed those examinations cannot get their promotions. The Bill has not adequately grappled with social influence ; and in some of the amendments which I have circulated, I have endeavoured to provide that there shall be an appeal court, so that officers who think that they are entitled .to promotion, and who have been passed over in favour of others, or officers who think they are entitled to be transferred from one place to another, shall be able to appeal to a properly constituted tribunal, which will take evidence and send it on to the commissioner, who will be able to decide whether or not the particular transfer or promotion should take place. In regard to the question of transfers, my experience in Western Australia has been that the civil servants have been treated very cruelly. They have, in many cases, been shifted, because they have attempted to form associations, to places like Eucla, where they are practically buried alive. They are moved to such outlying stations -

The world forgetting, by the world forgot - and ave left there for years. What chance is there for an intelligent and active man who is sent to live in a place like that? What opportunity has he of securing a transfer 1

Senator Walker

- What is the population of Eucla 1

Senator STANIFORTH SMITH

- It simply consists of the telegraph, offices, one store, and one hotel. "Where two or three are gathered together " - you will always find an hotel ; but that does not create a desirable centre of enjoyment for an intelligent human being. The object of the Bill is, as far as possible, to construct the civil service on the lines of an incorporated company. The Governor - General - which means practically the Executive - occupies the position of the board of directors : the commissioner is the general manager, and the seven permanent heads are the managers of the various departments of the company. The powers given to the commissioner are exceedingly large. He is the chief adviser of the Governor-General in Council, and with the exception of certain powers definitely given under clauses 21, 27, and 38, the Governor-General does nothing without a report from the commissioner. The commissioner recommends to the Governor-General the disposal, not only of offices, but of officers, and the transfer of officers from one department to another. He makes recommendations with regard to the retirement of officers. That is an. important proposal, because there is always a great danger in a public service of over-manning departments. I believe that when the bookkeeping period is ended, it will be found that many of the departments are over-manned, and will have to be reduced. It is provided in this Bill that if any department is over-manned, surplus officers must be transferred to other departments, but in the event of no other departments requiring extra assistance, the extra men are to be dismissed. With regard to salaries, the remuneration of the administrative division is to be fixed by the Appropriation Act : the salaries of the professional division are to be fixed by regulation - that is, by the Ministry : the salaries of the general division are likewise to be fixed by regulation j and the salaries of the clerical division are set out in schedule 3. So that really the only salaries we have to consider in this Bill ave those of the clerical division. There is one clause that ought to be carefully considered - namely, that which involves the question of a medical examination. I admit that this is a most difficult matter. It is one that I have thought over a good deal, yet I cannot frame any amendment with regard to it. The Bill states that every candidate for a position in the service must undergo a medical examination, in order to show that he is sound and of good health. This means that we shut out from the avenues of clerical employment all those who are physically weak, or unfit for physical employment. It is, no doubt, advisable from a utilitarian point of view to do that, but at the same time it seems to me to be exceedingly' cruel. Suppose private employers of labour did the same.

Senator Sir Frederick Sargood

- Many of them do so. The banks do so.

Senator STANIFORTH SMITH

- If we follow that pernicious example, and say to those people who are unfit for physical toil, through no fault of their own, that they shall not find employment in the civil service, and if, as Senator Sir Frederick Sargood says, private employers do the same, we practically declare that people who are physically weak

are not fit to live. They cannot do physical work by reason of their unsoundness, and we say that they shall not do clerical work. That, I repeat, seems to me to be a very cruel provision. It is undoubtedly the Darwinian theory of "the survival of the fittest" in all its pristine barbarity. This is the idea that actuated the Spartans in old time. If a sickly child was born they exposed it on a hill for two or three days. If it lived they allowed it to be brought up in the general community : but the chances were that the child died.

Senator Stewart

- Does the honorable senator want to make a hospital of the public service ?

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Senator STANFORTH SMITH

- No : but at the same time I do not want to say that we shall exclude from the public service all people who are not absolutely healthy and physically strong. If we do that, it simply means that a person who is somewhat weak becomes a mere outcast.

It imposes the stipulation that a poor wretch of this description is not to get any employment at all. My opinion is that we should make this provision with regard to the medical examination as lenient as possible. If a person is consumptive, I can understand that he must be rejected. I quite realize that there is very great difficulty about the matter, and I dare say that the Government have been to some extent actuated in framing the clause by the consideration of the position of officers with regard to insurance.

Senator Playford

- What about a man who has only one arm - would the Government reject him ?

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Senator STANFORTH SMITH

- If such a man can write with his one arm, I do not see why they should. There is another thing that I think we should allow under this Bill, and that is that no bar should be erected against the formation of associations ' amongst the clerks in the service. I believe that the Postmaster-General raises no objection to the formation of such associations : but I know that in Western Australia certain officers tried for years to form an association. Some had not had leave of absence granted to them for many years. They had been in the hot and dusty climate of the interior - because it is so in the summer - for years without a holiday. Some of them came out of the hospital after suffering from typhoid fever, and asked for a few days' leave to go to the coast to recuperate, and were told that they could not have it. Some officers had been on duty for years without as much as seeing the sea. The grievances of some of them "were of such a serious nature that they decided to form an association. But after their first meeting, before they had time to assemble on the second occasion, . some of them were told that they were required to go to Eucla, or Broome, or some such place. They were sent to the four corners of Western Australia, and were so intimidated that the idea of forming an association on the goldfields fell through. I believe, however, that some such association has been formed more recently in Perth. I am glad to know that the Postmaster-General has no objection to the formation of associations among the employees of the Commonwealth. That is one good thing that has resulted from federation. It is one advantage these Western Australian clerks have gained, and I do not think that any one is more pleased at the result than the civil servants of Western Australia, at any rate those in the transferred departments. I have mentioned the necessity for the establishment of appeal courts. That would get over the difficulties I mentioned previously with regard to social influence. The inspector is supposed to go round and see which officers are entitled to promotion. But it is absolutely impossible for the inspector- to be able to judge of all classes of skilled clerical work. The inspector cannot go to a telegraph office, and say that one man is better than another. He cannot be expected to be au fait with all different classes of work. Therefore, it is left to a very great extent to the chief clerk of a department to say what officers shall be promoted. That is where the great danger of favoritism comes in. If we want our civil servants to work together harmoniously, and if we wish to have a proper esprit de corps established among them - if we desire them to do the best they can for their departments and for the Commonwealth - we must let them understand that they will have fair chances of promotion, and that their individual rights will be conserved. We must let them understand that if they use their energies and intelligence so as to improve themselves, they will, in due course, be promoted in accordance with the work they can do. I believe that if we establish an appeal court to which officers can bring their grievances so that they may be ultimately considered by the commissioner, who will be the absolute arbitrator, the Bill will be very much improved. I have dealt with the details of this



matter in the amendments I have circulated. I have provided that one of the three persons forming the appeal board is to be chosen by the civil servants themselves, that the second is to be the permanent head, and the third the inspector. The evidence given before such a board of appeal would have to be sent on to the commissioner, who would ultimately determine the matter. I feel certain that by adopting this course we shall remove the danger of social influence to a very great extent. If the clerks whose cases are being heard can call evidence, we have the greatest assurance that fair play will be done to all officers throughout the service. The question of establishing a system of Government insurance for the civil servants is important, I have framed an amendment on the subject, and will deal with it more particularly when we get into committee. The argument at present advanced against establishing a Government system of insurance is that there are only about 1,500 civil servants to be provided for in this respect. Of course I am not speaking about officers transferred from the various States, who will not need to be provided for by a system of insurance.

Senator Drake

- The honorable senator means those not already insured.

Senator STANFORTH SMITH

- Yes ; those not insured and not entitled to pensions. That, however, seems to me to be an additional argument for the establishment of a Government scheme, because we can begin in a small way, and ascertain on a proper actuarial basis what the officers ought to pay. If there is a profit to be made out of insurance - and certainly enormous profits are made by the societies - why should not the Government insure their own employees, instead, of intrusting this business to private ' companies, which will necessitate picking out particular companies in a very invidious manner, to the detriment of others '( However, I will not speak of the matter further at this stage, because I shall have something further to say about it when we get into committee. The question of equal payments to women and men is important. I am satisfied, with the clause in this Bill dealing with that subject. The whole object and intention of the Bill is to pa}' people according' to merit - according to the value of their services. Are we going to say that with that provision running through the whole Bill, the same principle should not be applied to women ? Are we going to say that certain employes of the Commonwealth shall not be paid according to the value of their services, because they happen to be women 1 Are we going to say that we shall give certain people a less price for the work they do because they are women? I understand that in many branches of the public service women are considered even better than men. I do not think that the Postmaster-General will say that women are not as good as men with -regard to the sale, say, of postage stamps.

Senator Drake

- They are very much better in some respects.

Senator STANFORTH SMITH

- Even supposing they are as good, that is a reason why they should be paid as well as men. All we ask is that this Bill shall establish the principle of payment according to merit, and that women shall be paid according to the value of services rendered. 1 know that women have been accustomed to be paid less than men, but that is not a fair, honorable, or democratic way of treating them. I am certain that the women themselves are quite agreeable to be paid in accordance with the value of their services. The general intention of this Bill is very good. . It has been considerably improved in its passage through another place, and I believe that it will be still further improved by the Senate. I believe that it will be an exceedingly good measure by the time it gets through all its stages in Parliament.

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Senator Lt Col NEILD

- I am inclined to think that the Bill does not possess quite the right title. Without desiring to be regarded as frivolous, it occurs to me that the proper title of t}ie Bill would be - " A Bill entitled an Act to abolish Ministerial responsibility, and to propagate jobbery in the regulation of the public service." This is a Bill that outrages every known principle for the satisfactory management of employes. It provides for a Minister who shall not be a Minister in the sense of possessing Ministerial authority over the employes in his department. It provides also that the permanent heads of any department shall have no control over those whose work they are responsible for. It suggests very much the kind of discipline one would expect on board a ship if the captain had not authority, but the owners' agent was paramount. I am aware, of course, that it is not by any means the first Bill introduced in Australian Parliaments for the regulation of

the public service. I find that even so long ago as 1862 the State, then the colony, of Victoria, passed a measure, and amended it from time to time, the last amendment being in 1894. In 1884 there was a marvellous muddle of legislation perpetrated in New South Wales, the chief product of which was an insolvent superannuation fund. In 1895 in New South Wales there was passed into law a measure nominally to regulate the public service, and which certainly did regulate it out of the power of the Ministry a good deal, but its chief effect, as the public and the service understood it, was that it wreaked unparalleled hardship and wrong on very many valuable public servants. The chief end achieved by that particular measure was to bring about so many lawless retirements of public servants, that another Ministry has had to introduce legislation to right some of the grievous wrongs perpetrated in the name of the abolition of patronage. I am entirely in favour of the abolition of patronage, but I do not think this Bill goes about it in the right way. This is a Bill, if honorable senators like, for the transfer of patronage. It is to take it from the Government, and to take the control from the Minister and from the permanent heads, and give it to some gentleman whose initial appointment will be purely and solely an act of Government patronage. Senator Staniforth Smith says there is an appeal provided for, and the honorable senator indicated an amendment which will have my support, but he did not tell us exactly what was provided for in the Bill. There is an appeal, but from whom? From Philip drunk to Philip sober, or probably the reverse will be the rule under this Bill, and the appeal will be from Philip sober to Philip drunk with annoyance and anger because his original decision has been appealed against. We are going, in this Bill, to set up an absolute despot, who will exercise his despotism ignorantly, and we are going to set up half-a-dozen - six is the maximum number - of mischief-makers, to see how much trouble they can make in the service from one end of the Commonwealth to the other. I am speaking rather warmly, but I know what I am talking about. I had the privilege for some few months - my re-election to Parliament compelling me to resign the position - to be a member of the old Public Service Board of New South Wales, and I gained some knowledge which a man cannot gain unless in a position of that kind, where he sees something of the inside working, as well as of the outside working.

Senator Dobson

- Will the honorable senator tell us all about it? I want to know.

Senator Lt Col NEILD

- Perhaps the subject would not be as interesting to other senators as to Senator Dobson, and I could, perhaps, better satisfy his craving for information in a way - which would be equally pleasant to us, and more pleasant to other honorable senators. I do not propose to go through this Bill stage by stage, but I have some pretty voluminous notes upon it. This is a proposal, in the first instance, to transfer the entire control of the public service to one man, and then to appoint any number of inspectors up to six who will be

I able to act irrespective of the commissioner. Even he will be interfered with and tampered with by men who apparently have no responsibility, and who will be supposed to inspect - apparently there is to be one for each State - everything connected with the public service in each State. With all deference, I venture to think that the inspector for Tasmania, for instance, will not have his time very fully occupied as compared with an inspector who will have to travel over the vastness of, say, Queensland. Surely, in Queensland, where the area is large and the number of persons employed is great, the work of the inspector will be out of all proportion to the work of the inspector for Tasmania. If we are going to differentiate between the different inspectors, and to say that one is going to be a first-class person, and the other a secondary kind of being, that, I think, will be detrimental to the well-being of any administration. Then, again, are all these inspectors to be Admirable Crichtons? Are they to be able to deal with all classes of persons engaged in each of the four divisions of the public service - the administrative, the professional, the clerical, and the general division? Take even the Postmaster-General's department, and how are all the persons employed in it to be inspected and their work to be supervised by a single inspector, when their duties extend from those of the man who rubs down the postal pony to those of the man who is at the head of the Telegraph department? There will be all grades of employees in the Postal department, from the man who cleans out the stable, and the driver of the mail cart, the sorter of letters, the deliverer of letters, to the Deputy Postmaster-General; and the same in the Telegraph department, from the man who digs the holes to put telegraph poles in, to the man at the head of the department. How in the name of common sense can a single inspector usefully inspect

and oversee such divergences of employment? I think it would be much more useful if the inspectors were appointed, not for each State, but for each division. Surely a man capable and competent to oversee the management of clerical matters would not necessarily be an authority upon telegraphs and telephones.

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Senator Sir Frederick Sargood

- There is nothing to prevent that under the Bill.

Senator Lt Col NEILD

D- That may be ; but still we must take some guidance from Ministerial utterances in other places, and that there should be six inspectors for four divisions of the service leads to the idea that one is to be appointed from each State.

Senator Clemons

- It is an obvious inference.

Senator Drake

- It is not fixed really ; it may be so or it may not.

Senator Lt Col NEILD

- As Senator Clemons says, it is an obvious inference, and it is just as well, before we pass this measure into law, that we should have some regard for obvious inferences, and take some little Care in the appointment of these inspectors.

Senator Dobson

- Cannot the honorable senator open our eyes by telling us in what -way the Public Service Board of New South Wales fails ?

Senator Lt Col NEILD

- I wish to compress my remarks, and I can hardly do so if I am to join in a general chorus. The discussion under the circumstances is like the countryman's description of a dictionary - very interesting reading, but somewhat disconnected.

Senator Dobson

- The New South Wales board must have been perfect, if the honorable senator cannot criticise it.

Senator Lt Col NEILD

- I have not attempted to criticise the board, as there is no possible reason for it. I have criticised very strongly indeed certain acts of the then board, and if I am to make any personal references at all, I may say that the scandal was so great that I obtained the appointment of a select committee, \yitli the approval of the acting head of the Government, and that select committee reported upon the greivous hardships that were wrought upon members of the public service under that particular Act. It was largely in pursuance of that report that the subsequent legislation I have referred to was introduced, and under which relief was given. There has been a development in colonial Parliaments during the last few years, and I am afraid the Commonwealth Parliament is not free from the vice, and shows a tendency to abandon Ministerial responsibility, and the responsibility of Governments is rapidly becoming a tiling of the past. It is the commonest thing for members- of Parliament to make heated- speeches against the second readings of Bills, and then to vote for them and tinker with them in committee. When some of us first entered politics, Governments were defeated upon the second readings of Bills - they are never defeated upon second readings now, and parliamentary committees of the whole are becoming drafting committees quite as much as legislative bodies, and Bills are tinkered into existence rather than approved of by the Parliaments to which they are submitted. I am afraid we shall have something of the same sort here. I have pointed out that the Minister under tins Bill is of no consequence whatever, and we could do without him. I do not know of what Minister I am speaking, but it is possible that the Minister of Home Affairs will have the administration of this Bill. To some extent every Minister is involved, because every Ministerial department will be brought more or less under the operation of the Bill. I am speaking now in a rough and ready manner upon the Bill, and I desire to refer to the question of temporary hands which has been referred to by Senator Barrett. I am not at all sure that it is a good plan to have a clause that prohibits the re-engagement of a temporary hand at the end of six months. I know what the effect is in New South Wales. Men have been obtained and sent into the back blocks to oversee the construction of some public work. They have done their work admirably, and to the entire satisfaction of all concerned.

The end of the six months has come, or the end of the work, and they have been sent adrift to become hangers-on of political fortune until they get another engagement. I think it very much better that some such method as designed by Senator Barrett should have operation, and that where a man has been proved to have done his work well, he should be taken out from the ranks of Ministerial patronage and permanently employed. It should not be a bar against his re-employment that the job at which he has been employed has come to an end. That is entirely undesirable, and in the neighbouring State it has created a small class of persons who are only partially employed on Government work, and hang around the rest of the time in hope of reengagement. This vicarious kind of business cannot conduce to the satisfactory carrying out of the public service, and it has an ill effect upon the people themselves.

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Senator Sir Frederick Sargood

- What is suggested would have a bad effect upon all those left in the service. It would stop promotion.

Senator Lt Col NEILD

- I do not see how it could stop promotion when these persons would necessarily be in the initial grade of the service, and their chance of promotion would only come when their seniors in the service had gone up higher. There is a little matter to which I would direct the attention of the Minister in charge of the Bill, because I propose to move an amendment in due course in reference to it, and that is the question of fines. I think the fines ought to go to the guarantee fund of the service. I do not think they should go into the consolidated revenue. The fines, which are a loss to the members of the service upon whom they have been imposed, should go to augment the guarantee fund, and to reduce the annual payments required from the members of the service generally. It is a detail, but one I think worthy of attention. Reference has been made to clause 50, dealing with appeals. I am strongly in favour of the appointment of a Court of Appeal, so that the appeal which is designated in the Bill may have some genuine value. There is another matter I would like the Postmaster-General to take a note of, because it has some special reference to his department, and that is with reference to the charging of rent to post and telegraph masters. I understand that no rent is charged to such persons in respect of the premises occupied by them, in either South Australia, Western Australia, or Tasmania. Perhaps the Postmaster - General will say if that is so ?

Senator Drake

- I cannot say with regard to the different States, but as a rule rent is charged.

Senator Lt Col NEILD

- I point out that the operation of this rule in New South Wales is frequently a cause of hardship. Some enthusiastic local member has secured the erection of an expensive post and telegraph office, with large accommodation for the post and telegraph master. The man in charge is possibly a bachelor ; the premises are of no use to him except, perhaps, to sleep in ; he gets his meals at the hotel across the road, and yet he is charged a fairly large rent for premises which are of no value to himself, and which are of no value to any one in the community except, possibly, that they may bring some political advantage to the member who engineered their erection. These officers sleep on the premises very much in the character of caretakers, and also for the purpose of transacting their business. We do not charge the ordinary public servant a rent for the desk or space he occupies in a public building during the day, and why should a post and telegraph master, who is compelled to sleep on the premises as caretaker, and for the purpose of receiving and despatching mails and telegrams at all sorts of odd hours, be obliged to pay for that which, in many cases, is of no value to him? He ought to be charged a fair and reasonable amount, but there should be a maximum provided in the clause, and with that I should be quite satisfied if all are treated alike. Clause 67 contains no provision for granting short leave of absence in consequence of illness. Apparently it would be necessary to set the Minister in motion. We may find that after all the Ministerial head is useful. If he had nothing else to do he might be utilized for the purpose of granting short leave of absence through sickness. Some amendment of clause 67 is necessary in order that there should be no risk of cumbrous machinery to secure that temporary leave, which, unfortunately, so frequently is necessary ; nor should that leave be counted, as I fear might be the case as the clause is drawn, in the annual leave of absence. I do not think that short periods of such leave should operate against a man who is absent owing to the minor maladies which affect us. I wish to speak now in reference to letter carriers. It is unreasonable that there should be, as there is in New South Wales, a very

considerable number of letter carriers who also have to do the work of letter sorters who receive the miserable pittance of £26 a year. Ten shillings a week for a man who has to undertake the responsible duties of letter sorting and letter delivering, who has to be early at his work, earlier than most of us would like to be at work, and who has, through stress of weather-

Senator Dobson

- These are boys, are they not ?

Senator Lt Col NEILD

.- They include some married men.

Senator Dobson

- £26 a year ! That is sweating, is it not ?

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Senator Lt Col NEILD

- I think so. On the letter carriers' staff in New South Wales there are nineteen grades. This is one of the results of a Public Service Act. We have them graded at £26, £39, £52, £69, £78, £84, £91, £95, £100, £105,

£110, £115, £120, £125, £130, £135,

£140, £144, and £150 per annum. I am ashamed to weary the Senate with a statement of these figures, but I want to show the pitifulness of dealing with salaries in this manner. The multiplication of red-tape involved in the variety of grades, the only difference between which is £5 a year, is paltry in the extreme, and I am afraid that some of these inspectors, whose appointment is provided for in this Bill, having no legitimate employment, will become busybodies, inventing work as an excuse for their own troublous existence.

Senator Dobson

- Will the honorable senator still say that in the lower grades at £26 there are married men ?

Senator Lt Col NEILD

- I shall give the only information I have. There are 257 letter carriers - that is more than half the total number engaged in the State - who are in receipt of less than £100 per annum. It is stated that one-half of these men are married, and that the majority of those who are not married have dependents, in the form of aged parents and so on. The proportion of each class that happen to be married I cannot give. But in view of the prosecutions in the courts from time to time, and the remarks from the bench as to peculation by postal employes - practically the judicial castigations with reference to the poor salaries paid to men who are charged with so much responsibility, and have so much temptation placed in their way ; when we are setting up what enthusiastic federationists call a new nation, we ought to see that it has not in its employ persons wholly inadequately paid, and dangerously paid from the stand-point of public morals.

Senator Drake

- That is what we are trying to correct.

Senator Lt Col NEILD

- I am very delighted to hear it.

Senator Drake

- The honorable senator is showing the magnitude of the difficulty we -have to tackle.

Senator Lt Col NEILD

.- We have had it abundantly shown that the carrying of Bills which involve questions of large public policy, and are unhappily laden with a mass, of small detail, must needs be slow, and all I desire is that we should make the work as perfect as it can be made. Going back to the question of the inspectors, which is a very vital one, these gentlemen will have very little to do after the first grading is accomplished, but they will have a great deal to do in the, first grading, and it will be most absurd if the work should fall, as indicated, to the views of one man appointed as inspector to each State. It is provided in sub-clause (1) of clause 5 that, by will of the commissioner, an inspector can have all his authority. Imagine what that authority will be when he is far away from head-quarters, and there is no possibility of that authority being overlooked by the commissioner. These inspectors will be charged with an amount of responsibility which we can scarcely foresee, and I imagine that no Ministry could have a much more onerous and difficult task than the selection of suitable men for the position - men -whose duties will involve the interests of the public, though the interests of the public must not be permitted to outweigh justice between man and

man, and between a State and its servants, without which the Act, instead of being a public blessing, will earn the execrations of the whole of the people of the Commonwealth. The duties of the inspectors are not clearly defined. They are left in the most cheerfully vague manner, and it seems whenever an inspector likes he is authorized to go and harry a department, and absolutely belittle its head in the eyes of the subordinates.

Senator Staniforth Smith

- Does the honorable senator -want him to go at stated, times, when they are ready for him ?

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Senator Lt Col NEILD

.- No ; but there should be some better definition of what aninspector's duties are. If we let the inspectors loose it will wholly depend upon the character of the man we- have whether we have ill results or not ; because, owing to the extent of the Commonwealth, and the fact that his operations will be so entirely without oversight, he will have opportunities of doing the greatest possible amount of mischief that a public servant perhaps was ever permitted to do. It is provided that he may hear and inquire into all matters and things, affecting or relating to the work of a department. That might be taken to cover almost anything. It would certainly permit him to play the eavesdropper, and to do what has been done in certain cases under Public Service Acts - to closet himself with underlings of the department, and seek information about their superiors. That has happened before now in the world's history. I need not designate the particular spot where it has\* happened, but suffice to say that it has happened. If we can guard against - that sort of thing it is our duty to do so.

Senator Dobson

- It is positively certain that an inspector must pick up half his information from hearsay. He cannot do it from actual knowledge.

Senator Lt Col NEILD

.- My point is that he can do any and all of these things without reference to the head of the department charged with its proper working. And that is one of the initial objections to the Bill. You cannot have discipline without control. You cannot have discipline by the head unless he has control of those under him, and under the Bill he will not have control. He will be as great a cypher in the management of his department as the Minister will be in the administration of the department created by the Bill. Then we find that even heads of departments are entirely ignored in the classification of their subordinates. This is all left to individual inspectors. Unless there is some control exercised over the inspectors, one inspector will take one view at one end of the Commonwealth, and another inspector a different view at the further district of the Commonwealth,<sup>1</sup> and instead of securing uniformity we shall secure the very reverse. There are a great many matters of a similar character upon which I could speak if need be at great length, but that is not necessary, because I take it that a Bill .which has passed the other House has had its character and its principles sufficiently indorsed to make it practically useless to attempt conflict with the principle here unless there be some very pronounced reason. There is no pronounced reason. This comes to us as a Bill for revision rather than as a. measure for party conflict. I have referred to some of the matters to which I take exception, and have done so by way of indicating that in committee I shall be prepared to move or to support amendments moved by others, with a view to securing a real]]' valuable working measure, and not one which seems to offer the greatest possible scope- for favoritism and jobbery, because, though you may do away with political patronage, you do not- necessarily do away with personal patronage, and it has over- and over again been said that the drawing-room and clubhouse possess a larger patronage than a hall of legislature. I trust that we I shall secure, as a result of our deliberations, a measure which will be in the public interest, and also in the interest of fair dealing between man and man and between the State and those in its employ.

Senator WALKER

- I propose only to make a "few remarks, considering the hour of the afternoon. I highly approve of the institution of entrance examinations and medical examinations. We represent the community at large, and however much we may feel privately for those in a bad. state of health, it is not fan- to put them in the public service, where we should expect the work of men and women in robust health. As regards the Public Service Commissioner and the six inspectors, I trust that in committee we shall consider whether we ought not to adopt a Public Service Board composed, perhaps, of three commissioners. I notice that in

clause 50 there is an appeal only to one commissioner. Remembering what human nature is, it is absurd to suppose that one commissioner can properly be an appeal court for such a large service as the Commonwealth service will ultimately be.

Senator Staniforth Smith

- The commissioner only recommends.

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Senator WALKER

- I presume that under that clause the commissioner is really an appeal court. I was very much pleased with the remarks made by Senator Barrett with respect to female employment. His remarks were actuated by a spirit of fair play which I thoroughly admired. Under clause 25, which makes provision for the minimum salary, there is no distinction between the sexes. I think.- rightly so. It seems to me to be an extraordinary thing, at the beginning of the twentieth century, that, because a certain person belongs to one sex, that should be considered a reason for permanent disablement. I know an office in Sydney in which there are two young women employed as shorthand writers and typists, and their employer has told me that he can get better work from them than from men. They are satisfied with their position, do all the work- they are required to do, and do it well ; are always available when they are wanted, and are in every respect satisfactory. I have the honour of being a member of various committees connected with different institutions in Sydney, upon which there are women, and I know several cases where the employment of women has led to excellent results. There is, for instance, the Women's College in Sydney, at the head of which we have a lady receiving a salary of £500 a year. She is as honestly worth that salary as any man who enjoys such remuneration can be. Senator Neild has referred to the unfairness of charging rent to officers in certain cases. Under clause 62, it is provided that the Governor - General may direct that a fair and reasonable sum as rent may be deducted from the salaries, of officers. I presume that in most cases the Governor-General would direct that only a nominal sum should be deducted. For instance, take the case of light-house keepers. Surely the Government would not charge them rent for the buildings they occupy. Then take the case of officers employed on a quarantine station. The Government would not charge them excessive rent, I should think. During the elections in New South Wales this matter was brought under my notice by representatives of the public service, who drew my attention to the fact that very often a young man might be removed from one place to another. They pointed out how expensive it was for him to move his belongings, and that very often he was compelled to pay rent for a much larger house than he required. The Government should charge an extremely moderate rent in such cases. In clause 28 there is a restriction as to officers engaging in other work outside their business hours. There is something to be said in favour of that, though there is something to be said on the other side. In some instances at the present time, a similar provision works out in a very absurd manner. For instance, in New South Wales I know of a civil servant who is acting as organist at a church. Some of the civil servants objected to his acting in that capacity. He gets over the difficulty by being an honorary organist, and by having an honorarium paid to him occasionally. Why should we interfere with a person accepting a position of that sort? Then, again, there are many civil servants in Australia and England who have a taste for literature. Are they to be debarred from publishing a book? Would such a thing be objected to ? There are not a few well-known litterateurs at home who were civil servants before they were able to rely altogether upon their literary efforts. There is about the provision an element of interference which I do not altogether like. Clause 52 deals with the subject of life assurance. There is a provision to the following effect -

That every officer shall effect an assurance on his life, either with some approved Mutual Life Assurance Company or Society having its head office in Australia and registered and carrying on business in the Commonwealth, or as may be prescribed.

Being a free-trader, I object to this protection of native industries. I am a director of the largest life assurance society in Australia, but I should be ashamed to have anything to do with putting this disadvantage in the way of other respectable societies. It seems to me, however, that there should be some provision so that, in the case of foreign life assurance companies carrying on business in these States, local creditors should have the first claim on the local assets. With regard to the age of retirement, the matter is a very debatable one, which had better be left for committee. Personally, I hope the time will come when we shall have a proper superannuation scheme in connexion with our civil service. I happen

to have some experience in connexion with a large institution which has such a scheme. We have found it a great advantage that officers can be called- upon to retire without their feeling that they have to be put, so to speak, "on the parish." There are 1,100 officers, in this institution, who subscribe  $2\frac{1}{2}$  per cent, of their salaries. That amount is supplemented by a grant from the institution, and they may be retired from the service at the ages of 55, 60, or 65, at their option. Insurance is all very well so far as it goes, but it is not sufficient. A man who insures to receive a certain amount at the comparatively early- age of 55 or 60 has to pay large premiums, and then if he gets £1,000 he will have very little to live on. Nowadays, one can only get  $3\frac{1}{2}$  per cent, on Government bonds, and that interest on £1,000 would only produce - £35 per annum. It is altogether too small. Therefore, I hope that we shall have a superannuation fund to which the officers themselves will subscribe.

Senator De Largie

- Old-age pensions will meet cases of that kind.

Senator WALKER

- They may be useful also. My impression is that this is a good Bill, and well deserving of the support of the Senate. I hope it will be carefully dealt with in committee.

Debate (on. motion by Senator Major Gould) adjourned.

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15:47:00

Senate adjourned at 3.47 p.m.